

**CONSTITUTION AND BY-LAWS  
OF  
TRINITY EPISCOPAL CHURCH  
NORTH SCITUATE, RHODE ISLAND**

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**PREAMBLE**

Parish by-laws are legal documents controlling the manner in which the parish corporate structure is organized. By-laws should focus on the highest level of governing issues, and avoid policy minutiae. By-laws must include a provision allowing for a process for amending the by-laws allowing for flexibility and relevancy in the future.

The focus of the parish by-laws should be the corporate (parish) organization, board (Vestry) structure, officer positions and descriptions of responsibility for each position. Particular

attention should also be paid to voting rights, the mechanism for election of officers and board members, term limits and the processes for removal and succession of vestry members.

Additionally, official meeting requirements, membership provisions, and non-negotiable elements that the vestry and the diocese deem necessary for the effective governance of the parish must also be included in the by-laws.

## **CONSTITUTION**

### **Article I**

The Corporation shall be known as Trinity Episcopal Church in North Scituate, Rhode Island. The parish is incorporated pursuant to an Act for the Incorporation of Parishes as adopted April 10, 1883 and as subsequently amended.

### **Article II**

#### **MEMBER OF THE DIOCESE OF RHODE ISLAND**

This Parish accedes to the Constitution, Canons, Doctrines, Discipline and Worship of the Episcopal Church in the United States of America (the "Church"), and to the Constitution and Canons of the Episcopal Diocese of Rhode Island. The activities of the parish shall forever be in conformity and compliance with the doctrines, disciplines and worship of the Episcopal Church and the Diocese of Rhode Island. This Parish recognizes that it is subject to the laws and the ecclesiastical authority of the Church and the Diocese.

### **Article III**

Our mission is to make the teachings of God available to the community through a house of worship; to spread the good news of Jesus Christ by our actions and our words; to care for those in need; and to provide fellowship amongst the Parish family.

### **Article IV**

By-laws not contrary to this Constitution, or Charter, shall be established by the Parish to carry out the provisions of this Constitution, and for any other purposes not inconsistent thereto.

## **BY-LAWS**

### **I. VESTRY**

#### **Duties**

The Vestry be the Board of Directors for the Parish and shall have charge of all financial matters of the Parish and shall be responsible to the Parish for all maintenance, repairs and improvements to the physical plant. The Vestry shall be subject to the laws of Rhode Island, the Articles of Incorporation and the by-laws of the Parish. The Vestry may delegate its management of temporal corporate activity so long as the Parish's activities, affairs and powers remain under the ultimate direction of the Vestry.

Specifically, they shall:

- a. Elect a Rector, as provided in Section VII—Filling a Vacant Rectorship;
- b. Engage the services of such employees as may be deemed necessary, upon the sole nomination of the Rector;
- c. In the event that there is no Rector settled in the Parish, make arrangements for securing the services of an Interim Rector, in which case the Interim Rector shall assume the responsibilities assigned to the Rector in these By-laws.
- d. Manage the finances of the Parish in the best interests of its members and the purposes for which the funds were contributed.
- e. The Stewardship Chairperson, as appointed by the Rector, will conduct the annual church canvass.
- f. Sell, mortgage, exchange, lease, manage, build upon or rebuild, demolish, develop and improve any real estate and buildings and improvements thereon of the Parish, and for this purpose to execute, acknowledge and deliver any deeds, mortgages, leases, agreements, contracts or other instruments necessary or desirable for these
- g. purposes; except that the authority to sell, mortgage, exchange, build upon or rebuild or demolish any real property shall require the prior approval of:
  - (1.) a two-thirds vote of the voting members of the Parish present at a Special Meeting called for the purpose or a regular Annual Meeting; and
  - (2.) the Bishop and Standing Committee of the Diocese of Rhode Island to the extent required by the Canons of the Diocese.
- h. Insure any property, real or personal, or the Parish, for fire and other casualty, liability and such other insurance coverage deemed advisable.
- i. Accept, on the recommendation of the Rector, any gifts by way of memorial or otherwise.
- j. Fill any vacancy occurring on the Vestry by reason of death, resignation, removal or otherwise, for the unexpired portion of the term.
- k. The Vestry and the Rector will participate in a Mutual Ministry Review (MMR) each year to discuss and review the activities and committees of the church and to establish goals for the coming year. Input from non-Vestry parishioners is allowed. After the MMR is completed a formal report will be presented to the Parish.

### **Membership**

The number of members of the Vestry shall be 14, which number will include the Rector, Wardens, Clerk and Treasurer.

To be elected to the Vestry, one must be a member of the Parish in good standing. Parish membership is defined as follows:

- 18 years of age or older
- A regular participant in services of this church, unless prevented by good cause, for six months preceding election
- Have received Holy Communion at least three times in the twelve months preceding election
- Shall be a member of a pledging household
- Shall have received the Sacrament of Holy Baptism with water in the name of the Father and of the Son and the Holy Spirit, and whose Baptism has been recorded in the Parish register

### **Term of Officers**

The Senior Warden, Junior Warden, Clerk and Treasurer shall be elected for a term of one year each. If a person shall have held the office of Senior Warden or Junior Warden for a period of three consecutive years in that office, (s)he shall not be eligible for re-election until a period of one year has elapsed. To be eligible for nomination, the nominee for Senior Warden and Junior

Warden shall have previously served as a member of the Vestry. Each nominee for office and Vestry shall be a member in good standing under Article II of these by-laws.

### **Term of Members**

Three persons shall be elected to the Vestry each year at the Annual Meeting to serve for a term of three years, and they shall not, at the end of their three-year term, be eligible for re-election until a period of one year has elapsed.

### **Vacancy**

If any elected officer or Vestry member shall die, resign or be removed from office for cause prior to three months of the expiration of the term of his office, the Vestry shall elect a successor by affirmative vote of the remaining members of the Vestry, to serve until the next Annual Meeting.

Any elected officer or other elected member of the Vestry who is absent except for illness or other emergency causes acceptable to the majority of the balance of members of the Vestry— from three consecutive meetings of the Vestry, or from a total of any five meetings within one calendar year, shall be considered to have automatically resigned his/her membership on the Vestry, and notice of the acceptance of said resignation shall be sent to him/her by the Clerk.

### **Meetings**

Regular meetings of the Vestry shall be held monthly. Meetings in the months of July and/or August may be cancelled with the agreement of the Rector and Wardens. Special meetings of

the Vestry may be called by the Clerk upon written request from the Rector, a Warden, or the Wardens collectively, or five (5) Vestry members. All Vestry meetings shall be open to the membership of the Parish. Agenda of each meeting of the Vestry shall be posted the Sunday preceding the date of said meeting.

### **Quorum**

A quorum shall consist of seven (7) members. The Rector shall not be counted in determining the quorum.

### **Voting and Elections to the Vestry**

The Senior Warden, Junior Warden, Clerk, Treasurer, Assistant Treasurer, and Vestry members shall be elected at the Annual Parish Meeting

### **Committees**

- **Nominating Committee.** At the regular Vestry meeting three months prior to the Annual Meeting, a nominating committee shall be constituted. The committee shall consist of three outgoing members of the Vestry, appointed by the Vestry, and three other voting members of the Parish who are not members of the Vestry, appointed by the Rector.  
The members of the committee shall elect one of these six members to act as chairperson. It shall be the duty of this committee to prepare a list of nominees for all offices to be filled for the presentation to, and action at, the Annual Meeting. A copy of this list will be included in the agenda of the Annual Meeting. Nominations shall be permitted from the floor at all times.
- **Finance Committee.** The Finance Committee shall consist of the Senior Warden, Junior Warden and the Treasurer, and one member of the Parish appointed by the Rector. The Senior Warden shall be chair. The Finance Committee shall prepare a budget and submit the same to the Vestry for their approval prior to submission at the Annual Meeting.

### **Appointment**

The Vestry shall have authority to appoint such committees as it shall deem necessary and expedient for the transaction of Parish business; provided that no such committee shall be authorized to obligate the Parish without the approval of the Vestry, nor shall any committee have authority conflicting with the provisions of these By-laws. Committees are responsible to the Vestry. There shall be an odd number of members on any one committee. A minimum number on a committee shall be three (3).

### **Notice of meetings**

Notice of meetings shall be mailed not less than 20 days prior to the meeting.

### **Results of elections**

Results of elections are to be posted in a conspicuous place on the Parish premises within seven (7) days of the meeting at which the elections took place.

**Ex-Officio**

The Rector is the Ex-Officio voting member of the Vestry.

**Proxy and absentee voting**

Proxy and absentee voting is prohibited.

**II. PARISH MEMBERSHIP**

**Parish Member**

To qualify for voting rights at any regular or special meeting of the Parish, a person:

- Must be 18 years old or older
- Shall be a regular participant in services of this church, unless prevented by good cause, for six months preceding the meeting at which he or she wishes to vote
- Shall have received Holy Communion at least three times in the twelve months preceding the meeting at which he or she wishes to vote
- Shall be a member of a pledging household
- All persons confirmed or received in the Episcopal Church whose confirmation or reception is duly recorded in the Parish register are also members of the Parish.
- The voting members of the Parish shall be all adult communicants in good standing whose name shall be registered on the Parish register. Each member shall be limited to one (1) vote. Voting by Proxy or absentee ballot is prohibited.

**Parish Meetings**

**Annual Parish Meeting**

The Annual Parish Meeting shall be held at the church and/or church halls on the fourth Sunday in January. In the event of the failure to hold an Annual Meeting at any time or for any cause, any and all business which might have been transacted at that Annual Meeting may be transacted at the next succeeding meeting, whether special or Annual.

**Agenda**

At each Annual Meeting, the members shall:

- elect the Senior Warden, Junior Warden, Clerk, Treasurer, Assistant Treasurer and Vestry members;
- elect the delegates and alternates to the Diocesan Convention in accordance with the Constitution and Canons of the Rhode Island Episcopal Convention;
- receive reports from each organization indicating the financial condition and general state of said organization; and
- transact such other business as may properly come before the meeting

Upon the written request of any fifteen (15) members who are qualified to vote made at least ten (10) days prior to an annual meeting, the Rector, Minister in charge or a Warden shall, within five (5) days after receipt of such request, post in a conspicuous place on the

Parish premises a certified list of the qualified electors. If requested, said list shall be retained with the election records kept by the Clerk (Secretary).

### **Special Meetings**

A special meeting may be called by:

- the Rector, or
- the Wardens, acting separately or together, or
- a majority of the Vestry, or
- a group of twenty or more members in good standing (as listed in Parish Member above) upon written petition to the Rector or Vestry.

**NOTICE OF MEETINGS** Written notice of each annual or special meeting stating the place, day and hour of the meeting (and the purpose or purposes of any special meeting) will be given by or at the direction of the Rector, the Clerk [Secretary] or the person or persons calling the meeting to each member entitled to vote at such meeting not less than twenty days nor more than [insert #] before the meeting. Business transacted at any special meeting of members will be limited to the purposes stated in the notice of the meeting. Results of meetings shall be posted in a conspicuous place on the Parish premises within seven days of the meeting.

### **Quorum**

A quorum shall consist of 40 eligible members. A two-thirds vote of the eligible members present will decide any question brought before such meeting.

**Results of Elections.** Results of elections for Wardens, members of the vestry, Delegates of the Convention, their Alternates, the Treasurer, and Clerk [Secretary] shall be forwarded to the Bishop within 15 days of the election.

### **Rules**

All meetings of the Parish shall be conducted in accordance with procedure outlined in Robert's Rules of Order.

### **Prayer**

All meetings of the membership shall open with prayer.

### **Parish Voting**

Nominations to the Vestry or other proposals to be acted upon at a meeting must be submitted in writing to the Secretary or Clerk before a specified date prior to the meeting. Each member is limited to one (1) vote.  
Proxy and absentee voting is prohibited.  
Results of the elections for Wardens, members of the Vestry, delegates to the Convention, their alternates, the Treasurer, and the Secretary be forwarded to the Bishop within fifteen (15) days of the election

### III. DIRECTORS AND OFFICERS

#### **Presiding Officer**

The Rector shall preside at all meetings of the membership and Vestry, or, in his/her absence, the Senior Warden or, in the absence of both, the Junior Warden shall preside.

No action shall be taken at a Vestry meeting in the absence of the Rector or Warden.

#### **Corporate Officers**

The corporate officers of the Parish shall consist of the Rector who shall be the president, the Senior Warden, the Junior Warden, the Secretary or Clerk and the Treasurer.

#### **Duties**

**Senior Warden**—The Senior Warden shall be the senior lay-officer of the Parish. In the interim between rectorships and in the absence of the rector, he/she shall perform the administrative duties of the Parish, and be responsible for the maintenance of worship in the Church. The Senior Warden shall perform the duties of his/her office as provided in the Canons of the Episcopal Church in the United States of America and the Rhode Island Episcopal Convention, and such other duties as may be assigned by the Vestry. He or she shall be the advisor to the Rector.

**Junior Warden**—In the absence of the Senior Warden, the Junior Warden shall perform the duties of his/her office as provided in the Canons of the Episcopal Church in the United States of America and the Rhode Island Episcopal Convention, and such other duties as may be assigned him/her by the Vestry. In the cases of death, resignation or removal for cause of the Senior Warden, the Junior Warden shall automatically succeed the Senior Warden until the next Annual Meeting.

**Treasurer**—The Treasurer shall receive, hold and disburse, in the name of the Parish and under the direction of the Vestry, all money which shall become the property of the Parish, keeping accurate records of all transactions involving the same, and submitting monthly reports of the financial condition of the Parish to the Vestry; shall submit the books for audit annually, as directed by the Vestry and as required by Diocesan Canon; shall also prepare such reports for submission to the Diocese and National Church as Canon shall require; and shall present to the Annual Parish Meeting a complete report of the financial condition of the Parish and receipts and expenditures during the year. The Treasurer must be bonded in an amount to be determined by the Vestry.

**Assistant Treasurer**—The Assistant Treasurer shall maintain records of pledges made and payments received. It shall also be the duty of the Assistant Treasurer to render statements periodically to donors regarding money received in payment of pledges. Frequency of these statements will be decided by the Vestry. The Assistant Treasurer shall perform the duties of the Treasurer in the absence or inability to act of the Treasurer, and shall perform such other duties as may be directed by the Vestry.



**Clerk**—The Clerk shall keep a detailed and accurate record of all meetings of the Vestry and Parish, and shall act in whatever capacity necessary as corresponding secretary. The Clerk shall keep the Parish register.

**Other Officers**—The Vestry may elect or appoint such other officers as it may deem necessary. Such officers need not be members of the Vestry. They shall have the powers and duties prescribed in the by-laws of the Parish. A vacancy in any lay office by reason of death, resignation, removal or otherwise may be filled by the Vestry for the unexpired portion of the term.

**Delegates to Convention**—Any vacancy in a delegation between annual meetings may be filled by election by the Vestry. If a delegate is unable to attend such Convention, it shall be his duty to give reasonable notice to the Rector or Clerk in the Rector's absence, who shall communicate with the alternates in the order of their election.

#### **IV. PARISH REGISTER**

The Clerk will maintain a Parish register that records all activities of the Parish pursuant to Canon 10.21

The register will be available for review by the Bishop at all times and by the Vestry at reasonable times.

#### **V. REPORTS**

Each committee of the Parish shall report to the Annual Meeting of the Parish. This report shall contain an account of the activities of the committee throughout the previous year, together with a financial accounting for audit, if appropriate, and its future objective.

The Treasurer shall submit monthly reports of the financial condition of the Parish to the Vestry; shall submit the books for audit annually, as directed by the Vestry and as required by Diocesan Canon; shall also prepare such reports for submission to the Diocese and National Church as Canon shall require; and shall present to the Annual Parish Meeting a complete report of the financial condition of the Parish and receipts and expenditures during the year.

All organizations connected with the Parish shall be responsible to the Vestry. Before January 1, prior to the Annual Meeting, each organization shall present a written report containing a summary of its activities, finances and a list of its officers. The funds of any organization which has not met for three (3) years or disbands, shall be turned over to the Treasurer of the Parish to be used as the Vestry may direct. All organizations shall present an annual budget to the Vestry prior to December 1.

Annual reports must be sent to the Bishop in duplicate no later than February 1.

## **VI. AUDITS**

All accounts of the Parish shall be audited annually by an independent Certified Public Accountant or by a Parish Audit Committee approved by the Commission on Finance of the Diocese. The Audit Committee shall consist of three (3) qualified members of the Parish appointed by the Vestry and approved by the Rector. The members of the Audit Committee shall be knowledgeable about finances and accounting matters, and none of them shall have acted as Treasurer or Assistant Treasurer during the period being audited or have had signing authority on any accounts being audited. The audit shall be performed in accordance with the audit procedures outlined by the Commission on Finance of the Diocese. The Committee will report their findings to the Vestry no later than the Vestry's regular June meeting. In case of a vacancy, the Vestry will appoint a person to complete the committee.

## **VII. ELECTION OF A RECTOR**

When a vacancy in the rectorship occurs, the Wardens shall notify the Bishop of such vacancy. The Vestry shall act in accordance with Title III, Canon 17 of the Constitution and Canons of the Episcopal Church and Canon 10.24 of the Diocese of Rhode Island. The Vestry shall engage the services of a Diocesan Consultant to guide it through the process of profile and search selection. The Vestry shall also consult with the Bishop for the selection of a Rector candidate.

Upon the resignation, retirement, or removal for cause of the Rector of Trinity Episcopal Church, the Vestry shall appoint a Parish Profile Committee whose function it shall be to develop a profile of Trinity Episcopal Church which describes the Parish make up, financial condition, goals and objectives, strengths and weaknesses and all other information which will both help the Parish select a new Rector and assist any prospective candidates in evaluating the Parish and his/her match with the Parish's needs.

When the Profile Committee has completed its work, the vestry will appoint a committee of eleven (11) members of the Trinity Episcopal Church to serve as a Search Committee. This committee will present the Vestry with a maximum of three (3) qualified candidates in the order in which the Search Committee recommends the candidates for the position of Rector of Trinity Episcopal Church. The Bishop must approve all candidates before presentation to, and vote by, the Vestry. The Vestry will select the new Rector from the list of not more than three candidates presented. In order to select a candidate for Rector, there must be a three-fourths affirmative vote by the lay persons on the Vestry. If none of the candidates presented is approved by an affirmative three-fourths vote of the lay persons on the Vestry, the Search Committee will propose a new slate of candidates until a candidate is approved by an affirmative three-fourths vote of the lay persons on the Vestry.

## **VIII. ELECTION OF AN ASSISTANT MINISTER**

The Rector shall consult with the Bishop to confirm a list of candidates from which the Rector shall nominate an Assistant Minister and present this candidate to the Vestry.

The Vestry must cast a three-fourths affirmative vote in order to approve the appointment of an Assistant Minister.

The terms of employment of the Assistant Minister shall be subject to the Canons of the Diocese and incorporated into a written agreement.

The notice of the appointment of an Assistant Minister must be signed by the Rector and sent to the Bishop within ten (10) days of the election.

The Bishop's satisfaction with the appointment of the Assistant Minister shall be sent to and recorded by the Secretary of the Diocese.

## **IX. DUTIES OF THE RECTOR**

The duties of the Rector are as follows:

- The Rector shall have control of the Worship and shall have spiritual jurisdiction of the Parish, subject to the Book of Common Prayer, the Canons of the Church, and the Godly Counsel of the Bishop of the Diocese.
- The Rector shall at all times have use and control of the Church and Parish buildings, the appurtenances and furnishings.
- The Rector shall have the authority over all services, all music in the Church, the Church School and all other religious education.
- The Rector shall be a member of all Parish organizations.
- The Rector shall be an ex-officio member of all committees formed by the Vestry.
- The Rector shall be provided with a discretionary fund, in accordance with the Canons. In addition to any other designated funds, the Commission Alms received at Holy Communion on the first Sunday of each calendar month shall be deposited into the discretionary fund. This fund shall be disbursed for such charitable and other religious purposes as may be deemed best. The Rector shall give an accounting of this fund only to the Bishop and the audit committee.
- The Rector, with the Bishop's approval, may appoint one or more non-stipendiary assistants from among clergy canonically resident in the Diocese, or who are in good standing and who are currently licensed to officiate in the Diocese. Any non-stipendiary assistant shall serve at the pleasure of the Rector.
- The Rector, as per Safe Church Practices recommendations, will not hire a parishioner for employment within the church.
- The Rector shall have the right to vote at all meetings.

## **X. MERGERS AND DISSOLUTIONS**

**Section 1. Dissolution or Merger.** The Parish shall provide a written reason and plan for the proposed dissolution or merger to the Bishop and the Standing Committee. The Parish shall obtain the prior written consent of the Bishop and the Standing Committee for the dissolution or merger of the Parish

## **XI. AMENDMENTS**

The Bishop and Standing Committee must give written approval for any amendment to this Charter.

The Parish must provide the Bishop and Standing Committee with a full written statement outlining the reason for the amendment.

At least every five (5) years these By-laws will be reviewed by an ad hoc committee appointed by the Vestry.

## **XII. INDEMNIFICATION**

**Section 1. Agreement of Parish.** In order to induce the directors and officers of the Parish to serve as such, the Parish adopts this by-law and agrees to provide the directors and officers of the Parish with the benefits contemplated hereby.

**Section 2. Persons Entitled to Benefits.** This paragraph will apply, and the benefits hereof will be available, to each director and officer of the Parish who serves the Parish as such without the need for other proof that the director or officer has accepted the provisions of this Article.

**Section 3. Definitions.** As used herein, the following terms will have the following respective meanings:

“Covered Act” means any act or omission by the Indemnified Person in the Indemnified Person's official capacity with the Parish and while serving as such or while serving at the request of the Parish as a member of the governing body, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise.

“Director” means a member of the vestry of the Parish.

“Excluded Claim” has the meaning set forth in Section 6, hereof.

“Expenses” means any reasonable expenses incurred by the Indemnified Person in connection with the defense of any claim made against the Indemnified Person for Covered Acts including, without being limited to, legal, accounting or investigative fees and expenses (including the expense of bonds necessary to pursue an appeal of an adverse judgment).

“Indemnified Person” means any member of the vestry or officer of the Parish who serves the Parish as directors or officer.

“Loss” means any amount which the Indemnified Person is legally obligated to pay as a result of any claim made against the Indemnified Person for Covered Acts including, without being

limited to, judgments for, and awards of, damages, amounts paid in settlement of any claim, any fine or penalty or, with respect to an employee benefit plan, any excise tax or penalty.

"Proceeding" means any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative.

**Section 4. Indemnification.** Subject to the exclusions hereinafter set forth, the Parish will indemnify the Indemnified Person against and hold the Indemnified Person harmless from any Loss or Expenses.

**Section 5. Advance Payment of Expenses.** The Parish will pay the Expense of the Indemnified Person as such time and from time to time as the Indemnified Person may request in advance of the final disposition of any Proceeding except to the extent that the defense of a claim against the Indemnified Person is undertaken pursuant to any directors' and officers' liability insurance (or equivalent insurance known by another term) maintained by the Parish. The advance payment of Expenses will be subject to the Indemnified Person's agreement with the Parish (evidenced by the Indemnified Person's acceptance of an advance payment or, if requested, a prior agreement in writing) to repay the sums paid by it hereunder if it is thereafter determined that the Proceeding involved an Excluded Claim or that the Indemnified Person was not entitled to indemnity by reason of the provisions of Section 9.

**Section 6. Exclusions.** The Parish will not be liable to pay any Loss or Expenses (an "Excluded Claim"):

- (a) With respect to a Proceeding in which a final non-appealable judgment or adjudication by a court of competent jurisdiction determines that the Indemnified Person is liable to the Parish (as distinguished from being liable to a third party) for: (i) any breach of the Indemnified Person's duty of loyalty to the Parish or its members; (ii) acts or omissions not in good faith or which involve intentional misconduct or knowing violation of law; or (iii) any transaction from which the Indemnified Person derived an improper personal benefit; or
- (b) If a final, nonappealable judgment or other adjudication by a court of competent jurisdiction determines that such payment is unlawful.

**Section 7. Notice to Parish.** Insurance. Promptly after receipt by the Indemnified Person of notice of the commencement of or the threat of commencement of any Proceeding, the Indemnified Person will, if indemnification with respect thereto may be sought from the Parish under these Canons, notify the Parish of the commencement thereof. Failure to promptly notify the Parish will not adversely affect the Indemnified Person's right to indemnification hereunder

unless and only to the extent that the Parish is materially prejudiced in its ability to defend against the Proceeding by reason of such failure. If, at the time of the receipt of such notice, the Parish has any directors' and officers' liability insurance in effect, the Parish will give prompt notice of the commencement of such Proceeding to the insurer in accordance with the procedures set forth in the policy or policies in favor of the Indemnified Person. The Parish will thereafter take all the necessary or desirable action to cause such insurer to pay, on behalf of the Indemnified Person, all Loss and Expenses payable as a result of such Proceeding in accordance with the terms of such policies.

**Section 8. Indemnification Procedures.** (a) Payments on account of the Parish's indemnity against Loss will be made by the Treasurer of the Parish except if, in the specific case, a determination is made that the indemnification of the Indemnified Person is not proper in the circumstances because such Loss results from a claim which is an Excluded Claim. If the Parish so determines that the Loss results from an Excluded Claim (although no such determination is required by the Parish hereunder prior to payment of a Loss by the Treasurer), the determination shall be made:

(i) By the vestry by a majority vote of a quorum consisting of members not at the time parties to the Proceeding; or

(ii) If a quorum cannot be obtained for purposes of clause (i) of this subparagraph (a), then by a majority vote of a committee of the vestry duly designated to act in the matter by a majority vote of the full vestry (in which designation members who are parties to the Proceeding may participate) consisting solely of three or more directors not at the time parties to the Proceeding; or

(iii) By independent legal counsel designated: (A) by the vestry in the manner described in clause (i) of this subparagraph (a), or by a committee of the vestry established in the manner described in clause (ii) of this subparagraph (a), or (B) if the requisite quorum of the full Council cannot be obtained therefore and a committee cannot be so established, by a majority vote of the full vestry (in which designation members who are parties to the Proceeding may participate). If made, any such determination permitted to be made by this subparagraph (a) will be made within 60 days of the Indemnified Person's written request for payment of a Loss.

(b) Payment of an Indemnified Person's Expenses in advance of the final disposition of any Proceeding will be made by the Treasurer of the vestry except if, in the specified case, a determination is made pursuant to Section 8(a) above that indemnification of the Indemnified Person is not proper in the circumstances because the Proceeding involved an Excluded Claim.

(c) The Parish will have the power to purchase and maintain insurance on behalf of any

Indemnified Person against liability asserted against him or her with respect to any Covered Act, whether or not the Diocese would have the power to indemnify such Indemnified Person against such liability under the provisions of this paragraph. The Parish will be subrogated to the rights of such Indemnified Person to the extent that the Parish has made any payments to such Indemnified Person in respect to any Loss or Expense as provided herein.

**Section 9. Settlement.** The Parish will have no obligation to indemnify the Indemnified person under this paragraph for any amounts paid in settlement of any Proceeding affected without the Parish's prior written consent. The Parish will not unreasonably withhold or delay its consent to any proposed settlement. If the Parish so consents to the settlement of any Proceeding, or unreasonably withholds or delays such consent, it will be conclusively and irrebuttably presumed for all purposes that the Loss or Expense does not constitute an Excluded Claim. If the Parish reasonably withholds its consent solely on the ground that the Proceeding constitutes an Excluded Claim, the Indemnified Person may accept the settlement without the consent of the Parish, without prejudice to the Indemnified Person's rights to indemnification in the event the Diocese does not ultimately prevail on the issue of whether the Proceeding constitutes an Excluded Claim.

**Section 10. Rights Not Exclusive.** The rights provided hereunder will not be deemed exclusive of any other rights to which the Indemnified Person may be entitled under any agreement, vote of disinterested trustees or otherwise, both as to action in the Indemnified Person's official capacity and as to action in any other capacity while holding such office, and will continue after the Indemnified Person ceases to serve the Diocese as an Indemnified Person.

**Section 11. Enforcement.** (a) The Indemnified Person's right to indemnification hereunder will be enforceable by the Indemnified Person in any court of competent jurisdiction and will be enforceable notwithstanding that an adverse determination has been made as provided in Section 8 hereof. (b) In the event that any action is instituted by the Indemnified Person under the Canons, the Indemnified Person will be entitled to be paid all court costs and expenses, including reasonable attorneys' fees, incurred by the Indemnified Person with respect to such action, unless the court determines that each of the material assertions made by the Indemnified Person as a basis for such section was not made in good faith or was frivolous.

**Section 12. Severability.** If any provision of this Article is determined by a court to require the Parish to perform or to fail to perform an act which is in violation of applicable law, this Article shall be limited or modified in its application to the minimum extent necessary to avoid a violation of law, and, as so limited or modified, this Article shall be enforceable in accordance with its terms.

**Section 13. Successor and Assigns.** The provisions of this Article will be (a) binding upon all successors and assigns of the Parish (including any transferee of all or substantially all of its assets) and (b) binding on and inure to the benefit of the heirs, executors, administrators, and other personal representatives of the Indemnified Person.

**Section 14. Amendment.** No amendment or termination of this Canon will be effective as to an Indemnified Person without the prior written consent of that Indemnified Person and, in any event, will not be effective as to any Covered Act of the Indemnified Person occurring prior to the amendment or termination.