

BYLAWS
of
HILLEL HEBREW ACADEMY
(As amended September __, 2008)

ARTICLE I
NAME

The name of the School shall be the HILLEL HEBREW ACADEMY (the “School”).

ARTICLE II
AIMS AND PURPOSES

Section 1 - The School shall provide a comprehensive course of religious Orthodox Jewish and General Studies (as defined in Section 3 herein).

Section 2 -

- (a) The School shall imbue its students with a love for Jewish learning and orthodox Jewish observance. The course of religious studies shall be conducted in accordance with the laws, customs and traditions of our Torah and Shulchan Aruch and shall advance the knowledge and use of the Hebrew Language.
- (b) The religious ideology as stated in this article shall not be changed or modified so long as there shall be (10) members who may object to such change.

Section 3 - The course of “General Studies” shall be conducted in accordance with the standards and requirements of the California State Department of Education or any other authority having jurisdiction hereof.

Section 4 - The School shall inculcate in its students loyalty to the United States of America and to its democratic ideals and principles, as well as devotion to the ideals of the State of Israel.

Section 5 - Though an independently incorporated institution, the School formally recognizes in its Bylaws the contribution Beth Jacob Congregation has made to the establishment of the School and shall maintain an honorary relationship with Beth Jacob Congregation.

Section 6 - In recognition of the School's position as a community institution, it shall be the policy of the School to provide Scholarships and/or financial aid when appropriate.

ARTICLE III
MEMBERSHIP

Parents of students attending the School shall be deemed to be Members of the School for the then-current School Year ("Members"). For purposes of this Section, a "School Year" shall begin on the first day of the first class of the academic year and end on the day before the first day of the first class of the subsequent academic year.

ARTICLE IV
DIRECTORS AND OFFICERS
A. CONSTITUENCY OF BOARD

Section 1 - The Board of Directors ("Board") shall consist of twenty-one (21) Directors ("Directors").

Section 2 - The officers of the Board shall consist of a President, Vice-President, Secretary and Financial Secretary ("Officers"), all of whom shall be Directors during their term in office.

Section 3 - The Board shall endeavor to recruit a diverse set of qualified Members and non-Members as Directors. No more than seven (7) Directors at any given time shall be non-Members.

Section 4 - Persons who are not eligible to be a Director, regardless of status as a Member or non-Member are:

- (a) An employee of the School or person related to an employee of the school. A person is considered related to an employee of the school if such person is a spouse, parent, parent-in-law, child, brother, or sister of an employee.
- (b) A person who has a contract or is employed by a person who has a contract with the school, regardless of whether such person is an independent contractor or otherwise.

B. ELECTION AND REMOVAL OF DIRECTORS AND OFFICERS

Section 1 - Each year, the Nominating Committee (as set out more fully in Article V, Section 3) shall select seven (7) qualified persons as nominees for the position of Director and a qualified nominee for each of the Officer positions of President, Vice President, Financial Secretary and Secretary. (“Proposed Slate”).

Section 2 - The Proposed Slate shall be confirmed by a vote of two-thirds (2/3rds) of the entire Board prior to being circulated to the Members. The Chair of the Nominating Committee shall cause a copy of the Proposed Slate to be sent to the Members by first class mail at least twenty-one (21) calendar days prior to the Annual Meeting.

Section 3 - All nominees shall have accepted the nomination prior thereto in writing.

Section 4 - Once an individual has accepted a nomination for an Officer position, then such individual shall be deemed to have accepted the nomination for such position on any Slate that may be presented for a vote at the Annual Meeting.

Section 5 - Members shall have the right to propose alternate slates (“Alternate Slate”) to be voted upon at the same Annual Meeting. An Alternate Slate shall consist of seven (7) qualified persons as nominees for the position of Director as well as a qualified nominee for each of the Officer positions of President, Vice President, Financial Secretary, and Secretary. Each such Alternate Slate shall be submitted in writing, signed by at least twenty-five (25) Members, and, except as noted in Section 4(b) below, accompanied by the written acceptance of each nominee listed on such Alternate Slate. Such Alternate Slate shall be sent by first class mail to the School at least fifteen (15) calendar days prior to the Annual Meeting. The Alternate Slate shall be addressed to the Chair of the Nominating Committee or to the President . The Chair of the Nominating Committee and the President shall cause a copy of the Alternate Slate to be sent to the Members by first class mail at least ten (10) calendar days prior to the Annual Meeting.

Section 6 - Each slate shall be presented equally on the ballot with all names listed alphabetically within each slate. The Proposed Slate shall be presented first on the ballot and identified as the Proposed Slate. Alternate Slates shall be presented in order of receipt by the Nominating Committee or the President and identified as Alternate Slate A, Alternate Slate B and so forth for as many Alternate Slates as may be on the ballot. Any Alternate Slate that has been submitted shall be allotted equal time to present its/their qualifications to the Members at the Annual Meeting prior to a vote of the Members.

Section 7 - The election of Directors shall take place annually at the Annual Meeting. Each elected Director shall hold office until the successor is installed. The term of office of each Director elected after the adoption of these Bylaws, shall be three (3) years, with no Director serving more than six (6) consecutive years. In the first year following adoption of these Bylaws, (i) seven (7) Directors shall be appointed or selected in accordance with this section and shall hold office for a term of one (1) year; (ii) seven (7) Directors shall be appointed or selected in accordance with this section and shall hold office for a term of two (2) years, (iii) seven (7) Directors shall be appointed or selected in accordance with this section and shall hold office for a term of three (3) years.

Section 8 - The election of Officers shall take place at the Annual Meeting concurrent with the election of Directors. The term of office for each Officer shall be one (1) year.

Section 9 - Each Member shall be entitled to vote in person at the Annual Meeting. No proxies, absentee ballots or other form of vote may be submitted *in absentia*.

Section 10 - If there is/are Alternate Slate(s), then a Slate must be approved by a Majority Vote. Should no Slate receive a Majority Vote, then a second vote shall be taken at the same Annual Meeting. The Members shall consider those two Slates that received the most votes in the first vote and that Slate receiving a Majority Vote shall be considered approved by the Members. In the event of a tie, then the Members shall take additional votes at the same Annual Meeting until one Slate receives a Majority Vote.

Section 11 - Should a vacancy or vacancies occur among the Directors or Officers in the Board, the Board shall continue to validly exist and carry out its duties. The President, in consultation with the Nominating Committee, shall fill, by appointment, such vacancy or vacancies, with the approval of two thirds (2/3rds) of the entire Board. Directors appointed to fill vacancies shall hold office for the remainder of the unexpired term of the Director whose vacancy they fill. No decrease in the number of Directors shall have the effect of shortening the term of an incumbent Director.

Section 12 - No person shall be elected an Officer unless he has been a Member for at least two years and has been a member of the Board for at least one (1) year.

Section 13 - A Director may resign from a committee of the Board, office of the Board, or the Board itself by giving a written notice to the Board President or Secretary. Any such

resignation shall take effect at the date of receipt of such notice or at a later time therein specified by the resigning Director.

Section 14 - A Director may be removed from the Board prior to the expiration of his term by an affirmative vote of at least two-thirds (2/3) of the entire board. No proxies shall be allowed for such vote.

Grounds for removal of a Director include, but are not limited to, missing any 3 meetings in an academic year and other causes which are incorporated in the California Corporations Code.

A Director shall be automatically removed from the Board without requirement of action by the Board or the Members upon conviction of a felony, death, mental incompetence, or mental incapacity.

Section 15 - Directors shall serve without compensation. Upon obtaining the prior written approval of the President, a Director may be reimbursed by the School for his reasonable travel, out-of-pocket, and other expenses necessarily incurred serving in his role as a Director.

Section 16 - To the fullest extent permitted by law, the School shall indemnify its Directors, Officers, employees and other persons described in Corporations Code Section 5238(a), including persons formerly occupying any such positions, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any "proceeding," as that term is used in that section, and including an action by or in the right of the School, by reason of the fact that the person is or was a person described in that section. "Expenses," as used by this Article IV.B, Section 16, shall have the same meaning as in that section of the Corporations Code.

On written request to the Board by any person seeking indemnification under Corporations Code 5238(b) or Section 5238(c), the Board shall promptly decide under Corporations Code Section 5238(e) whether the applicable standard of conduct set forth in Corporations Code Section 5238(b) or Section 5238(c) has been met and, if so, the Board shall authorize indemnification. If the Board cannot authorize indemnification, because the number of Directors who are parties to the proceeding with respect to which indemnification is sought prevents the formation of a quorum of directors who are not parties to that proceeding, the Board shall promptly call a meeting of Directors. At that meeting, the Directors shall determine under Corporations Code Section 5238(e) whether the applicable standard of conduct has been met

and, if so, the Directors present at the meeting in person or by proxy shall authorize indemnification.

To the fullest extent permitted by law and except as otherwise determined by the Board in a specific instance, expenses incurred by a person seeking indemnification under this Section in defending any proceeding covered by this Section shall be advanced by the School before final disposition of the proceeding, on receipt by the School of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately found that the person is entitled to be indemnified by the School for those expenses.

C. DUTIES OF DIRECTORS

Section 1 - Subject to limitations imposed by law, a charter of the School, or these Bylaws, all corporate powers shall be exercised by or under the authority of the Board. All of the affairs and business of the School will be managed by the Board in a manner consistent with these Bylaws and other applicable federal, state and local laws and regulations;

Section 2 - Without limiting the foregoing, the Board shall:

- (a) Maintain the goals and parameters which determine the nature of the School consistent with its charter and mission;
- (b) With respect to the Head of School:
 - 1. Approve his appointment, even if such appointment is solely in an interim capacity. Such an approval shall be by a two-thirds (2/3) vote of the entire Board.
 - 2. Fix the compensation package;
 - 3. Support, review and evaluate the performance;
 - 4. Extend the contract in a systematic and timely manner or, in likewise manner, bring it to closure.
- (c) Approve the annual budget at a meeting at least 21 days after the regularly scheduled January meeting, but no later than 60 days after such meeting regardless of whether such meeting is a Regular or Special meeting;

- (d) Reserve the right to veto any employee contracts exceeding two (2) years or for which the annual salary exceeds 3% of the total annual budget for salaries;
- (e) Direct an annual independent audit of the School's finances with an auditor selected by and reporting to the Board;
- (f) Set and regularly review prudent investment policies aimed at maintaining the fiscal integrity of the School including but not limited to:
 - 1. Preserving the principal of the School's assets;
 - 2. Maintaining sufficient liquidity to meet distribution requirements; and
 - 3. Producing maximum long-term growth of capital, without assuming unreasonable risk;
- (g) Monitor the condition and character of the physical plant to be certain that student and program needs are being met;
- (h) Publish an Annual Report addressing the School's direction, financial position, and plans of the School. Such report shall be made available no later than six (6) months after the end of the fiscal year;
- (i) Evaluate constituents' and constituencies' concerns;
- (j) Cultivate, nominate, appoint, and orient Board members who possess the talent, skills, and means to further the mission of the School;
- (k) Review and audit the policies and implementation of policies of the School as carried out by the Head of School

D. DUTIES OF OFFICERS

Section 1 - President:

- (a) The President shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board from time to time. Such duties shall include presiding at all

Regular and Special meetings of the Board, and at all Regular and Special meetings of the Members; appointing all Chairmen and members of committees, except as herein otherwise provided; calling Special meetings of the Board or the Members when required.

- (b) Within fourteen (14) calendar days of the expiration of his term of office, the President, or someone on his behalf, shall render a report of his administration to the Members.

Section 2 - Vice President: The Vice President shall assume the duties and powers of the President for the duration of any absence or temporary disability of the President. In the event of a permanent disability, death or resignation of the President, the Vice President shall assume all the duties and powers of the President for the remainder of the term of the President.

Section 3 - President Pro Tem: In the absence of the President and Vice President, the Board may elect, by simple majority, a President Pro Tem for the duration of such absence.

Section 4 - Financial Secretary: The Financial Secretary shall function as the Chair of the Finance Committee. The Financial Secretary shall:

- (a) Be the custodian of all funds and securities of the School;
- (b) Prepare the annual budget with the assistance of the administration, for submission to the Board at the regularly scheduled January meeting;
- (c) Submit to the Board a quarterly report identifying all gifts accepted and rejected during the prior quarter; and
- (d) Supervise the accounting and bookkeeping of the School and report to the Board as to the financial condition and results of the operation of the School at each Regular meeting of the Board and in such detail as may be required by the Board.

Section 5 - The Secretary: The Secretary shall function as the Chair of the Communications Committee. The Secretary shall keep or cause to be kept the minutes of the proceedings of the Board and membership meetings and shall ensure delivery of all notices as may be necessary and proper. The Secretary shall distribute minutes to the Board for approval at

the subsequent meeting. The recording, transcription, and distribution of Board meeting minutes may be delegated to a qualified clerical person.

ARTICLE V

COMMITTEES OF THE BOARD

Section 1 – With the exception of the Compensation and Evaluation Committee and the Audit Committee, any Director and the Head of School may attend any Committee Meeting unless such meeting is designated as a “Closed Meeting” in which case the Committee Chair may exclude the Head of School.

Section 2 - Committees:

- (a) At the first Board meeting, the Board President shall appoint Directors to serve as Committee Chairs for a term of one year. Each Committee Chair shall then develop lists of Directors and non-Directors to fill the seats in such Chair’s committee.
- (b) Unless otherwise noted in this Article V, there shall be at least three members and no more than five members of each committee of which at least two members must be Directors. No Director may serve as Chair of more than one Committee.
- (c) A quorum shall consist of a majority of the members of a committee.
- (d) Committees shall report to the Board at the Board meeting immediately subsequent to each Committee meeting and shall issue a formal recommendation with respect to any item requiring Board action.
- (e) The Chair of the Finance Committee or Communications Committee only may be removed pursuant to Article IV.B., Section 14. Once appointed, and unless removed from the Board as provided in Article IV.B., Section 14, any other Committee Chair may only be removed from the role of Committee Chair by a vote of a two-thirds (2/3) majority of the entire Board.

- (f) Should there be a vacancy on a committee subsequent to the initial formation of the committee, whether by resignation or removal, a replacement shall be appointed by the same procedure as the original appointment. In all situations, all other provisions of this Article shall be observed in identifying the replacement member of the Committee.

Section 3 - Each Committee listed here shall be appointed by the Board as provided for in these Bylaws:

- (a) Nominating Committee: Except as provided below, all members of the Nominating Committee, shall be current or former Directors, with the Head of School serving as an additional non-voting member. At the option of the Board, up to two additional Members, who need not be Directors or former Directors, may be added to the Nominating Committee. No member of the Nominating Committee may be on the ballot for a position as a Director or Officer during his term on the Nominating Committee. A member of the Nominating Committee shall not serve on the Nominating Committee for more than four (4) consecutive terms. The Nominating Committee shall:

1. Identify and cultivate individuals whose qualifications, characteristics and backgrounds, cumulatively, best meet the needs of the School as communicated to the Committee by the Board and ensure that a sufficient number of Directors of appropriate qualifications be nominated so that all Committee positions can be filled. The guiding principle for such process will be the nominated person's capacity and willingness to further the School's mission, insure proper governance, and protect its financial security.
2. Create annually a Proposed Slate of Directors and Officers for approval by the Board.
3. Fairly administer all elections required under these Bylaws.

- (b) Compensation and Evaluation Committee: All members of the Compensation and Evaluation Committee shall be current Directors and the membership shall include the President. The Compensation and Evaluation Committee shall be responsible for:
1. Negotiating the contract of the Head of School: The Head of School's employment contract shall be renewed subject to a satisfactory performance review by the Compensation and Evaluation Committee and by an affirmative vote of a majority of the Directors present at the meeting during which renewal is considered;
 2. Working with the Head of School to identify his major objectives;
 3. Evaluating performance of the Head of School generally and with respect to the major objectives and documenting their findings for his personnel file;
 4. Regularly reviewing and auditing the policies and procedures implemented by the Head of School that define the School's operations;
 5. Hearing complaints from employees of the School as they may relate to the Head of School; and
 6. Soliciting feedback from the Members, when appropriate.
- (c) Finance Committee: The committee shall be charged with aiding the Financial Secretary in carrying out his duties as defined in Article IV.D. Section 4. The Controller shall be an ex-officio member of the Committee, without vote. All members of the Finance Committee including the Financial Secretary must be financially literate, as interpreted by the Board, though not necessarily a financial or accounting professional.
- (d) Audit Committee: The Audit Committee shall be composed of three Directors, at least two of whom, including the chair of the committee, must not be an Officer and the third may not be the

President or the Financial Secretary. All members of the Audit Committee including the chair must be financially literate, as interpreted by the Board, though not necessarily a financial or accounting professional. The Audit Committee shall:

1. Direct the annual financial audit and periodic internal financial audits of the School.
2. Make recommendations to the Board regarding the appointment, retention, and termination of the independent auditor for the School;
3. Negotiate the auditor's compensation;
4. Confer with the auditor to satisfy its members that the financial affairs of the School are in order;
5. Report the findings of all audits to the Board and make recommendations for actions as may be necessary and appropriate.

- (e) Development Committee: The Development Committee shall review, recommend, and supervise the scheduling of all fund-raising programs, gift acceptance, capital campaigns, and endowment and planned giving programs; and shall identify, cultivate, and solicit major donations.
- (f) Facilities Committee: The Facilities Committee shall be responsible for regularly reviewing the state of the physical plant, making recommendations to the Board for required maintenance, and assisting the Head of School in addressing immediate needs of the physical plant.
- (g) Communications Committee: The Communications Committee shall be responsible for all written Board level communications, including publishing the minutes of the Board meetings and the review preparation, and presentation of the Annual Report. The committee shall act as liaison to the community, including hearing grievances from the Members and, where appropriate, bringing

matters to the Board for further action. The committee also shall cultivate regular and responsible parental involvement with the School. The PTA president shall be an ex-officio member of the committee.

Section 4 - Other Committees, whether standing committees or ad hoc committees, may be formed at the discretion of the President.

Section 5 – In the event of a permanent vacancy in the office of the Head of School, the President shall appoint a Search and Selection Committee to identify, interview, and recommend candidates for the position. The formation and operation of this Committee shall not be subject to the provisions of this Article V.

ARTICLE VI

HEAD OF SCHOOL

Section 1 - Executive Functions: The Head of School shall be the Chief Executive Officer of the School. The Head of School shall exercise general supervision over all the affairs of the School and bring such matters to the attention of the Board as are appropriate to keep the Board fully informed to meet its responsibilities. The Head of School shall have the power, on behalf of the Board, to sign any and all contracts for which funds have been allocated and authorized by the Board in the approved budget, or in any capital budget or emergency expenditure authorized and approved by the Board. The Head of School shall be an ex-officio member of the Board, without vote.

Section 2 - Administrative Responsibilities: The Head of School shall:

- (a) Develop the instructional program, provide administrative and educational leadership, employ and discharge personnel, enroll and dismiss students, participate in the preparation of the annual budget, and be responsible for the day-to-day operation of the school;
- (b) Be responsible for developing, documenting, maintaining, and implementing the policies and procedures that govern the School's operations;

- (c) Employ for the School a Controller who shall be a qualified to carry out the duties referenced within these Bylaws; and
- (d) Disclose to the Board any conflicts of interest and obtain approval of the Board prior to entering into any contract in which he has a conflict of interest.
 - 1. The Head of School shall be considered to have a conflict of interest if he has existing or potential financial interests which impair or might reasonably appear to impair his independent unbiased judgment in the discharge of his responsibilities; is aware that a member of his family (which, for the purposes of these Bylaws, shall be parent, sibling, spouse, or child); or is aware that any organization in which he (or member of his family) is an officer, director, employee, member, partner, or controlling stockholder, has such existing or potential financial interests.
 - 2. The Head of School shall disclose to the Board any possible conflict of interest at the earliest practical time.
 - 3. If the Head of School is uncertain whether he has a conflict of interest in any matter, he may request that the Board determine whether a conflict of interest exists.

Section 3 - Annual Review of Performance and Compensation: The Head of School shall, in June of each year, submit to the President of the Board a written self-assessment of his performance with respect to the achievement of major objectives mutually agreed upon by the Head of School and the Compensation and Evaluation Committee the previous year.

Section 4 - At the beginning of each School Year, the Head of School shall form the following committees:

- (a) Financial Aid and Scholarship Committee:
 - 1. The duties of this committee shall be:
 - i. Developing the Financial Aid and Scholarship policy for the School;

- ii. Reviewing and verifying applications for financial aid and scholarships; and
- iii. Granting financial aid and scholarship(s) in accordance with such policy.

2. The form of this committee shall be:

- i. The Committee shall have no fewer than five (5) members;
- ii. The Head of School and Controller shall be two (2) of the members;
- iii. All other members of this committee shall be appointed by the Head of School; and
- iv. No more than one (1) parent of a current student may be a member of this Committee. If both the Head of School and the Controller are parents of current students, than both the Head of School and the Controller shall be members of this committee, but no other parents of current students may be members of this committee.

- (b) General Studies.
- (c) Va'ad HaChinuch.
- (d) Midot.
- (e) Additional Committees from time to time to assist him in carrying out his duties.
- (f) Except as set forth in Section 4.(a).2. herein, Head of School Committees shall include representatives of the Membership, faculty, Board or other constituencies as appropriate.

ARTICLE VII

PROCEDURE

Section 1 - The Annual Meeting shall be held in September . Notice of such Annual Meeting shall be given to all individuals who shall be Members at the time of the Annual Meeting by first class mail at least twenty (20) calendar days prior thereto.

Section 2 – At each Annual Meeting, the Members shall elect new Directors and Officers. The Annual Report shall be presented to the Members at the Annual Meeting.

Section 3 - Special meetings of the Members may be called by the Board President at his discretion, or when required as herein provided (“Special Meeting”). The Board President shall be required to call a Special Meeting within twenty (20) calendar days after he shall have received written petition therefore, signed by at least twenty-five (25) Members. Notice of each Special Meeting, setting forth the time, date, and place of the meeting and the general nature of the business to transacted, shall be posted in the main office of the School and given by the Secretary in any two of the following manners: personal telephone contact, registered mail, e-mail, or fax. Notice must be given not less than ten (10) calendar days in advance of the meeting. Notwithstanding the foregoing, actual notice to and/or attendance by a Member at a Special Meeting shall cure any failure to comply with the notice requirements of this Section 3 with respect to such Member. Business transacted at a Special Meeting of the Board shall be limited to the matter stated as the reason for the meeting.

Section 4 - A Special meeting of the Board must be called by the Board President upon receipt of a petition signed by four (4) Directors which is submitted to the President. Such meeting must be called within 10 calendar days of the submission of such petition to the Board President.

Section 5 - The President shall annually establish and publish the upcoming year’s calendar of Board meetings no later than the first meeting of the Board. There shall be a minimum of seven (7) Board meetings each calendar year.

Section 6 - Action Without Meeting: Any action required or permitted to be taken by the Board or any Committee thereof may be taken without a meeting if all members of the Board or such Committee if all Members consent in writing to such action. Such written consent(s) shall be filed with the minutes of the Board or such Committee.

Section 7 - A quorum for the transaction of business at any meeting of the Board shall consist of a Majority of the Directors then serving. An act of the Majority of Directors present and voting at a duly called meeting shall be an act of the Board except as may be provided

elsewhere by these Bylaws. Members of the Board shall be counted as present and may participate in a meeting through the use of conference telephone or video conferencing.

Section 8 - Robert's Rules of Order shall be the authority controlling the parliamentary actions of all Officers, Board, Committees and meetings, unless otherwise provided herein.

ARTICLE VIII

GIFT ACCEPTANCE CRITERIA

Section 1 - The Board shall seek and accept bequests or gifts of money or property for any and all purposes which fall within the Gift Acceptance Criteria set forth below and to utilize such money or property to support School programs and to enhance and extend the general operation of the School. The Board shall act as trustee of any trust resulting from gifts and will maintain and apply, at the Board's discretion, the principal and interest proceeds therefrom for the benefit of the School.

Section 2 - The following shall constitute the School's gift acceptance criteria ("Gift Acceptance Criteria"):

- (a) The purpose of the gift must be consistent with the School's mission, goals, objectives and policies;
- (b) The gift must not add unnecessary or unreasonable costs to the School's budget;
- (c) The gift must be offered by an acceptable donor;
- (d) Naming rights may be conferred only subject to a written contract containing a morality clause;
- (e) The gift must not create an ongoing program which the Board would be unable and/or unwilling to fund when gift funds are exhausted;
- (f) The gift must not place unreasonable restrictions on the School;
- (g) Neither the acceptance of the gift, nor any terms associated with such acceptance will create a conflict with any existing School obligations and/or commitments;

- (h) Acceptance of the gift will not be in conflict with any applicable laws or regulations, the School's mission statement or bylaws, or have a negative effect on the tax-exempt status of the School; and
- (i) Any gift of property of estimated value must be recognized by expert persons as having real value commensurate with the value estimated.

Section 3 - The Board shall reject all bequests or gifts of money or property that do not comport with the Gift Acceptance Criteria.

Section 4 - The Head of School is authorized to seek and accept bequests or gifts subject to the Gift Acceptance Criteria.

- (a) The acceptance of proposed gifts which fall within the Gift Acceptance Criteria shall be at the discretion of the Head of School and may be made with or without prior review of the Board
- (b) The Head of School shall notify the Board of any potential conflict of interest he or she may have with respect to a gift.
- (c) The Head of School shall provide the Financial Secretary with a quarterly report identifying all gifts accepted and rejected during the prior quarter. .
- (d) The Board may overturn any decision of the Head of School regarding the acceptance or rejection of any gift.

Section 5 - Notwithstanding the terms of the Gift Acceptance Criteria, gifts requiring specific Board approval include gifts which: (i) may expose the School to adverse publicity, (ii) may require the School to expend funds in connection with the gift, or (iii) require a contract.

ARTICLE IX

NOTICES

Unless otherwise provided herein, any and all notices required or desired to be given pursuant to these Bylaws shall be posted in the main office of the School and given by either personal delivery, first class mail, fax, electronic mail or express delivery service providing for delivery within twenty-four (24) hours. If sent by mail or express delivery, the notice shall be deemed to be delivered upon its deposit in the mail or upon its delivery to the express delivery

company. Such notices shall be addressed to each addressee at his address as shown on the records of the School, and shall specify the place, day and hour of the meeting.

ARTICLE X

DEDICATION OF ASSETS

The School's assets are irrevocably dedicated to educational purposes. No part of the School's net earnings, properties or assets, on dissolution or otherwise, shall inure to the benefit of any private person or individual, or to any of the School's Directors or officers. On liquidation or dissolution, all properties and assets remaining after payment, or provision for payment, of all the School's debts and liabilities shall be distributed to a nonprofit fund, foundation or corporation that is organized and operated exclusively for charitable purposes and that has established its exempt status under section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and which has aims and purposes consistent with those of the School as set forth herein.

ARTICLE XI

AMENDMENTS

Section 1 - A Proposed Amendment to these Bylaws shall be made in writing and delivered to the President. A Proposed Amendment must be signed by:

- (a) Two-thirds (2/3rds) of the entire Board ("Board Amendment"); or
- (b) At least twenty-five (25) Members ("Petitioned Amendment").

Section 2 - The Board shall consider such Proposed Amendment at the next meeting of the Board occurring at least 14 days after receipt of the Proposed Amendment by the President.

Section 3 - Written notice of any Proposed Amendment shall be sent by the President to all Directors at least ten (10) days prior to the meeting at which the Board of Directors shall consider the proposed amendment.

Section 4 - The President shall call a special meeting of the Members no later than twenty-eight (28) calendar days subsequent to the meeting of the Board at which the Proposed

Amendment is considered and/or approved. Failure of the Board to approve a Petitioned Amendment shall not bar the Amendment from consideration by the Membership.

Section 5 - The Board shall provide due notice of the Proposed Amendment along with the current Bylaws to all Members at least twenty-one (21) calendar days prior to such meeting. Notice of a Proposed Amendment shall be accompanied by the recommendation of the Board of no more than 250 words, and the names of those proposing the amendment. If the Proposed Amendment is a Petitioned Amendment, then the notice shall also include identification of the sponsors and a communication from the sponsor(s) of the amendment of no more than 250 words.

Section 6 - Enactment of the Proposed Amendment shall be by a two-thirds (2/3) affirmative vote of the Members voting.

Section 7 - All actions with respect to amendments must occur during the academic year.

Section 8 - In no event shall Article II, Sections 2(a) and 2(b) be subject to amendment.

ARTICLE XII

MISCELLANEOUS

Section 1 - Execution of Contracts: The Board may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and behalf of this School and such authority may be general or confined to specific instances.

Section 2 - Funds of the School shall be disbursed only on checks or other withdrawal orders of the School signed by the Controller of the School. Checks or other withdrawal orders in the amount of \$5,000 or more must also be signed by the Vice President or the Financial Secretary or such other officers as may be specifically authorized by the Board.

Section 3 - Conflicts of Interest: A Director shall be considered to have a conflict of interest if the Director (1) has existing or potential financial interests which impair or might reasonably appear to impair such member's independent unbiased judgment in the discharge of his responsibilities to the School; or (2) a member of his family (which, for the purposes of these Bylaws, shall be parent, sibling, spouse, or child) or any organization in which such Director (or member of his family) is an officer, director, employee, member, partner, or controlling

stockholder, has such existing or potential financial interests. All Directors shall disclose to the Board any possible conflict of interest at the earliest practical time. No Director shall vote on any matter, under consideration of the Board or a committee, in which such Director has a conflict of interest. The minutes of such meeting shall reflect that a disclosure was made and that the Director having a conflict of interest abstained from voting. Any Director, who is uncertain whether he has a conflict of interest in any matter may request the Board or Committee to determine whether a conflict of interest exists, and the Board or Committee shall resolve the question by a majority vote.

Section 4 – Nothing in these Bylaws shall be construed to limit any rights otherwise granted in the California Corporations Code.

Section 5 - If any provisions of these Bylaws are invalid or unenforceable under any applicable law, then such provision shall be deemed inoperative to the extent that it may conflict therewith and shall be deemed modified to conform with such applicable law. Any provision hereof which may be held invalid or unenforceable under any applicable law shall not affect the applicability or enforceability of any other provisions hereof, and to this extent the provisions hereof shall be severable.

ARTICLE XIII

DISCRIMINATION PROHIBITED; TERMINOLOGY

Section 1 - The School shall abide by all applicable federal and California laws regarding non-discrimination in the administration of its employment policies, educational policies, admission policies, tuition assistance programs and athletic and other School-administered programs.

Section 2 - Terminology: In interpreting these Bylaws, all masculine pronouns shall be deemed to refer equally to the feminine gender.