

ST. PAUL'S CHURCH IN NANTUCKET

Nantucket, Massachusetts

CONSTITUTION - BY-LAWS

As amended

January 20, 2002

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PREAMBLE

St. Paul's Church in Nantucket ("the Parish"), Nantucket, Massachusetts, having associated as a Parish for the purpose of maintaining the worship of Almighty God according to the faith and usages of The Protestant Episcopal Church in the United States of America, otherwise known as and hereafter referred to as The Episcopal Church, has adopted the Articles attached hereto as its By-laws.

Article I

AUTHORITY ACKNOWLEDGED

The Parish accedes to the doctrine, discipline and worship and the Constitution and Canons of The Episcopal Church, and to the Constitution and Canons of The Protestant Episcopal Diocese of Massachusetts, otherwise known as the Episcopal Diocese of Massachusetts ("the Diocese"), and acknowledges their authority.

Article II

MEMBERSHIP

Any baptized person of the age of sixteen years or more, who acknowledges the authority of the Constitution/By-laws of the Parish, by declaring his or her intention to support the Parish by regular attendance at public worship and by identifiable financial aid, shall be considered a member of the Parish and entitled to vote in its affairs. Any member who, for one year, shall have refrained from regular worship and from contributing toward the support of the Parish, may, after written notice from the Vestry and an opportunity to be heard, by a vote of the Vestry be removed from the list of members of the Parish.

Article III

OFFICERS, DELEGATES, AND ELECTIONS

Sec. 1. Officers. The officers of the Parish shall all be members of the Parish and shall all be communicants in good standing of the Protestant Episcopal Church. The officers shall be a Senior Warden, a Junior Warden, a Treasurer, a Clerk, and twelve Vestrypersons. The officers, together with the Rector, shall constitute the Vestry of the Parish.

Sec. 2. Delegates. The Parish shall also have such Delegates to the Diocesan Convention and to the Deanery Assembly as it may be entitled to under the relevant canons and rules. Delegates may also be members of the Vestry.

Sec. 3. Elections. The Wardens, Treasurer, Clerk, Delegates and four Vestrypersons shall be elected at each Annual Meeting of the Parish. The Wardens, Treasurer, Clerk and Delegates shall hold office until the next Annual Meeting following their election and the Vestrypersons until the third Annual Meeting following their election, and all shall hold office until their successors are elected and qualify. Any Vestryperson whose second consecutive three-year term, and any Warden, Treasurer or Clerk whose sixth successive one-year term, expires at any Annual Meeting shall be ineligible, until the next succeeding Annual Meeting, for re-election to the same office. Vacancies may be filled at any meeting of the Parish. Unless so filled, they may be filled by the Vestry until the next Annual Meeting of the Parish. A Vestryperson who has been elected or appointed to complete a term of vacancy in that office may upon the completion of such term be elected at an Annual Meeting to continue for his or her own three-year term.

Article IV

NOMINATIONS

Sec. 1. Nominating Committee. There shall be a Nominating Committee consisting of the Rector, the Wardens, and at least three members of the Parish appointed by the Vestry. Where possible, members of the Vestry whose terms are about to expire shall serve on the Nominating Committee. Members of the Nominating Committee shall serve one-year terms, which will expire at each Annual Meeting. The Nominating Committee shall present at each Annual Meeting one or more candidates recommended for each position to be filled by vote at such meeting. The list of nominees so designated shall be posted with the notice of the Annual Meeting. Nominations for any office to be filled at an Annual Meeting may also be made at such meeting by any member of the Parish authorized to vote.

Article V

MEETINGS OF THE PARISH

Sec. 1. Annual and Special Meetings. The Annual Meeting shall be held at such date, hour and place as the Vestry shall determine. Special meetings may be called at any time by the Wardens or Vestry. Special meetings shall be called by the Wardens whenever so requested in writing by the Rector or by five members of the Parish.

Sec. 2. Warrant. All meetings of the Parish shall be announced by posting an attested copy of the Warrant calling the meeting at a public entrance of the church or place of worship occupied by the Parish. The Warrant shall be posted at least fourteen days before the date fixed for an Annual Meeting and at least seven days before a special meeting. No action shall be taken at any meeting of the Parish other than that set forth in the Warrant for such meeting.

Sec. 3. Presiding Officer. The Rector, or in the Rector's absence the Senior Warden otherwise the Junior Warden, shall preside; in the absence of all three, a moderator shall be chosen by the meeting. Thirty-seven members present shall constitute a quorum, and a majority vote of those present determine any matter presented except as provided in Article XIV respecting the amendment of this Constitution/By-laws.

Article VI

THE RECTOR

Sec. 1. Election. The Rector shall be elected by the Parish at a meeting duly called for that purpose by the Vestry, provided that the Rector may be elected by the Vestry if a Parish meeting has so authorized. Such election shall not take place, however, until after all the steps required in Section 1 of Diocesan Canon 15 have been taken. No person shall be eligible for the office of Rector unless he or she is a qualified ordained minister of The Episcopal Church and has been certified by the Bishop to be in good standing.

Sec.2. Responsibilities. The Rector is responsible for the worship, music, education, and spiritual welfare of the Parish. Such responsibilities include the oversight and administration of the Parish staff and ministries, as well as the use of the Parish facilities. The Rector shall have and shall exercise duties and powers in accordance with the usage and discipline of The Episcopal Church, in compliance with the statutes of the Commonwealth and the provisions of this Constitution/By-laws.

Sec. 3. Vacancy. If the office of Rector becomes vacant or the Rector is incapacitated, the Vestry shall appoint an Interim after consultation with the Bishop, until such time as a new Rector is elected as provided under this Article in case of a vacancy, or the Rector can resume his or her duties in case of incapacity.

Article VII

WARDENS

It shall be the duty of the Senior Warden, when the Parish has no Rector, or in the Rector's absence, to provide for the temporary performance of the Rector's duties. In the absence or incapacity of the Senior Warden, or a vacancy, the powers and duties of the Senior Warden shall devolve upon the Junior Warden.

Article VIII

TREASURER

Sec. 1. Duties. It shall be the duty of the Treasurer to receive and disburse all monies collected under the authority of the Vestry, to keep a true record of receipts and disbursements on behalf of the Parish and its organizations, and to present a full statement of these and of the financial condition of the Parish at Annual Meetings and at other times required by the Vestry. The Treasurer shall also maintain the records of all trusts and permanent funds belonging to the Parish, listing the source and date of such trusts and funds, the terms governing the use of principal and income, to whom and how often accounts are to be made and how the trusts and funds are invested.

Sec. 2. Voting of Securities. Except as the Vestry may otherwise designate, the Treasurer may act or appoint any member of the Vestry (with or without power of substitution) to act as proxy or attorney in fact for the Parish at any meeting of stockholders of any corporation, the securities of which may be held by the Parish.

Sec. 3. Assistant Treasurer. The Vestry may appoint an Assistant Treasurer whose term shall be coterminous with that of the Treasurer, who may have a non-voting seat and voice on the Vestry and whose duties shall be such as may be assigned to him or her by the Vestry or the Treasurer.

Article IX

CLERK

It shall be the duty of the Clerk to keep the records of the Parish and of the Vestry and to keep a roll of the members entitled to vote in its affairs. The Clerk shall make available the names of persons on the membership list for any member to inspect as long as the purpose of the inspection is related to the general affairs of the Parish.

Article X

BONDS

The Treasurer and other custodians of funds as designated by the Vestry shall be bonded under a blanket bond maintained by the Diocese for that purpose. If such blanket bond is at any time not available, adequate bonds shall be procured by the Parish and

each bond shall be placed in the custody of some officer other than the person who is bonded.

Article XI

VESTRY

Sec. 1. Authority and Duties. The Vestry shall exercise all its powers in accordance with the usage and discipline of The Episcopal Church, in compliance with the statutes of the Commonwealth and the provisions of this Constitution/By-laws. It shall be the duty of the Vestry to manage the prudential affairs and to care for the property of the Parish; to provide for the furniture, books, vestments, and all things necessary for the celebration of public worship; to see that all buildings and personal property belonging to the Parish are adequately insured; to supervise the investment of funds of the Parish; to authorize and direct such purchases and sales as the Vestry may from time to time deem wise, and any and all transfers, assignments, contracts, deeds, leases, bonds, notes, checks and other instruments which may be necessary or proper in this connection; and to supervise and direct the officers in the discharge of their duties. The Vestry, in consultation with the Rector, shall authorize staff positions and the terms of employment.

The handling of all or any of the investments, including their purchase, custody, sale and transfer, may be delegated by the Vestry to the Wardens or Treasurer. The Vestry may delegate to the Wardens and/or Treasurer generally or in particular cases the authority to execute contracts, deeds, leases, bonds, notes, checks and other instruments which may be necessary or proper. The Vestry may appoint or authorize the appointment of any committee that it deems desirable. All such committees shall be accountable to the Vestry.

Sec. 2. Annual Audit. The Vestry shall cause to be made an annual audit of the accounts of the Treasurer and other custodians of funds of the Parish. The audit shall be made by a certified or independent public accountant or by any agency permitted by the Office of the Treasurer of the Diocese. Such auditor shall be appointed by the Vestry at least thirty days before the end of the year.

Sec. 3. Restrictions on Alienation or Encumbrance of Real Estate. No consecrated church or chapel, nor any church or chapel which has been used solely for divine service, nor any property which is being used as a Parish house or rectory, nor any land incidental to or regularly used in connection with any of the foregoing, shall be alienated or encumbered without the previous written consent of the Bishop, acting with the advice and consent of the Standing Committee.

Sec. 4. Meetings. Meetings of the Vestry may be called by the Rector or either Warden or any two members of the Vestry. The Vestry may schedule regular meetings and determine the manner of notifying its members. The Rector, or the Senior Warden otherwise the Junior Warden designated by the Rector, shall preside. The records of the Vestry shall be open to the members of the Parish at its meetings. A majority of the

members shall constitute a quorum and a majority vote of those present shall determine any matter presented.

Article XII

ORGANIZATIONS

All formal organizations connected with the Parish shall be responsible to the Rector. Each organization shall present at the Annual Meeting of the Parish a report containing a summary of its activities and finances and a list of its officers. The funds of any organization which has not met or functioned for three years shall be turned over to the Treasurer of the Parish to be used as the Vestry may direct.

Article XIII

GIFTS AND MEMORIALS

No object intended as a permanent addition to the church or Parish property, or to be used therein during public worship, shall be accepted as a gift or memorial without the approval of the Rector and the Vestry. All objects so accepted may be removed when deemed necessary by the Vestry. The names of donors of such gifts and memorials, any terms and conditions, and the dates of acceptance shall be recorded in the permanent records of the Parish.

Article XIV

AMENDMENTS

This Constitution/By-laws may be amended in the following manner: first, the proposed change shall be included in the Warrant of the Parish meeting; second, the amendment shall be approved by vote of two-thirds of the members of the Parish present at a properly called meeting with a quorum present; third, the amendment shall be submitted to the Bishop and Standing Committee and if approved by them without substantial revision, the amendment as so approved shall become immediately effective upon receipt by the Parish. If the Bishop and Standing Committee shall approve subject to a substantial revision affecting the intent or meaning of the submitted amendment, the matter shall be resubmitted to a properly called meeting of the members of the Parish with a quorum present and shall become immediately effective upon approval by vote of two thirds of the members of the Parish present.

ARTICLE XV

INDEMNIFICATION OF PARISH OFFICERS

The Parish shall, to the extent legally permissible, indemnify each person who may serve or who shall have served at any time as a Warden, Treasurer, Clerk, the Rector in his or her capacity as a member of the Vestry, or other officer of the Parish (collectively "Indemnified Officers"), against all expenses and liabilities, including, without limitation, counsel fees, judgments, fines, excise taxes, penalties and settlement payments, reasonably incurred by or imposed upon such person in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (a "proceeding"), in which he or she may become involved by reason of his or her serving or having served in such capacity (other than a proceeding voluntarily initiated by such person unless he or she is successful on the merits and the proceeding was authorized by a majority of the Vestry). However, no indemnification shall be provided for any such person with respect to any matter in which he or she is adjudicated not to have acted in good faith on behalf of the Parish; and further provided that any compromise or settlement payment shall be approved by the Vestry in the same manner as provided below for the authorization of indemnification.

Such indemnification may, to the extent authorized by the Vestry, include payment by the Parish of expenses incurred in defending a civil or criminal action or proceeding in advance of the final disposition of such action or proceeding, provided that the person indemnified agrees to repay such payment if he or she is not entitled to indemnification under this Article; the repayment agreement may be accepted without regard to the financial ability of such person to make repayment.

Any payment shall be conclusively deemed authorized by the Parish under this Article, and each officer of the Parish approving such payment shall be wholly protected, if:

(i) the payment has been approved or ratified (1) by a majority vote of a quorum of either (a) the members of the Parish who are not at that time parties to the proceeding or (b) the members of the Vestry who are not at that time parties to the proceeding or (2) by a majority vote of a committee of two or more Vestry members who are not at that time parties to the proceeding and are selected for this purpose by the full Vestry (in which selection Vestry members who are parties may participate); or

(ii) the action is taken in reliance upon the opinion of independent legal counsel (who may be counsel to the Parish) appointed for the purpose by vote of the Vestry in the manner specified in clauses (1) or (2) of subparagraph (i) or, if that manner is not possible, appointed by a majority of the full Vestry then in office; or

(iii) the Vestry members have otherwise acted in accordance with the standard of conduct applied to directors under Chapter 180 of the Massachusetts General Laws; or

(iv) a court having jurisdiction shall have approved the payment.

This indemnification shall inure to the benefit of the heirs, executors, and administrators of Indemnified Officers entitled to indemnification.

The right of indemnification shall be in addition to and not exclusive of all other rights to which any person may be entitled. Nothing contained in this Article shall affect any rights to indemnification to which Parish employees, agents, Vestry members and other persons may be entitled by contract or otherwise under law.

This Article, as amended, constitutes a contract between the Parish and the Indemnified Officers. No amendment or repeal of the provisions of this Article which adversely affects the right of an Indemnified Officer under this Article shall apply to him or her with respect to his or her acts of omissions which occurred at any time prior to such amendment or repeal without his or her written consent.