

1                                    CONSTITUTION OF CHESAPEAKE CONFERENCE OF  
2                                    SEVENTH-DAY ADVENTISTS

3                                    As Voted at the Fourth Quinquennial Session May 21, 2017

4                                    ARTICLE I — Name

5                                    The name of this organization shall be Chesapeake Conference of Seventh-day Adventists  
6 (hereinafter referred to as “Chesapeake Conference” or “Conference”).

7                                    ARTICLE II — Purpose

8                                    The purpose of this Conference is to facilitate the proclamation of the everlasting gospel in the  
9 context of the three angels’ messages of Revelation 14:6-12 to all peoples within its territory, leading  
10 them to accept Jesus as personal Savior and to unite with His church, and nurturing them in preparation  
11 for His soon return.

12                                    ARTICLE III — Relationships

13                                    The Chesapeake Conference of Seventh-day Adventists is a part of the Columbia Union  
14 Conference of Seventh-day Adventists (hereinafter referred to as “Columbia Union Conference”), which  
15 in turn is a part of the North American Division of the General Conference of Seventh-day Adventists  
16 (hereinafter referred to as “North American Division”), a world church organization; and all purposes,  
17 policies and procedures of this Conference shall be in harmony with the working policies and procedures  
18 of the North American Division of the General Conference of Seventh-day Adventists. This Conference  
19 shall pursue the mission of the Church in harmony with the doctrines, programs, and initiatives adopted  
20 and approved by the General Conference of Seventh-day Adventists in its quinquennial sessions.

21                                    ARTICLE IV — Territory

22                                    The territory of Chesapeake Conference shall consist of all or part of the states of Delaware,  
23 Virginia, West Virginia, and Maryland, i.e., in Delaware, all counties; in Virginia, the counties of  
24 Accomac and Northampton; in West Virginia, the counties of Berkeley, Jefferson, and Morgan; in  
25 Maryland, all counties except Allegany and Garrett, and including only those portions of Montgomery

1 and Prince Georges Counties east and north of a line extending from the Potomac River to Piscataway.  
2 Beginning at Mt. Vernon draw a line to Piscataway. Continue the line northeast to the junction of  
3 Highways 301 and 214. From this point continue the line northwest to the junction of Highways 650 and  
4 198 (Brown's Corner). Then follow Highway 650 north to Ednor. From Ednor follow Ednor Road  
5 northeast to the Patuxent River. In addition, Chesapeake Conference shall contain such other territories as  
6 may hereafter come under its supervision in mutual agreement with the Columbia Union Conference and  
7 North American Division.

8 ARTICLE V — Membership

9 The membership of this Conference shall consist of such churches as have been or shall be  
10 properly organized in any part of the geographic territory under its jurisdiction and formally approved for  
11 membership by vote of the delegates at any regularly scheduled constituency meeting.

12 ARTICLE VI — Bylaws

13 The voters of Chesapeake Conference may, by two-thirds (2/3) vote, enact, amend or repeal  
14 Bylaws at any session thereof, and such Bylaws may embrace any provision not inconsistent with the  
15 constitution.

16 ARTICLE VII — Dissolution and Disposition of Assets

17 This Conference may dissolve only by a two-thirds (2/3) majority vote of the delegates present  
18 and voting at any constituency meeting.

19 In the event of the dissolution of this Conference, all assets remaining after all claims have been  
20 satisfied shall be transferred to a legal entity authorized by the Columbia Union Conference.

21 ARTICLE VIII — Amendments

22 This Conference shall amend its constitution from time to time at regularly called constituency  
23 meetings; any such changes shall conform to the model local conference constitution. The Conference  
24 executive committee may recommend to the General Conference, through the Columbia Union  
25 Conference and the North American Division of the General Conference of Seventh-day Adventists,

1 amendments to the model constitution.

2

3 BYLAWS OF CHESAPEAKE CONFERENCE OF SEVENTH-DAY ADVENTISTS

4 ARTICLE I — Principal Office

5 The principal office for the transaction of the business of Chesapeake Conference is fixed and  
6 located at 6600 Martin Road, Columbia, Howard County, State of Maryland 21044. In an emergency the  
7 executive committee may temporarily change the location of the principal office. Any permanent change  
8 must be by vote of the constituency.

9 ARTICLE II — Constituency Meetings

10 Section 1: Regular Meeting

11 Chesapeake Conference shall hold a regular quinquennial constituency meeting at such time and  
12 place as the executive committee of Chesapeake Conference shall designate. Written notice of the time  
13 and place of the meeting of the delegates representing the members shall be given by a notice printed in  
14 the official publication of the Columbia Union Conference, or in a manner chosen by the executive  
15 committee, at least four (4) weeks before the date of the constituency meeting.

16 Section 2: Town Hall Meetings

17 At the time of the midterm of the session, the administration will conduct town hall meetings for  
18 the purpose of considering the work of the Conference and to share pertinent reports. The administration  
19 will conduct a series of town hall meetings at other times as needed.

20 Section 3: Special Meetings

21 a. The executive committee of this Conference shall call a special constituency meeting, at a  
22 time and place it deems proper when:

- 23 (1) It is voted by the executive committee, or
- 24 (2) It is voted by the delegates at any constituency meeting, or
- 25 (3) It is requested by twenty-five percent (25%) of the churches of Chesapeake

1 Conference through their church boards.

2 b. The union committee or the division committee may call a special constituency meeting  
3 of Chesapeake Conference.

4 c. The purpose for a special constituency meeting shall be included in the notice of the  
5 meeting.

6 d. Written notice of the time, place, and purpose or purposes of the special meeting of the  
7 constituency shall be given in the same manner as for regularly scheduled constituency meetings.

8 e. Business transacted at a special meeting of the constituency shall be confined to the  
9 purpose or purposes stated in the notice of that meeting.

10 f. The expenses of any special constituency meeting shall be borne by the calling entity.

11 Section 4: Voting Representation

12 The voters of Chesapeake Conference at all constituency meetings shall be:

13 a. Regular delegates: All delegates duly accredited by the organized churches of Chesapeake  
14 Conference. Each church shall be entitled to one delegate for the organization and one additional  
15 delegate for each 50 members or major fraction thereof. All delegates shall be members of the church  
16 which accredits them. For the purpose of the constituency, these delegates shall continue in office until  
17 other delegates are chosen to succeed them.

18 b. Delegates-at-large:

19 (1) All members of the executive committee of Chesapeake Conference.

20 (2) All members of the Constitution and Bylaws Committee.

21 (3) All members of the Board of Trustees of the Chesapeake Conference Association of  
22 Seventh-day Adventists.

23 (4) All members of the Board of Trustees of Highland View Academy Inc. who are  
24 members of Chesapeake Conference.

25 (5) All officers, departmental directors and associate directors of the Columbia Union

1 Conference who are members of Chesapeake Conference.

2 (6) All full-time employees holding credentials or licenses issued by Chesapeake  
3 Conference.

4 (7) Members of the executive committees of the Columbia Union Conference, the North  
5 American Division, and the General Conference, who may be present at any constituency meeting of  
6 Chesapeake Conference. The number of such delegates shall not exceed ten percent (10%) of the total  
7 number of delegates provided for in Article II, Section 4:a of these Bylaws.

8 (8) Such other persons who are not already delegates as may be granted delegate  
9 credentials for a specific constituency meeting by two-thirds (2/3) vote of the executive committee and  
10 the delegates at a meeting; however, the number of such delegates shall not exceed 10% of the total  
11 number of delegates provided for in Article II, Section 4:a.

12 Section 5: Quorum

13 At least fifty percent (50%) of the delegates authorized in Article II, Section 4:a of these Bylaws  
14 must be present at any regular or special constituency meeting to constitute a quorum for the transaction  
15 of business. Once the meeting is declared open, the delegates present shall constitute a quorum, unless  
16 there are fewer than thirty percent (30%) of the delegates authorized in Article II, Section 4:a in which  
17 case there shall not be a quorum.

18 Section 6: Proxy Votes

19 All delegates must be present in person at any constituency meeting in order to be eligible to vote.  
20 There shall be no voting by proxy.

21 Section 7: Voting Rights of Delegates

22 Each delegate appointed to act on behalf of the members of this Conference shall be entitled to  
23 one vote.

24 Section 8: Materials to Delegates

25 Such background materials as Chesapeake Conference officers deem pertinent shall be provided

1 in print and/or electronic format to each delegate to all constituency meetings at least three (3) weeks  
2 prior to the meeting. For regular constituency meetings these materials shall include:

- 3 a. The agenda setting forth all issues proposed for discussion.
- 4 b. Minutes of the previous regular meeting and minutes of all special meetings held since the  
5 previous regular meeting.
- 6 c. The available audited conference financial statements for the past five (5) years.
- 7 d. A copy of the constitution and bylaws under which the meeting is called.
- 8 e. A copy of the *General Conference Rules of Order*.
- 9 f. The proposed amendments for the constitutions and bylaws.

10 Section 9: Parliamentarian

11 The executive committee shall nominate a parliamentarian. The current *General Conference*  
12 *Rules of Order* shall govern the conduct of these meetings.

13 Section 10: Minutes of the Session

14 The minutes of the constituency session shall be approved at the first meeting of the new  
15 executive committee following the session.

16 Section 11: Election/Appointment and Term of Office

17 All officers, and members of the executive committee who are not ex officio members shall be  
18 elected by the delegates at the regular meeting of the Conference constituency, and shall hold their offices  
19 until the next regular meeting of the Conference constituency unless they resign or are removed from  
20 office, for cause, by the executive committee or a special constituency meeting. The election/appointment  
21 of departmental directors, associate departmental directors, associate secretaries, or associate treasurers,  
22 shall be referred to the executive committee.

23 Section 12: Voting Procedures

24 The election of officers shall be by secret ballot unless otherwise determined by a majority vote  
25 of all delegates present. The transaction of all other business shall be by voting cards unless otherwise

1 determined by a majority vote of the delegates.

2 ARTICLE III — Constituency Committees

3 Section 1: Organizing Committee

4 a. Method of Appointment - An organizing committee for each constituency meeting shall  
5 appoint from among the constituency delegates a nominating committee to serve for the session. A  
6 standing Constitution and Bylaws Committee for the next quinquennium will be nominated. Other  
7 standing committees, as may be deemed necessary, may also be nominated. Nominations shall be  
8 submitted to the delegates for approval. The chair of the organizing committee shall be the Columbia  
9 Union Conference President or his representative. The organizing committee shall be chosen as follows:

10 (1) Each constituent church shall be empowered to choose a member (or members) to  
11 serve on the organizing committee on the basis of its total church membership. Pastors of multi-church  
12 districts may be chosen as a delegate for any one church in their district.

13 (2) There shall be one member chosen for the organizing committee for each constituent  
14 church plus an additional member for each full five hundred (500) church members.

15 (3) Members of the organizing committee shall be chosen and shall meet at least twenty-  
16 eight (28) days prior to the constituency meeting.

17 (4) A quorum of the organizing committee shall consist of not fewer than representation  
18 from fifty percent (50%) of the churches from Chesapeake Conference.

19 (5) The time and place for the organizing committee to meet prior to the constituency  
20 meeting shall be given in the call.

21 Section 2: Nominating Committee

22 a. Members - The nominating committee shall consist of fifteen (15) members, plus the president  
23 of the Columbia Union Conference, or his representative, who shall serve as the chair. The membership  
24 of the committee shall consist of at least eight (8) persons that are not employees of the denomination,  
25 with the remaining members being in the employment of the denomination. The membership of the

1 committee shall be representative of all segments of the work and territories of Chesapeake Conference.

2 b. Purpose and Meetings - The purpose of the nominating committee shall be to recommend  
3 persons to the constituency meeting to be elected as president, secretary, treasurer, and other members of  
4 the executive committee. Members of the nominating committee, together with the president of the  
5 Columbia Union Conference or his representative, who shall act as the chair, shall meet at least 14 days  
6 prior to the day of the regular constituency meeting. The Conference president may serve in an advisory  
7 capacity to this committee in all positions except president.

8 Section 3: Constitution and Bylaws Committee

9 Each regularly scheduled constituency meeting of Chesapeake Conference shall elect a standing  
10 Constitution and Bylaws Committee.

11 a. Membership – The committee shall consist of at least eight (8) and not more than twelve (12)  
12 members, plus the secretary of the Columbia Union, or his/her representative, and the secretary of the  
13 Chesapeake Conference, or his/her representative, who shall serve as the chairperson.

14 b. Purpose – The purpose of the committee shall be to study, review, and recommend revisions to  
15 the Constitution and Bylaws of the Chesapeake Conference, Bylaws of Chesapeake Conference  
16 Association and Bylaws of Highland View Academy.

17 c. Function – This committee shall function between regularly scheduled constituency sessions  
18 and shall submit its reports and recommendations through the Conference executive committee to the next  
19 regular constituency meeting.

20 Section 4: Voting

21 The voting on all matters of business in Article III shall be by *viva voce* unless otherwise  
22 determined by a majority vote of committee members present.

23 ARTICLE IV — Executive Committee

24 Section 1: Membership

25 The executive committee of the Chesapeake Conference of Seventh-day Adventists shall consist

1 of not more than twenty-one (21) members. The president, secretary, and treasurer shall be members ex  
2 officio of the executive committee. The membership of the committee shall consist of at least eleven (11)  
3 persons that are not employees of the denomination, with the remaining members being in the  
4 employment of the denomination. Members should represent all segments of the work or territories of  
5 the Conference. The officers of the Columbia Union Conference shall be permanent invitees. At least one  
6 third of the members shall not succeed themselves at each quinquennial election.

7         Members shall be present for at least two thirds (2/3) of the regularly scheduled meetings during  
8 each twelve- (12) month period beginning with the date of the quinquennial session, to maintain  
9 membership on the executive committee. Failure to comply with the attendance requirement, for reasons  
10 other than those acceptable to the committee, shall automatically cancel the membership.

11             Section 2: Delegated Authority

12         The executive committee has the authority to act on behalf of the constituents between regular  
13 sessions, including the power to elect or remove for cause, officers and executive committee members (by  
14 2/3 vote), and directors of departments/services/boards (by simple majority vote). The executive  
15 committee shall appoint such committees and shall employ such ministers, secretaries, treasurers, and  
16 other persons, and shall bring about such distribution of its workers as may be necessary to execute its  
17 work effectively.

18             Section 3: Administrative Authority

19         The executive committee shall have full administrative authority to:

20             a.         To fill for the current term any vacancies that may occur by death, resignation, or  
21 otherwise, in its boards, committees, departments, or in offices which have been filled by Conference  
22 election. If a new president is to be elected, the president of the Columbia Union or his designee shall  
23 serve as chairperson of the executive committee.

24             b.         To appoint subcommittees, such as the administrative committee or the Board of  
25 Education, with terms of reference.

1 c. To employ ministers, secretaries, teachers, and other persons as deemed necessary for the  
2 work of the Conference.

3 d. To grant and withdraw credentials and licenses. The withdrawal of credentials shall  
4 require the consent of two thirds (2/3) of the members of the executive committee.

5 Section 4: Regular Meetings

6 The executive committee may schedule regular meetings at such times and places as it may  
7 select.

8 Section 5: Special Meetings

9 Special meetings of the executive committee may be called at any time or place by the president,  
10 or, in his absence, by the secretary, in counsel with the Columbia Union Conference president. A special  
11 meeting shall also be called by the secretary in response to the written request of a majority of the  
12 members of the executive committee.

13 Section 6: Meetings by Electronic Conferencing

14 Any regular or special meeting of the executive committee may be held by means of telephone  
15 conference call or other electronic communication media, provided that all persons participating in the  
16 meeting can hear and/or simultaneously communicate with each other. A person may attend a regular  
17 board meeting via teleconference when approved by administration.

18 Section 7: Quorum

19 Eleven (11) members, five (5) of which are not employees of the denomination, shall constitute a  
20 quorum. The affirmative vote of two thirds (2/3) of the members present shall be required to enact any  
21 proposal. Notwithstanding this, when life, property or the good name of Chesapeake Conference is  
22 threatened in an emergency, a majority of a quorum shall be sufficient to do business and to enact any  
23 such emergency proposal, provided a reasonable attempt to contact all members of the committee has  
24 been made by the president, secretary or their representative. As early as possible following an  
25 emergency action, a written explanation of the action and need for it shall be provided to all committee

1 members by the caller of the meeting and this explanation shall become a part of the official minutes.

2 Section 8: Action Without A Meeting

3 Any action required or permitted to be taken by the executive committee may be taken without a  
4 meeting if two thirds (2/3) of all voting members of the executive committee individually or collectively  
5 consent in writing to such action. Such written consent or consents shall have the same force and effect as  
6 a unanimous vote of the committee and shall be filed with the minutes of the proceedings of the  
7 committee. A facsimile, email, or similar electronic transmission by the committee member, or a  
8 photographic, photo static facsimile or other similar reproduction of a writing signed by a member, shall  
9 be regarded as signed by the member for the purpose of this section.

10 ARTICLE V — Eligibility

11 No person shall serve, or continue to serve, as an officer or trustee who is not, or shall cease to be,  
12 a member in regular standing of a recognized Chesapeake Seventh-day Adventist Church.

13 ARTICLE VI — Officers

14 Section 1: Executive Officers

15 The executive officers of this Conference shall be a president, a secretary, and a treasurer. The  
16 secretary and treasurer may be one individual known as the secretary-treasurer. It is the duty of these  
17 officers, in consultation with one another, to carry forward the work according to plans, policies, and  
18 programs voted by the constituency and/or the Conference executive committee. These plans, policies,  
19 and programs shall be in harmony with the doctrines and actions adopted and approved by the General  
20 Conference of Seventh-day Adventists in its quinquennial sessions.

21 Section 2: President

22 The president, who shall be an ordained minister of experience, is the first officer and shall report  
23 to the executive committee of the Conference in consultation with the secretary and the treasurer. He  
24 shall act as chairman of the constituency meetings and the executive committee, and serve in the general  
25 interests of the Chesapeake Conference as the constituency and the executive committee shall determine.

1 In his leadership he shall adhere to the policies of the Columbia Union Conference, the North American  
2 Division and the General Conference of Seventh-day Adventists, work in harmony with the Columbia  
3 Union Conference Committee, and in close counsel with the union officers.

4 Section 3: Secretary

5 The secretary, associated with the president as an executive officer, shall serve under the direction  
6 of the executive committee and shall act as vice-chairperson of the executive committee. The secretary  
7 shall report to the executive committee of the Conference after consultation with the president. It shall be  
8 the duty of the secretary to keep the minutes of the Conference constituency meetings and of the  
9 executive committee meetings, to furnish copies of these minutes to all members of the executive  
10 committee and to the officers of the Columbia Union Conference. The secretary shall also be responsible  
11 for providing information as may be requested by the president or by the executive committee, and  
12 perform such other duties as usually pertain to the office.

13 Section 4: Treasurer

14 The treasurer, associated with the president as an executive officer, shall serve under the direction  
15 of the executive committee. The treasurer shall report to the executive committee of the Conference after  
16 consultation with the president. The treasurer shall be responsible for providing financial leadership to  
17 the organization which will include, but shall not be limited to, receiving, safeguarding and disbursing all  
18 funds in harmony with the actions of the executive committee, for remitting all required funds to the  
19 Columbia Union/North American Division/General Conference in harmony with the North American  
20 Division policy, and for providing financial information to the president and to the executive committee.  
21 The treasurer shall also be responsible for auditing the books of the local churches and schools at least  
22 once every two (2) years, and for furnishing copies of the financial statements to the Columbia Union  
23 officers.

24 ARTICLE VII — Directors and Associates of Departments/Associations/Services

25 Section 1: Advisory Role

1           The directors of departments/services shall work under the direction of the president and the  
2 executive committee and shall serve in an advisory relationship to the field.

3           Section 2: Departments/Associations/Services Structure

4           Conference departments/associations/services shall be organized in harmony with the  
5 departments/associations/services structure of the North American Division, but shall not necessarily  
6 duplicate the department/associations/services of the Columbia Union or North American Division.

7           Section 3: Departmental Appointments

8           The Conference president and executive committee shall appoint departmental directors,  
9 associates and services. The Conference president and executive committee shall review the performance  
10 of the departmental directors and associate departmental directors and services at the next executive  
11 committee following the quinquennial session of Chesapeake Conference and shall appoint departmental  
12 directors and associate departmental directors for a period not to exceed five (5) years. The  
13 superintendent of schools and any associates will work under the direction of the president and be  
14 accountable to the executive committee of the Conference.

15                           Article VIII — Administration of the Pre-K to 12 Program

16           Section 1: Board of Education

17           The Chesapeake Conference Board of Education derives its authority from the Chesapeake  
18 Conference constituency through the Conference executive committee to plan for and coordinate its Pre-  
19 K to 12 school system. Between sessions of the Conference constituency, the Board of Education  
20 functions under the direction of the Chesapeake Conference executive committee. To ensure the effective  
21 and orderly operation of the schools within the Conference, the Board of Education delegates certain  
22 functions to the local school boards. The local school board works closely with the Chesapeake  
23 Conference Board of Education and the Conference Office of Education. This ensures that the operation  
24 of each school is based on the policies and practices of the Board of Education.

25           Section 2: Operating Procedures



1 trustees of these incorporated entities will be in harmony with the statutory laws applicable to each such  
2 entity.

## ARTICLE X — Finance

### 3 Section 1: Tithes and Offerings

4 The funds managed by Chesapeake Conference shall consist of such tithe as received from within  
5 its territory, and such gifts, legacies, bequests, devises, appropriations, reverted funds, direct tithe, and  
6 other donations as may be made to it.

### 7 Section 2: Policies

8 The tithe and all other funds, including donations, shall be used in harmony with the financial  
9 policies of the Columbia Union Conference, the North American Division, and the General Conference.  
10 In addition all donations shall be used in harmony with the specifications of the donors unless prohibited  
11 by Federal or State law, rule or regulation.

### 12 Section 3: Bank Accounts

13 The funds of Chesapeake Conference shall be safeguarded in harmony with the financial policies  
14 of the North American Division. Monies shall be deposited in the name of the Chesapeake Conference of  
15 Seventh-day Adventists in regular or special accounts, in such banks, or savings institutions, as the  
16 executive committee shall designate, or with the Columbia Union Revolving Fund, a Delaware  
17 Corporation, and shall be withdrawn only by persons authorized by resolution of the executive committee.

### 18 Section 4: Financial Statements

19 Chesapeake Conference shall prepare annually appropriate statements of income and fund  
20 balances and shall be responsible for the filing of any financial information directly with the Columbia  
21 Union Conference and North American Division, and to the extent required by law, with any branch of  
22 local, state or federal government.

## 23 ARTICLE XI — Budget, Salary Review and Audit

### 24 Section 1: Budget

25 Chesapeake Conference shall prepare an annual budget in harmony with the policies of the North

1 American Division.

2 Section 2: Salary and Expense Review

3 The executive committee shall serve as an Employee Remuneration Committee to review  
4 annually the salary and expense of all the employees and set salary rates for the subsequent year in  
5 harmony with the policy of the North American Division.

6 Section 3: Audit

7 All accounting records of Chesapeake Conference shall be audited at least annually by one of the  
8 auditors designated by the General Conference Auditing Service. The financial records of Chesapeake  
9 Conference or any of its subsidiaries, agencies or institutions shall at all times be open to said auditors.

10 Section 4: Financial Audit Review Committee

11 The Conference executive committee shall appoint a Financial Audit Review Committee of five  
12 (5) to seven (7) members to study the annual audited financial report and the management letter. This  
13 committee shall be comprised of non-church-employed members from the executive committee. This  
14 committee shall submit the management letter in addition to its evaluations and recommendations to the  
15 executive committee.

16 ARTICLE XII — Amendments

17 The Constitution or the Bylaws of Chesapeake Conference may be amended, revised or repealed  
18 at any duly called constituency meeting by two-thirds (2/3) vote of the delegates present and voting at any  
19 such constituency meeting of Chesapeake Conference, provided that notice of such proposed amendments  
20 shall be given specifically in conjunction with the publication of notice for that session.

21 ARTICLE XIII — Indemnification

22 Chesapeake Conference shall provide indemnification as follows:

- 23 1. Persons who are or were directors or officers of Chesapeake Conference shall be  
24 indemnified by Chesapeake Conference to the fullest extent permitted by the general applicable laws, as  
25 now or hereafter are in force including the advance of expenses under the procedures provided by such

1 laws, with respect to matters arising out of service in their capacities as members of the executive  
2 committee or officers of Chesapeake Conference or arising out of service at the request of Chesapeake  
3 Conference in any capacity (including, but not limited to, as members of the executive committee,  
4 officers, partners, trustees, agents or employees) of any other organization (including, but not limited to, a  
5 direct or indirect subsidiary or affiliate of Chesapeake Conference, foreign or domestic corporation,  
6 partnership, joint venture, trust, other enterprise or employee benefit plan) unless it is proved that:

7 a. The act or omission of the member of the executive committee or officer was  
8 material to the cause of action and adjudicated in the proceeding; and

9 (1) was committed in bad faith; or

10 (2) was the result of active and deliberate dishonesty; or

11 b. The member of the executive committee or officer actually received an improper  
12 personal benefit either directly or indirectly in money, property, or services; or

13 c. In the case of any criminal proceeding, the member of the executive committee  
14 or officer had reasonable cause to believe that the act or omission was unlawful.

15 2. In the sole discretion of Chesapeake Conference, persons who are or were employees or  
16 agents of Chesapeake Conference may be indemnified by Chesapeake Conference to any extent permitted  
17 by law, as now or hereafter is in force, including the advance of expenses, in respect to matters arising out  
18 of service in their capacities as employees or agents of Chesapeake Conference or arising out of service at  
19 the request of Chesapeake Conference in any capacity (including, but not limited to, as members of the  
20 executive committee, officers, partners, trustees, agents or employees) of any other organization  
21 (including, but not limited to, a direct or indirect subsidiary or affiliate of Chesapeake Conference, foreign  
22 or domestic corporation, partnership, joint venture, trust, other enterprise or employee benefit plan).

23 3. With respect to persons who are or were members of the executive committee or officers  
24 of Chesapeake Conference, to the extent that any determination is required under applicable law as to  
25 whether such person is entitled to indemnification under paragraph (1) above, including the advance of

1 expenses, such determination shall be made by independent legal counsel retained by Chesapeake  
2 Conference and selected by the executive committee by a majority vote of a quorum consisting of  
3 members of the executive committee not, at the time, parties to the proceeding, or, if such quorum cannot  
4 be obtained, then by a majority vote of a subcommittee of the executive committee consisting solely of  
5 two or more members of the executive committee not, at the time, parties to such proceeding and who  
6 were duly designated to act in the matter by a majority vote of the full executive committee in which the  
7 designated members of the executive committee who are parties may participate. In the event the  
8 requisite quorum of the full executive committee cannot be obtained and the committee cannot be  
9 established, independent legal counsel shall be selected by a majority vote of the full executive committee  
10 in which members of the executive committee or officers who are parties may participate. Any  
11 determination by such independent legal counsel to deny indemnification, including the advance of  
12 expenses, is subject to de novo review to the fullest extent obtainable in any court that is appropriate  
13 under the applicable general laws or other applicable statutory or decisional law, as now or hereafter is in  
14 force.

15 4. With respect to persons who are or were employees or agents of Chesapeake Conference,  
16 any determination by Chesapeake Conference under paragraph (2) above shall be made by:

17 a. the executive committee or any subcommittee designated by the executive  
18 committee; or

19 b. at the request of the executive committee any subcommittee designated by the  
20 executive committee or the president, by independent legal counsel retained by Chesapeake Conference  
21 and selected by the executive committee by a majority vote of a quorum consisting of members of the  
22 executive committee not, at the time, parties to the proceeding, or, if such quorum cannot be obtained,  
23 then by a majority vote of a subcommittee of the executive committee consisting solely of two or more  
24 members of the executive committee not, at the time, parties to such proceeding and who were duly  
25 designated to act in the matter by a majority vote of the full executive committee in which the designated

1 members of the executive committee who are parties may participate. In the event the requisite quorum  
2 of the full executive committee cannot be established, independent legal counsel shall be selected by a  
3 majority vote of the full executive committee in which members of the executive committee or officers  
4 who are parties may participate.

5 5. The right of indemnification under this Article shall be in addition to, and not exclusive  
6 of, all other rights to which such member of the executive committee, officer, employee or agent may be  
7 entitled.

8 6. Chesapeake Conference may purchase and maintain insurance on behalf of any person  
9 who is or was a member of the executive committee, officer, employee or agent of Chesapeake  
10 Conference, or who, while a member of the executive committee, officer, employee or agent of  
11 Chesapeake Conference, is or was serving at the request of Chesapeake Conference, as a member of the  
12 executive committee, officer, partner, trustee, employee or agent of another foreign or domestic  
13 corporation, partnership, joint venture, trust, other enterprise or employee benefit plan against any  
14 liability asserted against or incurred by such person in any such capacity or arising out of such person's  
15 position, whether or not Chesapeake Conference would have the power to indemnify such person under  
16 any applicable statutory or decisional law, as now or hereafter is in force. Chesapeake Conference may  
17 provide similar protection, including a trust fund, letter of credit, or surety bond, not inconsistent with any  
18 applicable statutory or decisional law, as now or hereafter is in force.

19 No amendment of the bylaws of Chesapeake Conference or repeal of any of its provisions shall  
20 limit or eliminate the benefits provided to members of the executive committee, officers, employees or  
21 agents of Chesapeake Conference under this Article XIII with respect to any act or omission that occurred  
22 prior to such amendment or repeal.

23 ARTICLE XIV — Dissolution

24 Section 1. The dissolution of Chesapeake Conference may be effected by a two- thirds (2/3) vote  
25 of the delegates present and voting at any regular or special constituency meeting of Chesapeake

1 Conference, provided that if it is proposed to dissolve the Conference at a special constituency meeting,  
2 notice of the proposal to dissolve shall be given in the call for the special constituency meeting.

3 Section 2. After all claims against Chesapeake Conference have been satisfied, any remaining  
4 assets shall be transferred to the Columbia Union Conference.

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