1. NAME AND OFFICES:

1.1 The name of the Corporation is The Charter School of Wilmington Inc. (hereinafter "the Corporation").

1.2 The Corporation may have an office or offices at such places as the Board of Directors (the "Board") may from time to time designate.

2. PURPOSE:

2.1 The purpose of the Corporation is as set forth in the Certificate of Incorporation.

3. MEMBERS OF THE CORPORATION:

3.1 Membership. The qualification, admission and removal of the Corporate Class Members and Sponsor Class Members shall be as set forth in the Certificate of Incorporation. As used in these bylaws, the term "Members" shall mean Corporate Class Members and Sponsor Class Members.

3.2 Resignation. Any Corporate Class Member or Sponsor Class Member may withdraw from the Corporation by delivering a written notice thereof to the Secretary, as set forth in the Certificate of Incorporation. Upon such withdrawal, the Member shall cease to be a Member of the Corporation, and the term of office of any Director who was nominated by such Member and elected to the Board shall terminate, unless the majority of the Board elects to retain such Director.

3.3 Action by Written Consent. Unless otherwise restricted by the Certificate of Incorporation or these Bylaws, any action required or permitted to be taken by Members may be taken without a meeting if the Members consent in writing or by electronic transmission to the adoption of a resolution authorizing the action in the manner required by law.

4. BOARD OF DIRECTORS

4.1 Powers. The Board shall have such general and specific powers as are conferred upon corporations by the DGCL, as amended from time to time, subject only to the provisions of the statutes, Certificate of Incorporation, and these bylaws, which may restrict or deny such powers. The actions of the Board in matters within its authority shall be final and conclusive. Without limiting the foregoing, the Board shall conduct the business of the Corporation, including:
4.1.1 Adopting or amending the bylaws of the Corporation, in a manner not inconsistent with Delaware law and the Certificate of Incorporation;

4.1.2 Establishing and/or approving clear, written policies and procedures that are consistent with the philosophy and mission of the Corporation, ensuring implementation and compliance with those policies and procedures, and reviewing and revising those policies and procedures as necessary;

4.1.3 Establishing the strategic planning of the Corporation;

4.1.4 Establishing the annual budget and approving major expenditures;

4.1.5 Selecting projects and approving the overall budget of said projects;

4.1.6 Approving the annual reports of the Corporation;

4.1.7 Approving the annual financial statements of the Corporation;

4.1.8 Approving the organizational structure of the Corporation;

4.1.9 Electing officers and filling vacancies in said offices as may occur from time to time during the year, as set forth herein below;

4.1.10 Hiring, evaluating and making decisions on the continuation of employment of the President, including establishing the terms and conditions of employment; and

4.1.11 Establishing the Corporation's processes for working with its chartering agency regarding the School's charter application, renewal and amendment.

4.2 Number of Directors: The term "Director" shall mean a person who has the position of director as set forth in these bylaws. The number of Directors constituting the entire Board shall be not less than eleven (11) nor more than fifteen (15) as fixed from time to time by vote of a majority of the entire Board provided that the number of Directors shall not be reduced so as to shorten the term of any Director at the time in office. Notwithstanding the foregoing, the authorized number of Directors shall be increased by one (1) upon each admission of a new Corporate Class Member as a member of the Corporation and by two (2) upon each admission of a new Sponsor Class Member as a member of the Corporation, and shall be decreased by one (1) upon each withdrawal or removal of a Corporate Class Member's membership in the Corporation and by two (2) upon each withdrawal or removal of a Sponsor Class Member's membership in the Corporation, unless the majority of the Board elects to retain any such Director.
4.3  Election and Term of Directors: New Directors (including a Director elected to fill a vacancy) shall be elected at the Annual Meeting of the Board of Directors, any Regular Meeting of the Board of Directors, or at a Special Meeting called for that purpose, in the following manner:

4.3.1  Each Corporate Class Member shall select one (1) person, and each Sponsor Class Member shall select two (2) persons, to be nominated to serve as Directors of the Corporation. Each Director so nominated must be an active employee of the respective Member and reside either within the state of Delaware or within fifty (50) miles of the Charter School of Wilmington (the "School"). The Directors nominated by each Corporate Class Member and each Sponsor Class Member shall be voted on and elected by the Board.

4.3.1.1  Failure of a Corporate Class Member to nominate a Director to fill a vacancy within six (6) months of the first date of such vacancy shall empower the Board to issue, at its discretion, a notice of removal of the Corporate Class membership of that party as follows: The Board may, by certified mail, advise the Corporate Class Member that it has sixty (60) days to nominate a Director to fill the vacancy and that such Member's failure to so nominate a Director shall cause an automatic removal of said Corporate Class member. If the Corporate Class Member has not nominated a director to fill the vacancy by the 60th day following the mailing of such notice, the Corporate Class Member shall automatically be removed.

4.3.1.2  Failure of a Sponsor Class Member to nominate a Director to fill a vacancy within six (6) months of the first date of such vacancy shall empower the Board to issue, at its discretion, a notice of withdrawal and removal of the Sponsor Class membership of that party as follows:

4.3.1.3  The Board may, by certified mail, advise the Sponsor Class Member that it has sixty (60) days to nominate a Director to fill the vacancy and that such Member's failure to do so shall cause an automatic conversion of the Sponsor Class Member to a Corporate Class Member. If the Corporate Class Member has not nominated a director to fill the vacancy by the 60th day following the mailing of such notice, the Corporate Class Member shall automatically be removed.

4.3.2  In addition to the Directors who are selected by the Corporate Class Members and Sponsor Class Members and elected by the Board, the
Board shall include two (2) Parent Directors, one (1) Teacher Director, and up to five (5) Community Directors who shall be elected as set forth below.

4.3.2.1 The term Parent Association “(PA)’’ shall refer to the organization of parents of the students enrolled in the School, which may be a Parent-Teacher Student Organization of the School. The PA shall have two Parent Directors elected to the Board. In order to be eligible to become a Parent Director, an individual must be a parent or legal guardian of a child enrolled in the School. The Parent Directors shall be nominated no later than two (2) weeks before each Annual Meeting of the Corporation, and shall be elected by the Board at the immediately following Annual Meeting of the Corporation.

4.2.1.1.1. One Parent Director shall be selected by the PA according to its bylaws, and shall be nominated to the Board.

4.2.1.1.2. One Parent Director shall be selected as follows. The PA shall nominate three (3) persons and the Board shall select one (1) Director from the three persons nominated.

4.3.2.2 The term "Teachers Group" shall refer to the School's faculty. The Teachers Group shall nominate a member of the School's faculty by conducting a secret ballot vote of the faculty and nominating the faculty member who obtains the largest number of votes. The Teacher Director shall be nominated no later than two (2) weeks before each Annual Meeting of the Corporation, and shall be elected by the Board at the immediately following Annual Meeting of the Corporation.

4.3.2.3 Up to five (5) directors shall be elected on behalf of the community ("Community Directors"), based upon the following criteria: (i) one person who is not employed by or currently affiliated with the School and who is either engaged on a full time basis in an education-related occupation, or who has retired from such full time occupation; (ii) one person who is a resident of the City of Wilmington, Delaware; and (iii) up to three (3) persons who are "at-large" community members residing in Delaware. Community Directors shall be nominated and elected as
follows, unless otherwise decided by Board resolution: no later than two

4.3.2.4 (2) weeks prior to an Annual Meeting of the Corporation, the Board shall nominate a Director for an open position. The person so nominated shall be elected to the Board at the immediately following Annual Meeting of the Corporation.

4.3.3 In the case of a vacancy of a Director due to resignation, removal or otherwise, in order to provide the Board with flexibility to fill such vacancy without having to wait for the next Annual Meeting, the Board may elect a Director to fill such vacancy at any Regular Meeting, or at a Special Meeting called for that purpose. A Director for such vacancy shall be nominated by a Member, the Board, the Parent Association, or the Teachers Group, as appropriate, no later than two (2) weeks before such Regular or Special Meeting, and shall be elected by the Board at the immediately following Regular Meeting designated for that purpose, or at a Special Meeting called for that purpose.

4.3.3.1 Notwithstanding the above, in the event of a failure of the Parent Association or the Teachers Group to select a nominee for Director under Section 4.3.2.1 or Section 4.3.2.2 respectively, or a failure of either group to select a nominee to fill an interim vacancy within sixty (60) days following the first date of the vacancy, such failure shall empower the Board in its sole discretion to appoint a parent or teacher to fill such vacancy until the next Annual Meeting.

4.3.4 The Board shall have the right to reject a Director who has been nominated by a Member, the Board, the Parent Association, or the Teachers Group, only for good cause shown, including but not limited to conviction of a felony, a crime of moral turpitude, or similar serious offenses. Upon any such rejection, the Member, Parent Association, the Teacher’s Group, as applicable, shall have the right to select a replacement nominee in accordance with the terms hereof.

4.3.5 In identifying potential new Directors, including Parent Association Directors or Community Directors, the Board shall endeavor to ensure that the Board has Directors who have backgrounds or expertise in fields which are important to the operation of the Board, such as finance, banking, or the law.

4.3.6 Terms of Office.
4.3.6.1 The term of office for a Director shall be no longer than three (3) years from the date of the election. A Director's term of office may end at an earlier Annual Meeting date in the case of Directors who are initially elected to a staggered-board class as described in Section 4.3.7 and Section 4.4.6 or Section 4.4.7. Notwithstanding the foregoing, the terms of each Parent Director and Teacher Director shall be limited as set forth in Section 4.3.6.4 below.

4.3.6.2 A Director's term of office shall not be shortened by any reduction in the number of Directors resulting from amendment to the Certificate of Incorporation, these bylaws, or by other Board action.

4.3.6.3 A Director's term of office shall not be extended beyond that for which the Director was elected by amendment of the Certificate of Incorporation, these bylaws or other Board action.

4.3.6.4 The Directors representing the Parent Association and the Teachers Group shall serve terms of one year each. Such Directors, as long as they are members of the designated groups, are eligible for re-election to the in the manner set forth herein.

4.3.6.5 Absent approval by a majority of the non-interested Directors then in office, no Director shall serve in the office of Director for more than six consecutive years.

4.3.7 Staggered Board: The Member Directors and the Community Directors shall be divided into three classes of nearly equal size such that in any single year one class of such Directors shall have their terms expire. The Board may adjust such classes from time to time to maintain reasonably equal size among them provided that a Director's term of office shall not be shortened as a result of such adjustment without that Director's consent.

4.4 Resignation, Removal and Vacancies:

4.4.1 The term of office of any Director who ceases to meet the respective qualifications set forth in these bylaws shall terminate upon such failure and such Director shall immediately cease to be a director, unless the Board elects to retain such Director for the balance of such Director's term at any time after such failure of qualification. Any Director selected by a Member shall be deemed to have resigned from the Board upon the withdrawal or removal of the respective Member and such person shall
immediately cease to be a director, unless the Board elects to retain such Director for the balance of such Director's term.

4.4.2 Directors are expected to attend all Board meetings. Any Director who fails to attend at least fifty percent (50%) of regularly scheduled Board meetings in a fiscal year shall cease to be qualified and the term of office of any such Director shall terminate. Such attendance may be in person or as otherwise permitted by these bylaws. Further, three unexcused, consecutive absences from Board meetings may qualify as sufficient cause for removal from the Board. An absence may be excused only for good cause shown, which shall be determined in the sole discretion of the Chair of the Board or, in the case of an absence by the Chair, in the sole discretion of the Vice Chair of the Board. Any member of the Executive Committee of the Board may communicate with any Director after such Director's three unexcused, consecutive absences to ascertain the Director's interest in retaining Board membership. Failure to provide an adequate response shall cause the term of office of such Director to terminate, unless the Board elects to retain such Director for the balance of such Director's term.

4.4.3 To the fullest extent permitted by law, any Director may be removed for cause by the majority of the whole Board. As used in these bylaws, "whole Board" shall mean the entire Board of existing Directors, but shall not include any vacancies. A Director may be removed without cause only by the Member, the Parent Association or Teachers Group as the case may be, who nominated such Director.

4.4.4 A Director may resign by giving written notice to the Secretary. The resignation is effective upon receipt of such notice, or at any later date specified in the notice. The acceptance of a resignation by the Chair of the Board shall not be necessary to make it effective, but no resignation shall discharge any accrued obligation or duty of a Director.

4.4.5 Any vacancy in the office of a Director resulting from a termination of an incumbency for reason of removal, resignation or otherwise, shall be nominated and elected for the remaining term by the Member, the Parent Association or the Teachers Group who nominated such Director. Such Director shall be elected by a majority of the Directors then in office, even if less than a quorum.

4.4.6 Any new directorship resulting from the admission of a new Member of the Corporation shall be filled according to Section 4.3.1. The Director so elected shall be assigned to the staggered-board class under Section 4.3.7 which, immediately prior to such Director's
election, included the least number of Directors and if there shall be more than one such class then the Director shall be assigned to the one with the latest date of expiration.

4.4.7 Any directorships resulting from an increase in the maximum number of Community Directors may be filled by the Board acting by a majority of the Directors then in office, even if less than a quorum. Each Director so elected shall be assigned to the staggered-board class under Section 4.3.7 which, immediately prior to such Director's election, included the least number of Directors and if there shall be more than one such class then the Director shall be assigned to the one with the latest date of expiration.

4.4.8 The Board may exercise all of its powers, notwithstanding the existence of one or more vacancies on the Board. The Board shall endeavor to fill any vacancy as quickly as possible, and in a manner consistent with this Section 4.

4.5 Compensation. Directors receive no payment for their services. With Board approval, Directors may be reimbursed for out-of-pocket expenses incurred on approved Board business. Directors must present receipts for all such expenses, which shall be for the Director only, and shall be itemized and documented. Such expenses must be approved by a motion of the Board at the meeting immediately following the expenditure(s). Each year, at the Annual Meeting, the Board shall set a budget limit for total reimbursable Director expenses related to Board business, and total reimbursements shall not exceed this limit except by a resolution of the whole Board.

5. MEETINGS OF THE BOARD OF DIRECTORS:

5.1 The Annual Meeting for the election of the Board shall be held every September at the principal office of the Corporation or at such time and place as may be otherwise designated and fixed by the Board.

5.2 After each election of the Board Directors at the Annual Meeting, the new and continuing Directors shall meet for the purpose of election of the Officers of the Board, and the Officers of the Corporation, at such place and time as shall be fixed by such Directors. If a majority of such Directors are present at the Annual Meeting then such election may proceed immediately without prior notice.

5.3 Regular meetings of the Board shall be held ten (10) times per year at such time and place as the Chair of the Board shall determine from time to time. By unanimous resolution of the whole Board, the Board may have fewer than ten (10) meetings a year but not fewer than six (6).
5.4 Special meetings of the Directors may be called at any time by the Chair of the Board or the President and shall be called by the Chair of the Board or Secretary on the written request, or by vote, of a majority of the Board.

5.5 All meetings of the Board shall be held at such place or places, within the State of Delaware, as may from time to time be fixed by the Board or as shall be specified and fixed in the respective notices or waiver of notice thereof.

5.6 The Chair of the Board, or in his or her absence, the Vice Chair of the Board, shall preside at all meetings of the Board.

5.7 Compliance with the Freedom of Information Act

5.7.1 The Board shall conduct its meetings as a "public body" as defined in 29 Del. Code §10002. Notice of meetings called by the Board shall be posted seven (7) days in advance in compliance with 29 Del. Code §10004. A special or rescheduled meeting may be called on less than seven (7) days’ notice, but the notice shall state why the Board is unable to provide seven (7) days' notice. In no event may a Board meeting be called in less than twenty-four (24) hours' notice.

5.7.2 The Board shall normally give notice of its intent to hold an Executive Session closed to the Public for any topic covered under 29 Del. Code §10004 and shall comply with the notice requirements of the above paragraph. Unless otherwise determined by a majority vote of the Directors in attendance, attendance at Executive Sessions shall be limited to Directors. Notwithstanding the foregoing, the President may attend executive sessions until dismissed by a majority of the Directors in attendance.

5.7.4 All notices of meetings shall include the agenda if determined at the time of notice. Nothing herein shall prohibit changes to the agenda thereafter including the additions or deletions thereto or deletions or additions of an Executive Session. When the Agenda is not available at the time of initial posting of the public notice, it shall be added to the notice at least six (6) hours prior to the meeting also noting the reason for the delay in the posting of the agenda.

5.7.5 Directors must attend meetings of the Board in person and not by proxy or by electronic means, the only exception being attendance by videoconference in conformance with 29 Del. Code §10006.
5.7.6 It is the intent of this Section 5.7 to reflect the current Delaware Freedom of Information law 29 Del. Code §100. In the case of a conflict between this Section and the Delaware Freedom of Information law as it may be amended from time to time, the latter shall control.

5.8 A quorum of Directors shall be a number which is the larger of (i) more than half of the Directors currently serving, or (ii) five. An act of the majority of Directors present and voting at a duly called meeting with a quorum shall be the act of the Board, except as may otherwise be provided by these bylaws.

5.9 Only Directors of the Board who are not employees of the Corporation may vote on matters related to the compensation of employees of the Corporation, or concerning any personnel matter relating to employees of the Corporation. Directors who are employees of the Corporation, as well as the President and Chief Financial Officer and other employees of the Corporation, may not attend those portions of an executive session of the Board on matters related to the compensation of employees of the Corporation or any personnel matter relating to employees of the Corporation, without the approval of the Board Chair.

6. EXECUTIVE AND OTHER COMMITTEES:

6.1 The Board shall have an Executive Committee and the Standing Committees which are identified herein below. The Board may create additional Standing Committees for any purpose.

6.2 Ad-hoc Committees. The Chair of the Board may from time to time appoint Directors to serve on ad-hoc committees formed to work in a limited timeframe on a project or program with a definite end, such as a fundraising campaign or a personnel search.

6.3 Appointment to and Membership of Committees. The Chair of the Board shall appoint all members to and designate the chairs of all Standing Committees. Standing Committees shall have not less than three (3) members, or more than seven (7), and members of the Standing Committees shall be subject to Board approval. Persons other than Directors may be appointed as members of committees provided that any committee to which the powers of the Directors are delegated shall consist solely of Directors.

6.4 Executive Committee:

6.4.1 The Executive Committee shall not have any power or authority with respect to Board actions specifically set forth in the Certificate of Incorporation, nor shall it have any power to fill vacancies in its own membership. Subject to the foregoing, subject to the DGCL, and
subject to Section 5.7 the Executive Committee may exercise all other powers of the Board between the meetings of the Board provided that such exercise of powers cannot reasonably be delayed until a regular or special meeting of the Board.

6.4.2 The members of the Executive Committee shall be the Officers of the Board and may include additional Directors if they are appointed by the Board. The Executive Committee shall be chaired by the Chair of the Board.

6.4.3 The Executive Committee shall also be responsible for (i) matters pertaining to Board orientation and governance training; (ii) ensuring the recruitment of new Directors to fill vacancies; and (iii) ensuring that all Directors know the requirements of the School's charter and the commitments made to the chartering agency.

6.5 Standing Committees. Standing Committees are commissioned by and accountable to the Board. The responsibilities of the Standing Committees may include, but shall not be limited to the following:

6.5.1 **Strategic Planning.** This Committee shall be responsible for (i) drafting written strategic plans for the School which incorporate the objectives established by the Board from time to time; (ii) presenting such drafts to the Board for amendment and approval; (iii) communicating the approved plans; and (iv) measuring the achievement and implementation of those plans over time and reporting such progress to the Board.

6.5.2 **Finance.** This Committee shall be responsible for oversight of the financial position of the School and the Corporation, working with the President and the Chief Financial Officer to (i) create the upcoming fiscal year budget; (ii) present budget recommendations to the Board; (iii) monitor the implementation of the approved budget on a regular basis; (iv) recommend proposed budget revisions; (v) recommend to the Board appropriate policies for the management of the School's assets; and (vi) make recommendations to the full Board with respect to compensation of all employees of the Corporation. This Committee shall meet the requirements of a Citizen Budget Oversight Committee pursuant to 14 Del. Code §1508 and regarding its membership this Committee may vary from the limits set in Section 6.3 hereinabove in order to meet such requirements.

6.5.3 **Audit.** This Committee shall be responsible for (i) engaging and interacting with the outside auditors of the Corporation; (ii) ensuring that an annual audit of the Corporation is completed in a timely manner; and (iii) proposing to the Board, for implementation, any
changes to policies and procedures recommended by the auditors. The members of this Committee shall be independent of the School and the Corporation; they shall not be employees of the Corporation, nor parents or legal guardians of students currently enrolled at the School, nor community members with any commercial or pecuniary interests in connection with the School or the Corporation. The President and the Chief Financial Officer shall provide appropriate and timely supporting information to this Committee and the outside auditor upon their request.

6.5.4 **Development.** This Committee is responsible for supporting the President in matters pertaining to non-grant fundraising for the School. The President shall be responsible for establishing the fundraising goals for this Committee and for establishing the strategies and guidelines for all fundraising activities in connection with the School.

6.5.5 The Chair of each Standing Committee shall submit reports on Committee activities as the Board or the Executive Committee may request from time to time.

6.6 Committee Meetings:

6.6.1 The Executive Committee and the Standing Committees shall meet at stated times or on notice to all by any of their own number. They shall fix their own rules of procedure. A majority shall constitute a quorum. The affirmative vote of a majority of the members present shall determine all matters brought before the Committee.

6.6.2 All Committee Meetings shall comply with the requirements of the Freedom of Information Act as set forth in Section 5.7 above.

7. OFFICERS OF THE BOARD:

7.1 The Officers of the Board shall include a Chair, a Vice Chair, a Secretary and a Treasurer, and such other officers as may from time to time be chosen by the Board. Except as provided in Section 7.2.3, the Officers of the Board shall be (i) Directors in good standing; (ii) elected by a majority of Directors; and (iii) removed at any time by majority vote of Directors.

7.2 Duties of Officers of the Board:

7.2.1 **Chair.** The Chair shall preside at all meetings of the Board. The Chair shall see that all orders and resolutions of the Board and the Executive Committee or other committees of the Board are carried into effect. The Chair shall also have general supervision and
direction of the Officers of the Board and shall see that their duties and those assigned to other Directors are properly performed. Subject to Board approval, the Chair has general supervision and oversight of the affairs of the Corporation.

7.2.2 Vice Chair. The Vice Chair shall have such powers and duties as may be prescribed from time to time by the Chair or by the Board. In the absence or disability of the Chair, the Vice Chair shall perform all the duties of the Chair.

7.2.3 Secretary. The Secretary shall keep or cause to be kept a record of the proceedings of the Board, shall make service of all such notices as may be required under the provisions of these bylaws or by law, shall be custodian of the corporate records and of the corporate seal, and shall have such other powers and duties as may be prescribed from time to time by the Chair or the Board. The Board may designate an employee of the Corporation to serve as Secretary or as an assistant thereto.

7.2.4 Treasurer. The Treasurer shall be responsible for (i) general oversight of the financial affairs of the Corporation; (ii) ensuring the effective performance of the Finance and Audit Committees, and reporting to the Board any concerns therewith; and (iii) such other powers and duties as may be prescribed from time to time by the Chair or the Board.

7.2.5 Election, Eligibility and Terms of Office

7.2.5.1 Nomination. Any Director may present nominations for Officers of the Board. The nominated Officers shall be Directors, unless the Board designates an employee of the Corporation to serve as Secretary of the Board.

7.2.5.2 Election. The Board shall elect Officers at the Annual Meeting or a Regular Meeting designated for that purpose or at a Special Meeting called for that purpose, except that Officers appointed to fill vacancies shall be elected as vacancies occur.

7.2.5.3 Eligibility. A Director may serve concurrently as more than one Officer of the Board, except that neither the Secretary nor Treasurer may serve concurrently as the Chair of the Board.

7.2.5.4 Term of Office. Officers of the Board shall assume the responsibilities of their office immediately following the
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close of the meeting at which they are elected, and the term of office shall extend to the next annual election of Officers of the Board but may be extended thereafter by the Board until a successor assumes office. A Director may serve more than one (1) term in the same office, but not more than three (3) consecutive terms in the same office.

7.2.6 Removal and Resignation. The Board may remove any Officer of the Board from such office, either with or without cause, at any time. An Officer of the Board may resign such office at any time by giving written notice to the Chair (or in the case of resignation of the Chair, to any other Officer of the Board or of the Corporation), such resignation taking effect upon receipt of the notice or at a later date specified in the notice.

7.2.7 In case of the absence or disability of any Officer of the Board or for any other reason deemed sufficient by a majority of the Board, the Board may delegate such Officer’s powers or duties to any other Officer of the Board, or to any Director of the Board, for the period of such absence or disability.

8. OFFICERS OF THE CORPORATION.

8.1 The Officers of the Corporation shall be (i) a President; (ii) a Chief Financial Officer; and (iii) such other officers as may from time to time be chosen by the Board. The President shall be appointed by the affirmative vote of a majority of the whole Board. The Chief Financial Officer shall be nominated by the President and appointed by the affirmative vote of a majority of the whole Board. All other officers may be appointed by the affirmative vote of a majority of Directors present at a Regular, Special, or Annual Meeting, if there is a quorum pursuant to Section 5.8.

8.2 The Officers of the Corporation shall attend and provide status reports at all Board Meetings except as set forth in Section 5.9, shall attend meetings of the Standing Committees as appropriate, and shall hold office until their successors are chosen and qualify in their stead, unless such Officers are otherwise removed by the Board. Any Officer of the Corporation may be removed from such office either with or without cause at any time by the affirmative vote of a majority of the whole Board; notwithstanding a majority vote, the person serving as President may be removed from such office or assigned to a different position with materially different duties only pursuant to Section 9 below. The Board may fill vacancies pursuant to Section 8.1.
8.3 DUTIES OF THE PRESIDENT:

8.3.1 The President shall be an employee of the Corporation and shall be the chief executive officer and chief administrative officer of the Corporation. It shall be his or her duty to have general and active management of the School and of the Corporation; to see that all orders and resolutions of the Board are carried into effect; to execute all contracts, agreements, deeds, bonds, mortgages and other obligations and instruments, in the name of the Corporation, and to affix the corporate seal thereto when authorized by the Board or the Executive Committee and pursuant to Article 11 below.

8.3.2 The President shall report to the Board of Directors.

8.3.3 The President shall be responsible for the hiring, evaluation, continuation of employment, and termination of all employees of the Corporation. All cases of termination of employees of the Corporation shall be approved by the Board before such termination takes place.

8.3.4 The President shall have the general supervision and direction of the other employees of the Corporation, shall see that their duties are properly performed.

8.3.5 The President shall ensure that all School programs and activities are adequately and appropriately planned, supervised, resourced, and staffed with qualified personnel.

8.3.6 The President shall adhere to appropriate guidelines concerning confidentiality in communications.

8.3.7 The President shall have the general duties and powers of supervision and management usually vested in the office of the President of a Corporation.

8.3.8 In support of the Finance Committee, the President shall make a non-binding recommendation to the Committee with respect to all matters of compensation.

8.3.9 In case of the absence or disability of the President or for any other reason deemed sufficient by a majority of the Board, the Board may delegate the President's powers or duties to any Officer of the Board or to any Director for an intended duration to be announced by the Board upon such delegation and periodically reviewed and revised as conditions warrant.
8.4 **DUTIES OF THE CHIEF FINANCIAL OFFICER**

8.4.1 The Chief Financial Officer ("CFO") shall be an employee of the Corporation and shall serve as the chief financial and business manager of the Corporation.

8.4.2 The CFO shall report to the President and in addition to the duties described in Section 8.4.1 shall also have such other duties as may be prescribed from time to time by the President.

8.4.3 The CFO shall be accountable to the Board for (i) the accuracy, integrity and timeliness of all financial reports and statements of the Corporation; and (ii) ensuring the prudent fiduciary custody of all funds of the Corporation.

9. **DECISIONS OF IMPORTANCE**

9.1 Certain decisions of significant importance by the Board shall be subject to an affirmative vote of a majority of the whole Board. Decisions of importance shall include the following issues only:

9.1.1 Removal of the President or assignment of the President to a different position with materially different duties;

9.1.2 A proposal to relocate the physical facilities of the School;

9.1.3 A proposal to expand the school to additional grades; and

9.1.4 A proposal to change the chartering agency for the School.

9.2 Other issues may be added to the list of decisions of importance only by amendment of these bylaws.

10. **FISCAL YEAR**

10.1 The fiscal year of the Corporation shall be July 1 through June 30.

11. **EXECUTION OF INSTRUMENTS.**

11.1 Checks, Drafts and Orders for Payment of Money. All checks, drafts and orders for payment shall be signed in the name of the Corporation by the President or the Chief Financial Officer or any other designee of the President.

11.2 Non-Budgeted Expenditures: For any expenditure not within the Annual Budget, the person making the request shall prepare a cost-benefit or other analysis to justify the need for the expenditure.
11.2.1 In the case of a request from a Board Director or the President, such analysis shall be presented to the Board, who shall have approval authority for the expenditure no matter what the amount.

11.2.2 In the case of a request from anyone other than a Board Director or the President, such analysis shall be presented to the President. Any individual non-budgeted expenditures less than $5,000 may be approved by the President, up to a cumulative total of $15,000 per fiscal year. Once this $15,000 ceiling has been reached, the President shall notify the Board and the Board may either (1) increase the ceiling amount for such non-budgeted expenditures for that fiscal year or (2) require that all further non-budgeted expenditures for that fiscal year be presented to the Board for its approval. Any individual non-budgeted expenditure of $5,000 or more must be presented to the Board and is subject to its approval and this requirement shall not be relieved by a series of smaller installment payments for a single expenditure decision of $5,000 or more.

11.2.3 Contracts. All contracts, conveyances or other instruments which have been authorized by the Board shall be executed in the name of and on behalf of the Corporation, and have affixed thereto the corporate seal, by the Secretary of the Corporation or his or her delegate.

12. BOOKS AND RECORDS:

12.1 The books, records and accounts of the Corporation except as otherwise required by the laws of the State of Delaware, shall be kept within the State of Delaware, at such place or places as may from time to time be designated by the bylaws or by resolution of the Board.

13. NOTICES:

13.1 Except as otherwise specifically provided herein or required by law, all notices required to be given to any Member, Director, officer, employee or agent shall be in writing and may in every instance be effectively given by hand delivery to the recipient thereof, by depositing such notice in the mails, postage paid, by email, or by sending such notice by facsimile transmission. Any such notice shall be addressed to such Member, Director, officer, employee or agent at his or her last known address as the same appears on the books of the Corporation. The time when such notice is received, if hand delivered, or dispatched, if delivered through the mails, by email, or by facsimile transmission, shall be the time of the giving of the notice.

13.2 A written waiver of any notice, signed by a Member, Director, officer, employee or agent, whether before or after the time of the event for which
notice is to be given, shall be deemed equivalent to the notice required to be
given to such Member, Director, officer, employee or agent. Neither the
business nor the purpose of any meeting need be specified in such a waiver.

14. AMENDMENT:

14.1 These bylaws may be amended, altered, repealed or added to at any regular or
special meeting of the Board by affirmative vote of a majority the whole
Board, provided that the proposal for such amendment, alteration, repeal or
addition has been noticed for at least one Board meeting prior to such vote.
The effective date of any amendments to the bylaws shall be the date first
written above after "Amended".

15. INDEMNIFICATION:

15.1 Right to Indemnification: Each corporate entity or natural person who was
or is made a party or is threatened to be made a party to or is involved in any
action, suit or proceeding, whether civil, criminal, administrative or
investigative ("Proceeding"), including without limitation Proceedings by or
in the right of the Corporation to procure a judgment in its favor, by reason of
the fact that any such corporate entity is or was a Corporate Class member
or Sponsor Class member of the Corporation or any such person or a person
for whom he or she is the legal representative is or was a Director or officer,
employee or agent of the Corporation or is or was serving at the request of the
Corporation as a Director or officer, employee or agent of another
corporation, or of a partnership, joint venture, trust or other enterprise,
including service with respect to employee benefit plans, whether the basis of
such Proceeding is alleged action in an official capacity as a Corporate Class
member, Sponsor Class member, Director, officer, employee or agent or in
any other capacity while serving as a Corporate Class member, Sponsor
Class member, Director, officer, employee or agent, shall be indemnified
and held harmless by the Corporation to the fullest extent authorized by the
laws of the State of Delaware, as the same exists or may hereafter be amended
(but, in the case of any such amendment, only to the extent such amendment
permits the Corporation to provide broader indemnification rights than said
law permitted the Corporation to provide prior to such amendment) against all
expenses, liability and loss (including attorneys' fees, judgments, fines,
ERISA excise taxes or penalties and amounts paid or to be paid in settlement)
reasonably incurred or suffered by such corporate entity or natural person in
connection therewith. Such right shall be a contract right and shall include the
right to be paid by the Corporation for expenses incurred in defending any
such Proceeding in advance of its final disposition; provided, however, that
the payment of such expenses incurred by a Corporate Class member,
Sponsor Class member, Director or officer of the Corporation in his, her or its
capacity as a Corporate Class member, Sponsor Class member, Director or
officer (and not in any other capacity in which service was or is rendered by
such corporate entity or natural person while a Corporate Class member, Sponsor Class member, Director or officer, including, without limitation, service to an employee benefit plan) in advance of the final disposition of such Proceeding, shall be made only upon delivery to the Corporation of an undertaking, by or on behalf of such Corporate Class Member, Sponsor Class member, Director or officer, to repay all amounts so advanced if it should be determined ultimately that such Corporate Class member, Sponsor Class member, Director or officer is not entitled to be indemnified under this section or otherwise.

15.2 Right of Claimant to Bring Suit: If a claim under Section 15.1 is not paid in full by the Corporation within ninety (90) days after a written claim has been received by the Corporation, the claimant may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim, and if successful in whole or in part, the claimant shall be entitled to be paid also the expense of prosecuting such claim. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any Proceeding in advance of its final disposition where the required undertaking has been tendered to the Corporation) that the claimant has not met the standards of conduct which make it permissible under the DGCL of the State of Delaware for the Corporation to indemnify the claimant for the amount claimed, but the burden of proving such defense shall be on the Corporation. Neither the failure of the Corporation (including its Board, independent legal counsel, or its members) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he or she has met the applicable standard of conduct set forth in the DGCL of the State of Delaware, nor an actual determination by the Corporation (including its Board, independent legal counsel, or its Directors) that the claimant had not met such applicable standard of conduct, shall be a defense to the action or create a presumption that claimant had not met the applicable standard of conduct.

15.3 Non-Exclusivity of Rights: The rights conferred by Sections 15.1 and 15.2 shall not be exclusive of any other right which such corporate entity or natural person may have or hereafter acquire under any statute, provision of the Certificate of Incorporation, bylaw, agreement, vote of Directors or disinterested Directors or otherwise.

15.4 Insurance: The Corporation shall maintain insurance, at its expense, to protect itself and any such Corporate Class member, Sponsor Class member, Director of the Board, officer, employee or agent of the Corporation or another corporation, partnership, joint venture, trust or other enterprise against any such expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the DGCL and other laws of the State of Delaware.
16. STANDARD OF CARE

16.1 Performance of Duties. Each Director shall perform all duties of a Director, including duties on any committee, in good faith, with undivided loyalty and with that degree of diligence, care and skill, including reasonable inquiry, as an ordinary prudent person in a like position would use under similar circumstances.

16.2 Reliance on Others. In performing the duties of a Director, a Director shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, presented or prepared by:

16.2.1 One or more Officers or employees of the Corporation whom the Director believes to be reliable and competent in the matters presented;

16.2.2 Legal counsel, public accountants or other persons as to matters that the Director believes are within that person's professional or expert competence; or

16.2.3 A Board Committee on which the Director does not serve, duly designated in accordance with a provision of the Corporation's charter or bylaws, as to matters within its designated authority, provided the Director believes the Committee merits confidence and the Director acts in good faith, and after reasonable inquiry when the need is indicated by the circumstances, and without knowledge that would cause such reliance to be unwarranted.

16.3 Investments. In investing and dealing with all assets held by the Corporation for investment, the Board shall exercise the standard of care described above in this Section 16, and shall consider among other relevant considerations the long and short term needs of the Corporation in carrying out its purposes, including its present and anticipated financial requirements. The Board may delegate its investment powers to others, provided that those powers are exercised within the ultimate direction of the Board.

16.4 Rights of Inspection. Every Director has the right to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the Corporation, provided that such inspection is conducted at a reasonable time after reasonable notice, and provided that such right of inspection and copying is subject to the obligation to maintain the confidentiality of the reviewed information, in addition to any obligations imposed by any applicable federal, state or local law.
16.5 Participation in discussions and voting. Except as set forth herein, including section 5.9 hereof, every Director has the right to participate in the discussion of and vote on all issues before the Board or any Board Committee, except that a Director shall not be permitted to participate in the discussion and vote on any matter involving such Director relating to (a) a self-dealing transaction; (b) conflict of interest; (c) indemnification of that Director uniquely; or (d) any other matter at the discretion of the majority of the Directors then present.

16.6 Duty to Maintain Board Confidences. Every Director has a duty to maintain the confidentiality of all Board actions which are not required by law to be open to the public, including discussions and votes which take place at any Executive Session of the Board. Any Director violating this confidence may be removed from the Board pursuant to Section 4.4.3.

16.7 The Board, in carrying out its responsibilities, is accountable to the State of Delaware and the Red Clay Consolidated School District.

16.8 Board Evaluation. The Board shall conduct an annual survey of its performance that shall be open to input from all members of the School community. The specifics of this survey shall be defined by the Executive Committee or such other committee as the Board may establish.

17. NON-LIABILITY OF DIRECTORS

17.1 No Director, past or present, shall be personally liable for the debts, liabilities or obligations of the Corporation