

Amended and Restated Bylaws of Laboratory Charter School

A Pennsylvania Nonprofit Corporation

June 2017

ARTICLE I
NAME, ADDRESS, FISCAL YEAR, AND SEAL OF CORPORATION

Section 1. NAME: The name of this nonprofit corporation shall be known as LABORATORY CHARTER SCHOOL, hereinafter referred to as the “Charter School.”

Section 2. ADDRESS OF CHARTER SCHOOL: The location and address of the registered office of the Charter School shall be located in Philadelphia, Pennsylvania or at such location as the Board of Trustees may from time to time determine. The Charter School may also have offices at such other places as the Board of Trustees may from time to time determine.

Section 3. FISCAL YEAR: The fiscal year of the Charter School shall, unless otherwise decided by the Board of Trustees, end on June 30 of each calendar year.

Section 4. SEAL: The Trustees may adopt and alter a corporate seal, inscribed with the name of the Charter 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.

ARTICLE II
NATURE OF THE CHARTER SCHOOL

Section 1. CORPORATE STATUS: 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 of June 19, 1997, P.L. 22 of the General Assembly of the Commonwealth of Pennsylvania, as codified, 24 P.S. §§ 171701-A *et seq.* (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.

Section 2. PURPOSE: To create, develop and operate a public charter school in the Commonwealth of Pennsylvania pursuant to the Charter School Law in furtherance of: (1) fostering quality public education and to advance the interests of public school students through the promotion and advocacy of community schools; (2) stimulating the development of innovative programs in public education; (3) providing opportunities for learning and assessments; (4) providing parents and students with greater educational options in choosing a school; and (5) holding teachers, parents, and school administrators accountable for the student educational process.

ARTICLE III MEMBERSHIP

Section 1. MEMBERSHIP: Unless or until the Articles of Incorporation of the Charter School are amended to provide otherwise, the 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 Charter School 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.

ARTICLE IV BOARD OF TRUSTEES

Section 1. COMPOSITION: The Board of Trustees shall consist of not less than three (3) and not more than nine (9) members as determined by the Board of Trustees. The Board of Trustees may include at least one parent of a student enrolled at the Charter School and may include at least one person who has attended the Charter School.

Section 2. QUALIFICATION: Each Trustee shall be a natural person of at least eighteen (18) years of age. Any employee of the Charter School or his/her spouse, life partner, parent, child, or member of the employee's household is not eligible to serve on the Board. Any Board member's spouse, life partner, parent, child, or member of the Board member's household is not eligible to serve on the Board. No member of the Board of Trustees shall be an employee or official of the School District of Philadelphia nor an employee or official of the School Reform Commission of the School District of Philadelphia.

Section 3. RESPONSIBILITIES: The Board of Trustees of the Charter School shall be public officials. 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. During their tenure, Trustees must provide an annual Statement of Financial Interest Form (PA Ethics Commission Form) to the Charter School and be in compliance with background check clearances as required by law, the Volunteer Policy, the Board of Trustees' Code of Ethics, the Board of Trustees' Conflict of Interest Policy. Failure to provide the documents could be grounds for removal from the Board.

Section 4. APPOINTMENT OF TRUSTEES: The terms of the Trustees are intended to be staggered so that the terms of no more than one-third of the Trustees expire in any one year.

Section 5. ELECTION OF TRUSTEES: Nominations shall be placed before the Board of Trustees as needed at any annual, regularly scheduled, or special meeting open to the public. Nominations may be made by the Nominating Committee or by any Trustee. Those Board candidates put forth for consideration by the Nominating Committee or any Trustee must provide a current and complete resume, references, background check clearances as required by law, a Statement of Financial Interest Form (PA Ethics Commission Form), and any other documents

required by law at the time of nomination. These documents must be presented prior to the vote of the Board of Trustees and with sufficient time for members to review prior to the vote. In making selections, the Trustees shall give careful consideration to the candidates proposed by the Nominating Committee, but shall not be restricted to such candidates, provided that a candidate not proposed by the Nomination Committee may not be elected to the Board of Trustees unless such name has been submitted in writing to the Nominating Committee at least fourteen (14) days prior to the meeting in which the vote will take place. The Trustees will cast a public vote; a simple majority of a quorum is required for election.

Section 6. TENURE: Each Trustee, after the initial Trustees, shall hold office for three (3) years, unless the Trustee dies, resigns, is removed, or becomes disqualified. Unless otherwise determined by a 2/3 vote of the Board of Trustees, 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 such Trustee is appointed to fill, or until a successor is duly elected. No Trustee may serve more than five consecutive three-year terms.

Section 7. RESIGNATION OF TRUSTEES: Any Trustee may resign at any time 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 later time. An email directed to the President, or to the Vice President if from the President, sent from a known email address is sufficient for purposes of submitting a written letter of resignation.

Section 8. REMOVAL OF TRUSTEES: Individual Trustees serve at the pleasure of the Board of Trustees. Any individual Trustee may be removed at any time, for any reason, at any meeting of the Board by vote of 2/3 of the full Board of Trustees then in office and entitled to cast votes. Any individual Trustee subject to removal is not entitled to cast a vote. In addition, if so decided by the Board of Trustees, it may remove any Trustee for the following conduct (list is not all inclusive):

- (a) failure to attend three consecutive meetings without notice and reasonable justification; and/or
- (b) failure to attend more than three board meetings in one fiscal year without notice and reasonable justification; and/or
- (c) failure to perform his or her duties as outlined by the Charter School Law.

For conduct detailed in (a) - (c), the Board of Trustees may remove such Trustee by a majority vote at the next scheduled meeting of the Board of Trustees.

Section 9. VACANCIES: Any vacancies in the Board of Trustees shall be filled by a majority public 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. 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. Vacancies are filled at the discretion of the Board in order to meet the minimum and maximum requirements for the Board composition.

Section 10. COMPENSATION, DUES, AND CONFLICTS OF INTEREST:

Trustees shall serve as Trustees without receiving any compensation for their services as Trustees. Trustees may be reimbursed for expenses incurred when acting at the request of and on behalf of the Board of Trustees. The Trustees shall not be required to pay any dues or membership fees. Voting on any matter involving a conflict of interest shall be governed by the Public Official and Employee Ethics Act, 65 P.S. §§ 401-422. Notwithstanding the foregoing, common interested Trustees may be counted in determining the presence of a quorum at a Board of Trustees meeting in which a transaction described above is authorized, approved, or ratified.

Section 11. AUTHORITY: The Board of Trustees shall have the authority to decide matters related to the operation of the Charter School. More specifically, the Board of Trustees shall have the authority to exercise all of the powers and means appropriate to effect the purpose or purposes for which the Charter School is chartered; and have the authority to exercise all other powers enumerated in the Charter School Law, the Charter of the Charter School (the “Charter”), the Nonprofit Corporation Law or otherwise vested by law in the Charter School and not inconsistent with the Charter School Law. 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 of Trustee’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;
- (g) to incur 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, principals, teachers, and other employees of the Charter School;
- (q) to approve all personnel actions;
- (r) to designate depositories of Charter School funds;
- (s) 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
- (t) to have and exercise all other powers enumerated in the Nonprofit Corporation Law or otherwise vested by law in the Charter School and not consistent with the Charter School Law.

Section 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 by roll-call vote at a public meeting:

- (a) to amend the Articles of Incorporation of the Charter School or these Bylaws;
- (b) to dissolve or liquidate the Charter School;
- (c) to merge or consolidate the Charter School;
- (d) to convey, sell or transfer substantially all the Charter School's assets;
- (e) to purchase real property or sell, mortgage, lease or otherwise dispose of real property; or
- (f) to remove any Trustee, as set forth in this Article IV, Section 13.

Section 13. MEETINGS:

13.1 Regular Meetings. Regular meetings of the Board of Trustees may be held at such time and at such places as the Trustees determine. Call or notice to the Trustees shall not be required for regular meetings (except as required by Section 13.8 hereof), provided that reasonable notice is made of the first regular meeting following the determination of the Trustees of the time and place of regular meetings.

13.2 Special Meetings. Special meetings of the Board of Trustees may be held anytime and anyplace when called by the President of the Board of Trustees or by two or more Trustees. In addition to the notice required by Section 13.8, reasonable notice of the time, place and purposes of special meetings shall be given to each Trustee. It shall be considered reasonable and sufficient notice to a Trustee to provide notice by regular US mail, an overnight delivery service, or email at least 24 hours before a called meeting.

13.3 Annual Meeting. The Trustees shall meet annually in June of each year at a place convenient to the Board of Trustees and members of the community. In the event that the annual meeting is not held in June, 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 13.8. At the Annual Meeting the CEO shall present an annual report which shall set forth:

- (a) the assets and liabilities, including the trust funds, of the Charter School 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 Charter School, 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 Charter School;
- (d) the expenses or disbursements of the Charter School, 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 Charter School;
- (e) the capital budget and the operating budget for the Charter School's current fiscal year;
- (f) a schedule of proposed major activities for the current fiscal year; and
- (g) a summary of the Charter School'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.

13.4 Quorum. At all meetings of the Board of Trustees the presence of a majority of the Trustees then in office shall be necessary and sufficient to constitute a quorum. Except as otherwise provided by law or by these Bylaws, the act of a majority of the Trustees present and voting where a quorum is present shall be the act of the Board of Trustees. In the absence of a quorum, no business shall be transacted except to take measures to obtain a quorum, fix a time to adjourn, adjourn, or recess.

13.5 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. All votes will be taken by roll call and recorded by the Board Secretary.

13.6 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 shall constitute presence in person at such meeting.

13.7 Optional Provisions Not Required by Law. An affirmative public 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:

- (a) adopting a school calendar;
- (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 \$5,000.00; and
- (k) fixing salaries or other compensation of administrators, teachers, or other employees of the Charter School.

13.8 Open Meeting Law. All official actions and all deliberations by a quorum of the Board of Trustees shall be conducted 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"). Board meetings shall take place at a meeting open to the public as provided in Section 4 of the Sunshine

Act, 65 P.S. § 274. Notices of all meetings shall be given in the manner described in the Sunshine Act.

13.9 Real Estate Transactions. A vote of two-thirds (2/3) of the members 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.

Section 14. COMMITTEES: The Trustees may elect or appoint committees (which may include individuals who are not Trustees of the Charter School) as they determine necessary and adopted by resolution by a majority of the Trustees then in office. A Trustee shall chair each committee, unless otherwise agreed by the Board. At any meeting of a committee, a quorum for the transaction of business shall consist of a majority of the members of such committee. All committee meetings are subject to and shall comply with the provisions of the Sunshine Act, as noted in Section 13.8.

The members of any committee shall serve on the committee at the pleasure of the Chairperson of the committee. If any person who is not a Trustee is appointed to any committee of the Board, such non-Trustee shall have no right to vote on any question that would create a binding obligation on the Charter School. The membership of any and all committees may designate any subcommittee structure as deemed necessary and appropriate.

Each committee shall have the authority, to the extent provided in the resolution, to advise the Board and to take action on behalf of the Board so long as such action is expressly authorized by a resolution of the whole Board passed by a majority of the Board sitting in a quorum, except that no such committee shall have the authority to: (a) fill vacancies on the Board or any committee thereof; (b) amend the bylaws; (c) approve a plan of merger; or (d) dismiss trustees.

The committees shall meet at such times as the Board shall determine. The advisory committees shall consider, advise upon and make recommendations to the Board with respect to matters of policy relating to the general conduct of the business of the charter and with respect to such questions relating to the conduct of the business of the charter as may be submitted to it by the Board.

Section 15. PERSONAL LIABILITY: A Trustee of the Charter School shall not be personally liable for monetary damages for any action taken or any failure to take any action, unless (a) such Trustee has breached or failed to perform his or her duties as a Trustee, including his or her duties as a member of any committee of the Board upon which he or she may serve and (b) such breach or failure to perform constitutes self-dealing, willful misconduct, or recklessness. The provisions of this paragraph shall not apply to the responsibility or liability of a Trustee pursuant to any criminal statute or the liability of a Trustee for the payment of taxes pursuant to local, state or federal law. Any modification or repeal of this paragraph shall not adversely affect any right or protection of a Trustee existing hereunder with respect to any acts or failure to act of such Trustee occurring prior to the approval of such modification or repeal.

Section 16. PRESUMPTION OF ASSENT: A Trustee of the charter school who is present at a meeting of the Board or committee of the Board at which action on any matter is taken shall be presumed to have assented to the action taken unless (a) he or she objects at the beginning of the meeting to the holding of the meeting or the transaction of business at the meeting; (b) he or she contemporaneously requests that his dissent be entered in the minutes of the meeting; or (c) he or she gives written notice of his or her dissent to the presiding officer of the meeting before its adjournment. Such right to dissent as to a specific action taken at a

meeting of the Board or a committee of the Board shall not be available to a Trustee who voted in favor of such action.

Section 17. STANDARD OF CARE: 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.

ARTICLE V OFFICERS OF THE BOARD OF TRUSTEES

Section 1. NUMBER AND QUALIFICATION: Officers of the Charter School shall consist of a President, Vice-President, one (1) Treasurer, and one (1) Secretary, and other such officers with duties as the Board of Trustees prescribes. The President, Vice President, Treasurer, and Secretary shall be members of the Board of Trustees.

Section 2. TERM OF OFFICE AND TERM LIMITS: 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. An Officer may serve up to two (2) consecutive terms and a Trustee may serve simultaneously as more than one Officer.

Section 3. ELECTION OF OFFICERS: The Officers shall be elected annually at the annual meeting of the Board of Trustees by vote of the full Board of Trustees, who may succeed themselves in office. Each person elected as Officer shall continue in office until the next annual meeting after his or her election, or until his or her successor shall have been duly elected and qualified, or until his or her earlier death, resignation or removal in accordance with the Bylaws. Vacancies of Officers caused by death, resignation, removal, or increase in the number of Officers may be filled by the vote of the Board of Trustees at a special meeting called for that purpose or at any regular meeting. Officers filling such vacancies shall serve for the remainder of the vacated term. Under such special circumstances as the Board of Trustees may

determine, the Board of Trustees may elect a Trustee whose term has expired to serve as an officer until the next annual meeting by a 2/3 vote at any annual meeting.

Section 4. REMOVAL OF OFFICERS: Any Officer may be removed by the Board of Trustees in the same manner as specified in Article IV, Section 8. The matter of removal may be acted upon at any meeting of the Board of Trustees, provided that notice of intention to consider said removal has been given to each Board member and to the Officer affected at least seven (7) calendar days prior to the meeting.

Section 5. VACANCIES: A vacancy in any office shall be filled by majority vote of the Board of Trustees. Each Officer so elected to fill a vacancy shall hold office for the remainder of the predecessor's unexpired term. If an Officer 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.

Section 6. PRESIDENT: The President of the Board of Trustees shall preside at all meetings of the Trustees as the Chair of the Board. The President will execute on behalf of the Charter School all contracts, deeds, conveyances, and other instruments in writing that may be required or authorized by the Board of Trustees for the proper and necessary transaction of the business of the Charter School, and shall have such other powers and duties as may be determined by the Trustees.

Section 7. VICE-PRESIDENT: The Vice President shall, in the absence or disability of the President, perform the duties and exercise the powers of the President. The Vice President may have such powers and perform such duties as may be delegated thereunto by the President or prescribed by the Board of Trustees. In the event that the President of the Board of Trustees resigns, is removed from office, or is unable to serve for any reason, the Vice President shall become the President of the Board of Trustees.

Section 8. TREASURER: The Treasurer or designate shall keep full accounts of receipts and disbursements in books belonging to the Charter School and his/her agent shall deposit all monies in the name and to the credit of the Charter School in such depository as shall be authorized by the Board of Trustees. He or she shall render to the Board of Trustees such statements of the transactions and accounts as may be required of him/her. The Treasurer shall serve as an *ex-officio* member on any Finance Committee, and shall keep record of all special funds and make a report of such funds to the Board at each meeting. The Treasurer or designate shall receive all funds including local, state and federal funds, and privately donated funds. The Treasurer shall make payments out of the funds of the Charter School on proper orders approved by the Board of Trustees, signed by either the President or Vice-President, or without the approval of the Board with respect to amounts owing under contracts that have been previously approved by the Board of Trustees. The Treasurer shall be required periodically and no less than once a year to employ an independent certified public accountant to audit the accounts of the Charter School. In the event that both the President and the Vice President resign, are removed, or are unable to serve for any reason, the Treasurer shall become the President of the Board of Trustees.

Section 9. 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 minutes must include: (a) a list of the members of the Board of Trustees present and absent, (b) all matters considered by the Board of Trustees, (c) all actions taken by the Board of Trustees with a recordation of roll call votes, and (d) a list of all persons making public comment and the subject matter of those comments.

Except as otherwise provided in these Bylaws or by the Board of Trustees, the Secretary shall give or cause to be given all notices in accordance with these Bylaws or as required by law. In addition, the Secretary shall act as the Board's parliamentarian and recording secretary, and also preside over the Board when the President and Vice President are absent. In the event of absence or disability of the Secretary, the Board of Trustees may appoint an Assistant Secretary to perform the duties of the Secretary during such absence or disability. In the event that the President, Vice President, and Treasurer resign, are removed from office, or are unable to serve for any reason, the Secretary shall become President of the Board of Trustees.

Section 10. BONDING OF OFFICERS: The 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 of Trustees. At the direction of the Board of Trustees, any other Officer 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.

Section 11. ADDITIONAL DUTIES AND OTHER OFFICERS: Any Officer of the Charter School, in addition to the powers conferred upon him or her by these Bylaws, will have such additional powers and perform such additional duties as may be prescribed from time to time by the Board of Trustees and in accordance with applicable law. The Board of Trustees may elect or appoint such other officers as it deems useful for the proper operation of the Charter School.

ARTICLE VI THE CHIEF EXECUTIVE OFFICER OF THE CHARTER SCHOOL

Section 1. DESCRIPTION: The CEO shall be the administrative head of the Charter School. The CEO shall serve in an advisory capacity to the Board of Trustees and shall report to the Board of Trustees on all matters relative to the Charter School. The CEO shall anticipate the developing needs of the Charter School and the community, both short and long-term, and interpret those needs and changes for the Board of Trustees.

Section 2. APPOINTMENT: The CEO shall be hired by a public vote of the Board of Trustees on such terms and conditions as are mutually agreeable to the parties.

Section 3. AUTHORITY: The CEO shall have general authority over the day-to-day management and operation of the Charter School. The CEO shall carry out the policies of the Charter School and the decisions of the Board of Trustees as established from time to time by the Board. The CEO or designee shall be an *ex-officio* member of all committees related to the Charter School.

Section 4. RESPONSIBILITIES: The CEO shall have responsibility for the coordination of the academic and administrative operation of the Charter School and subsidiary activities sponsored by the Charter School. The CEO shall have the responsibility and authority to coordinate the screening, interviewing, and hiring of full-time teaching and other school staff. The CEO shall be responsible for routine fiscal matters, including receipt of funds (including local, state, federal, and privately donated funds), payment of invoices and contracts as approved by the Board of Trustees, general bookkeeping and accounting, as well as assistance to the Certified Public Accountant assigned to audit the books of the Charter School. The CEO, working with the Treasurer or designate, shall be responsible for the preparation of the annual budget.

Section 5. BONDING: The CEO shall furnish a bond in such amount and with such surety as may be required by the Board of Trustees. The expense of furnishing any such bond shall be paid by the Charter School.

Section 6. PERSONAL LIABILITY: The CEO shall not be personally liable for monetary damages for any action taken or any failure to take any action, unless the CEO has (a) breached or failed to perform his or her duties as CEO and (b) such breach or failure to perform constitutes self-dealing, willful misconduct, or recklessness. The provisions of this paragraph shall not apply to the responsibility or liability of the CEO pursuant to any criminal statute or the liability of the CEO for the payment of taxes pursuant to local, state or federal law. Any modification or repeal of this paragraph shall not adversely affect any right or protection of the CEO existing hereunder with respect to any acts or failure to act of such CEO occurring prior to the approval of such modification or repeal.

ARTICLE VII AMENDMENTS

Section 1. ARTICLES OF INCORPORATION: The Articles of Incorporation of the Charter School may be amended by the majority vote of the Board of Trustees at any duly convened meeting of the Board after not less than ten (10) calendar days notice of such purpose has been given, including a copy of the proposed amendment or a summary of the changes to be effected thereby.

Section 2. BYLAWS: The Bylaws may be altered, amended, repealed, and replaced by new Bylaws by the vote of the Board of Trustees at any regular, 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 Bylaws will be proposed at that meeting. It should be noted that a 2/3 vote of the Trustees is required by law to make any changes to Bylaws.

**ARTICLE VIII
DISSOLUTION AND DISPOSITION OF ASSETS**

Section 1. DISSOLUTION: Upon revocation or non-renewal of the Corporation's Charter, such revocation or non-renewal date being when all administrative and judicial remedies have been exhausted, the Corporation shall be dissolved. After disposition of or making provision for the payment of all liabilities and obligations of the Corporation, any remaining assets shall be distributed in accordance with the Articles of Incorporation and the Charter School Law.

**ARTICLE IX
MISCELLANEOUS PROVISIONS**

Section 1. NOTICES: Except as may otherwise be required by law, any notice required to be given under these Bylaws shall be mailed, or delivered via e-mail or fax, addressed to the person entitled thereto at his last post office address, email address or fax number appearing on the records of the Charter School, and such notice shall be deemed to have been given on the day of such mailing, email or fax. Any notices required to be given under these Bylaws may be waived, by the person entitled thereto in writing (including telegraph, cable, radio or wireless, email, fax or other mutually acceptable forms of communication), whether before or after the meeting or other matter in respect of which such notice is to be given, and in such event such notice need not be given to such person.

Section 2. HEADINGS: In interpreting these Bylaws, the headings of articles shall not be controlling.

Section 3. AMENDMENTS: The Board shall have power to make, amend and repeal the Bylaws of the charter school at any regular or special meeting of the board. The Bylaws shall be reviewed by the Board from time to time for any useful or necessary amendments.

Section 4. CONFLICTS: In the event of any irreconcilable conflict between these Bylaws and applicable law, the latter shall control.

Section 5. DEFINITIONS: Except as otherwise specifically provided in these Bylaws, all terms used in these Bylaws shall have the same definition as in the Pennsylvania Charter School Law.

Section 6. EXECUTION OF INSTRUMENTS: All contracts, deeds, leases, bonds, notes, and other instruments authorized to be executed by an Officer of the Charter School shall be signed in accordance with the Pennsylvania Nonprofit Corporation Law of 1988, as amended, 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, bylaws, or votes of the Board. 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.

ARTICLE X LIMITATION OF LIABILITY

Section 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, 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 Trustee, officer, employee or agent of the Charter School; or (ii) has been expressly designated by the Board as a Representative of the Charter School for purposes of and entitled to the benefits under this Article 4.

Section 2. INDEMNIFICATION: The Charter School 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 Charter School 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 Charter School 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 Charter School shall indemnify a Representative under the preceding provisions of this Section 4.2 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 Charter School 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 Charter School 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 Charter School.

The Charter School shall not indemnify a Representative under the preceding provisions of this Section 4.2 with respect to any claim, issue or matter as to which the Representative has been adjudged to be liable to the Charter School in a Proceeding brought by or in the right of the Charter School 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 Charter School'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 Charter School for the expenses that such court deems proper.

Unless ordered by court, any indemnification of a Representative under preceding provisions of this Section 4.2 shall be made by the Charter School 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.

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 Charter School 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 4.2 in respect of a portion, but not all, of a Liability to which the Representative is subject, the Charter School shall indemnify the Representative to the maximum extent for such portion of the Liability.

Section 3. LIMITATION ON INDEMNIFICATION: Notwithstanding any other provision of this Section 4, the Charter School shall not indemnify a Representative 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.

Section 4. ADVANCEMENT OF EXPENSES: The Charter School shall pay, in advance of the final disposition of a Proceeding described in Section 2 or the initiation of or participation in a Proceeding authorized under Section 4.3, 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 Charter School upon its receipt of an undertaking, satisfactory to the Charter School, by or on behalf of the Representative to repay to the Charter School the amounts advanced by the Charter School in the event it is ultimately determined that the Representative is not entitled to indemnification under this Section.

Section 5. INSURANCE: To effect, secure or satisfy the indemnification and contribution obligations of the Charter School, whether under this Section 4 or otherwise, the Charter School 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 Charter School, 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 Trustees, and shall not be subject to avoidance or voidability.

Section 6. PAYMENT OF EXPENSES: A person who is entitled to indemnification or advancement of expenses from the Charter School under this Section 4 shall receive such payment or advancement promptly after the person's written request therefore has been delivered to the Secretary of the Charter School.

Section 7. INTERPRETATION: The provisions of this Section 4 shall constitute and be deemed to be a contract between the Charter School and its Representatives, pursuant to which the Charter School 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 4. The rights granted by this Section 4 shall not be deemed exclusive of any other rights to which persons seeking indemnification, advancement of expenses or contribution

under this Section 4 may be entitled under any statute, agreement, vote of Trustees or disinterested Trustees, 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 4 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.

Section 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.

Section 9. BINDING EFFECT: All rights to indemnification under this Section 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 shall be prospective only and shall not affect any right or obligations then existing.

Section 10. NON-EXCLUSIVE REMEDY: The indemnification of Indemnified Representatives, as authorized by this Section, 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 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.

Section 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.