

ARTICLES OF INCORPORATION
OF
[LOCAL UMC CONGREGATION], INC.

The undersigned Incorporator, desiring to form a corporation (hereinafter referred to as the “Corporation”) pursuant to the provisions of the Indiana Nonprofit Corporation Act of 1991, as amended (the “Act”), and the authority granted by the Board of Trustees of **[name of local UMC congregation]** in *The Book of Discipline of The United Methodist Church*, as enacted from time to time by the General Conference of The United Methodist Church (the “*Discipline*,” the provisions of which are incorporated herein by reference), hereby executes the following Articles of Incorporation (the “Articles”):

ARTICLE I

Name

The name of the Corporation is **[name of local UMC congregation]**, Inc.

ARTICLE II

Purposes

This Corporation is a religious corporation that shall be organized and operated exclusively to conduct, support, encourage, and assist such religious, charitable, educational, and other programs and projects as are described in Sections 170(c)(2)(B), 501(c)(3), 2055(a)(2), and 2522(a)(2) of the Internal Revenue Code of 1986, as amended (the “Code”). Subject to and in furtherance of such purposes, but not by way of limitation, the primary purpose of the Corporation shall be to support the doctrine of The United Methodist Church and to make

disciples of Jesus Christ by proclaiming the good news of God's grace and thus seeking the fulfillment of God's reign and realm in the world.

ARTICLE III

Powers

Notwithstanding any other provision of these Articles, neither the Board of Directors nor the Corporation shall have the power or authority to do any act that will prevent the Corporation from being an organization described in Code sections 170(c)(2)(B), 501(c)(3), 2055(a)(2), and 2522(a)(2). Moreover, neither the Board of Directors nor the Corporation shall have the power or authority to do any act contrary to the doctrine of The United Methodist Church, the Indiana Annual Conference of the United Methodist Church, Inc. (the "Annual Conference"), or the provisions of the *Discipline*. Subject to the foregoing statements, and subject to and in furtherance of the purposes for which it is organized, the Corporation shall possess all of the rights, privileges, and powers conferred by the Act and by other law, and, in addition, the following specific rights, privileges, and powers:

Section 1. To indemnify any person against liability and expenses, and to advance the expenses incurred by such person, in connection with the defense of any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, investigative, or otherwise, and whether formal or informal, to the fullest extent permitted by applicable law or, if not permitted, then to any extent not prohibited by such law.

Section 2. To cease its activities and to dissolve and surrender its corporate franchise.

ARTICLE IV

Period of Existence

The period during which the Corporation shall continue is perpetual.

ARTICLE V

Initial Registered Agent and Initial Registered Office

Section 1. The name and address of the initial registered agent in charge of the Corporation's initial registered office are **[name and address]**.

Section 2. The street address of the initial registered office of the Corporation is **[address]**.

ARTICLE VI

Incorporator

The name and address of the Incorporator of the Corporation are **[name and address]**.

ARTICLE VII

Members

The Corporation shall have members. The terms and conditions of membership, including the characteristics, qualifications, rights, limitations, and obligations of the members of the Corporation, shall be prescribed in the Corporation's Bylaws or by the Board of Directors.

ARTICLE VIII

Directors

The exact number of directors of the Corporation shall be specified in or fixed in accordance with the Bylaws of the Corporation at a number no smaller than three (3) or greater than nine (9).

ARTICLE IX

Initial Board of Directors

The names and addresses of the members of the initial Board of Directors, who shall serve for terms as specified in or fixed in accordance with the Bylaws of the Corporation, are as follows:

[NAMES AND ADDRESSES]

ARTICLE X

Election or Designation of Directors

The directors of the Corporation shall be elected or designated in the manner and for terms as specified in or fixed in accordance with the Bylaws of the Corporation.

ARTICLE XI

No Private Inurement

None of the Corporation's net earnings shall inure to the benefit of any private member or individual.

ARTICLE XII

Regulation of Corporate Affairs

The affairs of the Corporation shall be subject to the following provisions:

Section 1. Notwithstanding any other provision of these Articles, if for any taxable year the Corporation is deemed a "private foundation" described in Code section 509(a), the Corporation's income shall be distributed at such time and in such manner as not to subject the Corporation to the tax imposed by Code section 4942.

Section 2. Notwithstanding any other provision of these Articles, at any time the Corporation is deemed a “private foundation” described in Code section 509(a), the Corporation shall not:

- 2.1. Engage in any act of self-dealing as defined in Code section 4941(d);
- 2.2. Retain any excess business holdings as defined in Code section 4943(c);
- 2.3. Make any investment in such manner as to subject the Corporation to tax under Code section 4944; or
- 2.4. Make any taxable expenditure as defined in Code section 4945(d).

Section 3. Except as otherwise permitted by Code section 501(h), no substantial part of the activities of the Corporation shall be or consist of carrying on propaganda, or otherwise attempting, to influence legislation.

Section 4. The Corporation shall not participate or intervene in (including the publishing or distributing of statements) any political campaign on behalf of or in opposition to any candidate for public office.

Section 5. Subject to the provisions of these Articles and applicable law, the Board of Directors shall have complete and plenary power to manage, control, and conduct all the affairs of the Corporation.

Section 6. These Articles may be amended upon the recommendation of the Corporation’s members, the approval of the Board of Directors of the Corporation, and the written approvals of the pastor of **[name of local UMC congregation]** and the District Superintendent of the District of the Annual Conference of which **[name of local UMC congregation]** is a part.

Section 7. The power to make, alter, amend, and repeal the Corporation's Bylaws shall be vested in the Board of Directors, subject to the written approvals of the pastor of **[name of local UMC congregation]** and the District Superintendent of the District of the Annual Conference of which **[name of local UMC congregation]** is a part.

Section 8. No member or director of the Corporation shall be liable for any of its obligations.

Section 9. Meetings of the Board of Directors may be held at any location, either inside the State of Indiana or elsewhere.

Section 10. All parties dealing with the Corporation shall have the right to rely upon any action taken by the Corporation pursuant to authorization by the Board of Directors by resolution duly adopted in accordance with the Corporation's Articles, Bylaws, and applicable law.

Section 11. The Board of Directors may from time to time, in the Bylaws of the Corporation or by resolution, designate such committees as the Board of Directors may deem desirable for the furtherance of the purposes of the Corporation.

Section 12. All property belonging to the Corporation shall be subject to the laws, usages, and ministerial appointments of The United Methodist Church.

Section 13. The powers and responsibilities of the Corporation and the Board of Directors shall include the powers and responsibilities regarding property otherwise granted to the Charge Conference of **[name of local UMC congregation]**, pursuant to the *Discipline*.

Section 14. The Corporation shall be organized and operated consistent with the connectional relationship between **[name of local UMC congregation]** and The United

Methodist Church, and neither the Board of Directors nor the Corporation may sever such connectional relationship without the consent of the Annual Conference.

ARTICLE XIII

Amendments

The power to make, alter, amend, or repeal these Articles is vested in the Board of Directors and the members of the Corporation pursuant to Section 23-17-17-5 of the Indiana Code; provided, however, that such power shall be subject to the approval of the church council, administrative board, or other similar governing body described in the *Discipline*. Any amendment of these Articles shall require the affirmative vote of a majority of the Board of Directors.

ARTICLE XIV

Dissolution of the Corporation

If the Corporation is dissolved, all of its property remaining after payment and discharge of its obligations (the “Property”) shall be transferred and conveyed, subject to any contractual or legal requirement, to the Annual Conference, which is an entity organized and operated for purposes substantially the same as those of the Corporation, and is an entity described in Code sections 170(c)(2)(B), 501(c)(3), 2055(a)(2), and 2522(a)(2) (a “Tax-Exempt Entity”), to be held in trust by the Annual Conference for the benefit of **[local UMC congregation]** (the “Church,” which also is a Tax-Exempt Entity). If the Church does not exist, then the Property shall be held in trust by the Annual Conference for the benefit of the Annual Conference or its successor (provided such successor is a Tax-Exempt Entity). If the Annual Conference does not exist, then the Property shall be transferred and conveyed, subject to any

contractual or legal requirement, to one or more other Tax-Exempt Entities identified by the Board of Directors of the Corporation.

The undersigned Incorporator hereby adopts these Articles of Incorporation and presents them to the Secretary of State of the State of Indiana for filing.

IN WITNESS WHEREOF, the undersigned Incorporator hereby verifies and affirms, subject to penalties of perjury, that the representations contained herein are true, this _____ day of _____, 20__.

[Name], Incorporator

[Name], Pastor of [name of local UMC congregation]

[Name], District Superintendent