

Proposed
BYLAWS OF
The Rector, Wardens and Vestry of
The Good Shepherd Parish, in Hemet, California 2024

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Pursuant to the provisions of the Nonprofit Corporation Law of California and the provisions of the Articles of Incorporation which have been duly filed with the Secretary of State of the State of California on July 19, 1954, the following are adopted as the Amended Restated Bylaws of the above-named corporation. All bylaws and regulations heretofore adopted by this corporation shall be superseded upon the effective date of these Restated Bylaws.

ARTICLE 1. CORPORATION PART OF EPISCOPAL CHURCH

The name of this ecclesiastical entity is “The Rector, Wardens and Vestry of The Good Shepherd Parish, in Hemet, California.

The Good Shepherd Parish in Hemet, California” (sometimes referred to as the “Parish”). To further its mission and ministry, the parish was incorporated in July 19, 1954 as a California nonprofit religious corporation (sometimes referred to as the “Corporation”). These bylaws are adopted to serve as the bylaws for the Parish and the Corporation.

The purpose of the Parish (as an ecclesiastical entity) and the Corporation (as a nonprofit religious corporation) is religious worship in the City of Hemet, State of California, according to the Constitution and Canons of The Episcopal Church and the Constitution and Canons of The Episcopal Diocese of San Diego. The Parish is an integral unit and a subordinate body of The Episcopal Church and is in communion with The Episcopal Diocese of San Diego. The Parish organized the Corporation for its convenience to serve as a subordinate auxiliary to the Parish for the purpose of holding the property of the Parish, assisting in the management of the Parish’s temporalities, and supporting the mission and ministry of The Episcopal Church, The Episcopal Diocese of San Diego, and the Parish.

The Constitution and Canons of The Episcopal Church (sometimes known as The Protestant Episcopal Church in the United States of America) and the Constitution and Canons of The Episcopal Diocese of San Diego of said Church, as either may be amended from time to time, are hereby incorporated into and constitute a part of these Bylaws of The Good Shepherd Parish; and in case of any conflict between any provision or provisions of said Constitutions and Canons and these Bylaws, then the provision of said Constitutions and Canons shall prevail over and in all respects supersede and to that extent effect the repeal of these Bylaws to fully obviate such conflict. If a Diocese or Missionary District of the Episcopal Church other than The Episcopal Diocese of San Diego shall hereafter have jurisdiction over the territory wherein The Good Shepherd Parish is located, or shall otherwise have jurisdiction under the authority of The Episcopal Church over the Parish or the Corporation, then all references in these Bylaws to The

Episcopal Diocese of San Diego shall apply to such other Diocese or Missionary District with like force and effect.

ARTICLE 2. OFFICE

The corporation's principal office is fixed and located at 308 East Acacia Avenue, Hemet, California. The principal office may be changed to another location within the Diocese by a resolution duly adopted by the Vestry (as defined elsewhere herein).

ARTICLE 3. MEMBERS

Section 3.1. QUALIFICATIONS. The qualifications of members and the terms of admission to membership in this corporation are those which are prescribed by the 7Diocesan Canons for electors entitled to vote for members of the Vestry.

Nothing in this Section 3.1 shall be construed as limiting the right of the Corporation to refer to persons associated with it as "members" even though such persons are not members as defined above, and no such reference shall constitute anyone a member, within the meaning of Section 5056 of the California Corporation Code or the foregoing provisions of this Section 3.1, unless such person shall have qualified for membership as set forth above.

Section 3.2. VOTING RIGHTS. Each member shall be entitled to one vote on each matter submitted to a vote of the members, including the election of members of the Vestry.

Section 3.3. TRANSFER OF MEMBERSHIP. No member may transfer a membership or any right arising therefrom.⁸

Section 3.4. PLACE OF MEETINGS. All meetings of the members of this corporation shall be held in the sanctuary of the Parish, or such other place as designated by the Vestry.

Section 3.5. ANNUAL MEETINGS. The annual meeting of the members prescribed by the Diocesan Canons, commonly referred to as the annual meeting of the Parish, shall be held on the fourth Sunday in January of each year, at 11:30 a.m., or at such other convenient time as designated by the Vestry.

Section 3.6. CALL OF SPECIAL MEETINGS. A special meeting of members may be called at any time by the Rector, or by the Vestry.

Section 3.7. NOTICE OF ANNUAL OR SPECIAL MEETINGS. Reasonable notice of each annual or special meeting shall be given to members, not fewer than ten (10) nor more than forty-five (45) days before the date of the meeting. Notice shall be given by public announcement at all regularly scheduled services during the two weeks preceding the date of the meeting, and in writing. Written notice shall be deemed to include electronic notice delivered to the members, even if not all members have elected to receive electronic notice. Notice of any such meeting shall include the date, time and place of the meeting, and the purpose or purposes of the meeting, and no other business may be conducted at that meeting.

Section 3.8. QUORUM. Twenty percent (20%) of the average Sunday attendance, averaged over the six months prior to the meeting, but not fewer than twice the number of members of the Vestry including the Rector and Wardens, shall constitute a quorum for the transaction of business at the

meeting. The affirmative vote of a majority of the members present at the meeting, at which a quorum is present, entitled to vote and voting, shall be the act of the members.

Section 3.9. VOTING. Elections shall be by ballot, either paper or electronic. In any election of Vestry members, the candidates receiving the highest number of votes are elected. Each member shall have one vote for each vacancy to be filled, but a member may not cumulate votes for the election of Vestry members. On all other matters, votes may be taken orally or by show of hands, unless at least ten (10) members call for a written ballot by notifying the presiding officer before the vote is taken.

Section 3.10. RECTOR A MEMBER AND PRESIDING OFFICER. The Rector of the Parish, by virtue of being Rector, shall, while Rector, be a member of this corporation with right to vote, and shall preside at all meetings of the Parish and of the Vestry. Pursuant to Title I, Canon 14.3 of the Canons of The Episcopal Church, the Rector may designate another member of the Vestry to preside in his or her place. In the absence of the Rector, the Senior Warden shall preside at any such meeting, or if the Senior Warden is not present, the Junior Warden shall preside. If neither the Rector nor a Warden is present, but a quorum of members is present, the members shall elect one of their members as presiding officer.

Section 3.11. RECORD DATE. The record date for determining the members entitled to notice of, and to vote at, any meeting of members shall be the date specified by the Vestry, which date shall be not less than five (5), nor more than forty-five (45) days before the meeting. If not so designated by the Vestry, then the record date shall be at the close of business on the business day which is five (5) days before the day on which notice is given.

Section 3.12. PROXIES AND ABSENTEE BALLOTS. Voting rights may not be exercised by proxies or through absentee ballots.

Section 3.13. INSPECTORS OF ELECTION. Before any meeting of members, the Vestry may appoint three inspectors of election to act at such meeting and any adjournment thereof. The duties of such inspectors shall be those prescribed by Section 5615(b) of the California Nonprofit Public Benefit Corporation Law.

Section 3.14. CONDUCT OF MEETING. The chair of meetings of members shall conduct each such meeting in an orderly and fair manner, but shall not be obligated to follow any technical, formal or parliamentary rules or principles of procedure. The chair's rulings on procedural matters shall be conclusive unless at the time of a ruling a request for a vote is made to the members present and entitled to vote, in which case the decision of a majority of such members shall be conclusive and binding.

Section 3.15. EXTRAORDINARY CIRCUMSTANCES. When the Bishop and the Diocesan Executive Council promulgate a Declaration of Extraordinary Circumstances as that term is defined in Title V, Canon 1.10.1 of the Canons of the Diocese, the Vestry, with the Consent of the Rector, may implement temporary modifications to these Bylaws. Those modifications may include allowing an annual meeting to be held virtually (rather than in person), and modifications to the methods of voting on Parish business and the election of members of the Vestry, officers and delegates. Such provisions shall be enumerated and included in the Minutes of the Vestry meeting at which they were adopted. Those provisions shall be limited to:

1. Permitting attendance, and establishing a quorum, through on-line streaming, Zoom or other means, i.e. creating a procedure for attendance that is not in-person.

2. Permitting voting on-line, via Zoom, app or other means, but still not including proxy voting.

ARTICLE 4. ELECTION OF DELEGATES TO CONVENTION

Each year by April 1, the number of allowable lay delegates and lay alternates to Diocesan Convention shall be elected by the members, preferably at the annual meeting of members, or at a meeting called for that purpose. Delegates shall be elected in the same manner as is provided for in these Bylaws for the election of Vestry. Alternates shall be called upon to serve in the order of their election. Delegates shall serve for a period of one year, and shall serve as delegates for any Diocesan Conventions occurring during that period.

ARTICLE 5. BOARD OF DIRECTORS; VESTRY

Section 5.1. BOARD OF DIRECTORS KNOWN AS VESTRY. The Vestry of this corporation shall be known as, and shall constitute, the Board of Directors. The Rector is and the Wardens shall be members of the Vestry and are entitled to vote.

Section 5.2. ELIGIBILITY FOR ELECTION TO VESTRY. Eligibility for election to the Vestry is governed by the Diocesan Canons. Besides the eligible persons elected to the Vestry, one youth representative to the Vestry, aged not less than sixteen (16) nor more than (18) years, may be elected by the Vestry to a one-year term and shall have seat and voice but no vote. No member of the Vestry shall be a family member of the first degree (i.e., parent, child, spouse) of any other member of the Vestry, nor shall they be a family member of the first degree of any member of the staff of the Parish nor shall they be a member of the staff.

Section 5.3. ORGANIZATION OF THE VESTRY.

(a) Number of Members. The number of members of the Vestry, including therein the Rector and the Wardens, shall be no fewer than six (6) nor more than thirteen (13). The Rector shall be a member of the Vestry for so long as the Rector is serving as Rector. The Junior Warden shall be elected from and by the Vestry. The Senior Warden shall be appointed by the Rector from the Vestry. A clerk and a Treasurer shall be chosen in accordance with the Diocesan Canons.

(b) Election and Terms. At each annual meeting of members, a number of Vestry members shall be elected equal to the number of Vestry members whose terms shall have expired at the time of such meeting. After a Vestry member has served two full terms of three years each, one year shall elapse before he or she shall be eligible for reelection to the Vestry, it being understood that the period between the annual meeting at which a term shall have expired and the next annual meeting of the members constitutes one year even if it is not 365 days. A person elected to the Vestry to fill an unexpired term shall be eligible for immediate reelection to the

Vestry unless the unexpired term included more than two years; provided, however, that no person shall be eligible to serve more than six consecutive years on the Vestry.

(c) Terms of Officers. The terms of office of all officers shall be one year. No officer shall serve more than three consecutive years in the office to which they have been elected or appointed. After any person has served as an Officer (other than the Rector) for three consecutive years, one year shall elapse before he or she shall be eligible for election or appointment to a different office or to the same office in which he or she has been serving. Under special circumstances, an officer's service may be extended beyond three years with the approval of the Rector and Vestry, provided all other qualifications in these bylaws are met.

Section 5.4. POWERS AND DUTIES OF VESTRY. Subject to any limitations of the Articles of Incorporation and Bylaws of this corporation, to the canonical rights of the Bishop of this Diocese and of the Rector and to the California Nonprofit Corporation Law as to actions to be authorized or approved by the members, the powers of this corporation shall be exercised by or under the direction of, and the temporal business and affairs of this corporation shall be controlled by, the Vestry.

Section 5.5. VACANCIES.

(a) Filling Vacancies. Vacancies in the Vestry, except those existing because of removal of a member of the Vestry by the members of this parish and except a vacancy in the Rectorate, may be filled by a majority of the remaining members of the Vestry, although less than a quorum, or by a sole remaining member of the Vestry, and each member of the Vestry so elected shall hold office until the expiration of the term of the replaced member of the Vestry and until a successor has been elected and qualified.

(b) Cause of Vacancy. A vacancy or vacancies in the Vestry shall be deemed to exist in case of the death, resignation or removal of any member of the Vestry, or if the authorized number of members of the Vestry is increased, or if the members of the Parish fail to elect the full authorized number of members of the Vestry, or if a member of the Vestry shall miss three or more meetings in any twelve- month period, without excuse, and in accordance with Diocesan Canons. The members of the Vestry may declare vacant the office of a member of the Vestry who has been declared of unsound mind by a final order of court, or has been convicted of a felony.

(c) Filling Vacancy by Parish. The members of the Parish may elect a member or members of the Vestry to fill any vacancy or vacancies not filled by the Vestry within four months of the effective date of the vacancy or vacancies.

(d) Reduction in Authorized Number Does Not Cause Removal. No reduction of the authorized number of members of the Vestry shall have the effect of removing any member of the Vestry prior to the expiration of that member's term of office. The Vestry may not increase or decrease the authorized number of members of the Vestry more than once each year, and may only do so within three months prior to the Annual Meeting of Members.

Section 5.6. PLACE OF MEETING. Regular or special meetings of the Vestry shall be held at any place designated by the Vestry. Absence such designation, regular meetings shall be held at the principal office of the corporation.

Section 5.7. REGULAR MEETINGS.16 Regular meetings of the Vestry shall be held monthly, on the day and time selected by the Vestry at the first meeting of the Vestry each year.

Section 5.8. SPECIAL MEETINGS. Special meetings of the Vestry may be called at any time by the Rector, either Warden, or any three (3) members of the Vestry.

Special meetings of the Vestry shall be held upon four (4) days' notice by first-class mail or 48 hours' notice given personally or by telephone, facsimile, e-mail, or similar means of communication. Any such notice shall be addressed or delivered to each member of the Vestry at such address as shown upon the records of the corporation or as may have been given to the corporation by the member for purposes of notice.

Section 5.9. QUORUM. A majority of the authorized number of members of the Vestry constitutes a quorum of the Vestry for the transaction of business; provided, however, that such number must include the Rector or at least one of the Wardens unless there are no Rector or Wardens.

A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of members of the Vestry, if any action is approved by at least a majority of the required quorum for such meeting.

Section 5.10. PARTICIPATION BY ELECTRONIC MEANS. Members of the Vestry may participate in a meeting through use of teleconference, or similar communications equipment so long as all members participating in such meeting can hear one another.

Section 5.11. WAIVER OF NOTICE. Notice of a meeting need not be given to any member of the Vestry who signs a waiver of notice or a written consent to holding the meeting or an approval of the minutes thereof, whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to such member. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meetings.

Section 5.12. ADJOURNMENT. A majority of the members of the Vestry present, whether or not a quorum is present, may adjourn any Vestry meeting to another time and place. Notice of the time and place of holding an adjourned meeting need not be given to absent member of the Vestry if the time and place is fixed at the meeting adjourned.

Section 5.13. ACTION WITHOUT MEETING. Any action required or permitted to be taken by the Vestry may be taken without a meeting if all members of the Vestry shall individually or collectively consent in writing, to include facsimile and e-mail, to such action. Such written consent or consents shall have the same effect as a unanimous vote of the Vestry and shall be filed with the minutes of the proceedings of the Vestry.

Section 5.14. REMOVAL OF MEMBERS OF VESTRY. Any one or more members of the Vestry (other than the Rector) may be removed from office by the vote of a majority of the persons entitled to vote at any regular or special meeting of the members, provided that the notice of the meeting specifies such removal as a purpose of the meeting and identifies the member or members proposed to be

removed. If any or all members of the Vestry are so removed, new members of the Vestry may be elected at the same meeting. In addition, any member of the Vestry may be removed from office by a three-fourths vote of the Vestry at any meeting thereof duly held, if the removed member would at the time not be eligible for election to the Vestry.

ARTICLE 6. COMMITTEES

Section 6.1. CREATION OF AND LIMITATIONS ON COMMITTEES. The Vestry may appoint one or more committees, each consisting of two or more Vestry members, and delegate to such committees any of the authority of the Vestry except with respect to:

- (a) The approval of any action for which the California Nonprofit Religious Corporation law also requires approval of the member or approval of a majority of all members;
- (b) The filling of vacancies in the Vestry or in any committee;
- (c) the fixing of compensation for serving on the Vestry or on any committee;
- (d) The amendment or repeal of Bylaws or adoption of new Bylaws;
- (e) The amendment or repeal of any resolution of the Vestry which by its express terms is not so amendable or repealable;
- (f) The appointment of other committees of the Vestry or the members thereof; or
- (g) The election of a Rector.

Section 6.2 HOW MEMBERS ARE CHOSEN AND HOW MEETINGS ARE TO BE CONDUCTED. Any such committee must be created, and the members thereof appointed, by resolution adopted by a majority of the authorized number of members of the Vestry then in office, provided a quorum is present. The Vestry shall have the power to prescribe how proceedings of any such committee shall be conducted. In the absence of any such prescription, such committee shall have the power to prescribe the manner in which its proceedings shall be conducted.

Unless the Vestry or such committee shall otherwise provide, the regular and special meetings and other actions of any such committee shall be governed by these Bylaws applicable to meetings and actions of the Vestry. Minutes shall be kept of each meeting of each committee.

ARTICLE 7. OFFICERS

Section 7.1. PRESCRIBED OFFICERS. The officers of the Vestry shall be those prescribed by the Diocesan Canons; i.e., the Rector, who is President of the corporation; the Senior Warden, who shall be the First Vice President; the Junior Warden, who shall be the Second Vice President; the Clerk, who shall be the Secretary; and the Treasurer, who shall be the Chief Financial Officer. Both the clerk and the Treasurer must be members of the parish, but, in the discretion of the Vestry, neither need be a member of the Vestry. The corporation may also have, at the discretion of the Vestry, an Assistant Secretary or Clerk, and an Assistant Treasurer. Appointment of an Assistant Member of the Clergy shall be within the control of the Rector, but all matters pertaining to compensation or other temporalities respecting an Assistant Member of the Clergy shall be under the control of the Vestry. Any such Assistant Member of

the Clergy shall, however, be in good standing with the Diocese. The Rector may also appoint one or more persons to serve as Chancellor(s), who shall serve at the pleasure of the Rector.

Section 7.2. SUBORDINATE OFFICERS. The Vestry may elect, and may empower the President to appoint, such other officers as the business of the corporation may require, each of whom shall hold office for such period, have such authority and perform such duties as are provided in these Bylaws or as the Vestry may from time to time determine.

Section 7.3. REMOVAL AND RESIGNATION. Any officer, except the Rector, an Assistant Member of the Clergy and the Senior Warden, may be removed from office, except from the Vestry, by a majority of the entire Vestry at the time in office, at any regular or special meeting of the Vestry. Subordinate employees may be removed by the Rector or, if there is no Rector, by the Vestry. The Senior Warden may be removed from that office, but not from the Vestry, by the Rector. Assistant Members of the Clergy may be removed by the Rector.

Any officer may resign at any time by giving written notice to the Vestry or to the Rector or to the Clerk, except that, in accordance with the Canons of The Episcopal Church, a Rector may not resign without the consent of the Vestry. Any such resignation shall take effect at the date of the receipt of such notice or at a later date specified therein, and, unless otherwise specified, the acceptance of such resignation shall not be necessary to make it effective.

Section 7.4. VACANCIES. A vacancy in any office referred to in Section 1 of this Article other than that of Rector or Senior Warden, because of death, resignation, removal, disqualification or any other cause shall be filled by election or appointment by the Vestry then in office. The office of Rector may be filled only in accordance with the provisions of the Canons of The Episcopal Church and Diocesan Canons.

Section 7.5. PRESIDENT. The Rector, as President, shall be the chief executive officer of the corporation and shall as to secular matters, subject to such control as the Vestry may have under the Civil Law, have direction and control of the business and officers and employees of the corporation. The Vestry shall not infringe upon the ecclesiastical or other peculiar rights, privileges or prerogatives of the Rector. The Rector shall be, ex officio, a member of all the standing committees or regular committees of the Parish and, subject to the powers of the Vestry as to temporal matters, shall have the power to employ subordinate employees.

Section 7.6. WARDENS. In the absence or disability of the Rector, the Wardens, in the order of their rank (i.e., first the Senior Warden and then the Junior Warden), shall perform the secular duties of the Rector, and when so acting, shall have all the secular powers, and be subject to all the restrictions upon the Rector. The Wardens shall have such other powers and perform such other duties as, from time to time, may be prescribed for them respectively by the Vestry or these Bylaws. For purposes of this provision, the Rector shall be deemed absent or disabled when the Rector is not physically able to execute the duties of the Rector, or when the Rector has assigned that authority to the Wardens due to an anticipated prolonged absence, such as a sabbatical.

Section 7.7. CLERK. The Clerk shall keep at the office of the corporation, a book of minutes containing minutes of all meetings of the Vestry, and actions by unanimous written consent of the Vestry, committees of the Vestry whether regular or special. Records of meeting shall include the

following: if a meeting was special, how it was authorized; the notice thereof given; and the names of those present at meetings. When written notice is required, the Clerk shall give notice of all meetings of the members and the Vestry.

Section 7.8. TREASURER. The Treasurer shall maintain adequate and correct accounts of the properties and business transactions of the corporation, including pledges and other assets, liabilities, receipts, disbursements and accounts in general. The Treasurer shall deposit all monies and other valuables in the name and to the credit of the Parish corporation with such depository as may be designated by the Vestry. The Treasurer shall disburse the funds of the corporation as may be ordered by the Vestry; shall render to the Rector and the Vestry whenever they request it, an account of all transactions as Treasurer and of the financial condition of the corporation and shall have such other powers and perform such other duties as prescribed by the Vestry or Bylaws.

The procedure for deposit and withdrawal of monies and other valuables shall be prescribed in the resolutions which shall be adopted by the Vestry governing the deposit and withdrawal of funds or valuables. The funds or valuables referred to are those belonging to the Parish and these provisions shall not be deemed to conflict with or overrule the conditions, terms or provisions of declarations or deeds of trust or of conveyance or donation providing some special method of keeping, disbursing, withdrawing or depositing funds. Nor shall these provisions apply to the canonical special needs fund of the Rector, as to which the disclosure of the beneficiaries or the purposes might prevent the carrying out of needed charitable acts.

Section 7.9. 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.

Section 7.10. 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, the Parish shall procure adequate bonds and each bond shall be placed in the custody of some officer other than the person who is bonded.

ARTICLE 8. OTHER PROVISIONS

Section 8.1. CORPORATE RESTRICTIONS. Notwithstanding anything else herein contained, in the matter of purely temporal and secular matters, as distinct from matters partly or wholly ecclesiastical, the Civil Law of the State of California and particularly the Nonprofit Corporation Law, as contained in the Corporations Code, is, and shall be, binding upon this corporation. The use of the church buildings and grounds, however, is deemed to be an ecclesiastical matter, and is under the jurisdiction of the Canons and of the Rector, pursuant to Title III, Canon 9.6(a) of the Canons of The Episcopal Church.

Section 8.2. RECORDS. The corporation shall maintain adequate and correct accounts, books, and records of its membership, business and properties. All such records and accounts shall be kept at the room or place designated as the principal office of the corporation, as fixed by the Vestry, and proper provisions shall be made for the safekeeping thereof from fire, the elements, destruction or access by unauthorized persons and other dangers. All books and records of the corporation shall, to the extent

required by the Corporations Code of California, be open to inspection of members of the parish or the Vestry, as the case may be, from time to time and in the manner provided for in that Code.

Section 8.3. CERTIFICATION AND INSPECTION OF BYLAWS. The original or a correct copy of these Bylaws, as amended or otherwise altered to date, certified to by the Clerk, shall be open to inspection by the members of the parish at all reasonable times as provided in the Corporations Code. Inasmuch as these Bylaws adopt and make the Constitutions and Canons of the Diocese and of The Episcopal Church a part of these Bylaws, these provisions on certification and inspection shall apply to those copies of the same mentioned in Article I of these Bylaws.

Section 8.4. TRUST INTEREST IN PROPERTY. All real, personal, intangible, and mixed property held by or for the benefit of the Parish is irrevocably held in trust for The Episcopal Church and The Episcopal Diocese of San Diego. The existence of this trust shall in no way limit the power and authority of the Parish or the Corporation retarding use of that property so long as the Parish and the Corporation remain a part of, subject to, and in compliance with the Constitution and Canons of The Episcopal Church and the Constitution and Canons of The Episcopal Diocese of San Diego.

Section 8.5. SALES AND INDEBTEDNESS. No indebtedness (except ordinary amounts due on open account for goods and services in the ordinary course of the corporation's business or as included in any budget or programs approved by the Vestry) or any sale or conveyance of property of the corporation involving an amount in excess of \$5,000²⁰ or any encumbrance of property of the corporation, shall be incurred, made or entered into or be valid or binding against this corporation unless each and all of the following proceedings are regularly had and taken:

1. A resolution to incur the indebtedness or make the sale, conveyance or encumbrance must be adopted at a meeting of the Vestry at which a majority of the authorized number of members of the Vestry shall be present and vote in favor thereof.
2. Such resolution must specify exactly, if it relates to a proposed indebtedness, the amount and terms of such proposed indebtedness and the purpose for which it is to be incurred; or, if it relates to a sale, conveyance or mortgage, the terms of the same.
3. Such resolution must be fully reported in the minutes, together with the names of the Vestry members who vote in favor thereof.
4. When required by the Canons of The Episcopal Church or Diocesan Canon, the consent of the Bishop and the Standing Committee of the Diocese shall first be obtained in writing. Without limiting the generality of the foregoing, such consents shall be obtained as required by Title II Canon 3.09 of the Diocesan Canons relating to real property, as such Canon shall from time to time be amended.

ARTICLE 9. AMENDMENT OF BYLAWS

These Bylaws may be altered or amended in the following manner:

- (a) at any regular meeting of the Vestry by an affirmative vote of not less than two-thirds of the authorized number of members of the Vestry, or at an Annual Meeting of the Parish, or at a special meeting of the Parish called for the purpose of such an amendment by an affirmative vote of not less than a majority when a quorum is present.

(b) Any such amendment or restatement shall be approved by the Standing Committee and the Bishop in accordance with Title II, Canon 3.07 of the Diocesan Canons.

(c) A Bylaw or an amendment thereof changing the authorized number of members of the Vestry may not be adopted, amended or repealed by the Vestry. The substance of any new bylaws or of any amendments shall be set forth in the notice of the meeting.

ARTICLE 10. INDEMNIFICATION OF OFFICERS

The Parish shall, to the extent legally permissible, indemnify each person who may serve or who has 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. No such indemnification shall apply to any Member of the Clergy in a matter involving that Member of the Clergy's conduct in a case to which the provisions of Title IV of The Episcopal Church apply.

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 California law; 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.

THE UNDERSIGNED, being the Clerk of the Corporation known as the Rector, Wardens and Vestry of The Good Shepherd Parish in the City of Hemet, County of Riverside, California, a California nonprofit religious corporation, does hereby certify the foregoing to be the Bylaws of the said corporation, and that the same were regularly adopted at a regular meeting of the Vestry of said corporation, duly called and held, at which at least two-thirds of said Vestry were present and voted in favor thereof.

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of _____,
In the year of our Lord _____

Senior Warden: _____

Name: **Edward Moore**

Junior Warden: _____

Name: **Larry Denn**

Director: _____

Name: **Empy Alagona**

Director: _____

Name: **Linda Brown**

Director: _____

Name: **Carolyn Castner**

Director: _____

Name: **Judi Greer**

Director: _____

Name: **Gloria Madrid**

Director: _____

Name: **Linda Rush**

Director: _____

Name: **Nancy South**

Rector: _____

Name: **Rev. Bill Doggett**

Clerk (Secretary) _____

Name **Katherine Somerville**