

**Current By Laws**

BYLAWS OF THE CHURCH OF THE HOLY FAITH,  
INCORPORATED

ARTICLE I  
CANON LAW AND CIVIL LAW

1. CORPORATE POWER. These bylaws are adopted in accordance with the laws of the State of New Mexico governing not-for-profit corporations. They are intended to supplement the Constitution and Canons of the Episcopal Church and the Diocese of the Rio Grande, the Authority governing this congregation as a parish of the Episcopal Church in the United States of America. The Power of the government of this corporation, also known as “the congregation”, shall be vested in a board of directors, hereinafter called “the Vestry”, to consist of nine (9) members elected by the congregation, and the Rector of the Church of the Holy Faith, Santa Fe, who shall be President and a voting member. The nine (9) elected members of the board of directors shall be chosen by a majority vote of the members of the corporation, attending and voting at the annual meeting held for that purpose as hereinafter provided.

ARTICLE II  
MEMBERSHIP AND ANNUAL MEETINGS OF THE  
CONGREGATION

**Proposed By Laws**

BYLAWS OF THE CHURCH OF THE HOLY FAITH,  
INCORPORATED

ARTICLE I  
CANON LAW AND CIVIL LAW

1. CORPORATE POWER. These bylaws are adopted in accordance with the laws of the State of New Mexico governing not-for-profit corporations. They are intended to supplement the Constitution and Canons of the Episcopal Church and the Diocese of the Rio Grande, the Authority governing this congregation as a parish of the Episcopal Church in the United States of America. The Power of the government of this corporation, also known as “the congregation”, shall be vested in a board of directors, hereinafter called “the Vestry”, to consist of nine (9) members elected by the congregation, and the Rector of the Church of the Holy Faith, Santa Fe, who shall be President and a voting member. The nine (9) elected members of the board of directors shall be chosen by a majority vote of the members of the corporation, attending and voting at the annual meeting held for that purpose as hereinafter provided.

ARTICLE II  
MEMBERSHIP AND ANNUAL MEETINGS OF THE  
CONGREGATION

1. MEMBERSHIP AND QUALIFIED VOTERS. This corporation has only one class of member. Members are qualified voters. Qualified voters of the congregation shall be confirmed communicant members of the congregation in good standing as shown by the parish register, who are sixteen (16) years of age, or older. All members have equal voting rights and privileges. There shall be no voting by proxy; membership is not transferable or assignable.

2. ANNUAL MEETING. The annual meeting of the congregation shall be held during the month of January, for the election of a Vestry, for the election of delegates and alternate delegates to the annual convention, for receiving reports, and for such other business as it may lawfully transact.

3. NOTICE. Announcement of the time, place and purposes of the annual meeting shall be given at least two weeks preceding such a meeting in the parish bulletin, if there be one, or at all the Sunday services of the Church for at least two weeks preceding such a meeting. The date and time of the annual meeting shall be established by the Vestry at its December meeting each year.

### ARTICLE III

#### SPECIAL MEETINGS OF THE CONGREGATION

1. SPECIAL MEETING. Special meetings of the congregation

1. MEMBERSHIP AND QUALIFIED VOTERS. This corporation has only one class of member. Members are qualified voters. Qualified voters of the congregation shall be confirmed communicant members of the congregation in good standing as shown by the parish register, who are sixteen (16) years of age, or older. All members have equal voting rights and privileges. There shall be no voting by proxy; membership is not transferable or assignable.

2. ANNUAL MEETING. The annual meeting of the congregation shall be held during the month of January, for the election of a Vestry, for the election of delegates and alternate delegates to the annual convention, for receiving reports, and for such other business as it may lawfully transact.

3. NOTICE. Announcement of the time, place and purposes of the annual meeting shall be given at least two weeks preceding such a meeting in the parish bulletin, if there be one, or at all the Sunday services of the Church for at least two weeks preceding such a meeting. The date and time of the annual meeting shall be established by the Vestry at its December meeting each year.

4. QUORUM. The quorum of members required to transact business at the annual meeting shall be one third of the qualified voters.

### ARTICLE III

#### SPECIAL MEETINGS OF THE CONGREGATION

1. SPECIAL MEETING. Special meetings of the congregation

may be called by the Bishop, the Rector, one Warden or by any two Vestrymen, or by the petition of at least twenty-five percent (25%) of the voting members of the congregation.

2. NOTICE. Announcement of the time, place and purpose of all such special meetings shall be given at all Sunday services of the Church for at least two weeks preceding such meeting, or through the parish bulletin, if there be one, unless shorter or other notice is given by the Bishop.

#### ARTICLE IV OFFICERS

1. PRESIDENT. The Rector, elected in the manner provided for by canon, shall be the President of the corporation. The President shall be the principal executive officer of the corporation and shall, in general, supervise and control all of the business and affairs of the corporation. The Rector, or the Bishop, shall preside at all congregational meetings, but if such a one be not present, then a Warden, or a Vestryman, in order of seniority, shall preside.

2. VICE-PRESIDENT. The Senior Warden, appointed from among the Vestry members by the Rector, shall be the Vice-President of the corporation. In addition to his/her duties imposed by canon, he/she shall represent the Rector as the latter from time to time may direct.

3. EXECUTIVE VICE- PRESIDENT. The Junior Warden,

may be called by the Bishop, the Rector, one Warden or by any two Vestrymen, or by the petition of at least twenty-five percent (25%) of the voting members of the congregation.

2. NOTICE. Announcement of the time, place and purpose of all such special meetings shall be given at all Sunday services of the Church for at least two weeks preceding such meeting, or through the parish bulletin, if there be one, unless shorter or other notice is given by the Bishop.

3. QUORUM. The quorum of members required to transact business at any special meeting shall be one third of the qualified voters.

#### ARTICLE IV OFFICERS

1. PRESIDENT. The Rector, elected in the manner provided for by canon, shall be the President of the corporation. The President shall be the principal executive officer of the corporation and shall, in general, supervise and control all of the business and affairs of the corporation. The Rector, or the Bishop, shall preside at all congregational meetings, but if such a one be not present, then a Warden, or a Vestryman, in order of seniority, shall preside.

2. VICE-PRESIDENT. The Senior Warden, appointed from among the Vestry members by the Rector, shall be the Vice-President of the corporation. In addition to his/her duties imposed by canon, he/she shall represent the Rector as the latter from time to time may direct.

3. EXECUTIVE VICE- PRESIDENT. The Junior Warden,

elected annually from among the Vestry members by the Vestry, shall be Executive Vice-President of the corporation. He/she shall have oversight of the property of the parish. In addition to these duties, and the duties imposed by canon, he/she shall represent the congregation as the Vestry or annual meeting of the congregation may, from time to time, direct.

4. CLERK/SECRETARY. The Clerk/Secretary shall be elected annually from among the Vestry members by the Vestry. The Clerk/Secretary shall keep minutes of the meetings of the congregation and the Vestry and in general perform all duties incident to the office of Clerk/Secretary, and such other duties as may, from time to time, be assigned by the President or by the Vestry.

5. TREASURER. The Treasurer shall be elected annually by the Vestry from the membership of the parish. The Treasurer shall have control over and responsibility for all financial records, and shall report to the congregation and Vestry on fiscal and financial matters. In addition to these duties and duties imposed by canon and the Annual Convention of the Diocese of the Rio Grande, he/she shall perform such other duties as, from time to time, may be assigned to him/her by the President or by the Vestry. The Treasurer shall be bonded and the costs of such bond shall be paid out of the Church budget. Prior to the time of the selection of the Treasurer by the Vestry, all candidates for this position shall satisfy the Vestry that each is bondable in an amount established by the Church.

6. RECORDING SECRETARY. The Vestry may elect from among the members of the parish a recording secretary who need not be a member of the Vestry.

elected annually from among the Vestry members by the Vestry, shall be Executive Vice-President of the corporation. He/she shall have oversight of the property of the parish. In addition to these duties, and the duties imposed by canon, he/she shall represent the congregation as the Vestry or annual meeting of the congregation may, from time to time, direct.

4 CLERK/SECRETARY. The Clerk/Secretary shall be elected annually from among the Vestry members by the Vestry. The Clerk/Secretary shall keep minutes of the meetings of the congregation and the Vestry and in general perform all duties incident to the office of Clerk/Secretary, and such other duties as may, from time to time, be assigned by the President or by the Vestry.

5. TREASURER. The Treasurer shall be elected annually by the Vestry from the membership of the parish. The Treasurer shall have control over and responsibility for all financial records, and shall report to the congregation and Vestry on fiscal and financial matters. In addition to these duties and duties imposed by canon and the Annual Convention of the Diocese of the Rio Grande, he/she shall perform such other duties as, from time to time, may be assigned to him/her by the President or by the Vestry. The Treasurer shall be bonded and the costs of such bond shall be paid out of the Church budget. Prior to the time of the selection of the Treasurer by the Vestry, all candidates for this position shall satisfy the Vestry that each is bondable in an amount established by the Church.

6. RECORDING SECRETARY. The Vestry may elect from among the members of the parish a recording secretary who need not be a member of the Vestry.

7. DELEGATION OF DUTIES The Vestry may, from time to time, create such standing and/or ad hoc committees as it deems necessary and useful, and may seek and obtain whatever other assistance is deemed necessary to carry out the functions and duties of the offices enumerated in Article IV.

8. COMMITTEES A Finance Committee is hereby created to assist the Treasurer in the review and recommendations of policies and procedures related to matters affecting the finances of the Parish and in other matters related to the stewardship of all other assets.

8.1 Finance Committee: Responsibilities, Duties and Powers

- a) The Finance Committee shall be responsible for the development of recommendations to the Vestry regarding policies and procedures for the prudent and effective financial operation of the Parish.
- b) The Finance Committee shall comprise the Treasurer, who shall be Chair, and the Treasurer's appointees. The Senior Warden and one other member of the Vestry shall also be members of the committee.
- c) The Committee's duties will include, but not be limited to, financial oversight and planning of all financial matters pertaining to the Parish including investments in any endowment or annuity as allowed within the bylaws.
- d) The Committee shall create the annual budget, subject to the approval of the Vestry, review its administration, and cause to have an annual audit to be performed.
- e) The Committee shall review all potential encumbrances to the

7. DELEGATION OF DUTIES The Vestry may, from time to time, create such standing and/or ad hoc committees as it deems necessary and useful, and may seek and obtain whatever other assistance is deemed necessary to carry out the functions and duties of the offices enumerated in Article IV.

8. COMMITTEES A Finance Committee is hereby created to assist the Treasurer in the review and recommendations of policies and procedures related to matters affecting the finances of the Parish and in other matters related to the stewardship of all other assets.

8.1 Finance Committee: Responsibilities, Duties and Powers

- a) The Finance Committee shall be responsible for the development of recommendations to the Vestry regarding policies and procedures for the prudent and effective financial operation of the Parish.
- b) The Finance Committee shall comprise the Treasurer, who shall be Chair, and the Treasurer's appointees. The Senior Warden and one other member of the Vestry shall also be members of the committee.
- c) The Committee's duties will include, but not be limited to, financial oversight and planning of all financial matters pertaining to the Parish including investments in any endowment or annuity as allowed within the bylaws.
- d) The Committee shall create the annual budget, subject to the approval of the Vestry, review its administration, and cause to have an annual audit to be performed.
- e) The Committee shall review all potential encumbrances to the

Parish and withhold or give its recommendation to the Vestry.

8.2) Sub-Committees

The Finance Committee may create such standing and/or ad hoc committees as is deemed necessary and useful to carry out the functions and duties of the Treasurer's office as enumerated in Article IV.

ARTICLE V  
THE VESTRY

1. MEMBERSHIP The Vestry shall consist of the Rector of the parish, a Senior Warden, a Junior Warden and other elected members of the Vestry. The elected membership of the Vestry shall consist of nine (9) persons. All members of the vestry shall be voting members and resident communicants of the parish in good standing.

One-third (1/3) of the total number of Vestry members shall be elected annually by the qualified voters of the congregation for a term of three (3) years. Vacancies in the Vestry, however, occurring more than two (2) months before the annual parish meeting shall be filled by the vote of a majority of the remaining members.

2. PRESIDING OFFICERS The Rector, when present, shall preside at the meetings of the Vestry and shall have all the rights of the other members. In the absence of the Rector, the Wardens, in order of their seniority, shall preside.

3. QUORUM. The Rector, or one of the Wardens, and a majority of the Vestry members shall constitute a quorum for the

Parish and withhold or give its recommendation to the Vestry.

8.2 Sub-Committees. The Finance Committee may create such standing and/or ad hoc committees as is deemed necessary and useful to carry out the functions and duties of the Treasurer's office as enumerated in Article IV.

ARTICLE V  
THE VESTRY

1. MEMBERSHIP The Vestry shall consist of the Rector of the parish, a Senior Warden, a Junior Warden and other elected members of the Vestry. The elected membership of the Vestry shall consist of nine (9) persons. All members of the vestry shall be voting members and resident communicants of the parish in good standing.

One-third (1/3) of the total number of Vestry members shall be elected annually by the qualified voters of the congregation for a term of three (3) years. Vacancies in the Vestry, however, occurring more than two (2) months before the annual parish meeting shall be filled by the vote of a majority of the remaining members.

2 PRESIDING OFFICERS The Rector, when present, shall preside at the meetings of the Vestry and shall have all the rights of the other members. In the absence of the Rector, the Wardens, in order of their seniority, shall preside.

3 QUORUM. The Rector, or one of the Wardens, and a majority of the Vestry members shall constitute a quorum for the

transaction of business.

4. WARDENS Two Wardens, Senior and Junior, shall be selected annually. The term of office of the Senior Warden may not exceed three (3) consecutive years. The Senior Warden shall be appointed by the Rector from amongst the Vestry membership. The Junior Warden shall be selected from among the Vestry members by the Vestry membership. The term of office of the Junior Warden may not exceed three (3) consecutive years.

5. REGULAR MEETINGS Regular meetings of the Vestry shall be held monthly at a time and place fixed by the Vestry, or in default thereof, by the Rector.

6. NOTICE FOR REGULAR MEETINGS Notice for regular meetings of the Vestry shall be given at least one (1) week prior to the date of the regular meeting. Waiver of such notice may be made by any member of the Vestry in writing or by his/her attendance at the described meeting.

7. SPECIAL MEETINGS. Special meetings of the Vestry may be called by the Rector or one of the Wardens, by the Bishop, or by two (2) members of the Vestry.

8. NOTICE FOR SPECIAL VESTRY MEETINGS. Notice for special Vestry meetings shall be given by that individual or individuals calling such a meeting at least three (3) days prior to the date of such a meeting. Provided however, that the notice described hereunder may be waived in writing or by the attendance at such meeting by any member of the Vestry.

9. ABSENTEEISM. Whenever a Warden or a Vestry member shall be absent from four (4) regular or special (called) meetings covering a period of not less than two (2) months, such meetings being consecutive, without good cause reported, and spread upon

transaction of business.

4 WARDENS. Two Wardens, Senior and Junior, shall be selected annually. The term of office of the Senior Warden may not exceed three (3) consecutive years. The Senior Warden shall be appointed by the Rector from amongst the Vestry membership. The Junior Warden shall be selected from among the Vestry members by the Vestry membership. The term of office of the Junior Warden may not exceed three (3) consecutive years.

5 REGULAR MEETINGS. Regular meetings of the Vestry shall be held monthly at a time and place fixed by the Vestry, or in default thereof, by the Rector.

6 NOTICE FOR REGULAR MEETINGS. Notice for regular meetings of the Vestry shall be given at least one (1) week prior to the date of the regular meeting. Waiver of such notice may be made by any member of the Vestry in writing or by his/her attendance at the described meeting.

7. SPECIAL MEETINGS. Special meetings of the Vestry may be called by the Rector or one of the Wardens, by the Bishop, or by two (2) members of the Vestry.

8. NOTICE FOR SPECIAL VESTRY MEETINGS. Notice for special Vestry meetings shall be given by that individual or individuals calling such a meeting at least three (3) days prior to the date of such a meeting. Provided however, that the notice described hereunder may be waived in writing or by the attendance at such meeting by any member of the Vestry.

9. ABSENTEEISM. Whenever a Warden or a Vestry member shall be absent from four (4) regular or special (called) meetings covering a period of not less than two (2) months, such meetings being consecutive, without good cause reported, and spread upon

the minutes of the meetings from which he/she is absent, he/she shall be dropped from the Vestry and a vacancy declared. The remaining members shall proceed to fill the vacancy as provided herein.

10. PROCEDURE FOR ANNUAL MEETING OF CONGREGATION ESTABLISHED. Vestry shall establish a procedure to be followed at the annual meeting of the congregation, which procedure shall include the date and time of the meeting; provided however, that the Rector shall present the agenda for the said annual meeting of the congregation.

11. DUTIES. The Vestry shall attend to all business matters of the parish, and except as otherwise provided by the law of the State of New Mexico, or of this Diocese, the Vestry shall be the agents and legal representatives of the parish in all matters concerning its corporate property and the relations of the parish to its Clergy and to the Diocese.

Provided however, that the board of directors shall not make any contract or obligation concerning the property of the corporation of any kind or nature until after the adoption of a proper resolution in that behalf concurred in by not less than five (5) of its members. No property of the corporation shall be sold or mortgaged, encumbered, alienated or otherwise disposed of by any instrument in writing, except with the written consent of the Bishop for the time being presiding over the affairs of the Episcopal Church in the United States of America in New Mexico, and such written consent shall be endorsed upon every such written instrument, mortgage or conveyance, affecting the property of the corporation which may be executed by the board of directors.

the minutes of the meetings from which he/she is absent, he/she shall be dropped from the Vestry and a vacancy declared. The remaining members shall proceed to fill the vacancy as provided herein.

10. PROCEDURE FOR ANNUAL MEETING OF CONGREGATION ESTABLISHED. Vestry shall establish a procedure to be followed at the annual meeting of the congregation, which procedure shall include the date and time of the meeting; provided however, that the Rector shall present the agenda for the said annual meeting of the congregation.

11. DUTIES. The Vestry shall attend to all business matters of the parish, and except as otherwise provided by the law of the State of New Mexico, or of this Diocese, the Vestry shall be the agents and legal representatives of the parish in all matters concerning its corporate property and the relations of the parish to its Clergy and to the Diocese.

Provided however, that the board of directors shall not make any contract or obligation concerning the property of the corporation of any kind or nature until after the adoption of a proper resolution in that behalf concurred in by not less than five (5) of its members. No property of the corporation shall be sold or mortgaged, encumbered, alienated or otherwise disposed of by any instrument in writing, except with the written consent of the Bishop for the time being presiding over the affairs of the Episcopal Church in the United States of America in New Mexico, and such written consent shall be endorsed upon every such written instrument, mortgage or conveyance, affecting the property of the corporation which may be executed by the board of directors.

12. INDEMNIFICATION: The corporation shall, to the extent legally permissible, indemnify each person who may serve or who has served at any time as an officer, director, or employee of the corporation 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 in which he or she may become involved by reason of his or her service in such capacity; provided that no indemnification shall be provided for any such person with respect to any matter as to which he or she shall have been finally adjudicated in any proceeding not to have acted in good faith in the reasonable belief that such action was in the best interests of the corporation; and further provided that any compromise or settlement payment shall be approved by a majority vote of a quorum of directors who are not at that time parties to the proceeding.

The indemnification provided hereunder shall inure to the benefit of the heirs, executors and administrators of persons entitled to indemnification hereunder. The right of indemnification under this Article shall be in addition to and not exclusive of all other rights to which any person may be entitled.

No amendment or repeal of the provisions of this Article which adversely affects the right of an indemnified person under this Article shall apply to such person with respect to those acts or omissions which occurred at any time prior to such amendment or repeal, unless such amendment or repeal was voted by or was made with the written consent of such indemnified person.

This Article constitutes a contract between the corporation and

12. INDEMNIFICATION: The corporation shall, to the extent legally permissible, indemnify each person who may serve or who has served at any time as an officer, director, or employee of the corporation 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 in which he or she may become involved by reason of his or her service in such capacity; provided that no indemnification shall be provided for any such person with respect to any matter as to which he or she shall have been finally adjudicated in any proceeding not to have acted in good faith in the reasonable belief that such action was in the best interests of the corporation; and further provided that any compromise or settlement payment shall be approved by a majority vote of a quorum of directors who are not at that time parties to the proceeding.

The indemnification provided hereunder shall inure to the benefit of the heirs, executors and administrators of persons entitled to indemnification hereunder. The right of indemnification under this Article shall be in addition to and not exclusive of all other rights to which any person may be entitled.

No amendment or repeal of the provisions of this Article which adversely affects the right of an indemnified person under this Article shall apply to such person with respect to those acts or omissions which occurred at any time prior to such amendment or repeal, unless such amendment or repeal was voted by or was made with the written consent of such indemnified person.

This Article constitutes a contract between the corporation and

the indemnified officers, directors, and employees. No amendment or repeal of the provisions of this Article which adversely affects the right of an indemnified officer, director, or employee under this Article shall apply to such officer, director, or employee with respect to those acts or omissions which occurred at any time prior to such amendment or repeal.

13. CONFLICT OF INTEREST: For purposes of this provision, the term "interest" shall include personal interest, interest as director, officer, member, stockholder, shareholder, partner, manager, trustee or beneficiary of any concern and having an immediate family member who holds such an interest in any concern. The term "concern" shall mean any corporation, association, trust, partnership, limited liability entity, firm, person or other entity other than the organization.

No director or officer of the organization shall be disqualified from holding any office in the organization by reason of any interest in any concern. A director or officer of the organization shall not be disqualified from dealing, either as vendor, purchaser or otherwise, or contracting or entering into any other transaction with the organization or with any entity of which the organization is an affiliate. No transaction of the organization shall be voidable by reason of the fact that any director or officer of the organization has an interest in the concern with which such transaction is entered into, provided:

1. The interest of such officer or director is fully disclosed to the board of directors.
2. Such transaction is duly approved by the board of directors not so interested or connected as being in the best interests of the

the indemnified officers, directors, and employees. No amendment or repeal of the provisions of this Article which adversely affects the right of an indemnified officer, director, or employee under this Article shall apply to such officer, director, or employee with respect to those acts or omissions which occurred at any time prior to such amendment or repeal.

13. CONFLICT OF INTEREST: For purposes of this provision, the term "interest" shall include personal interest, interest as director, officer, member, stockholder, shareholder, partner, manager, trustee or beneficiary of any concern and having an immediate family member who holds such an interest in any concern. The term "concern" shall mean any corporation, association, trust, partnership, limited liability entity, firm, person or other entity other than the organization.

No director or officer of the organization shall be disqualified from holding any office in the organization by reason of any interest in any concern. A director or officer of the organization shall not be disqualified from dealing, either as vendor, purchaser or otherwise, or contracting or entering into any other transaction with the organization or with any entity of which the organization is an affiliate. No transaction of the organization shall be voidable by reason of the fact that any director or officer of the organization has an interest in the concern with which such transaction is entered into, provided:

1. The interest of such officer or director is fully disclosed to the board of directors.
2. Such transaction is duly approved by the board of directors not so interested or connected as being in the best interests of the

organization.

3. Payments to the interested officer or director are reasonable and do not exceed fair market value.

ARTICLE VI  
ENDOWMENT FUND

1. CREATION. An Endowment Fund has been created into which shall be placed gifts made for endowment purposes, and such other funds as the Vestry may from time to time deem advisable. The Endowment Fund shall be directed, managed, and invested by an Investment Advisory Committee (IAC) pursuant to an Investment Policy Statement (IPS) that is reviewed and approved no less than annually by both the Finance Committee and the Vestry. The IPS shall reflect the investment policy, objectives, and constraints of the endowment portfolio following the standard of prudence required by state and federal statutes applicable to charitable funds. The standard of prudence requires that the managers must meet their fiduciary duty of care, the duty to minimize cost, and the duty to diligently investigate issues with respect to investment decision making. Further, managers are required to allocate risk and return across the portfolio, and to consider the needs of the Church of the Holy Faith to both make distributions and preserve capital.

organization.

3. Payments to the interested officer or director are reasonable and do not exceed fair market value.

ARTICLE VI  
ENDOWMENT FUND

1. CREATION. An Endowment Fund has been created into which gifts have been placed for endowment purposes along with other such funds as the Vestry may from time-to-time deem advisable to add to the Endowment. The primary purpose of the Endowment Fund is to serve as a financial reserve to be used only when an extreme financial need arises. Therefore the primary goal of the Fund is to preserve and add to its principle; the secondary goal is to provide income for various church purposes.

2. MANAGEMENT. The Endowment Fund shall be directed, managed and invested by an Investment Advisory Committee (IAC) pursuant to an Investment Policy Statement (IPS) that is reviewed and approved no less than annually by both the Finance Committee and the Vestry. The IPS shall reflect the investment policy, objectives and constraints of the endowment portfolio following the standards of prudence required by the state and federal statutes applicable to charitable funds. The standard of prudence requires that the managers (and also the Vestry, Finance and IAC) must meet their fiduciary duty with care, the duty to minimize cost, and the duty to diligently investigate issue with respect to investment decision making. Further, managers are required to allocate risk and return across the portfolio, and to

Income from this endowment fund shall be determined as 5% of a rolling average of the three (3) prior calendar year-end portfolio values of the unrestricted investments *with the 2009 year end value being the first year*. The income so determined shall be available for outreach and other non-operating expenses as the Vestry may determine from time to time during the ensuing fiscal year, but only to the extent income has not been otherwise donor restricted.

Provided however, that in the event of extreme need, and to the extent not prohibited by donor restrictions, the principal funds may be withdrawn from the Endowment Fund from time to time, but only under the following two (2) conditions:

a) That the vestry may approve, by a majority vote, a short-term loan from the Endowment Fund to the operating fund of the Holy Faith Church. The maximum loan amount shall not exceed “income” as defined in Article VI, Paragraph 2 Creation above. The maximum term of the loan shall not exceed one (1) year, and, in any event, all principal and accrued interest will be repaid at the end of the year in which the loan was initiated. The rate of interest charged will reflect the interest rate earned by the Endowment Fund on its short-term money market funds, pro-rata to the time and amount of principal outstanding on the loan during the course of the year. The terms and conditions shall be evidenced by a note executed by the Senior Warden and the

consider the needs of the Church of the Holy Faith to both make distributions and preserve capital.

3. INCOME. Income from this endowment fund shall be determined as 4% of a rolling average of the three prior year end portfolio values of the unrestricted investments. The income so determined shall be available for outreach, capital expenditures and other non-operating expenses as the Vestry may determine from time to time during the ensuing fiscal year, but only to the extent income has not been otherwise restricted.

4. EXCEPTIONAL WITHDRAWALS. In the event of extreme need, and to the extent not provided by donor restrictions, the principal funds may be withdrawn from the Endowment Fund from time to time, but only under the following condition:

The Finance Committee may recommend to the Vestry that an exceptional withdrawal of principle is desirable. The Vestry may then (by a 2/3 vote) recommend to the congregation that the exceptional withdrawal is desirable. The congregation must approve by a two-thirds (2/3) of those present and voting at a special meeting, as provided in Article III, that the withdrawal is desirable.

Treasurer subject to approval of a majority of the Vestry

b) That the Vestry, at three (3) consecutively held regular meetings held at intervals of not less than twenty-one (21) days, and not more than sixty (60) days, declare upon a vote of two-thirds (2/3) or more of all its members (whether present or not) that other funds are not available and that an extreme need exists necessitating the withdrawal of funds for such purposes from the Endowment Fund.

To the extent that any endowment funds are subject to donor-restrictions as to expenditure of either principal or income, separate and complete records of such funds so restricted shall be maintained. Such separate records, maintained by donor-restriction, shall contain the date of the gift, its initial principal amount, type of gift, and yearly income and expenditures. In the past records of such funds may be inexact, the Vestry with accounting assistance, any initially approximate historical records, as may be possible. Income from the Endowment Fund shall be allocated annually to the non-restricted portion and to each donor-restricted fund, pro rata. Expenditures from income shall be made only in accordance with donor restrictions, as applicable or, in accordance with Vestry discretion as to the income from the non-restricted portion of the Endowment Fund.

Provided, further, than any “income” as defined in the preceding paragraph (Article VI, Paragraph 1, Creation), which has not been spent or committed to specific purposes by the Vestry as of December 31 of each year during which such income has been

5. DONOR RESTRICTED FUNDS. To the extent that any endowment funds are subject to donor-restrictions as to expenditure of either principal or income, separate and complete records of such funds so restricted shall be maintained. Such separate records, maintained by donor-restriction, shall contain the date of the gift, its initial principal amount, type of gift, and yearly income and expenditures. In that past records of such funds may be inexact, the Vestry with accounting assistance, will initially approximate historical records, as may be possible to determine a baseline value of such funds to meet these requirements. Income from the Endowment Fund shall be allocated annually to the non-restricted portion and to each donor-restricted fund, pro rata. Expenditures from income shall be made only in accordance with donor restrictions, as applicable or, in accordance with Vestry discretion as to the income from the non-restricted portion of the Endowment Fund.

Provided, further, than any “income” as defined in the preceding paragraph (Article VI, Paragraph 3, Income), which has not been

made available shall thereupon be added to principal of either the non-restricted portion of the Endowment Fund or the applicable donor-restricted portion as of that date and thereafter be subject to all limitations on expenditures of principal set forth in this Article and by donor restrictions.

This Article VI shall not be amended or repealed except by a vote of two-thirds (2/3) or more of all the members of the Vestry (whether present or not) taken at three (3) consecutively held regular meetings, held at intervals of not less than twenty-one (21) days and not more than sixty (60) days apart.

**ARTICLE VII**  
**AMENDMENT OF BYLAWS**

**BYLAW AMENDMENTS.** These Bylaws may be amended by the Vestry but no amendment hereof shall be effective or in force until the same shall have been approved by the congregation at its annual meeting; amendments dealing with financial or fiscal affairs and matters must be approved by two-thirds (2/3) majority vote of those members of the congregation present at the annual meeting; amendments dealing with matters other than fiscal or financial affairs shall be approved by a simple majority vote of members of the congregation present at the meeting.

IN WITNESS HEREOF, we have set our hands and seals this \_\_\_\_\_ day of \_\_\_\_\_, 2009.

spent or committed to specific purposes by the Vestry as of December 31 of each year during which such income has been made available shall thereupon be added to principal of either the non-restricted portion of the Endowment Fund or the applicable donor-restricted portion as of that date and thereafter be subject to all limitations on expenditures of principal set forth in this Article and by donor restrictions.

**ARTICLE VII**  
**AMENDMENT OF BYLAWS**

**BYLAW AMENDMENTS.** These Bylaws may be amended by the Vestry but no amendment hereof shall be effective or in force until the same shall have been approved by the congregation at its annual meeting; amendments dealing with financial or fiscal affairs and matters must be approved by two-thirds (2/3) majority vote of those members of the congregation present at the annual meeting; amendments dealing with matters other than fiscal or financial affairs shall be approved by a simple majority vote of members of the congregation present at the meeting.

**AMMENDMENT OF ARTICLE VI OF THE BY-LAWS** Article VI shall not be amended or repealed except by a vote of two-thirds (2/3) or more of all the members of the Vestry (whether

<hr/> <hr/>	<p>present or not) taken at three (3) consecutively held regular meetings, held at intervals of not less than twenty-one (21) days and not more than sixty (60) days apart. The congregation must approve any changes to the section on exceptional withdrawals (Article VI, Paragraph 4) by a two-thirds (2/3) vote at a special or annual meeting, as provided in Article III.</p> <p>IN WITNESS HEREOF, we have set our hands and seals this _____ day of _____, 2009.</p> <hr/> <hr/>
-------------	---