

**AMENDED AND RESTATED BYLAWS OF
COMMONWEALTH CHARTER ACADEMY CHARTER SCHOOL
A PENNSYLVANIA
NONPROFIT CORPORATION**

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Table of Contents

	<u>Page</u>
Article 1 - CORPORATION OFFICE.....	1
Article 2 - MEMBERS.....	1
Article 3 - MISSION AND PURPOSE	1
Article 4 - TRUSTEES	2
Article 5 - FAILURE TO ORGANIZE AND REMOVAL OF TRUSTEES	4
Article 6 - VACANCIES ON BOARD OF TRUSTEES.....	5
Article 7 - POWERS OF BOARD.....	6
Article 8 - MEETINGS OF THE BOARD OF TRUSTEES	8
Article 9 - COMPENSATION OF TRUSTEES; CONFLICT OF INTEREST	10
Article 10 - LIABILITY OF TRUSTEES	10
Article 11 - OFFICERS	13
Article 12 - THE CHAIR & VICE-CHAIR OF THE BOARD.....	15
Article 13 - THE SECRETARY	15
Article 14 - THE TREASURER.....	16
Article 15 - DISMISSAL OF SCHOOL STAFF.....	16
Article 16 - INDEMNIFICATION OF OFFICERS, TRUSTEES, EMPLOYEES AND AGENTS	16
Article 17 - ANNUAL REPORT.....	21

Article 18 - BOOKS AND RECORDS 22

Article 19 - FISCAL YEAR 21

Article 20 - TRANSACTION OF BUSINESS 21

Article 21 - MANNER OF GIVING WRITTEN NOTICE; WAIVERS OF NOTICE..... 24

Article 22 - AMENDMENTS 25

AMENDED AND RESTATED BYLAWS
OF
COMMONWEALTH CHARTER ACADEMY CHARTER SCHOOL

Article 1

CORPORATION OFFICE

Section 1.1 The Corporation shall have and continuously maintain in the Commonwealth of Pennsylvania a registered office at an address to be designated from time to time by the Board of Trustees which may, but need not, be the same as its place of business.

Section 1.2 The Corporation may also have offices at such other places as the Board of Trustees may from time to time designate or the business of the Corporation may require, but at all times after it has received a cyber charter school charter shall maintain at least one administrative office in the Commonwealth of Pennsylvania.

Article 2

MEMBERS

Section 2.1 The Corporation shall have no members.

Article 3

MISSION AND PURPOSE

Section 3.1 The Corporation's mission is to provide top-quality personalized education for students and their families outside the traditional classroom. The school operated by the Corporation will maintain a commitment to excellence in curriculum, instruction, accountability and communication for virtual schools and will ensure that its programs follow the principles of: high-quality instruction; individualized instruction; parental involvement; technology-rich schooling, accountability and achievement.

Section 3.2 Commonwealth Charter Academy is a nonprofit corporation established under the laws of the Commonwealth of Pennsylvania and is subject to the provisions of applicable state and federal statutes, applicable state and federal regulations including, but not limited to, the Charter School Law, as amended, and the applicable provisions of the Public School Code, and the Pennsylvania Department of Education Regulations. In any circumstance in which the provisions of these Bylaws shall conflict with any provision of the Public School Code, the applicable provision of the Public School Code shall control.

Article 4

TRUSTEES

Section 4.1 The Board of Trustees shall consist of Trustees entitled to vote and elected by the Board of Trustees. The number of Trustees shall be determined by the Board of Trustees from time to time. No amendment of this section shall reduce the number of Trustees to less than the number required by the Pennsylvania Nonprofit Corporation Law of 1988.

Section 4.2 Except as hereinafter provided, no Trustee shall receive compensation of any type from any vendor of the Corporation. For good cause shown, the Board may waive this prohibition in individual circumstances in which no unlawful conflict of interest is present.

Section 4.3 Each Trustee shall be a natural person of the age 18 years or older, and shall qualify to serve as a Trustee of the Corporation under applicable law.

Section 4.4 Trustees shall be elected at any duly organized meeting of the Board of Trustees by a majority of the Trustees then in office. Trustees shall take office immediately following the annual or other meeting of this Corporation at which they are elected.

At least three Trustees shall be chosen from and shall represent one of the following constituencies:

(a) At least one (1) Trustee shall be the parent or learning coach of one or more student(s) who is/are enrolled in the Corporation's educational program..

(b) At least one (1) Trustee shall be a generally recognized community or business leader in the area served by the Corporation, as determined in the discretion of the Board of Trustees.

(c) At least one (1) Trustee shall be currently employed as either a teacher, college instructor in the area of education, former elected school board member or shall be an individual who has served in those capacities or who otherwise has expertise in education, as determined in the discretion of the Board of Trustees.

Section 4.5 Trustees shall serve a one (1) year term, expiring at the close of the annual meeting. There is no limit to the number of terms a Trustee can serve on the Board. Notwithstanding the foregoing provision regarding the number of terms a Trustee may serve, any Trustee who was elected as a parent or learning coach of a current student under Section 4.4(a) shall serve as a Trustee only until the close of the annual meeting in the year in which the Trustee shall cease to be the parent or learning coach of a current student.

Article 5

FAILURE TO ORGANIZE AND REMOVAL OF TRUSTEES

Section 5.1 Any individual Trustee may be removed from office without assigning any cause by a three-fifths vote of the members of the Board of Trustees. If any Trustees are so removed, new Trustees may be elected at the same meeting.

Section 5.2 The Board of Trustees may declare vacant the office of a Trustee who has been judicially declared of unsound mind, or if within sixty (60) days after notice of his election, the Trustee does not accept such office either in writing or by attending a meeting of the Board of Trustees, and fulfill such other requirements of qualification as these Bylaws may specify.

Section 5.3 A member of the Board of Trustees who is convicted of a felony or any crime involving moral turpitude shall be immediately disqualified from serving on the Board of Trustees.

Section 5.4 If a member of the Board of Trustees fails to perform his or her duties under these Bylaws or under the Pennsylvania Charter School Law, including by reason of failing to regularly attend Board meetings or otherwise, the Board Chair shall at the next regularly scheduled meeting of the Board bring before it a proposed resolution for the removal of such member. Failure to regularly attend Board meetings shall be defined as being absent in person or by teleconferencing/videoconferencing at four (4) regularly scheduled Board meetings during any 12-month period. A member is “absent” from a meeting when that member is not present in person or by teleconferencing/videoconferencing for at least 50% of the combined time devoted to executive session and to discussion and action on voting matters.

Section 5.5 The provisions of 24 P.S. §3-318 in regard to removal for failure to organize or neglect of duty are included here in as if fully set forth at length.

Article 6

VACANCIES ON BOARD OF TRUSTEES

Section 6.1 Vacancies on the Board of Trustees, including vacancies resulting from an increase in the number of Trustees, shall be filled by a majority vote of the remaining members of the Board of Trustees, or by a sole remaining Trustee, and each person so elected shall be a Trustee to serve for the balance of the unexpired term.

Section 6.2 When one or more Trustees resign from the Board of Trustees effective at a future date, the Trustees then in office, including those who have so resigned, shall have the power by a majority vote to fill the vacancies, the vote thereon to take effect when the resignations become effective. A Trustee may rescind his or her resignation, in writing, at any time prior to a vote of the Board to declare that a vacancy exists by reason of that Trustee's resignation.

Article 7

POWERS OF BOARD

Section 7.1 The business and affairs of the Corporation shall be managed by the Board of Trustees. The Board of Trustees may exercise all such powers of the Corporation and do all such lawful acts and things as are permitted, directed or required to be exercised and done by statute, including the Pennsylvania Charter School Law, the Articles of Incorporation or these Bylaws. The Board of Trustees has the full power and authority to decide matters related to the operation of the school, including, but not limited to, budgeting, curriculum, operating procedures and determining general, academic, financial, personnel and other policies, subject to

the school's cyber charter school charter and applicable law. The Board of Trustees has the authority to employ, discharge and contract with necessary professional and nonprofessional employees subject to the school's cyber charter school charter and the provisions of applicable law. Without limiting the generality of the foregoing, the Board of Trustees has the power and authority, exercisable by majority vote of the members of the Board of Trustees duly recorded and showing how each member voted, to approve the hire or termination of contractors and determine the terms and policies under which contractors shall provide services, approve any alteration to the school calendar that would result in reduction of required instructional hours or days, approve the adoption of textbooks, approve the adoption of courses of study, approve the appointment or dismissal of school staff, adopt an annual budget, approve the purchase or sale of land, determine the location of new facilities and change the location of existing facilities, approve the creation or increase of indebtedness, designate depositories of school funds, approve the entry into any contract of any kind where the amount involved exceeds \$200, determine the salary, compensation and all terms and conditions of employment of school administrators, teachers and other staff, approve the entry into contracts with and making appropriations to an intermediate unit, school district or Area Vocational/Technical School for the Corporation's proportionate share of the cost of services provided or to be provided by the foregoing entities.

Section 7.2 The Board of Trustees may, by resolution adopted by a majority of the Trustees in office, establish one or more committees consisting of one or more Trustees as may be deemed appropriate or desirable by the Board of Trustees to serve at the pleasure of the Board. Any committee, to the extent provided in the resolution of the Board of Trustees pursuant to which it was created, shall, subject to any restrictions in applicable law, have and

may exercise all of the powers and authority of the Board of Trustees, except that no committee shall have any power or authority as to the following:

- a) The filling of vacancies in the Board of Trustees;
- b) The adoption, amendment or repeal of these Bylaws;
- c) The amendment or repeal of any resolution of the Board of Trustees that by its terms is amendable or repealable only by the Board; and
- d) Action on matters committed by these Bylaws or a resolution of the Board of Trustees exclusively to another committee of the Board of Trustees.

The Board of Trustees may designate one or more Trustees as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another Trustee to act at the meeting in the place of any such absent or disqualified member.

Article 8

MEETINGS OF THE BOARD OF TRUSTEES

Section 8.1 The annual meeting of the Board of Trustees shall be held during the month of June. Other meetings of the Board of Trustees shall be held at such times and places within or without the Commonwealth of Pennsylvania as the Board of Trustees may from time to time appoint or as may be designated in the notice of the meeting. One or more Trustees may participate in any meeting of the Board of Trustees, or of any committee thereof, by means

of a teleconferencing/videoconferencing or similar communications equipment by means of which all persons participating in the meeting can hear one another. Participation in a meeting by such means shall constitute presence in person at the meeting. For so long as required by law, the Board of Trustees shall comply with Chapter 7 of Title 65 of the Pennsylvania Consolidated Statutes, known as the “Sunshine Act.”

Section 8.2 Special meetings of the Board of Trustees may be called by the Chair of the Board of Trustees of the Corporation on one (1) day's notice to each Trustee, or upon any subsequent minimum notice requirement enacted into the Sunshine Act subsequent to the adoption of these Bylaws, either by telephone, or if in writing, in accordance with the provisions of Article 21 of these Bylaws. Special meetings shall be called by the Board Chair or Secretary in like manner and on like notice upon the written request of a majority of the Trustees in office.

Section 8.3 All meetings of the Board of Trustees shall, in the absence of any special rules adopted by the Board, be conducted in accordance with the parliamentary procedures set forth in *The Modern Rules of Order* (Tortorice; American Bar Association; 4th edition). At all meetings of the Board of Trustees a majority of the Trustees in office, present in person, by teleconferencing/videoconferencing or by written proxy, shall constitute a quorum for the transaction of business, and the acts of a majority of the Trustees present in person, by teleconferencing/videoconferencing or by written proxy at a meeting at which a quorum is present shall be the acts of the Board of Trustees, except as may be otherwise specifically provided by statute or by the Articles of Incorporation or by these Bylaws. No more than one proxy may be utilized to count toward a quorum at any meeting of the Board.

Section 8.4 A Trustee may give his or her proxy to another trustee, only, to vote on that member's behalf at any meeting of the Board. No Trustee may exercise a proxy for more than one other Trustee at any meeting of the Board. Except as hereinafter provided, the proxy must be in writing, must set forth the name of the Trustee to whom the proxy is given to vote in his or her stead, must state the duration of the proxy, must be signed by the Trustee giving the proxy, if not transmitted via electronic mail, and must be dated. The proxy will be filed with the Secretary of the Board. The proxy may be transmitted to the Secretary by means of fax or electronic mail; provided that the electronic mail transmission must originate from the Trustee's electronic mail address that is on file with the corporation. Notwithstanding the foregoing, a Trustee may give his or her proxy to another Trustee during the course of a board meeting by orally communicating that proxy in the presence of the attending Trustees.

Section 8.5 A Trustee who is present at a meeting of the Board, or of a committee of the Board, at which action on any corporate matter is taken, shall be presumed to have assented to the action taken unless his or her dissent is entered in the minutes of the meeting or unless the trustee files a written dissent to the action with the Secretary of the meeting before the adjournment thereof or transmits the dissent in writing to the Secretary of the Corporation immediately after the adjournment of the meeting. The right to dissent shall not apply to a Trustee who voted in favor of the action. Nothing in this section shall bar a Trustee from asserting that the minutes of the meeting incorrectly omitted his dissent if, promptly upon receipt of a copy of such minutes, the trustee notifies the Secretary in writing of the asserted omission or inaccuracy.

Article 9

COMPENSATION OF TRUSTEES; CONFLICT OF INTEREST

Section 9.1 No Trustee shall, except as allowed by law, as a private person engage in any business transaction with the Corporation, be employed in any capacity by the Corporation or receive from the Corporation any pay for services rendered to the Corporation, provided that a Trustee may receive reimbursement for reasonable expenses incurred in connection with corporate matters if such reimbursement is authorized by the Board of Trustees.

Section 9.2. No Trustee shall serve as a director, officer or employee of any charter school entity that directly competes with CCA in the Commonwealth of Pennsylvania.

Article 10

LIABILITY OF TRUSTEES

Section 10.1 A Trustee of the Corporation shall stand in a fiduciary relation to the Corporation and shall perform his or her duties as a Trustee, including his or her duties as a member of any committee of the Board of Trustees upon which he or she may serve, in good faith, in a manner he or she reasonably believes to be in the best interests of the Corporation, and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances. In performing his or her duties, a Trustee shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by any of the following: (a) one or more officers or employees of the Corporation whom the Trustee reasonably believes to be reliable and competent in the matters presented; (b) legal counsel, public accountants or other persons as to matters which the Trustee reasonably believes to be

within the professional or expert competence of such persons; or (c) a committee of the Board of Trustees upon which he or she does not serve, duly designated in accordance with law, as to matters within its designated authority, which committee the Trustee reasonably believes to merit confidence. A Trustee shall not be considered to be acting in good faith if he or she has knowledge concerning the matter in question that would cause his or her reliance to be unwarranted.

Section 10.2 In discharging the duties of their respective positions, the Board of Trustees, committees of the Board of Trustees and individual Trustees may, in considering the best interests of the Corporation, consider the effects of any action upon employees, suppliers and students of the Corporation and communities in which offices or other establishments of the Corporation are located, and all other pertinent factors. The consideration of these factors shall not constitute a violation of Section 10.1 hereof.

Section 10.3 Absent breach of fiduciary duty, lack of good faith or self-dealing, actions taken as a Trustee or any failure to take any action shall be presumed to be in the best interests of the Corporation.

Section 10.4 A Trustee of the Corporation shall not be personally liable, as such, for monetary damages for any action taken, or any failure to take any action, unless: (a) the Trustee has breached or failed to perform the duties of his or her office under Sections 10.1 through 10.3 hereof; and (b) the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness.

Section 10.5 The provisions of Section 10.4 hereof shall not apply to: (a) the responsibility or liability of a Trustee pursuant to any criminal statute; or (b) the liability of a Trustee for the payment of taxes pursuant to local, state or federal law.

Section 10.6 Notwithstanding any other provisions of these Bylaws, the approval of the Board of Trustees shall be required to amend, repeal or adopt any provision as part of these Bylaws that is inconsistent with the purpose or intent of Sections 10.1, 10.2, 10.3, 10.4, 10.5 or 10.6 of this Article 10, and, if any such action shall be taken, it shall become effective only on a prospective basis from and after the date of such Board of Trustees approval.

Article 11

OFFICERS

Section 11.1 The Corporation shall have a Chair of the Board, a Vice-Chair of the Board, a Secretary and a Treasurer on the Board of Trustees, or persons who shall act as such, regardless of the name or title by which they may be designated, elected or appointed and may have such other officers and assistant officers as the Board of Trustees may authorize from time to time. Except for the Assistant Secretary or the Assistant Treasurer, each such officer must be a Trustee. Except as prohibited by law, any number of offices may be held by the same person. Officers shall be nominated and elected by the Board of Trustees and each officer shall hold office at the pleasure of the Board of Trustees and until his successor has been elected and qualified or until his earlier death, resignation or removal. Any officer may resign at any time upon written notice to the Corporation. The resignation shall be effective upon receipt thereof by the Corporation or at such subsequent time as may be specified in the notice of resignation. The Corporation may secure the fidelity of any or all of the officers by bond or otherwise.

Section 11.2 Any officer or agent of the Corporation may be removed by the Board of Trustees whenever in its judgment the best interests of the Corporation will be served by such removal. The removal shall be without prejudice to the contract rights, if any, of any person so removed. If the office of any officer becomes vacant for any reason, the vacancy may be filled by the Board of Trustees.

Section 11.3. The Trustees may appoint a chief executive officer, whose title may be designated as President of the corporation, who shall perform such duties as may be prescribed by the Trustees (other than those reserved to the Chair and Vice-Chair of the Board

under Section 12.3 of these Bylaws), who shall serve at the pleasure of the Trustees, and who shall be the chief executive officer of the corporation. If no chief executive officer or acting chief executive officer is appointed, the Board Chair shall be the chief executive officer of the corporation. The chief executive officer shall attend all meetings of the Trustees, except where expressly directed otherwise. The salary and compensation of the chief executive officer shall be set by the Trustees.

Section 11.4. The chief executive officer shall be responsible for hiring and termination of all employees, such actions to be subject to the approval/disapproval of the Trustees. The chief executive officer, in consultation with the Trustees, shall set the salaries and compensation of all employees, such salaries and compensation to be subject to the approval/disapproval of the Trustees. In the absence of a chief executive officer or an acting chief executive officer, all decisions as to hiring, termination and compensation of employees shall be made by the Board Chair, subject to the approval/disapproval of the members of the Board.

Section 11.5. The chief executive officer shall execute such contracts, applications or other documents not required to be under the seal of the corporation.

Article 12

THE CHAIR & THE VICE-CHAIR OF THE BOARD

Section 12.1 The Chair of the Board shall, when present, preside at all meetings of the Board of Trustees and have such other duties as may be assigned by the Board of Trustees from time to time.

Section 12.2 In the absence or incapacity of the Board Chair, the Vice-Chair of the Board shall perform all of the duties and responsibilities of the office of Board Chair.

Section 12.3 The Chair of the Board shall function as President of the Corporation for purposes of 15 Pa.C.S. § 5732. The Vice-Chair of the Board shall function as the Vice-President of the Corporation for purposes of 15 Pa.C.S. § 5732.

Article 13

THE SECRETARY

Section 13.1 The Secretary shall: (a) keep, or ensure the minutes of the Board of Trustees' meetings are kept, in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by applicable law; (c) be custodian of the corporate records; and (d) have such other duties as may be assigned by the Board of Trustees from time to time.

Article 14

THE TREASURER

Section 14.1 The Treasurer shall be responsible for full and accurate accounts of receipts and disbursements in books belonging to the Corporation, shall submit to the Board a summary of all funds received and disbursed each month and shall perform such other duties as may be assigned by the Board of Trustees.

Article 15

DISMISSAL OF SCHOOL STAFF

Section 15.1 Any member of the school staff may be dismissed by majority vote of the Board of Trustees, subject to such policies as may be adopted from time to time by the Board of Trustees and subject to applicable law.

Article 16

INDEMNIFICATION OF OFFICERS, TRUSTEES, EMPLOYEES AND AGENTS

Section 16.1 The Corporation shall indemnify any Trustee or officer, and may indemnify any other employee or agent, who was or is a party to, or is threatened to be made a party to, or who is called as a witness in connection with, any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, other than an action by or in the right of the Corporation, by reason of the fact that he is or was a Trustee, officer, employee or agent of the Corporation against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement, actually and reasonably incurred by him in

connection with such action, suit or proceeding if such person acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful.

Section 16.2 The Corporation shall indemnify any Trustee or officer, and may indemnify any other employee or agent, who was or is a party to, or is threatened to be made a party to, any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he is or was a Trustee, officer, employee or agent of the Corporation delete against expenses, including attorneys' fees, actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if such person acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the Corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Corporation unless and only to the extent that the court of common pleas of the county in which the registered office of the Corporation is located or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the court of common pleas or such other court shall deem proper.

Section 16.3 The indemnification and advancement of expenses provided by, or granted pursuant to, this Article 16 shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under any Bylaw,

agreement, vote of disinterested Trustees or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office. It is the policy of the Corporation that indemnification of, and advancement of expenses to, Trustees and officers of the Corporation shall be made to the fullest extent permitted by law. To this end, the provisions of this Article 16 shall be deemed to have been amended for the benefit of Trustees and officers of the Corporation effective immediately upon any modification of the Nonprofit Corporation Law of 1988 ("NPCL") or any modification or adoption of any other law that expands or enlarges the power or obligation of charter schools or corporations organized under the NPCL to indemnify, or advance expenses to, directors and officers of corporations.

Section 16.4 The Corporation shall pay expenses incurred by an officer or Trustee, and may pay expenses incurred by any other employee or agent, in defending an action, or proceeding referred to in this Article 16 in advance of the final disposition of such action or proceeding upon receipt of an undertaking by or on behalf of such person to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the Corporation.

Section 16.5 The indemnification and advancement of expenses provided by, or granted pursuant to, this Article 16 shall, unless otherwise provided when authorized or ratified, continue as to a person who has ceased to be a Trustee, officer, employee or agent of the Corporation and shall inure to the benefit of the heirs, executors and administrators of such person.

Section 16.6 The Corporation shall have the authority to enter into a separate indemnification agreement with any officer, Trustee, employee or agent of the Corporation or

any subsidiary providing for such indemnification of such person as the Board of Trustees shall determine up to the fullest extent permitted by law.

Section 16.7 As soon as practicable after receipt by any person specified in Section 16.1 or Section 16.2 of this Article 16 of notice of the commencement of any action, suit or proceeding specified in Section 16.1 or Section 16.2 of this Article 16, such person shall, if a claim with respect thereto may be made against the Corporation under this Article 16, notify the Corporation in writing of the commencement or threat thereof; however, the omission so to notify the Corporation shall not relieve the Corporation from any liability under this Article 16 unless the Corporation shall have been prejudiced thereby or from any other liability which it may have to such person other than under this Article 16. With respect to any such action as to which such person notifies the Corporation of the commencement or threat thereof, the Corporation may participate therein at its own expense and, except as otherwise provided herein, to the extent that it desires, the Corporation, jointly with any other indemnifying party similarly notified, shall be entitled to assume the defense thereof, with counsel selected by the Corporation to the reasonable satisfaction of such person. After notice from the Corporation to such person of its election to assume the defense thereof, the Corporation shall not be liable to such person under this Article 16 for any legal or other expenses subsequently incurred by such person in connection with the defense thereof other than as otherwise provided herein. Such person shall have the right to employ his own counsel in such action, but the fees and expenses of such counsel incurred after notice from the Corporation of its assumption of the defense thereof shall be at the expense of such person unless: (i) the employment of counsel by such person shall have been authorized by the Corporation; (ii) such person shall have reasonably concluded that there

may be a conflict of interest between the Corporation and such person in the conduct of the defense of such proceeding; or (iii) the Corporation shall not in fact have employed counsel to assume the defense of such action. The Corporation shall not be entitled to assume the defense of any proceeding brought by or on behalf of the Corporation or as to which such person shall have reasonably concluded that there may be a conflict of interest. If indemnification or advancement of expenses under this Article 16 are not paid or made by the Corporation, or on its behalf, within ninety (90) days after a written claim for indemnification or a request for an advancement of expenses has been received by the Corporation, such person may, at any time thereafter, bring suit against the Corporation to recover the unpaid amount of the claim or the advancement of expenses. The right to indemnification and advancements of expenses provided hereunder shall be enforceable by such person in any court of competent jurisdiction. The burden of proving that indemnification is not appropriate shall be on the Corporation. Expenses reasonably incurred by such person in connection with successfully establishing the right to indemnification or advancement of expenses, in whole or in part, shall also be indemnified by the Corporation.

Section 16.8 The Corporation shall have the power to purchase and maintain insurance on behalf of any person who is or was a Trustee, Director, Officer, employee or agent of the Corporation, against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of this Article 16.

Section 16.9 Notwithstanding any other provisions of these Bylaws, the approval of the Board of Trustees shall be required to amend, repeal or adopt any provision as

part of these Bylaws which is inconsistent with the purpose or intent of this Article 16, and, if any such action shall be taken, it shall become effective only on a prospective basis from and after the date of such Board of Trustees approval.

Article 17

ANNUAL REPORT

Section 17.1 The Treasurer and the Board Chair shall present annually to the Board of Trustees a report showing in appropriate detail the following:

- a) The assets and liabilities of the Corporation as of the end of the fiscal year immediately preceding the date of the report;
- b) The principal changes in assets and liabilities during the year immediately preceding the date of the report;
- c) The revenue or receipts of the Corporation, both unrestricted and restricted to particular purposes, for the year immediately preceding the date of the report;
- d) The expenses or disbursements of the Corporation, for both general and restricted purposes, during the year immediately preceding the date of the report, including separate data with respect to each trust fund held by or for the Corporation.

Section 17.2 The annual report of the Treasurer shall be filed with the minutes of the meetings of the members of the Board of Trustees.

Article 18

BOOKS AND RECORDS

Section 18.1 The Corporation shall keep an original or duplicate record of the proceedings of the Board of Trustees and the original or a copy of these Bylaws, including all amendments thereto to date, certified by the Secretary of the Corporation. The Corporation shall also keep appropriate, complete and accurate books or records of account. The records provided for herein shall be kept at either the registered office of the Corporation in this Commonwealth or at its principal place of business wherever situated.

Section 18.2 To the extent required by law, the Pennsylvania Department of Education shall have ongoing access to all records, instructional material and student and staff records and to the Corporation's school facilities.

Article 19

FISCAL YEAR

Section 19.1 The fiscal year of the Corporation shall be from July 1 through June 30 of the following calendar year.

Article 20

TRANSACTION OF BUSINESS

Section 20.1 Except as otherwise provided by applicable law or directed by the Board of Trustees, each of the Board Chair, and one of either the Secretary or Treasurer shall have authority to sign, execute and acknowledge on behalf of the Corporation, all deeds,

mortgages, bonds, stock certificates, contracts, leases, reports, and all other documents or instruments necessary or proper to be executed in the course of the Corporation's regular business, or which shall be authorized by resolution of the Board of Trustees. The Secretary or an Assistant Secretary of the Corporation is authorized and empowered to sign in attestation all documents so signed, and to certify and issue copies of any such document and of any resolution adopted by the Board of Trustees of the Corporation, provided, however, that an attestation is not required to enable a document to be an act of the Corporation.

Section 20.2 No moneys shall be borrowed on behalf of the Corporation and no evidences of such indebtedness shall be issued in its name unless authorized by a resolution of the Board of Trustees. Such authority may be general or confined to specific instances.

Section 20.3 All funds of the Corporation, not otherwise employed, shall be deposited from time to time to the credit of the Corporation in such banks, investment firms or other depositories as the Board of Trustees may select providing that funds shall be invested consistent with sound business practice only in the following instruments: United States Treasury bills; Short-term obligations of the United States Government or its agencies or instrumentalities; Deposits in savings accounts or time deposits or share account of institutions insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation or the National Credit Union Share Insurance Fund to the extent that such accounts are so insured, and for any amounts above the insured maximum, provided that approved collateral as provided by law therefore shall be pledged by the depository; Obligations of the United States of America or any of its agencies or instrumentalities backed by the full faith and credit of the United States of America, the Commonwealth of Pennsylvania or any of its agencies or

instrumentalities backed by the full faith of the Commonwealth, or of any political subdivision of the Commonwealth of Pennsylvania of any of its agencies or instrumentalities backed by the full faith and credit of the political subdivision; Shares of an investment company registered under the Investment Company of America Act of 1940 (54 Stat.789, 15 U.S.C. § 80a-1 et seq.) as defined in PA 24 P.S. §4-440.1 of the Pennsylvania School Code. All Investments shall be subject to the standards set forth in PA 24 P.S. §4-440.1 of the Pennsylvania School Code. The school Treasurer shall settle his or her accounts annually with the Board of School Directors for each school year.

Article 21

MANNER OF GIVING WRITTEN NOTICE; WAIVERS OF NOTICE

Section 21.1 Whenever written notice is required to be given to any person under the provisions of these Bylaws, it may be given to the person either personally or by sending a copy thereof by first class or express mail, postage prepaid, or by telegram (with messenger service specified), telex or TWX (with answerback received) or courier service, charges prepaid, by electronic mail or by facsimile transmission, to his address (or to his telex, TWX, electronic mail address or facsimile number) appearing on the books of the Corporation or, in the case of written notice to Trustees, supplied by each Trustee to the Corporation for the purpose of the notice. If the notice is sent by mail, telegraph or courier service, it shall be deemed to have been given to the person entitled thereto when deposited in the United States mail or with a telegraph office or courier service for delivery to that person or, in the case of telex, facsimile transmission or electronic mail or TWX, when dispatched.

Section 21.2 Any written notice required to be given to any person under the provisions of statute, the Corporation's Articles of Incorporation or these Bylaws may be waived in a writing signed by the person entitled to such notice whether before or after the time stated therein. Except as otherwise required by statute, and except in the case of a special meeting, neither the business to be transacted at, nor the purpose of, a meeting need be specified in the waiver of notice. Attendance of a person, whether in person, by telephone or videoconferencing or by proxy, at any meeting shall constitute a waiver of notice of such meeting, except where a person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting was not lawfully called or convened.

Article 22

AMENDMENTS

Section 22.1 Except as provided in Sections 10.6 and 16.9 hereof, these Bylaws may be amended or repealed, and new Bylaws adopted, by a majority vote of the members of the Board of Trustees at any regular or special meeting duly convened.