



# CLASSICAL ACADEMY

## ESCONDIDO

### BYLAWS

### OF

### THE CLASSICAL ACADEMY, INCORPORATED

A California Nonprofit Public Benefit Corporation

Adopted February 9, 1999

Amended September 30, 2003, December 8, 2004, January 25, 2011,  
and June 4, 2013, and September 11, 2018

## **OFFICES**

The corporation's principal office shall be fixed and located at such place within the attendance boundaries of the ESCONDIDO Union School District, a public school district defined under Education Code §81 and established pursuant to Article IX, §6 of the California Constitution, in the County of San Diego, California as the Board of Directors ("Board") shall determine. The Board is granted full power and authority to change the principal office from one location to another within California.

## **ARTICLE 2**

### **PURPOSE**

This corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law (California Corporations Code § 5110, et seq.) for charitable purposes. The specific purpose of the corporation as set forth in its Articles of Incorporation is to manage, operate, guide, direct, promote, support and hold charters or contracts for one or more public charter schools.

## **ARTICLE 3**

### **NO MEMBERS**

#### **SECTION 3.1 NO MEMBERS**

The corporation shall have no members. Except as otherwise provided herein, any action, which would otherwise by law require approval by a majority of all members or approval by the members, shall require only approval of the Board, and all which would otherwise by law vest in the members, shall vest in the Board.

#### **SECTION 3.2 ASSOCIATES**

Nothing in Article 3 shall be construed to limit the corporation's right to refer to persons associated with it as "members" even though such persons are not members, and no such reference by the corporation shall render anyone a member within the meaning of Section 5056 of the California Nonprofit Corporation Law (California Corporations Code § 5000, et seq.). Such individuals may originate and take part in the discussion on any subject that may properly come before any meeting of the Board, but may not vote. The corporation may confer, by amendment of its Articles of Incorporation or of these Bylaws, some or all of a member's rights, set forth in the California Nonprofit Corporation Law, upon any person who does not have the right to vote for the election of Directors, on a disposition of substantially all of the assets of the corporation, on a merger, on a dissolution, or on changes to the corporation's Articles of Incorporation or Bylaws, but no such person shall be a member within the meaning of said Section 5056. The Board may also, but without establishing memberships, create an advisory council or honorary board or such other auxiliary groups, as it deems appropriate to advise and support the corporation.

## **DIRECTORS**

### **SECTION 4.1 GENERAL POWERS**

Subject to the limitations of the California Nonprofit Public Benefit Corporation Law, the corporation's Articles of Incorporation and these Bylaws, the activities and affairs of the corporation shall be conducted and all corporate powers shall be exercised by or under the direction of the Board. The Board may delegate the management of the corporation's activities to any person(s), Management Company or committees, however composed, provided that the activities and affairs of the corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board. No assignment, referral or delegation of authority by the Board or anyone acting under such delegation shall preclude the Board from exercising full authority over the conduct of the corporation's activities, and the Board may rescind any such assignment, referral or delegation at any time.

### **SECTION 4.2 SPECIFIC POWERS**

Without prejudice to its general powers, but subject to the same limitations set forth herein, the Board shall have the following powers in addition to any other powers enumerated in these Bylaws and permitted by law:

- a. To select and remove all of the officers, agents and employees of the corporation; to prescribe powers and duties for them which are not inconsistent with law, the corporation's Articles of Incorporation or these Bylaws; and to fix their compensation;
- b. To conduct, manage and control the affairs and activities of the corporation and to make such rules and regulations thereof which are not inconsistent with the law, the corporation's Articles of Incorporation or these Bylaws, as deemed suitable;
- c. To adopt, make and use a corporate seal and to alter the form of the seal from time to time, as deemed appropriate;
- d. To borrow money and incur indebtedness for the purpose of the corporation, and to cause to be executed and delivered therein, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, and other evidences of debt and securities therein;
- e. To carry on a business at a profit and apply any profit that results from the business activity to any activity in which it may lawfully engage;
- f. To act as trustee under any trust incidental to the principal object of the corporation, and receive, hold, administer, exchange, and expend funds and property subject to such trust;
- g. To acquire by purchase, exchange, lease, gift, devise, bequest, or otherwise, and to hold, improve, lease, sublease, mortgage, transfer in trust, encumber, convey or otherwise dispose of real and personal property;
- h. To assume any obligations, enter into any contracts or other instruments, and do any and all other things incidental or expedient to the attainment of any corporate purpose;
- i. To conduct an annual meeting of the Stakeholders of The Classical Academy charter school, as described in the Charter dated April 8, 1999 and most recently renewed in

2009, granted by the Escondido School District (the "Charter"); as used herein, "Stakeholders" means all pupils then attending The Classical Academy, the parents and guardians of such pupils, all employees of The Classical Academy, and such other persons and entities as the Board determines to be Stakeholders of The Classical Academy; and

- j. To carry out such other duties as are described in the charter documents for The Classical Academy, Inc.-operated charter schools ("Classical Academies").

### **SECTION 4.3 NUMBER, ELECTION AND TERM OF DIRECTORS**

The authorized number of Directors shall be a minimum of five (5) until changed by amendment of these Bylaws.

- (1) The Directors shall be from the community at large, which may include but is not limited to: parents of students currently attending any of the Classical Academies schools; community members; and local business owners.

The Superintendent or his/her designee from the Escondido Union School District shall have the unqualified right to attend any Board meeting to represent the interests of the District, consistent with the advisory role described in Section 3.2, but shall not be a Board Member.

The Directors are to be designated by the Board of Directors and may be designated for up to three (3) four (4)-year terms.

### **SECTION 4.4 RESIGNATION AND REMOVAL**

Subject to the provisions of Section 5226 of the California Nonprofit Public Benefit Corporation Law, any Director may resign effective upon giving written notice to the Executive Director, the Secretary or the Board. If the resignation is effective at a future time, a successor may be selected before such time, to take office when the resignation becomes effective. A Director may be removed without cause by a majority of the Directors then in office.

### **SECTION 4.5 VACANCIES**

- a. A Board vacancy or vacancies shall be deemed to exist if any Director dies, resigns, or is removed, or if the authorized number of Directors is increased.
- b. The Board may declare vacant the office of any Director who, during the term of appointment, is convicted of any felony, or has been found to have breached any duty arising under Article 3 of Chapter 2 of the California Nonprofit Public Benefit Corporation Law or to be of unsound mind, by any court of competent jurisdiction, or has failed to attend two (2) or more meetings of the Board of Directors in any calendar year.
- c. A vacancy on the Board shall be filled in the same manner of selection used to select the Director whose office is vacant, provided that vacancies to be filled by election by Directors may be filled by a majority of the remaining Directors, although less than a quorum. Each Director so elected shall hold office until a successor has been appointed and qualified.

- d. No reduction of the authorized number of Directors shall have the effect of removing any Director prior to the expiration of the Director's term of office.

#### **SECTION 4.6 PLACE OF MEETINGS**

Meetings of the Board may be held at the principal office of the corporation or at any other place that has been designated in the notice of the meeting or, if there is no notice, by resolution of the Board.

#### **SECTION 4.7 ANNUAL MEETINGS**

The Board shall hold an annual meeting for the purposes of organization, selection of Directors and officers, and the transaction of other business. The annual meeting of the Board shall be held in May. The May meeting shall also include the adoption of the annual budget for the charter schools.

#### **SECTION 4.8 REGULAR MEETINGS**

Regular meetings of the Board, including the annual meeting, shall be held without call or notice on such dates and at such times and places as the Board may fix. At the annual meeting in May, a Board meeting calendar will be reviewed and adopted by the Board.

#### **SECTION 4.9 SPECIAL MEETINGS**

The Chair of the Board may call special meetings of the Board for any purpose(s) at any time. In the absence of a Board Chair, the Secretary may call such meetings.

- a. Special meetings of the Board may be held only after each Director has received four (4) days' notice by first class mail or forty-eight (48) hours' notice given personally or by email, telephone, telegraph, telex or other similar means of communication, except in the event of emergency.
- b. Any such notice shall be addressed or delivered to each Director at the Director's address as it is shown on the records of the corporation or as may have been given to the corporation by the Director for purposes of notice or, if an address is not shown on the corporation's records or is not readily ascertainable, at the place at which the meetings of the Directors are regularly held.
- c. Notice by mail shall be deemed received at the time a properly addressed written notice is deposited in the United States mail, postage prepaid. Any other written notice shall be deemed received at the time it is personally delivered to the recipient or is delivered to a common carrier for transmission, or is actually transmitted by the person giving the notice by electronic means to the recipient. Oral notice shall be deemed received at the time it is communicated, in person or by telephone or wireless, to the recipient or to a person at the office of the recipient whom the person giving the notice has reason to believe will promptly communicate it to the receiver.

#### **SECTION 4.10 REQUIREMENTS APPLICABLE TO MEETINGS**

Notwithstanding any other requirements contained in these Bylaws, all meetings of the corporation's Board of Directors shall be held in compliance with all applicable requirements of the California Ralph M. Brown Act. Notwithstanding any other requirements contained in these bylaws, all meetings of the

corporation's Board of Directors shall be held in compliance with all applicable laws that govern public charter schools.

#### **SECTION 4.11 QUORUM AND VOTING**

Three (3) of the authorized Directors then in office shall constitute a quorum. The Board shall attempt to reach a general consensus on all resolutions passed by the Board; provided, however, that every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present and is an act of the Board. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the quorum required for such meeting. Directors may not vote by proxy.

#### **SECTION 4.12 WAIVER OF NOTICE**

Notice of a meeting need not be given to any Director who signs a waiver of notice, a written consent to the holding of the meeting, an approval of the minutes of the meeting, whether before or after the meeting, or who attends the meeting without protesting the lack of notice prior thereto or at its commencement. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meetings.

#### **SECTION 4.13 ADJOURNMENT**

A majority of the Directors present, whether or not a quorum is present, may adjourn any Directors' meeting to another time and place. If a meeting is adjourned for more than twenty-four (24) hours, notice of such adjournment to another time or place shall be given, prior to the time scheduled for the continuation of the meeting, to the Directors who were not present at the time of the adjournment.

#### **SECTION 4.14 RIGHTS OF INSPECTION**

Every Director has the absolute right to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the corporation provided such inspection is conducted at a reasonable time after reasonable notice, and provided that such right of inspection and copying is subject to the corporation's obligations to maintain the confidentiality of certain books, records and documents under any applicable federal, state or local law. Directors wishing to exercise their rights of inspection will contact the Executive Director to schedule an appropriate time for this inspection to take place.

#### **SECTION 4.15 FEES AND COMPENSATION**

Directors shall not receive any compensation for their services; however, the Board may approve the reimbursement of a Director's actual and necessary expenses incurred in the conduct of the corporation's business. The corporation shall carry liability insurance covering the Directors and officers of the corporation as described in the Charter in the conduct of the corporation's business.

#### **SECTION 4.16 RESTRICTION OF INTERESTED DIRECTORS**

No persons serving on the Board may be interested persons. An interested person is (a) any person compensated by the corporation for services rendered to it within the previous twelve (12) months, whether as a full-time or part-time employee, independent contractor or otherwise excluding any reasonable compensation paid to a Director as a Director; and (b) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law or father-in-law of any such person. The Board may adopt other policies circumscribing potential conflicts of interest.

## **SECTION 4.17 STANDARD OF CARE**

- a. A Director shall perform all duties of a Director, including duties as a member of any committee of the Board on which the Director may serve, in good faith, in a manner such Director believes to be in the best interests of the corporation and with such care, including the duty to make reasonable inquiries, as a prudent person would in similar circumstances.
- b. In performing the duties of a Director, a Director may rely on information, opinions, reports or statements, including financial statements, and other financial data, in each case prepared or presented by:
  - (1) One or more officers or employees of the corporation whom the Director believes to be reliable and competent in the matters presented;
  - (2) Legal counsel, independent accountants or other persons as to matters that the Director believes to be within such person's professional or expert competence; or
  - (3) A committee of the Board upon which the Director does not serve as to matters within its designated authority, provided the Director believes that the committee merits confidence and the Director acts in good faith, after reasonable inquiry when the need therefore is indicated by the circumstances, and without knowledge that would cause such reliance to be unwarranted.
- c. Except with respect to assets that are directly related to the corporation's charitable programs, the Board shall avoid speculation in investing, reinvesting, purchasing, acquiring, exchanging, selling, and managing the corporation's investments. Instead, the Board is to consider the permanent disposition of the funds, the probable income, and the probable safety of the corporation's capital, and is to comply with the express terms of the instrument or agreement, if any, pursuant to which the assets were contributed to the corporation.
- d. The Board will work as a group to ensure that the corporation is managed appropriately by appointing a qualified Executive Director to administer the day-to-day operations of the school. The Board will maintain the position as a policy making board to insure that all policies and procedures support the operation of the corporation.

## ARTICLE 5

### OFFICERS OF CORPORATION and BOARD OF DIRECTORS

#### **SECTION 5.1 OFFICERS**

The officers of the corporation shall be a Chair, President, Secretary, and a Treasurer. The corporation may also have, at the discretion of the Board, a chairman of the Board, one or more Assistant Secretaries, one or more Assistant Treasurers, and such other officers as may be elected or appointed in accordance with the provisions of Section 5.3. Any number of offices may be held by the same person, except that neither the Secretary nor the Treasurer may serve concurrently as the President or Chair of the Board.

#### **SECTION 5.2 ELECTION**

The officers of the corporation shall be elected at the annual meeting of the Board. The Officers of the Corporation and the Board of Directors are one in the same. Election of an officer is conducted after the candidate completes a Board Application and is interviewed by the Board of Directors. Following the candidate's interview, the Board has the right to appoint the candidate after a majority vote has been taken.

#### **SECTION 5.3 SUBORDINATE OFFICERS**

The Board may elect, and may empower the President/Executive Director to appoint such other officers as the business of the corporation may require, each of whom shall hold office for such period, have such authority, and perform such duties as are provided in these Bylaws or as the Board may from time to time determine.

#### **SECTION 5.4 REMOVAL**

The Board may remove any officer, either with or without cause, at any time. The removed officer will relinquish any and all information pertaining to the corporation within 48 hours of removal from the Board.

#### **SECTION 5.5 RESIGNATION**

Any officer may resign at any time. Such resignation may not prejudice any contract to which the officer is a party. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified. The acceptance of such resignation shall not be necessary to make it effective. The letter of resignation or stated resignation will become part of the minutes that pertain to that particular board meeting.

#### **SECTION 5.6 VACANCIES**

A vacancy in any office shall be filled in the manner prescribed in these Bylaws for regular election or appointment to such office. Such vacancies shall be filled as they occur. The Chair of the Board may create a committee to assign particular Directors the task of identifying candidates to fill the vacant position(s) on the Board (See Article 6). This committee will report at a later date its recommendations for filling the vacant position(s) on the Board.

#### **SECTION 5.7 CHAIR**

The Chair shall preside over the meetings of the Board. The Chair shall have such other powers and perform such other duties as the Board may prescribe from time to time.

### **SECTION 5.8 PRESIDENT**

The President, also known as the Executive Director, is the general manager and chief executive officer of the corporation and has, subject to the control of the Board, general supervision, direction and control of the business and officers of the corporation. The President has the general management powers and duties usually vested in the office of President and general manager of a corporation as well as such other powers and duties as may be prescribed from time to time by the board and as are described in the Charter.

### **SECTION 5.9 SECRETARY**

- a. The Secretary shall keep or cause to be kept, at the principal office or such other place as the Board may order, a book of minutes of all meetings of the Board and its committees, including the following information for all such meetings: the time and place of holding; whether regular or special; if special, how authorized; the notice thereof given; the names of those present and absent, and the proceedings thereof. The Secretary shall keep, or cause to be kept, at the principal office in the State of California, the original or a copy of the corporation's Articles of Incorporation and Bylaws, as amended to date, and a register showing the names of all directors and their respective addresses. The Secretary shall keep the seal of the corporation and shall affix the same on such papers and instruments as may be required in the regular course of business, but failure to affix it shall not affect the validity of any instrument.
- b. The Secretary shall give, or cause to be given, notice of all meetings of the Board and any committees thereof required by these Bylaws or by law to be given, and shall distribute the minutes of meetings of the Board to all its members promptly after the meetings; shall keep the seal of the corporation in safe custody, shall see that all reports, statements and other documents required by law are properly kept or filed, except to the extent the same are to be kept or filed by the Treasurer; and shall have such other powers and perform such other duties as may be prescribed from time to time by the Board.

### **SECTION 5.10 TREASURER**

- a. The Treasurer of the corporation shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the corporation, including accounts of its assets, liabilities, receipts and disbursements. The book of accounts shall at all times be open to inspection by any Board Member.
- b. The Treasurer shall deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the Corporation with such depositories as may be designated from time to time by the Board. The Treasurer shall disburse the funds of the corporation as may be ordered by the Board, and shall render to the President, upon request, an account of all transactions as the Treasurer and of the financial condition of the corporation. The Treasurer shall present an operating statement and report, since the last proceeding regular Board meeting, to the Board at all regular meetings. The Treasurer shall have such other powers and perform such other duties as may be determined from time to time by the Board.

## ARTICLE 6

### COMMITTEES

#### **SECTION 6.1 BOARD COMMITTEES**

The Board may, by resolution adopted by a majority of the Directors then in office, provided that a quorum is present, create one or more standing or ad hoc committees, each consisting of at least two (2) members of the Board, to serve at the request of the Board. Appointments to such Board committees shall be by majority vote of the Directors then in office, and chairman of the Board shall appoint the chairperson of such Board committees, if there is such an officer, or the President. Unless otherwise provided in these Bylaws or by the laws of the State of California, each Committee shall have all of the authority of the board to the extent delegated by the Board; except that no committee, regardless of Board resolution, may:

- a. Fill vacancies on the Board or on any committee, which has the authority of the Board;
- b. Amend or repeal Bylaws or adopt new Bylaws;
- c. Amend or repeal any resolution of the Board, which by its express terms is not so amendable or repealable;
- d. Appoint committees of the Board or the members thereof;
- e. Spend corporate funds to support a nominee or applicant for Director after there are more people nominated for Director than can be elected;
- f. Approve any self-dealing transaction, except as provided in Section 5233(d)(3) of the California Nonprofit Public Benefit Corporation Law; or
- g. Approve any action for which the California Nonprofit Public Benefit Corporation Law requires the approval of the Board.

#### **SECTION 6.2 MEETINGS AND ACTION OF BOARD COMMITTEES**

The Board shall have the power to prescribe the manner in which proceedings of any such board committee shall be conducted in the absence of any such prescription; the committee shall have the power to prescribe the manner in which its proceedings shall be conducted. Unless the board or such committee shall otherwise provide, meetings and actions of Board committees shall be governed by, held and taken in accordance with, the provisions of Article 4 of these Bylaws which concern meetings of the Board, with such changes in those provisions as required by this Article 6 and as necessary to substitute the committee and its members for the Board and its members, except that the time of regular meetings of the committees may be determined either by resolution of the Board or by resolution of the committee. Special meetings of committees may also be called by resolution of the Board. Notice of special meetings of Board committees shall be given to any and all alternate members who shall have the right to attend all meetings of the committee. The Board may adopt rules for the government of any Board committee not inconsistent with the provisions of these Bylaws.

#### **SECTION 6.3 OTHER COMMITTEES**

- a. The Chair, or the Board, subject to the limitations imposed by the Board, may create other committees, either standing or special; to serve the Board that does not have the powers of the Board. The Chair shall appoint members to serve on such committees and shall designate the committee chairperson.
- b. The Chair, the chairperson of the committee, or a majority of the committee's voting members may call meetings of a committee. Each committee shall meet as often as is necessary to perform its duties. Notice of a meeting of a committee may be given at any time and in any manner reasonably designed to inform the committee members of the time and place of the meeting. A majority of the voting members of a committee shall constitute a quorum for the transaction of business at any meeting of the committee. Each committee may keep minutes of its proceedings and shall submit them to the Board Chair before each scheduled Board meeting.
- c. Any member of a committee may resign at any time by giving written notice to the chairperson of the committee or to the Chair. Such resignation, which may or may not be made contingent upon formal acceptance, shall take effect upon the date of receipt or at any later time specified in the notice. The Chair may, with prior approval of the Board, remove any appointed member of a committee. The Chair, with the Board's approval, shall appoint a member to fill a vacancy in any committee.

## ARTICLE 7

### CONTRACTS AND LOANS WITH DIRECTORS AND EMPLOYEES

#### SECTION 7.1 CONTRACTS WITH DIRECTORS

**SECTION 7.2 The Corporation shall not enter into a contract or transaction in which a director directly or indirectly has a material financial interest (nor shall the Corporation enter into any contract or transaction with any other corporation, firm, association, or other entity in which one or more of the Corporation's directors are directors and have a material financial interest.). CONTRACTS WITH NON-DIRECTOR DESIGNATED EMPLOYEES**

**SECTION 7.3 The Corporation shall not enter into a contract or transaction in which a non-director designated employee (e.g., officers and other key decision-making employees) directly or indirectly has a material financial interest unless all of the requirements in the Corporation's Conflict of Interest Code have been fulfilled. CORPORATE LOANS AND ADVANCES**

The corporation shall not make any loan of money or property to or guarantee the obligation of any Director or officer, unless approved by the Attorney General; provided, however, that the corporation may advance money to a Director or officer of the corporation or any subsidiary for expenses reasonably anticipated to be incurred in the performance of the duties of such officer or Director, if, in the absence of such advance, such Director or officer would be entitled to be reimbursed for such expenses by the corporation, its parent or any subsidiary.

## ARTICLE 8

### OTHER PROVISIONS

## **SECTION 8.1 VALIDITY OF INSTRUMENT**

Subject to the provisions of applicable law, any note, mortgage, evidence of indebtedness, contract, conveyance, or other written instrument and any assignment or endorsement thereof executed or entered into between the corporation and any other person, shall be valid and binding on the corporation when signed by the Chair, President or any Vice President and the Secretary or Treasurer of the corporation, unless the other person has actual knowledge that the signing officers had no authority to execute the same. Any such instruments may be signed by any other person(s) and in such manner and from time to time shall be determined by the Board and, unless so authorized by the Board, no officer, agent or employee shall have any power or authority to bind the corporation by any contract or engagement, to pledge its credit, or to render it liable for any purpose or amount.

## **SECTION 8.2 CONSTRUCTION AND DEFINITIONS**

Unless the context otherwise requires, the general provisions, rules of construction, and definitions contained in the General Provisions of the California Nonprofit Corporation Law and in the California Nonprofit Public Benefit Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of the foregoing, words in these Bylaws shall be read as the masculine or feminine gender, and as the singular or plural, as the context requires, and the word "person" includes both the corporation.

### **ARTICLE 9**

#### **INDEMNIFICATION OF AGENTS OF CORPORATION; PURCHASE OF LIABILITY INSURANCE**

### **SECTION 9.1 DEFINITIONS**

For the purpose of this Article, "agent" means any person who is or was a Director, officer, employee or other agent of this corporation, or is or was serving at the request of this corporation as a Director, officer, employee or agent of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise, or was a Director, officer, employee or agent of a foreign or domestic corporation which was a predecessor or corporation "proceeding" means any threatened, pending or completed action or proceeding, whether civil, criminal, administrative or investigative; and "expenses" includes without limitation, attorneys' fees and any expenses of establishing a right to indemnification under Section 9.2 c. or Section 9.2 d. (2) of this Article.

### **SECTION 9.2 INDEMNIFICATION OF AGENTS**

- a. This corporation may indemnify any person who was or is a party, or is threatened to be made a party, to any proceeding (other than an action by or in the right of this corporation to procure a judgment in its favor, an action brought under Section 5233 of the California Nonprofit Public Benefit Corporation Law, or an action brought by the Attorney General of California or a person granted relator status by the Attorney General of California for any breach of duty relating to assets held in charitable trust) by reason of the fact that such person is or was an agent of this corporation, against expenses, judgment fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of this corporation and, in the case of a criminal proceeding, such person had no reasonable cause to believe his or her conduct was unlawful. The termination of any proceeding by judgment, order, settlement, conviction

or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in the best interests of this corporation, nor that the person had reasonable cause to believe that the person's conduct was unlawful.

- b. This corporation may indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending or completed action by or in the right of this corporation, or brought under Section 5233 of the California Nonprofit Public Benefit Corporation Law, or brought by the Attorney General of California or a person granted realtor status by the Attorney General of California for breach of duty relating to assets held in charitable trust, to procure a judgment in its favor by reason of the fact that such person is or, was an agent of this corporation, against expenses actually and reasonably incurred by such person in connection with the defense or settlement of such action if such person acted in good faith, in a manner such person believed to be in the best interests of this corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. No indemnification shall be made under this Section 9.2 b.:
  - (1) In respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to this corporation in the performance of such person's duty to this corporation, unless and only to the extent that the court in which such proceeding is or was pending shall determine upon application that, in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for the expenses which such court shall determine;
  - (2) Of amounts paid in settling or otherwise disposing of a threatened or pending action, with or without court approval; or
  - (3) Of expenses incurred in defending a threatened or pending action that is sealed or otherwise disposed of without court approval unless it is settled with the approval of the Attorney General of California.
- c. To the extent that an agent of this corporation has been successful on the merits in defense of any proceeding referred to in subsection a or b of this Section 9.2 or in defense of any claim, issue or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection therewith.
- d. Except as provided in subsection c. of this Section 9.2, any indemnification under this Section 9.2 shall be made by this corporation only if authorized in the specific case, upon a determination that indemnification of the agent is proper in the circumstances because the agent has met the applicable standard of conduct set forth in subsection a or b of this Section 9.2, by:
  - (1) A majority vote of a quorum consisting of Directors who are not parties to such proceeding; or
  - (2) The court in which such proceeding is or was pending, upon application made by this corporation or the agent or the attorney or other person rendering services in connection with the defense whether or not such application by the agent, attorney or other person is opposed by this corporation.

- e. Expenses incurred in defending any proceeding may be advanced by this corporation prior to the final disposition of such proceeding upon receipt of an undertaking by or on behalf of the agent to repay such amount unless it shall be determined ultimately that the agent is entitled to be indemnified as authorized by this Section 9.2.
- f. No provision made by this corporation to indemnify its or its subsidiary's Directors or officers for the defense of any proceeding, whether contained in the Articles of Incorporation, these Bylaws a resolution of the Directors, an agreement or otherwise, shall be valid unless consistent with this Section 9.2. Nothing contained in this Section 9.2 shall affect any right to indemnification to which persons other than such Directors and officers may be entitled by contract or otherwise.
- g. No indemnification or advance shall be made under this Section 9.2, except as provided in Section 9.2 c. or Section 9.2 d.(2) hereof, in any circumstances where it appears:
  - (1) That it would be inconsistent with a provision of the Articles of Incorporation, these Bylaws or an agreement in effect at the time of accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or
  - (2) That it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

### **SECTION 9.3 PURCHASE OF LIABILITY INSURANCE**

Upon and in the event of a determination by the Board to purchase such insurance, this corporation may purchase and maintain insurance on behalf of any agent of the corporation against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such whether or not this corporation would have the power to indemnify the agent against such liability under the provisions of this Article provided, however, that this corporation shall have no power to purchase and maintain such insurance to indemnify any agent of this corporation for violation of Section 5233 of the California Nonprofit Public Benefit Corporation Law.

### **SECTION 9.4 NONAPPLICABILITY TO FIDUCIARIES OF EMPLOYEE BENEFIT PLANS**

This Article 9 does not apply to any proceeding against any trustee, investment manager, or other fiduciary of an employee benefit plan in such person's capacity as such, even though such person may also be an agent, as defined in Section 9.1, of the employer corporation. The corporation shall only have the power to indemnify such trustee, investment manager or other fiduciary to the extent permitted by Section 207(f) of the California General Corporation Law.

## **ARTICLE 10**

### **AMENDMENTS AND CORPORATE CHANGES**

#### **SECTION 10.1 BYLAWS**

These Bylaws will be reviewed at least once every four (4) years and shall be documented as to the date of such review. New Bylaws may be adopted or these Bylaws may be amended or repealed by a majority

vote of the Board, provided, however, that any change to the provisions of Article 10 shall also require a majority vote of the Board of The Classical Academy, Inc.

## SECTION 10.2 ARTICLES OF INCORPORATION

Amendments to the corporation's Articles of Incorporation shall require a majority vote of the Board and a majority vote of the Board of The Classical Academy, Inc.

## SECTION 10.3 MAJOR CORPORATE CHANGES

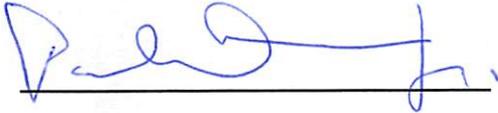
Any transfer or lease of substantially all of the assets of the corporation, or dissolution or merger of the corporation, shall require the consent of The Classical Academy, Inc.

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## **CERTIFICATE OF ADOPTION OF BYLAWS**

I certify that I am the elected and acting Secretary of The Classical Academy, Incorporated, a California nonprofit public benefit corporation, and that the foregoing Bylaws, constitute the Bylaws of such corporation as adopted at a meeting of the Board of Directors held on February 9, 1999, and amended on September 30, 2003 December 8, 2004, January 25, 2011, June 4, 2013, and September 11, 2018.

IN WITNESS WHEREOF, I have signed my name and affixed the seal of the corporation to this certificate on September 11, 2018.



Paul Donovan, Jr.  
Board Secretary