

BYLAWS
OF
ST. JAMES PARISH FOUNDATION, INC.

(A North Carolina Nonprofit Corporation)

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B Y L A W S
OF
ST. JAMES PARISH FOUNDATION, INC.

SECTION 1.
OFFICES

SECTION 1.1 Principal Office

The principal office of the corporation shall be at the same location as the registered office or such other place as may be designated by the Board of Directors.

SECTION 1.2 Registered Office

The registered office of the corporation shall be at 25 South Third Street, Wilmington, New Hanover County, North Carolina 28401.

SECTION 1.3 Other Offices

The corporation may have offices at such other places as the Board of Directors may from time to time determine.

SECTION 2.
BOARD OF DIRECTORS

SECTION 2.1 General Powers

The business and affairs of the corporation shall be managed by its Board of Directors.

SECTION 2.2 Number, Term, and Qualifications

The total number of directors constituting the Board of Directors shall not be fewer than five (5) nor more than twelve (12). The authorized number of directors, within the limits specified above, shall be determined by the affirmative vote of a majority of the whole Board of Directors given at a regular or special meeting of the Board of Directors or by the unanimous written consent of all of the directors to such action without a meeting; provided that if the number so determined is to be increased or decreased, notice of the proposed increase or decrease shall be included in the notice of such meeting; and provided, that the number of directors which

shall constitute the whole Board shall not be reduced to a number less than the number of directors then in office unless such reduction shall become effective only at and after the next election of directors. Directors need not be residents of the State of North Carolina. All directors must be communicants in good standing of St. James Parish. Two (2) directors must be current members of the Vestry of St. James Parish (the "Vestry Directors"). All directors other than the Vestry Directors are referred to as the "Lay Directors". A Lay Director may also be a member of the Vestry of St. James Parish.

The Lay Directors shall be divided into three classes, as nearly equal in number as may be, to serve in the first instance for terms of one, two, and three years, respectively, and until their successors shall be elected and shall qualify, and thereafter the successors in each class shall be elected to serve for terms of three years and until their successors shall be elected and shall qualify. In the event of the death, resignation, retirement, removal, or disqualification of one of the Lay Directors during his elected term of office, his successor shall be elected by the directors to serve only until the expiration of the term of his predecessor.

The Vestry Directors shall serve for terms of one year and until their successors shall be elected and shall qualify. In the event of the death, resignation, retirement, removal, or disqualification of one of the Vestry Directors during his elected term of office, his successor shall be elected by the Vestry of St. James Parish to serve only until the expiration of the term of his predecessor.

The Treasurer of St. James Parish and the Rector of St. James Parish shall be entitled to attend all meetings of the directors of the Corporation but shall not be directors of the Corporation.

SECTION 2.3 Election of Directors

The initial Board of Directors shall be appointed by the Vestry of St. James Parish to serve until their successors are elected as provided herein.

Thereafter, all Lay Directors shall be nominated in writing by the Vestry of St. James Parish and communicants in good standing of St. James Parish. The nominations of the Lay Directors by the Vestry of St. James Parish shall be published to the communicants of St. James Parish along with the names of those persons nominated for election to the Vestry of St. James Parish prior to the annual meeting of St. James Parish in accordance with the bylaws of St. James Parish. In addition, communicants in good standing of St. James Parish may submit written nominations of Lay Directors no more than sixty (60) nor less than thirty (30) days prior to the annual meeting of St. James Parish. The Lay Directors shall be elected by communicants in good standing of St. James Parish at each annual meeting of St. James Parish. Those persons receiving the highest number of votes cast by communicants in good standing present and voting shall be elected, and a majority vote shall not be necessary for election of a director. No Lay Director may serve more than two (2) consecutive full three-year terms in office.

All Vestry Directors shall be nominated in writing and elected by the Vestry of St. James Parish. There is no limitation on the number of terms a Vestry Director may serve.

SECTION 2.4 Removal for Cause

Any director may be removed from office, for cause, at any meeting of the Board of Directors by the affirmative vote of two-thirds (2/3) of the directors then holding office.

SECTION 2.5 Vacancies

Any vacancy occurring in the Board of Directors for a Lay Director for any reason other than the normal expiration of the term of a Lay Director may be filled by the affirmative vote of a majority of the remaining directors even though less than a quorum, or by the sole remaining director. Any vacancy occurring in the Board of Directors for a Vestry Director for any reason other than the normal expiration of the term of a Vestry Director may be filled the Vestry of St. James Parish.

SECTION 3. MEETINGS OF DIRECTORS

SECTION 3.1 Regular Meetings

A regular meeting of the Board of Directors shall be held at least quarterly, at such place, date and hour as shall be determined from time to time by the Board of Directors by resolution, or in the absence thereof, as called by the President or any two directors. The regular meeting held in the ~~second~~^{first} calendar quarter of each year shall be the annual meeting. If the annual meeting shall not be held during the calendar quarter designated by these Bylaws, a substitute annual meeting may be called in accordance with the provisions of SECTION 3.2. A meeting so called shall be designated and treated for all purposes as the annual meeting.

SECTION 3.2 Special Meetings

Special meetings of the Board of Directors may be called by or at the request of the President or any director. Such a meeting may be held either within or without the State of North Carolina, as fixed by the person or persons calling the meeting.

SECTION 3.3 Notice of Meetings

At least five (5) days before each regular and special meeting, written notice of the meeting shall be delivered personally, sent by mail to each director at his address as shown in the records of the Corporation, or sent by electronic mail to each director at his electronic mail address as shown in the records of the Corporation. If personally delivered, such notice will be deemed to be given when personally delivered. If mailed, such notice will be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage prepaid. If sent by electronic mail, such notice will be deemed to be given when sent. Such notice shall specify the time, place and agenda of the meeting.

SECTION 3.4 Waiver of Notice

Any director may waive notice of any meeting. The attendance by a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

SECTION 3.5 Quorum

A majority of the number of directors fixed in accordance with these bylaws shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

SECTION 3.6 Manner of Acting

The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

SECTION 3.7 Informal Action by Directors

Action taken by a majority of the directors without a meeting is nevertheless Board action if written consent to the action in question is signed by all the directors and filed with the minutes of the proceedings of the Board of Directors, whether done before or after the action so taken.

SECTION 3.8 Meeting by Telephone

Any one or more directors may participate in a meeting of the Board of Directors by means of a conference telephone or similar communications device which allows all persons participating in the meeting to hear each other and any director participating in the meeting by such means shall be deemed to be present in person at such meeting.

SECTION 3.9 Attendance at Meetings

Following two consecutive absences by a director, the President shall call that director to determine his intention of attending future meetings or resigning. After three consecutive absences, the director shall be sent a letter advising him that he may be removed from the Board of Directors in the event of a fourth consecutive absence.

SECTION 3.10 Procedure at Meeting

The President shall preside at all meetings of the Board of Directors. In the absence of the President, the Vice-President shall preside. In the absence of both the President and the Vice-President, the Secretary shall preside. In the absence of the President, Vice-President, and the Secretary, the Treasurer shall preside. The Board of Directors may elect a Chairperson from their number to preside at the meeting if the President, Vice-President, Secretary, and Treasurer are not in attendance. The presiding officer shall vote only to accomplish a decision on motions that

have resulted in a tie vote. All meetings shall be governed by and conducted in accordance with the latest edition of Robert's Rules of Order.

SECTION 4. COMMITTEES

SECTION 4.1 Executive Committee

There shall be an Executive Committee which shall consist of the officers of the corporation. At all times between meetings of the Board of Directors, the Executive Committee shall have and exercise all of the powers of the Board of Directors, except that the Executive Committee shall not have the power to adopt the budget, or to take any action which is contrary to, or a substantial departure from, the policy established by the Board of Directors, or which represents a major change in the affairs, business, or previous actions of the Board. Between meetings of the Board of Directors, the Executive Committee shall have administrative control and direction of all of the affairs of the corporation. The Executive Committee shall recommend policies to the Board of Directors and render advice to the President.

SECTION 4.2 Standing Committees

The Board of Directors may appoint one or more committees from time to time with such responsibilities, duties and functions as may be prescribed by the Board of Directors. Members of any committee must also be members of the Board of Directors.

SECTION 4.3 Committee Meetings

Meetings of Committees may be called by the Chairperson of the Committee, or by the President, by giving written or oral notice of the meeting at least three (3) days before the meeting specifying the time, place and agenda of the meeting. Any member of the Committee may waive notice of any meeting. Attendance by a member of the Committee at a meeting shall constitute a waiver of notice of the meeting, except where the member attends a meeting for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called or convened. A majority of the voting members of a Committee shall constitute a quorum for the transaction of business at any meeting of the Committee. The act of a majority of the voting members present at a meeting at which a quorum is present shall be the act of the Committee. Action taken by the required majority of the voting members without a meeting is nevertheless Committee action if written consent to the action in question is signed by all of the voting members of the Committee and filed with the minutes of the proceedings of the Committee, whether done before or after the action so taken. Any one or more members may participate in a meeting of the Committee by means of a conference telephone or similar communications device which allows all persons participating in the meeting to hear each other and such participation in a meeting shall be deemed presence in person at such meeting. The Chairperson of the Committee shall appoint a Secretary to take minutes of the proceedings of the Committee.

SECTION 5. OFFICERS

SECTION 5.1 Officers of the Corporation

The officers of the corporation shall consist of a President, Vice-President, Secretary, Treasurer, and such Vice-Presidents, Assistant Secretaries, Assistant Treasurers, and other officers as the Board of Directors may from time to time elect. The duties of the officers shall be those prescribed by these bylaws and any additional duties as from time to time prescribed by the Board of Directors.

SECTION 5.2 Election and Term

The officers of the corporation shall be elected by the Board of Directors at the annual meeting and each officer shall hold office for one (1) year or until his death, resignation, retirement, removal, or disqualification or until his successor shall have been elected and qualified. No person shall be eligible to hold the same office for more than two (2) consecutive terms. All officers shall be elected from members of the Board of Directors.

SECTION 5.3 Compensation of Officers

No officer other than an Executive Director, if one has been appointed, shall receive compensation for services as an officer other than reimbursement for any expenses incurred by the officer in the performance of his duties as authorized by the Board of Directors. Compensation of any Executive Director shall be fixed by the Board of Directors.

SECTION 5.4 Removal

Any officer elected by the Board of Directors may be removed by the Board whenever in its judgment the best interests of the corporation will be served by the removal; but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

SECTION 5.5 President

The President shall be the chief executive officer of the corporation and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the corporation. He shall be an ex officio member of all committees, and he shall appoint chairpersons of all committees. He shall sign, with the Secretary, an Assistant Secretary, or any other proper officer of the corporation authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution of such instruments shall be expressly delegated by the Board of Directors or by these bylaws to some other officer or agent of the corporation, or shall be required by law to be otherwise signed and executed; and in general he shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

SECTION 5.6 Vice-President

In the absence of the President or in the event of his death, inability or refusal to act, the Vice-President shall perform the duties of the President, and when so acting shall have all the powers of and be subject to all the restrictions upon the President.

SECTION 5.7 Secretary

The Secretary shall: (a) keep the minutes of the meetings of the Board of Directors and of any other Committee of the Board of Directors in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these bylaws or as required by law; (c) be custodian of the corporate records and of the seal of the corporation and see that the seal of the corporation is affixed to all documents the execution of which on behalf of the corporation under its seal is duly authorized; and (d) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned by the President or the Board of Directors.

SECTION 5.8 Treasurer

The Treasurer shall: (a) have oversight responsibility for all funds and securities of the corporation, the receipt and recording of contributions and monies due and payable to the corporation from any sources whatsoever, and the depositing of all such monies in the name of the corporation in such depositories as shall be selected in accordance with the provisions of SECTION 6.4 of these bylaws; (b) prepare, or cause to be prepared, a true statement of the corporation's assets and liabilities as of the close of each fiscal year, all in reasonable detail, which statement shall be made and filed at the corporation's registered office or principal place of business in the State of North Carolina; (c) prepare, or cause to be prepared, a proposed budget for the corporation's activities for the following fiscal year, all in reasonable detail, which statement shall be presented to the Board of Directors at its respective annual meetings; and (d) in general, perform all of the duties as from time to time may be assigned to him by the President or by the Board of Directors, or by these bylaws.

SECTION 6. CONTRACTS, LOANS, CHECKS AND DEPOSITS

SECTION 6.1 Contracts

The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

SECTION 6.2 Loans

No loans shall be contracted on behalf of the corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to a specific instance.

SECTION 6.3 Checks and Drafts

All checks, drafts or other orders for the payment of money issued in the name of the corporation shall be signed by such officer or officers, agent or agents of the corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

SECTION 6.4 Deposits

All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such depositories as the Board of Directors may select.

SECTION 7. INDEMNIFICATION

SECTION 7.1 Expenses and Liabilities

To the fullest extent and upon the terms and conditions from time to time provided by law, the corporation shall indemnify any and all of its officers, directors, employees and agents, or any person who has served or is serving in such capacity at the request of the corporation in any other corporation, partnership, joint venture, trust or other enterprise, against liability and reasonable litigation expenses, including attorneys' fees incurred by him in connection with any action, suit or proceeding in which he is made or threatened to be made a party by reason of being or having been such director, officer, employee or agent (excluding, however, liability or litigation expenses which any of the foregoing may incur in relation to matters as to which he shall be adjudged in such action, suit or proceeding to have acted in bad faith or to have been liable or guilty by reason of willful misconduct in the performance of his duty). Such directors, officers, employees and agents shall be entitled to recover from the corporation, and the corporation shall pay, all reasonable costs, expenses and attorneys' fees in connection with the enforcement of rights of indemnification granted herein. Any person who at any time after the adoption of this bylaw serves or has served in any of the aforesaid capacities for or on behalf of the corporation shall be deemed to be doing or to have done so in reliance upon and as consideration for the right of indemnification provided herein. Such right shall inure to the benefit of the legal representatives of any such person and shall not be exclusive of any right to which such person may be entitled apart from the provisions of this bylaw.

SECTION 7.2 Advance Payment of Expenses

Expenses incurred by a director, officer, employee or agent in defending a civil or criminal action, suit or proceeding as described in SECTION 7.1 shall be paid by the corporation

in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount unless it shall be ultimately determined that he is entitled to be indemnified by the corporation against such expenses.

SECTION 7.3 Insurance

The corporation shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the corporation would have the power to indemnify him against such liability.

SECTION 8. GENERAL PROVISIONS

SECTION 8.1 Seal

The corporate seal of the corporation shall consist of two concentric circles between which is the name of the corporation and in the center of which is inscribed SEAL; and such seal, as impressed on the margin of this page, is adopted as the corporate seal of the corporation by the adoption of these bylaws.

SECTION 8.2 Waiver of Notice

Whenever any notice is required to be given to any director by law, by the Articles of Incorporation or by these bylaws, a waiver of the notice in writing signed by the person or persons entitled to such notice, whether before or after the time stated in the notice, shall be equivalent to the giving of the notice.

SECTION 8.3 Fiscal Year

The fiscal year of the corporation shall be the period ending on December 31 of each year.

SECTION 8.4 Amendments

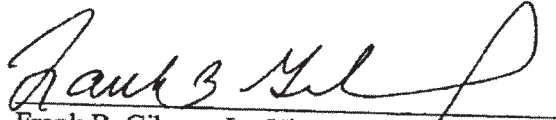
Except as otherwise provided in these bylaws, these bylaws may be amended or repealed and new bylaws may be adopted by the affirmative vote of two-thirds (2/3) of the directors then holding office at any regular or special meeting of the Board of Directors.

SECTION 8.5 Gender

In interpreting these bylaws, all masculine nouns or pronouns shall be deemed to refer equally to the feminine gender.

**SECTION 9.
ADOPTION**

Adopted, effective the 25th day of June, 2002, by action of the initial Board of Directors of ST. JAMES PARISH FOUNDATION, INC.


Frank B. Gibson, Jr., Vice President