

BY-LAWS
OF THE
PENN HILLS CHARTER SCHOOL OF ENTREPRENEURSHIP
AMENDED AND RESTATED ON JANUARY 15, 2014



Section 1. Name, Objects and Purposes, Mailing Address, Corporate Seal, and Fiscal Year

1.1 Name. The name of this nonprofit corporation shall be the PENN HILLS CHARTER SCHOOL OF ENTREPRENEURSHIP, hereafter referred to as the "Charter School."

1.2 Objectives and Purposes. The objectives and purposes of the Charter School are: (1) to foster quality public education and to advance the interests of public school students through the promotion and advocacy of community schools; (2) to stimulate the development of innovative programs in public education; (3) to provide opportunities for learning and assessments; (4) to provide parents and students with greater educational options in choosing a school; and (5) to hold teachers, parents, and school administrators accountable for the student educational process. The Charter School is incorporated under the Nonprofit Corporation Law of 1988, as amended, of the Commonwealth of Pennsylvania, and shall be organized and operated exclusively for charitable, scientific, literary and educational purposes permitted within the scope of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, including the purposes specified in Act No. 1997-22 of the General Assembly of the Commonwealth of Pennsylvania known as and referred to herein as the "Charter School Law." In furtherance of these purposes, the Charter School may exercise all rights and powers conferred by the laws of the Commonwealth of Pennsylvania upon nonprofit corporations and schools formed pursuant to the Charter School Law.

1.3 Mailing Address. The mailing address of the Charter School shall be:

Penn Hills Charter School of Entrepreneurship
200 Penn School Drive
Verona, PA 15147

The Board of Trustees may change this address as necessary.

1.4 Fiscal Year. The fiscal year of the Charter School shall, unless otherwise decided by the Trustees, end on June 30 of each calendar year.

1.5 Corporate Seal. The Trustees may adopt and alter the corporate seal, inscribed with the name of the School, the year of its organization and the words "Corporate Seal, Pennsylvania" and such other details as may be specified by the Board of Trustees.

Section 2. Membership

- 2.1 Membership.** Unless or until the Articles of Incorporation of the Charter School are amended to provide otherwise, Charter School shall have no members. Any provision of law requiring notice to, the presence of, or the vote, consent or other action by members of the corporation in connection with such matter shall be satisfied by notice to, the presence of, or the vote, consent or other action by the Board of Trustees. No certificates of membership shall be issued at any time.

Section 3. Board of Trustees

- 3.1 Composition.** The Board of Trustees shall be composed of not less than three (3) and not more than nine (9) natural persons of full age. At least one member shall be a parent of a student enrolled in the school. No member of the Board of School Directors of the Penn Hills School District shall serve on the Board of Trustees.
- 3.2 Election of Trustees.** Nominations shall be placed before the Board of Trustees as needed at any regularly scheduled or special meeting open to the public. Nominations may be made by a Nominating Committee or by any Trustee. The Trustees will cast an open, public ballot. A simple majority of a quorum is required for election.
- 3.3 Tenure.** Each Trustee, after the initial Trustees, shall hold office for three (3) years, unless the Trustee dies, resigns, is removed, or becomes disqualified. The term of office of each Trustee shall be for a period effective upon appointment and qualification and ending three years after the expiration of the term which such Trustee is appointed to fill or until a successor is duly elected. A trustee may be reelected or reappointed for consecutive terms.
- 3.4 Resignation.** Any Trustee may resign by delivering a written resignation to the Board of Trustees. Such resignation shall become effective upon receipt unless it is specified to be effective at some time later.
- 3.5 Vacancies.**
- (a) Any vacancies on the Board of Trustees shall be filled by a vote of the Board of Trustees. Each trustee so elected to fill a vacancy shall hold office for the remainder of the predecessor's unexpired term.

(b) If a Trustee resigns by giving notice specifying that such resignation shall be effective at a future time, the Board of Trustees shall have the power to elect a successor to take office when the resignation shall become effective.

3.6 Authority. The Board of Trustees (the "Board") shall have and exercise the corporate powers prescribed by the laws of the Commonwealth of Pennsylvania, and more particularly described in the Charter School Law and the Charter (the "Charter") of the Charter School. The essential function of the Board shall be policy making, the assurance of sound management, and active participation in the provision of necessary funds. The Board has ultimate responsibility to determine general, academic, financial, personnel and related policies deemed necessary for the administration and development of the Charter School in accordance with its stated purposes and goals. More specifically, the Board's authority shall be, without limitation:

- (a) to approve policies and procedures regarding employment, including but not limited, to appointment, promotion, contracts, leaves of absence, fringe benefits, qualifications of professional and nonprofessional staff, professional development and dismissal of employees;
- (b) to adopt the curriculum or courses of study and text books;
- (c) to authorize the acquisition, management and disposition of all property and physical facilities, having due respect for the corporate purpose, including the construction renovation and upkeep of the physical plant. As prescribed by the Charter School Law, the Board and contractors shall be restricted and subject to certain statutory requirements governing construction projects as set forth in Section 1715-A (10) of the Public School Code of 1949, as amended 24 P.S. 17-1715-A;
- (d) to approve institutional documents and policy statements at the Board's discretion to assure compliance with the Articles of Incorporation, Bylaws, Charter, and Board Policy;
- (e) to sue and be sued, complain and defend and participate as a party or otherwise, but only to the same extent and upon the same condition that political subdivisions and local agencies can be sued;

- (f) to make contracts and leases for the procurement of services, equipment, and supplies, including contracts with and making appropriations to an intermediate unit, school district for the charter's proportionate share of the cost of services provided or to be provided by the foregoing entities;
- (g) to create or increase any indebtedness, including incurring temporary debts in anticipation of the receipt of funds;
- (h) to solicit and accept any gifts or grants for Charter School purposes;
- (i) to establish the annual academic calendar;
- (j) to adopt and approve the annual budget and to make revisions therein;
- (k) to establish enrollment policies and procedures;
- (l) to adopt and approve policies and procedures to assess student achievement;
- (m) to approve or ratify all contracts as determined by the policy on contracting;
- (n) to be final arbiter of all disciplinary matters;
- (o) to authorize any annual audit by an independent certified public accountant;
- (p) to fix the salary or other compensation of the Chief Executive Officer, Principal, teachers, and other employees of the Charter School;
- (q) to approve all personnel actions;
- (r) to designate depositories of Charter School funds;
- (s) to set the Charter School calendar which must include 900 hours or 180 days for elementary students instruction and 990 hours or 180 days for secondary students instruction, but the Charter School cannot be kept open for students or staff on Sundays, Fourth of July, Memorial Day or Christmas);

- (t) to have and exercise all of the powers and means appropriate to effect the purpose or purposes for which the Charter School is chartered; and
- (u) to have and exercise all other powers enumerated in the Nonprofit Corporation Law or otherwise vested by law in the corporation and not consistent with the Charter School Law.

3.8 Committees. The Trustees may elect or appoint committees (which may include individuals who are not Trustees of the Charter School) as they determine necessary. At any meeting of a committee, a quorum for the transaction of business shall consist of a majority of the members of such committee. The members of any committee shall serve on the committee at the pleasure of the Trustee chairing the committee. All Committees must be defined as either a Board Committee or a Parent Advisory Committee. Each Board committee shall be chaired by a Trustee, unless otherwise agreed by the Trustee. A Trustee or a Parent member may chair a Parent Advisory Committee. Parent Advisory Committees shall not exercise any powers of the Board of Trustees and shall only make recommendations to the Board of Trustees.

3.8.1 Board Committees. Committees of the Board may include the following:

- (a) **Nominating Committee.** If a Nominating Committee is appointed by the Board of Trustees, the Board of Trustees shall set forth both the time frame for nominations and the manner by which the Nominating Committee shall make nominations. If a Nominating Committee is appointed by the Board of Trustees, it shall consist of three Trustees.
- (b) **Finance and Facilities Committee.** The Finance and Facilities Committee shall prepare and present a proposed financial budget to the Board of Trustees, and prepare and implement a system of internal fiscal controls. They shall also provide oversight on issues relating to Charter School facilities.
- (c) **Academic Assessment and Curriculum Committee.** The Academic Assessment and Curriculum Committee shall review and recommend revisions to the curriculum as necessary and recommend educational strategies, establish criteria for the evaluation of faculty and student performance, and establish and implement provisions for

the regular assessment of the academic performance of the student body.

- (d) **Personnel Committee.** The Personnel Committee shall establish criteria for the performance and evaluation of the faculty and other employees of the school. This committee shall make recommendations to the Board of Trustees regarding salaries, bonuses, and benefits.
- (e) **Administrative Services Committee.** The Administrative Services Committee shall establish a disciplinary policy for the school and review and recommend revisions of the disciplinary policy as necessary. This committee will hear, or appoint a hearing examiner to hear, any disciplinary appeals made by the students, with either the committee or the hearing examiner to recommend to the Board final disposition of such appeals.
- (f) **Audit Committee.** The Audit Committee shall oversee and review an annual independent audit and make recommendations as needed.
- (g) **Other committees** as deemed necessary by the Board of Trustees.

3.8.2 Parent Advisory Committees - Parent Advisory Committee may include the following but are not restricted to:

- (a) **Parent and Community Council.** The Parent and Community Council shall prepare and submit to the Board of Trustees written reports recommending proposed Board action, fundraising and social activities.
- (b) **Ad hoc Committees** as deemed necessary by the Board of Trustees.

3.9 Adoption and Modification of Policies. The Permanent and Ad Hoc Committees will identify areas of need and/or concern and make recommendations to the Board of Trustees for addition to or modification of current policies or Bylaws. The Trustees will vote on these recommendations at either a regularly scheduled meeting or a specifically called meeting. An affirmative vote of a majority of a quorum of the Board of Trustees will be required for adoption and/or modification of

policies. If such majority vote is not obtained, the proposed recommendation may be returned to the appropriate committee for refinement.

3.10 Meetings

3.10.1 Regular Meetings. Regular meetings of the Board may be held at such time and at such places as the Trustees determine. Written notice of every meeting and the annual schedule shall be given to each trustee by the August Annual meeting. Reasonable notice shall be made of the first regular meeting following the determination of the Trustees of the time and place of regular meetings.

3.10.2 Special Meetings. Special meetings of the Board may be held anytime and any place when called by the President of the Board of Trustees or by two or more Trustees. In addition to the notice required by Section 3.10.8 hereof, reasonable notice of the time and place of special meetings shall be given to each Trustee. Such notice will specify the purposes of the meeting. It shall be given to each Trustee in accordance with the Pennsylvania Nonprofit Corporations Law. It shall be considered reasonable and sufficient notice to a Trustee to send notice by mail at least three (3) business days before the meeting, addressed to the director at the Trustee's usual or last known residence, or to give notice in person or by telephone or email at least twenty-four (24) hours before a special meeting.

3.10.3 Annual Meeting. The Board shall meet annually once per year at the first regularly scheduled meeting in August of each year, at a reasonable time and place convenient to the Board of Trustees and members of the community. In the event that the annual meeting is not held on the specified day, the Trustees may hold a special meeting in place thereof, and any business transacted or elections held at such meeting shall have the same force and effect as if transacted or held at the annual meeting, provided that notice is given for the meeting and the notice indicates that the special meeting shall be in place of the annual meeting. Notice of the annual meeting or notice of a special meeting called in its place, setting forth the date, time and place shall be published in accordance with Section 3.10.8 hereof and shall be mailed to all Trustees at each individual Trustee's usual or last known address not less than seven days prior to the date of the annual meeting. At

the Annual Meeting the President and the Treasurer shall present an annual report which shall set forth:

- (a) The assets and liabilities, including the trust funds, of the corporation as of the end of the fiscal year immediately preceding the date of the report;
- (b) The principal changes in assets and liabilities including trust funds, during the year immediately preceding the date of the report;
- (c) The revenue or receipts of the corporation, both unrestricted and restricted to particular purposes, for the year immediately preceding the date of the report, including separate data with respect to each trust fund held by or for the corporation;
- (d) The expenses or disbursements of the corporation, for both general and restricted purposes, during the year immediately preceding the date of the report, including separate data with respect to each trust fund held by or for the corporation;
- (e) The capital budget and the operating budget for the corporation's current fiscal year;
- (f) A schedule of proposed major activities for the current fiscal year; and
- (g) A summary of the corporation's compliance with the laws and regulations of federal, state and local governmental agencies and with the standards, rules and regulations of the various accrediting and approval agencies.

3.10.4 Quorum. At any meeting of the Board of Trustees a quorum for the conduct of business by the Board of Trustees shall consist of a majority of the trustees then in office.

3.10.5 Action of Vote. When a quorum is present at a meeting of the Board of Trustees, a majority of the Trustees present and voting shall decide any question including election of officers, unless otherwise provided by law or these bylaws, including but not limited to, Section 3.10.7, 3.10.9 and 3.12.

3.10.6 Conference Telephone Meetings. One or more persons may participate in a meeting of the Board of Trustees or of a committee of the Board of Trustees by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this Section 3.10.6 shall constitute presence in person at such meeting.

3.10.7 Optional Provisions Not Required by Law. An affirmative vote of the majority of the members of the Board of Trustees then in office shall be required in order to take each of the following actions, or any previously taken action relating to the same subject matter:

- (a) adopting a school calendar, provided that any calendar must provide for 900 hours or 180 days of instruction for students in grades 1 through 6 and 990 hours or 180 days of instruction for students in grades 7 through 8;
- (b) adopting textbooks;
- (c) appointing or dismissing school administrators;
- (d) adopting or amending the annual budget;
- (e) purchasing or selling land;
- (f) locating new buildings or changing the locations of previously used buildings;
- (g) creating or increasing any indebtedness;
- (h) adopting courses of study;
- (i) designating depositories for Charter School funds;
- (j) entering into contracts of any kind where the amount involved exceeds \$5000.00
- (k) fixing salaries or other compensation of administrators, teachers, or other employees of the Charter School; and

- (l) entering into contracts with and making appropriations to an intermediate unit, school district, or Area Vocational/ Technical School for the Charter School's proportionate share of the cost of services provided or to be provided by any such entity.

3.10.8 Open Meeting Law. All meetings of the Board of Trustees of the Charter School where actions are formally presented for approval shall be held as public meetings as described in the Sunshine Act, 65 P.S. 271, et seq., Act of July 3, 1986, P.L. 388, as amended (the "Sunshine Act"). Notices of all meetings shall be given in the manner described in the Sunshine Act.

3.10.9 Real Estate Transactions. A vote of two-thirds (2/3) of the members in office of the Board of Trustees duly recorded showing how each member voted shall be required in order to take action on the following subject: purchase of real property or the sale, mortgage, lease or other disposal of real property.

3.11 Compensation and Conflicts of Interest. Trustees shall serve as Trustees without receiving any compensation for their services as Trustees. Voting on any matter involving a conflict of interest shall be governed by the Public Official and Employee Ethics Act, 65 Pa.C.S.A. § 1101 et seq. Notwithstanding the foregoing, common interested Trustees may be counted in determining the presence of a quorum at a Board meeting in which a transaction described above is authorized, approved, or ratified.

3.12 Reservation of Powers. None of the following actions may be taken by the Charter School without the prior approval of not less than two-thirds (2/3) of the Board of Trustees then in office:

- (a) to amend the Articles of Incorporation of the Charter School or these Bylaws;
- (b) to dissolve or liquidate the Corporation;
- (c) to merge or consolidate the Corporation; and
- (d) to convey, sell or transfer substantially all the Corporation's assets.

Section 4. Officers and Agencies

- 4.1** Number and Qualification. The Officers of the Charter School shall be a President, a Vice-President, a Secretary and Treasurer. The President, Vice President and Treasurer shall be members of the Board of Trustees. The Secretary may be a non-voting member of the Board.
- 4.2** Election. The officers shall be elected annually by the Board of Trustees at the annual meeting held pursuant to the provisions of Section 3.10.3 of these by-laws. If at any other time a vacancy exists in these offices, an officer may be elected to fill a vacancy for the remainder of the term at any special or regular meeting of the Trustees.
- 4.3** Term of Office. The President, Vice-President, Secretary and Treasurer shall hold office for one year, until his/her qualified successor is chosen at the next Annual Meeting of the Board of Trustees.
- 4.4** President. The President of the Board of Trustees shall preside at all meetings of the Trustees, except as the Trustees shall otherwise determine; and shall have such other powers and duties as may be determined by the Trustees.
- 4.5** Vice-President. The Vice-President of the Board of Trustees shall have and exercise all the powers and duties of the President in his/her absence. The Vice-President shall have such other powers and duties as may be determined by the Board of Trustees.
- 4.6** Secretary. The Secretary shall record and maintain records of all proceedings of the Trustees in a book or series of books kept for that purpose. These books shall be open at all reasonable times to the inspection of any member of the Board of Trustees of the Charter School. Such book or books shall also contain the original or attested copies of the Articles of Incorporation, the bylaws and the names and residence addresses of all members of the Board of Trustees. The Secretary may be a non-voting member of the Board.
- 4.7** Treasurer. The Treasurer shall be responsible for the Charter School's financial affairs, funds, securities, and valuable papers and shall keep full and accurate records thereof. The Treasurer shall supervise the CEO with regard to those fiscal matters assigned to the CEO.

- 4.8 Other Officers. The Board of Trustees may elect or appoint such other officers as it deems useful for the proper operation of the Charter School.
- 4.9 Bonding of Officers and Employees. The Secretary and Treasurer of the Charter School shall furnish a bond in such amount and with such surety as may be required, from time to time, by the Board. At the direction of the Board, any other officer or employee shall furnish a bond in such amount and with such surety as may be required by the Board. The expense of furnishing any such bond shall be paid by the Charter School.
- 4.11 Standard of Care for Officers and Trustees. Trustees and Officers have a fiduciary relationship to the Charter School, including in their capacity as members of a committee. Trustees and Officers have an obligation to act in good faith, in a manner he or she reasonably believes to be in the best interest of the School, and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances. In performing their duties Trustees and Officers shall be entitled to rely in good faith on information, opinions, reports or statement, including financial statements and other financial data, in each case prepared or presented by:
1. One or more officers or employees of the School whom the Trustee or Officer reasonably believes to be reliable and competent in the matters presented;
 2. Counsel, public accountants or other persons as to matters which the Trustee or Officer reasonably believes to be within the scope of professional competence; or
 3. A committee of the Board upon which he or she does not serve, duly acting under the authority of the Board of Trustees.

Section 5. Dues

The Trustees shall not be required to pay any dues or membership fees.

Section 6. Removal of Officers and Trustees

- 6.1 Officers. Any elected or appointed officer may be removed from office for failure to perform or conduct detrimental to the Charter School by a two-thirds vote of all other members of the Board of Trustees.

- 6.2 **Trustees.** The entire Board of Trustees may remove a Trustee, who is not otherwise serving as an elected or appointed Officer in accordance with Sections 4.4, 4.5, 4.6, 4.7 and 4.8 of these Bylaws, with or without cause by a two-thirds (2/3) vote of the other members of the Board of Trustees entitled to cast votes.

Section 7. Personal Liability

- 7.1 **Definitions.** For purposes of this Article:

- (a) "Charter School" means the charter school named at the beginning of these Bylaws, and if it is involved in any consolidation or merger, each constituent corporation absorbed in, and each surviving or new corporation surviving or resulting from, such consolidation or merger;
- (b) "Liability" means any compensatory, punitive or other damages, judgment, amount paid in settlement, fines, penalty, excise tax assessed with respect to an employee benefit plan, and cost or expense of any nature whatsoever, including without limitation, attorneys' fees and costs of proceedings;
- (c) "Indemnified Capacity" means any and all past, present and future service by a Representative in one or more capacities:
 - (i) as a trustee, officer, employee or agent of the Charter School;or
 - (ii) at the request of the Charter School, as a trustee, officer, employee, agent, director, or fiduciary of another corporation or any partnership, joint venture, trust, employee benefit plan, or other entity, enterprise or undertaking, including service as a representative that imposes duties on or involves service by the representative with respect to an employee benefit plan, its participants or beneficiaries;
- (d) "Proceeding" means any threatened, pending or completed action, suit, appeal or other proceeding of any nature, whether civil, criminal, administrative or investigative, whether formal or informal, and whether brought by or in the right of the Corporation, or otherwise; and

- (e) "Representative" means any person who: (i) serves or has served as a director, officer, employee or agent of the Corporation; or (ii) has been expressly designated by the Board as a Representative of the Corporation for purposes of and entitled to the benefits under this Section 7.

7.2 Indemnification. Subject to the subsequent provisions of this Section 7.2 and of Section 7.3, the Corporation shall indemnify a Representative against any Liability actually and reasonably incurred by the Representative in connection with any Proceeding in which he or she may be involved as a party or otherwise by reason of the fact that the Representative is or was serving in an Indemnified Capacity, including without limitation, any Liability resulting from an actual or alleged breach or neglect of duty, error, misstatement or misleading statement, negligence, gross negligence, or act or omission giving rise to strict or products liability, except to the extent: (a) the conduct of the Representative is determined by a court to have constituted willful misconduct or recklessness; (b) the conduct of the Representative is based upon or attributable to his or her receipt from the Corporation of a personal benefit to which the person is not legally entitled; (c) the liability of a Representative is with respect to the administration of assets held by the Corporation in trust pursuant to Section 5547 of the Pennsylvania Nonprofit Corporation Law of 1988, as amended; or (d) such indemnification is expressly prohibited by applicable law or otherwise is unlawful.

The Corporation shall indemnify a Representative under the preceding provisions of this Section 7.2 only if the Representative acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation and, with respect to any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any Proceeding by judgment, order, settlement or conviction, or upon a plea of *nolo contendere* or its equivalent, shall not of itself create a presumption that the person did not act in good faith and in a manner that he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation and, with respect to any criminal proceedings, had reasonable cause to believe that his or her conduct was unlawful. Action with respect to an employee benefit plan taken or omitted in good faith by a Representative in a manner that he or she reasonably believed to be in the best interests of the participants and beneficiaries of the plan shall be deemed to be action in a manner that is not opposed to the best interests of the Corporation.

The Corporation shall not indemnify a Representative under the preceding provisions of this Section 7.2 with respect to any claim, issue or matter as to which the Representative has been adjudged to be liable to the Corporation in a Proceeding brought by or in the right of the Corporation to procure a judgment in its favor, unless (and then only to the extent that) the court of common pleas of the judicial district embracing the county in which the Corporation's registered office is located or the court in which the action was brought determines upon application that, despite the adjudication of Liability but in view of all of the circumstances of the case, the Representative is fairly and reasonably entitled to indemnification from the Corporation for the expenses that such court deems proper.

Unless ordered by court, any indemnification of a Representative under preceding provisions of this Section 7.2 shall be made by the Corporation only upon a determination made in the specific case that such indemnification of the Representative is proper in the circumstances because he or she has met the applicable standard of conduct set forth in the preceding provisions of this paragraph. Such determination shall be made the Member.

To the extent that a Representative has been successful on the merits or otherwise in defense of any proceeding referred to in Section 5741 or Section 5742 of the Pennsylvania Nonprofit Corporation Law of 1988, as amended, or in defense of any claim, issue or matter therein, such Representative shall be indemnified by the Corporation against expenses (including without limitation attorneys' fees and costs of Proceedings) actually and reasonably incurred by such person in connection therewith.

If a Representative is entitled to indemnification under this Section 7.2 in respect of a portion, but not all, of a Liability to which the Representative is subject, the Corporation shall indemnify the Representative to the maximum extent for such portion of the Liability.

7.3 Limitation on Indemnification. Notwithstanding any other provision of this Section 7, the Corporation shall not indemnify a Representative under this Section 7 for any Liability incurred in a Proceeding which was initiated by the Representative (which shall not be deemed to include counter-claims or affirmative defenses) or in which the Representative participated as an intervener or *amicus curiae*, unless such initiation of or participation in the Proceeding is authorized, either before or after its commencement, by the Board of Trustees.

7.4 Advancement of Expenses. The Corporation shall pay, in advance of the final disposition of a Proceeding described in Section 7.2 or the initiation of or participation in a Proceeding authorized under Section 7.3, the expenses (including without limitation attorneys' fees and costs of

Proceedings) incurred in good faith in connection with such Proceeding by the Representative who is involved in the Proceeding by reason of the fact that he or she is or was serving in an Indemnified Capacity. Such advancement of expenses shall be made by the Corporation upon its receipt of an undertaking, satisfactory to the Corporation, by or on behalf of the Representative to repay to the Corporation the amounts advanced by the Corporation in the event it is ultimately determined that the Representative is not entitled to indemnification under this Section 7.

- 7.5 Insurance. To effect, secure or satisfy the indemnification and contribution obligations of the Corporation, whether under this Section 7 or otherwise, the Corporation from time to time may self-insure, obtain and maintain insurance or letters of credit, create a reserve, trust, escrow, cash collateral or other fund or account, enter into indemnification agreements, pledge or give a mortgage upon or a security interest in any property of the Corporation, or use any other mechanism or arrangement, in such amounts, at such costs, and upon such other terms and conditions as and when the Board shall determine. Absent fraud, the determination of the Board with respect to such matters shall be conclusive against all security holders, officers and directors, and shall not be subject to avoidance or voidability.
- 7.6 Payment of Expenses. A person who is entitled to indemnification or advancement of expenses from the Corporation under this Section 7 shall receive such payment or advancement promptly after the person's written request therefore has been delivered to the Secretary of the Corporation.
- 7.7 Interpretation. The provisions of this Section 7 shall constitute and be deemed to be a contract between the Corporation and its Representatives, pursuant to which the Corporation and each such Representative intend to be legally bound. Each person serving as a Representative shall be deemed to be doing so in reliance upon the rights provided by this Section 7. The rights granted by this Section 7 shall not be deemed exclusive of any other rights to which persons seeking indemnification, advancement of expenses or contribution under this Section 7 may be entitled under any statute, agreement, vote of Directors or disinterested Directors, or otherwise, both as to action in an Indemnified Capacity and as to action in any other capacity. The rights to indemnification, advancement of expenses and contribution provided by this Section 7 shall continue as to a person who no longer serves as a Representative, and shall inure to the benefit of his or her heirs and personal and legal representatives.

- 7.8 **Proper Reliance.** An Indemnified Representative shall be deemed to have discharged his or her duty to the Charter School if he or she relied in good faith on information, advice or an opinion, report or statement prepared by:
- (a) one or more officers or employees of the Charter School whom such Indemnified Representative reasonably believes to be reliable and competent with respect to the matter presented;
 - (b) legal counsel, public accountants or other persons as to matters the Indemnified Representative reasonable believes are within the professional expert competence of such persons; or
 - (c) a committee of the Board of Trustees on which he or she does not serve as to matters within its area of designated authority, which committee he or she reasonably believes to merit confidence.
- 7.9 **Binding Effect.** All rights to indemnification under this Section 7 shall be deemed a contract between the Charter School and the Indemnified Representative pursuant to which the Charter School and each Indemnified Representative intent to be legally bound. Any repeal, amendment or modification of this Section 7 shall be prospective only and shall not affect any right or obligations then existing.
- 7.10 **Non-exclusive Remedy.** The indemnification of Indemnified Representatives, as authorized by this Section 7, shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement or expenses may be entitled under any statute, agreement, vote or disinterested Trustees or otherwise, both as to action in an official capacity and as to action in any other capacity. The indemnification and advancement of expenses provided by or granted pursuant to this Section 7 shall continue as to a person who has ceased to be an Indemnified Representative in respect of matters arising prior to such time, and shall insure to the benefit of the heirs, executors, administrators and personal representatives of such person.
- 7.11 **Indemnified Representative.** Each person who shall act as an Indemnified Representative of the Charter School shall be deemed to be doing so in reliance upon the rights of indemnification provided by this Section 7.

Section 8. Execution of Instruments

- 8.1 General.** All contracts, deeds, leases, bonds, notes, and other instruments authorized to be executed by an Officer of the Charter School shall be signed by the President and Secretary of the Board of Trustees, except as the Trustees may generally or in particular cases otherwise determine. Any recordable instrument purporting to affect an interest in real estate, executed in the name of the Charter School by the Board of Trustees shall be binding on the school in favor of a purchaser or other person relying in good faith on such instrument, notwithstanding any inconsistent provision of the Charter, by-laws, or votes of the Board of Trustees.
- 8.2 Guarantees.** The Charter School shall make no contracts of guarantee without the affirmative vote of two-thirds of the members of the Trustees then in office.

Section 9. Dissolution

Upon revocation or non-renewal of the Charter School's Charter, such revocation or non-renewal date being when all administrative and judicial remedies have been exhausted, the Charter School shall be dissolved. After disposition of or making provision for the payment of all liabilities and obligations of the Charter School, any remaining assets shall be distributed in accordance with the Articles of Incorporation.

Section 10. Amendments

These by-laws may be altered, amended, repealed and replaced by new by-laws by a vote of not less than two-thirds (2/3) of the Board of Trustees at any annual or called special meeting of the Board of Trustees provided, however, that notice shall be given in the notice of the meeting that a change to the by-laws will be proposed at that meeting.

Section 11. Rules of Procedure

The proceedings and deliberations of the Charter School shall be in accordance with rules adopted and amended by the Board of Trustees. All matters not governed by such rules shall be governed by the parliamentary practices established by Robert's Rules of Order, Newly Revised.

Section 12. Nondiscrimination

In administering its affairs, including admissions, hiring, and operation, the Board and the Charter School shall not discriminate on the basis of race, color, religion, national or ethnic origin, disability, sex, sexual orientation or age.

