

MODEL BYLAWS

OF

CHARTER SCHOOL, INC.

ARTICLE I

General

Section 1. Name. The name of the corporation is _____ Charter School, Inc. (the "Corporation").

Section 2. Registered Office and Registered Agent. The post office address of the Corporation's registered office at the time of adoption of these Bylaws (the "Bylaws") is _____ . The registered agent in charge of the registered office at the time of adoption of these Bylaws is _____ .

Section 3. Fiscal Year. The fiscal year of the Corporation shall begin on the first day of July and end on the last day of June next succeeding.

ARTICLE II

Purpose and Mission

Section 1. Purpose and Mission. The Corporation is a non-profit corporation organized under the laws of the state of Indiana and its purposes are set forth in the Corporation's Articles of Incorporation.

Section 2. Non-Discrimination. The Corporation shall not discriminate on the basis of race, religion, national origin, gender, age, disability, sexual orientation, status as a Vietnam-era or special disabled Veteran, or other protected class in accordance with applicable federal or state laws in hiring or other employment practices of the School. Further, the School shall be open to all students in its authorized geographic area on a space available basis and shall not discriminate in its admission policies or practices on the basis of race, gender, religion, ethnicity or disability. The School shall conduct all of its activities in accordance with all applicable local, state and federal anti-discrimination laws, as well as in accordance with all other laws and regulations applicable to the operation of the charter public schools in the state of Indiana.

ARTICLE III

Members

The Corporation shall have not have any members.

ARTICLE IV

Board of Directors

Section 1. Directors. The affairs of the Corporation shall be managed, controlled, and conducted by, and under the supervision of, the Board of Directors, subject to the provisions of the

Articles of Incorporation (the “Articles”) and these Bylaws. The Board of Directors shall have the number of members, not less than five (5) and not greater than nine (9), as designated by resolution of the Board of Directors from time to time. At all times all members of the Board of Directors shall be residents of the State of Indiana, and at least one-half of the members of the Board of Directors shall, as of the date of election or appointment to the board, be residents of any Indiana county of residence of one or more current students at the charter school operated by the Corporation (the “School”).

No individual may serve on the Board of Directors if that individual has been convicted of any offense set forth in Indiana Code 20-26-5-11(b), any successor statute, or of any offense substantially equivalent to any of the offenses listed in I.C. 20-26-5-11(b) in which the judgment of conviction was entered under the law of any other federal or state jurisdiction unless the candidacy of such individual is approved by the School’s Authorizer (as the term “Authorizer” is defined in IC 20-24-1-2.5) (the “School’s Authorizer”). In order to effectuate this requirement, at least fourteen (14) days before an individual is seated as a member of the Board of Directors, an Expanded Criminal History Check (as defined by IC 20-26-2-1.5) shall be performed as to such director. If the Organizer is leasing from a religious organization, no member of the religious board and no religious leader of the religious organization may simultaneously serve on the Corporation's Board of Directors.

At the regular meeting of the Board of Directors immediately preceding the expiration of the term of any director, the Board of Directors may elect a new director to replace a director whose term will expire, or has expired, and each such new director shall serve for a term of three (3) years, or such other period as prescribed by the directors at the time of such election, and until his or her successor is elected and qualified. No director shall serve more than two (2) successive terms. Once a director has served two (2) full three (3)-year terms, at least one (1) year must elapse before he or she again may be elected or appointed to the Board of Directors. The Corporation shall notify the Authorizer of the School promptly upon the election of any new member of the Board of Directors. All newly elected directors shall participate in a board training session approved by the School's Authorizer.

In order to ensure continuity among the directors of the Corporation, the terms of the members of the Board of Directors may be staggered as necessary.

Section 2. Powers. The Board of Directors shall have all powers and authority for the management of the business, property, and affairs of the Corporation, except as expressly provided herein, and may take such lawful acts that the Board of Directors deems proper and appropriate to promote the purposes and objectives of the Corporation. The Board of Directors may delegate to officers of the Corporation such powers as it may see fit for specified periods of time or in connection with specified matters.

Section 3. Quorum and Approval of Actions. A majority of the directors in office immediately before a regular or special meeting begins shall constitute a quorum for the transaction of any business

properly to come before the Board of Directors. Unless otherwise provided in the Articles or these Bylaws, the approval of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 4. Regular Meetings. The Board of Directors shall hold regular meetings, as fixed by these Bylaws or by resolution of the Board of Directors, for the purpose of transacting such business as properly may come before the Board of Directors. The Board of Directors shall hold regular meetings on a monthly basis during the academic year of the School and shall hold at least one (1) regular meeting during summer break. All regular meetings shall be held at the physical facility housing the charter school unless such facility is not reasonably available by reason of construction or casualty, in which event regular meetings shall be held at such location as may be approved in advance by the School's Authorizer.

Section 5. Executive Sessions. Any Board member may call an Executive Session during any special or regular Board meeting for issues concerning personnel or other matters permitted under the Indiana Open Door Law. All persons except Board members may be excluded from such Executive Sessions. Following such meetings, an officer shall provide a general description of the matters discussed to be provided as the minutes of said Executive Session. No action may be taken in an Executive Session.

Section 6. Special Meetings. Notwithstanding the preceding Section 4 of this Article IV, the Board of Directors may hold special meetings, defined as any meeting other than regularly scheduled meetings as set forth in Section 4, for any lawful purpose, aside from the election of members of the Board of Directors, upon not less than two (2) business days' notice, as described in Section 7 of this Article IV, and upon call by the Chair and at least one (1) other member of the Board of Directors, or by two (2) or more members of the Board of Directors. A special meeting shall be held at such date and time as specified in the notice of the meeting. All special meetings shall be held at the physical facility housing the charter school unless such facility is not reasonably available by reason of construction or casualty, in which event special meetings shall be held at such location as may be approved in advance by the School's Authorizer.

Section 7. Compliance with Indiana Open Door Law. Notwithstanding any other provision of these Bylaws, the Corporation shall comply in all respects with the Indiana Open Door Law (currently codified at Indiana Code ("IC") section 5-14-1.5-1, et seq.), and any corresponding provision of subsequent Indiana law, in connection with all regular or special meetings of the Board of Directors. Without limiting the foregoing, the Board of Directors shall post notice of any regular or special meeting not less than two (2) business days before such meeting at the place at which such meeting shall be held and shall provide such other notice of such meeting as shall be required under the Indiana Open Door Law.

Section 8. Notice of Special Meetings. Written notice of the date, time, and place of each special meeting of the Board of Directors shall be communicated, delivered, or mailed by the Secretary of the Corporation, or by the person or persons calling the meeting, to each member of the Board of Directors so that such notice is effective at least two (2) business days before the date of the meeting and complies with the Indiana Open Door Law. The notice need not describe the purpose of the special meeting.

Written, electronic, or telefaxed notice, where applicable, shall be effective at the earliest of the following:

- (a) When received;
- (b) Five (5) days after the notice is mailed, as evidenced by the postmark or private carrier receipt, if mailed correctly addressed to the address listed in the most current records of the Corporation;
- (c) On the date shown on the return receipt, if sent by registered or certified United States mail, return receipt requested, and the receipt is signed by or on behalf of the addressee;
or
- (d) Thirty (30) days after the notice is deposited with another method of the United States Postal Service other than first class, registered, or certified mail, as evidenced by the postmark, if mailed correctly addressed to the address listed in the most current records of the Corporation.

Section 9. Waiver of Notice. Notice of a meeting to a director may be waived in a writing signed by the director entitled to notice and filed with the minutes or the corporate records. Attendance at or participation in any meeting of the Board of Directors shall constitute a waiver of lack of notice or defective notice of such meeting unless the director shall, at the beginning of the meeting or promptly upon the director's arrival, object to holding the meeting and not vote for or assent to any action taken at the meeting.

Section 10. Action by Board. The Board of Directors shall not take action other than at a meeting held in compliance with the Open Door Law.

Section 11. Resignation, Removal, and Vacancies. Any director may resign at any time by giving written notice of such resignation to the Board of Directors, the Chair, or the Secretary of the Corporation. Such resignation shall take effect at the time specified therein, or if no time is specified, at the time of its receipt by the Board of Directors, the Chair, or the Secretary. The acceptance of a resignation shall not be necessary to make it effective.

A director may be removed for cause by a majority of the directors then in office. Cause shall include, but shall not be limited to:

- (a) Violations of applicable law, including (but not limited to):

(i) Violations of the Indiana Charter School Law; and
(ii) Actions that would jeopardize the tax-exempt status of the Corporation or would subject it to intermediate sanctions under the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent federal tax laws (the “Code”).

(b) Breach of fiduciary duty and/or commission of an ultra vires act as defined by Indiana law, including (but not limited to) a violation of the applicable standard of care under the Articles, these Bylaws, or applicable law.

(c) Breach of any governing document relating to the Corporation, including (but not limited to) the Articles, these Bylaws, and the Charter Agreement.

(d) Inadequate attendance at meetings of the Board of Directors, defined as absence from three (3) consecutive meetings or from at least fifty percent (50%) of such meetings within one (1) calendar year.

Any vacancy on the Board of Directors created by the resignation or removal of a director shall be filled by a majority of the directors then in office.

Section 12. Educational Service Providers. Should the Board of Directors elect to engage an educational service provider (“ESP”) to manage the School’s operations, no member of the Corporation’s Board of Directors or any of their respective spouses or immediate family members may have any direct or indirect ownership, employment, contractual or management interest in such ESP. All members of the Board of Directors shall thoroughly familiarize themselves with the contract between the Corporation and the ESP and the rights and responsibilities of the Corporation vis-à-vis the ESP.

Section 13. Participation via Telephone. Directors may participate in a meeting of the Board of Directors via telephone in accordance with Indiana’s Open Door Law.

Section 14. Compensation. No member of the Board of Directors shall receive any compensation for serving in such office; provided that, the Corporation may reimburse any member of the Board for reasonable expenses incurred in connection with service on the Board. Any such reasonable expenses that are not reimbursed by the Corporation shall be construed as a gift to the Corporation.

Section 15. Protocol. The Board of Directors shall use Robert’s Rules of Order, including the preparation and board approval of minutes of meetings of the Board of Directors.

ARTICLE V

Committees

The Board of Directors may establish advisory committees having such responsibilities as the Board of Directors shall specify. Members of such committees may, but need not, be members of the Board of Directors. A committee member appointed by the Board of Directors may be removed by the

Board of Directors with or without cause. All committee meetings must comply with the Indiana Open Door Law.

ARTICLE VI

Officers

Section 1. In General. The officers of the Corporation shall consist of a President, a Secretary, a Treasurer, and such other officers as the Board of Directors may otherwise elect. An officer may not simultaneously hold more than one (1) office. Each officer shall be elected by the Board of Directors and shall serve for one (1) year, or such other period as prescribed by the directors at the time of such election, and until the officer's successor is elected and qualified.

An officer shall be a member of the Board of Directors. Any officer may be removed by the Board of Directors at any time for cause as that term is defined herein in Article VI, Section 9. Any vacancy in any office shall be filled by the Board of Directors, and any person elected to fill such vacancy shall serve until the expiration of the term vacated and until his or her successor is elected and qualified.

Section 2. President. The President shall have general supervision, management, control and oversight of the business of the Corporation, subject to these Bylaws and subject to the orders of the Board of Directors, and shall, in general, perform all the duties usually incident to the office of President or that may be imposed or prescribed by the Board of Directors. The President may enter into and execute any and all certificates, contracts, and other instruments of the Corporation that are approved by the Board of Directors. The President may delegate, as needed, to any other officer any and all duties of the office of President. The President shall also exercise and perform any and all other powers and duties as may be prescribed by the Board of Directors from time to time.

Section 3. Secretary. The Secretary shall be the custodian of all papers, books, and records of the Corporation other than books of account and financial records. The Secretary shall prepare and enter in the minute book the minutes of all meetings of the Board of Directors. The Secretary shall authenticate records of the Corporation as necessary. The Secretary shall perform the duties usual to such position and such other duties as the Board of Directors or the Chair may prescribe.

Section 4. Treasurer. The Treasurer shall prepare and maintain correct and complete records of account showing accurately the financial condition of the Corporation. All notes, securities, and other assets coming into the possession of the Corporation shall be received, accounted for, and placed in safekeeping as the Treasurer may from time to time prescribe. The Treasurer shall furnish, whenever requested by the Board of Directors or the Chair, a statement of the financial condition of the Corporation and shall perform the duties usual to such position and such other duties as the Board of Directors or the Chair may prescribe.

Section 5. Other Officers. Each other officer of the Corporation shall perform such duties as the Board of Directors or the Chair may prescribe.

ARTICLE VII

Property

The property of the Corporation shall be held and applied in promoting the general purposes of the Corporation. No property, including real estate, belonging to the Corporation shall be conveyed or encumbered except by authority of a majority vote of the Board. Any such conveyance or encumbrance shall be executed by the President in the name of the Corporation, and such instrument shall be duly approved by the Secretary or Treasurer of the Corporation.

ARTICLE VIII

Conflicts of Interest

Section 1. General Policy. It is the policy of the Corporation and its Board of Directors that the Corporation's directors, officers, and employees carry out their respective duties in a fashion that avoids actual, potential, or perceived conflicts of interest. The Corporation's directors, officers, and employees shall have the continuing, affirmative duty to report any personal ownership, interest, or other relationship that might affect their ability to exercise impartial, ethical, and business-based judgments in fulfilling their responsibilities to the Corporation. This policy shall be further subject to the following principles:

(a) Directors, officers, and employees of the Corporation shall conduct their duties with respect to potential and actual grantees, contractors, suppliers, agencies, and other persons transacting or seeking to transact business with the Corporation in a completely impartial manner, without favor or preference based upon any consideration other than the best interests of the Corporation.

(b) Directors, officers, and employees of the Corporation shall not seek or accept for themselves or any of their relatives (including spouses, ancestors, and descendants, whether by whole or half-blood), from any person or business entity that transacts or seeks to transact business with the Corporation, any gifts, entertainment, or other favors relating to their positions with the Corporation that exceed common courtesies consistent with ethical and accepted business practices.

(c) If a director, or a director's relative, directly or indirectly owns a significant financial interest in, or is employed by, any business entity that transacts or seeks to transact business with the Corporation, the director shall disclose that interest or position and shall refrain from voting on any issue pertaining to the transaction.

(d) Officers and employees of the Corporation shall not conduct business on behalf of the Corporation with a relative or a business entity in which the officer, employee, or his or

her relative owns a significant financial interest or by which such officer, employee, or relative is employed, except where such dealings have been disclosed to, and specifically approved and authorized by, the Board of Directors of the Corporation.

(e) The Board of Directors may require the Corporation's directors, officers, or employees to complete annually (or as otherwise scheduled by the Board) a disclosure statement regarding any actual or potential conflict of interest described in these Bylaws. The disclosure statement shall be in such form as may be prescribed by the Board and may include information regarding a person's participation as a director, trustee, officer, or employee of any other nonprofit organization. The Board of Directors shall be responsible for oversight of all disclosures or failures to disclose and for taking appropriate action in the case of any actual or potential conflict of interest transaction.

Section 2. Effect of Conflict Provisions. The failure of the Corporation, its Board of Directors, or any or all of its directors, officers, or employees to comply with the conflict of interest provisions of these Bylaws shall not invalidate, cancel, void, or make voidable any contract, relationship, action, transaction, debt, commitment, or obligation of the Corporation that otherwise is valid and enforceable under applicable law.

ARTICLE IX

Indemnification

Section 1. Indemnification by the Corporation. To the extent not inconsistent with applicable law, every person (and the heirs and personal representatives of such person) who is or was a director, officer, employee, or agent of the Corporation shall be indemnified by the Corporation against all liability and reasonable expense that may be incurred by him or her in connection with or resulting from any claim, action, suit, or proceeding (a) if such person is wholly successful with respect thereto or (b) if not wholly successful, then if such person is determined (as provided in Section 3 of this Article IX) to have acted in good faith, in what he or she reasonably believed to be the best interests of the Corporation (or, in any case not involving the person's official capacity with the Corporation, in what he or she reasonably believed to be not opposed to the best interests of the Corporation), and, with respect to any criminal action or proceeding, is determined to have had reasonable cause to believe that his or her conduct was lawful (or no reasonable cause to believe that the conduct was unlawful). The termination of any claim, action, suit, or proceeding by judgment, settlement (whether with or without court approval), or conviction, or upon a plea of guilty or of *nolo contendere* or its equivalent, shall not create a presumption that a person did not meet the standards of conduct set forth in this Article IX.

Section 2. Definitions.

(a) As used in this Article IX, the phrase "claim, action, suit, or proceeding" shall include any threatened, pending, or completed claim, civil, criminal, administrative, or

investigative action, suit, or proceeding and all appeals thereof (whether brought by or on behalf of the Corporation, any other corporation, or otherwise), whether formal or informal, in which a person (or his or her heirs or personal representatives) may become involved, as a party or otherwise:

(i) By reason of his or her being or having been a director, officer, employee, or agent of the Corporation or of any corporation where he or she served as such at the request of the Corporation, or

(ii) By reason of his or her acting or having acted in any capacity in a corporation, partnership, joint venture, association, trust, or other organization or entity where he or she served as such at the request of the Corporation, or

(iii) By reason of any action taken or not taken by him or her in any such capacity, whether or not he or she continues in such capacity at the time such liability or expense shall have been incurred.

(b) As used in this Article IX, the terms “liability” and “expense” shall include, but shall not be limited to, counsel fees and disbursements and amounts of judgments, fines, or penalties against, and amounts paid in settlement by or on behalf of, a person.

(c) As used in this Article IX, the term “wholly successful” shall mean

(i) termination of any action, suit, or proceeding against the person in question without any finding of liability or guilt against him or her,

(ii) approval by a court, with knowledge of the indemnity provided in this Article IX, of a settlement of any action, suit, or proceeding, or

(iii) the expiration of a reasonable period of time after the making of any claim or threat of any action, suit, or proceeding without the institution of the same, without any payment or promise made to induce a settlement.

Section 3. Entitlement to Indemnification. Every person claiming indemnification under this Article IX (other than one who has been wholly successful with respect to any claim, action, suit, or proceeding) shall be entitled to indemnification if (a) special independent legal counsel, which may be regular counsel of the Corporation or any other disinterested person or persons, in either case selected by the Board of Directors, whether or not a disinterested quorum exists (such counsel or person or persons being hereinafter called the “referee”), shall deliver to the Corporation a written finding that such person has met the standards of conduct set forth in Section 1 of this Article IX and (b) the Board of Directors, acting upon such written finding, so determines. The person claiming indemnification shall, if requested, appear before the referee and answer questions that the referee deems relevant and shall be given ample opportunity to present to the referee evidence upon which he or she relies for indemnification. The Corporation shall, at the request of the referee, make available facts, opinions, or

other evidence in any way relevant to the referee's findings that is within the possession or control of the Corporation.

Section 4. Relationship to Other Rights. The right of indemnification provided in this Article IX shall be in addition to any rights to which any person may otherwise be entitled.

Section 5. Extent of Indemnification. Irrespective of the provisions of this Article IX, the Board of Directors may, at any time and from time to time, approve indemnification of directors, officers, employees, agents, or other persons to the fullest extent permitted by applicable law, or, if not permitted, then to any extent not prohibited by such law, whether on account of past or future transactions.

Section 6. Advancement of Expenses. Expenses incurred with respect to any claim, action, suit, or proceeding may be advanced by the Corporation (by action of the Board of Directors, whether or not a disinterested quorum exists) prior to the final disposition thereof upon receipt of an undertaking by or on behalf of the recipient to repay such amount unless he or she is entitled to indemnification.

Section 7. Purchase of Insurance. The Board of Directors is authorized and empowered to purchase insurance covering the Corporation's liabilities and obligations under this Article IX and insurance protecting the Corporation's directors, officers, employees, agents, or other persons.

ARTICLE X

Contracts, Checks, Loans, Deposits, and Gifts

Section 1. Contracts. The Board of Directors may authorize one (1) or more officers, agents, or employees of the Corporation to enter into any contract or execute any instrument on its behalf. Such authorization may be general or confined to specific instances. Unless so authorized by the Board of Directors, no officer, agent, or employee shall have any power to bind the Corporation or to render it liable for any purpose or amount.

Section 2. Checks. All checks, drafts, or other orders for payment of money by the Corporation shall be signed by such person or persons as the Board of Directors may from time to time designate by resolution. Such designation may be general or confined to specific instances.

Section 3. Loans. Unless authorized by the Board of Directors, no loan shall be made by or contracted for on behalf of the Corporation and no evidence of indebtedness shall be issued in its name. Such authorization may be general or confined to specific instances.

Section 4. Deposits. All funds of the Corporation shall be deposited to its credit in such bank, banks, or depositories as the Board of Directors may designate. Such designation may be general or confined to specific instances.

Section 5. Gifts. The Board of Directors may accept on behalf of the Corporation any gift, grant, bequest, devise, or other contribution for the purposes of the Corporation on such terms and conditions as the Board of Directors shall determine.

ARTICLE XI

Amendments

The power to make, alter, amend, or repeal the Bylaws is vested in the Board of Directors of the Corporation; provided, however, that any proposed substantive alteration, amendment, or repeal of these Bylaws and any amendment to the Articles of Incorporation of the Corporation must be approved in writing by the School's Authorizer prior to the Board of Directors of the Corporation taking any action thereon.

Certificate of Adoption

I, the duly elected _____ of the Corporation, hereby certify that these Bylaws were duly adopted by the Board of Directors of the Corporation this ____ day of _____, ____.

Printed Name