

**BYLAWS  
OF  
INDEPENDENT PATHS TO LEARNING, INC.**

A California Nonprofit Public Benefit Corporation

Article I  
NAME; OFFICE

Section 1. NAME. The name of this corporation is INDEPENDENT PATHS TO LEARNING, INC.

Section 2. PRINCIPAL OFFICE. The principal office for the transactions of the activities and affairs of the corporation (“principal office”) is located at 4008A Bohemian Highway, Occidental, CA. The corporation may have such other offices, or change their principal office within the State of California as the Board of Directors may determine or as the affairs of the corporation may require from time to time. Any such change of location must be noted by the secretary on these bylaws opposite this Section; alternatively, this Section may be amended to state the new location. The Board of Directors (“Board”) may at any time establish branch or subordinate offices at any place or places where this corporation is qualified to conduct its activities.

Article II  
PURPOSES

This corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the California Nonprofit Public Benefit Corporation Law for public purposes.

The specific and primary purpose and activity for which the corporation is organized is to manage, operate, guide, direct and promote one or more California public charter schools.

The Corporation shall not carry on any other activities not permitted to be carried on by: (a) a corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code; or (b) a corporation, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code, or the corresponding section of any future federal tax code. No substantial part of the activities of the Corporation shall consist of the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distributing of statements) any political campaign on behalf of or in opposition to any candidate for public office.

Article III  
MEMBERSHIP

This corporation shall have no “members” as that term is used in the California Nonprofit Public Benefit Corporation Law. The corporation’s Board may, in its discretion, admit individuals to one or more classes of nonvoting members; the class or classes shall have such

rights and obligations as the board finds appropriate. All rights which would otherwise vest in the members shall vest in the Board.

Article IV  
DEDICATION OF ASSETS

This corporation's assets are irrevocably dedicated to public benefit purposes. No part of the net earnings, properties, or assets of the corporation, on dissolution or otherwise, shall inure to the benefit of any private person or individual, or to any director or officer of the corporation. Upon the dissolution or winding up of the corporation, its assets remaining after payment of all debts and liabilities of the corporation, shall be distributed to a non-profit fund, foundation, or association which is organized and operated exclusively for educational, public or charitable purposes and which has established its tax exempt status under section 501c(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

Article V  
BOARD OF DIRECTORS

Section 1. GENERAL CORPORATE POWERS.

Subject to the provisions and limitations of the California Nonprofit Public Benefit Corporation Law and any other applicable laws, the corporation's activities and affairs shall be managed, and all corporate powers shall be exercised, b or under the direction of the Board. The Board may delegate the management of the activities of the corporation to a management company, provided that notwithstanding any such delegation the activities and affairs of the corporation shall continue to be managed, and all corporate powers shall be exercised, by or under the direction of the Board.

Section 2 SPECIFIC POWERS.

Without prejudice to the general powers set forth in Article V, Section 1 of these Bylaws, but subject to the same limitations, the Directors shall have the power to:

- Exercise all powers vested in the Board under the laws of the State of California.
- Appoint and remove all officers of the corporation, the management company if any, and corporation employees, if any; prescribe any powers and duties for such persons that are consistent with law, the Articles of Incorporation and these Bylaws; and fix their compensation.
- Appoint such agents and employ such other employees, including attorneys and accountants, as it sees fit to assist in the operation of the corporation, and to fix their duties and to establish their compensation.
- Adopt and establish rules and regulations governing the affairs and activities of the corporation, and take such steps as it deems necessary for the enforcement of such rules and regulation.
- Enforce all applicable provisions of the Bylaws.
- Contract for and pay premiums for insurance and bonds (including indemnity bonds) which may be required from time to time by the corporation.

- Pay all taxes and charges which are or would become a lien on any portion of the corporation's properties.
- Delegate its duties and powers hereunder to the officers of the corporation, the management company or to committees established by the Board, subject to the limitations expressed in section 1 of Article V hereof.
- Prepare budgets and maintain a full set of books and records showing the financial condition of the affairs of the corporation in a manner consistent with generally accepted accounting principals, and at no greater than annual intervals prepare an annual financial report, a copy of which shall be delivered to each Director as provided in Article X, Section 4 hereof.
- Open bank accounts and borrow money on behalf of the corporation and designate the signatories to such bank accounts.
- Bring and defend actions on behalf of the corporation so long as the action is pertinent to the operations of the corporation.

Section 3. NUMBER AND QUALIFICATIONS OF DIRECTORS.

The authorized number of Directors shall be five (5). One (1) Staff Representative Director shall be elected by the Staff. Two (2) Community Directors shall be elected by the PCS Community. Two (2) At-Large Directors shall be chosen and appointed by the other Directors on the Board.

The Staff Representative Director must be a current employee of the School in order to be eligible to serve as a Director. The Staff Representative Director may not reside in the same County as his/her predecessor, unless no person residing in a different County stands for election. Community Directors may not reside in the same County as each other. Community Directors (including parents) may not also be employees. Director candidates must attend at least one (1) board meeting in the prior calendar year to be considered for nomination.

Section 4. TERM OF OFFICE.

The term of office for Staff Representative Director shall be one (1) year. The Staff Representative Director term will expire June 30<sup>th</sup> of each calendar year.

The term of office for Community Director shall be two (2) years. One (1) Community Director term will expire at the conclusion of the October general meeting of each year.

The term of office for At-Large Director shall be two (2) years. One (1) At-Large Director will expire at the conclusion of the October general meeting of each year.

Each Director in good standing, including those appointed to fill a vacancy, shall hold office until the expiration of their term of office, and until a successor Director has been designated and qualified.

Section 5. TERM LIMITS

Subject only to the limitations of Corporations Code Section 5220, there shall be no limit to the number of terms or years an individual may serve on the Board as a Community or At-Large Director. An individual may only serve two (2) consecutive terms as Staff Representative Director.

#### Section 6. ELECTION VOTING RIGHTS

Each member of the Staff has one (1) vote in the Staff Representative Director election. Each parent or legal guardian of a Pathways or Solano Pathways student has one (1) vote in the Community Director election. Qualified individuals may vote in each election, but may never cast more than one (1) vote in either election.

#### Section 7. ELECTIONS

Elections for the Staff Director will occur during the June staff in service meeting. Prior to May 15th of each year, potential candidates for Staff Representative Director must submit a signed letter of intent to the President of the Board. Candidates may also submit a brief statement which may be publicly posted. At the June staff in service meeting, Staff Representative Director candidates will be given up to three minutes to address those in attendance prior to voting. Candidate names and County of residence will be on each ballot. Ballots will be accepted up to 10 minutes after candidate statements have concluded. The top vote earner will become the Staff Director Elect, to be seated as first order of business at the next meeting after June 30th.

Elections for Community Director positions will occur during the October general meeting. Prior to September 15th of each year, potential candidates for Community Director must submit a signed letter of intent to the President of the Board. Community Director candidates may also submit a brief statement which may be publicly posted. At the October general meeting, Community Director candidates will be given up to three minutes to address those in attendance prior to voting. Candidate names and County of residence will be on each ballot. Ballots will be accepted up to 10 minutes after candidate statements have concluded. The top vote earner will become the Community Director Elect, to be seated as first order of business at the next general meeting after October 31st.

There are no elections for At-Large Directors. At-Large Directors are interviewed and appointed by the other seated Directors. Interview and appointment of the At-Large Director seat just vacated will occur during the November general meeting. Prior to September 15th of each year, potential candidates for At-Large Director must submit a signed letter of intent to the President of the Board. At-Large Director candidates may also submit a brief statement which may be publicly posted. The Board will interview At-Large Director candidates which fit the nominating criteria, such as interested person status. The Board will then determine whether any candidates fit the Board's requirements to fill the vacancy. At-Large Directors may be a staff member or a member of the School Community.

#### Section 8. REMOVAL OF DIRECTORS AND VACANCIES ON BOARD.

Vacancies, Generally. A vacancy or vacancies in the Board of Directors shall exist on the occurrence of any of the following: (i) the death or resignation of the director; (ii) the declaration by resolution of the Board of a vacancy in the office of a director who has been declared of unsound mind by an order of court, convicted of a felony, or found by final order or judgment of any court to have breached a duty under Article 3 of Chapter 2 (relating to the standards of conduct of directors) of the California Nonprofit Public Benefit Corporation law; (iii) by removal of a director who fails or ceases to meet any required qualification that was in effect at the beginning of that director's current term of office, by a majority vote of the directors who meet all of the required qualifications to be director; by the organization or entity designating the director; or (iv) an increase of the authorized number of directors.

Removal. Any director may be removed, with or without cause, by the vote of the majority of the members of the entire Board of Directors at a special meeting called for that purpose, or at a regular meeting, provided that notice of that meeting and of the removal questions are given in compliance with the provisions of the Ralph M. Brown Act. (Chapter 9 (commencing with Section 54950) of Division 2 of Title 5 of the Government Code). Any vacancy caused by the removal of a director shall be filled as provided in this Section 8.

Resignation of Directors. Except as provided below, any director may resign, such resignation shall be effective on giving written notice to the president, the secretary, or the Chairman of the Board, unless the notice specified a later time for the resignation to become effective. If the resignation of a director is effective at a future time, the Board of Directors may elect a successor to take office when the resignation becomes effective. Except on notice to the California Attorney General, no Director may resign if the corporation would then be left without a duly elected Director or Directors. No reduction of the authorized number of Directors shall have the effect of removing the Director before that Director's term of office expires.

Filling of Vacancies. Any vacancies on the Board may be filled by approval of the Board or, if the number of Directors then in office is less than a quorum, by (1) the unanimous vote of the Directors in office, (2) the affirmative vote of a majority of the Directors then in office at a meeting held according to notice or waivers of notice complying with Corporations Code Section 5211, or (3) a sole remaining Director. Any Director nominated to fill a vacancy must meet the requirements of that seat, including but not limited to county of residence and employment or interested person status.

#### Section 9. RESTRICTION ON INTERESTED PERSONS AS DIRECTORS

Not more than 49% of the persons serving as voting directors on the board may be interested persons. An interested person is (a) any person currently being compensated by the corporation for services rendered to it within the previous 12 months, whether as a full-time or part-time employee, independent contractor or otherwise, excluding any reasonable compensation paid to a Director as 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 such person. However, any violation of this paragraph shall not affect the validity or enforceability of transactions entered into by the corporation. The Board may adopt other policies circumscribing potential conflicts of interest.

Section 10. LIMITATIONS ON POWERS.

Self-Dealing Transactions. Notwithstanding the powers conferred on the Board pursuant to Article IV, Sections 1 and 2, this corporation shall not engage in any transaction which meets the definition of a “self-dealing transaction” as defined in Section 5233 of the Nonprofit Public Benefit Corporation Law unless the transaction has been approved by one of the means specified in subparagraph (d) of said Section 5233.

Transactions Between Corporations Having Common Directorships. Unless it is established that the contract or transaction is just and reasonable as to the corporation at the time it is authorized, approved or ratified, this corporation shall not enter into a contract or transaction with any other corporation, association or entity in which one or more of the corporation’s directors are directors unless the material facts as to the transaction and the director’s common directorship are fully known or disclosed to the Board. The Board must approve, authorize or ratify any such contract or transaction in good faith and by a vote sufficient without counting the vote of the common directors.

Loans to Directors or Officers. This corporation shall not make any loan of money or property to, or guarantee the obligation of, any director or officer, unless the transaction is first approved by the California Attorney General. This provision shall not apply to any reasonable advance on account of expenses anticipated to be incurred in the performance of the director’s or officer’s duties.

Standards for Investment. Except as provided in Sections 5240(c ) and 5241 of the Nonprofit Public Benefit Corporation Law, in the investment, reinvestment, purchase, acquisition, exchange, sale and management of the corporation’s investments, the Board shall:

- Avoid speculation, looking instead to the permanent disposition of the funds, considering the probable income, as well as, the probable safety of the corporation’s capital; and
- Comply with additional standards, if any imposed by the Articles of Incorporation, these Bylaws or the express terms of any instrument or agreement pursuant to which the invested assets were contributed to the corporation.

Article VI

MEETINGS OF THE BOARD OF DIRECTORS

Section 1. ANNUAL MEETINGS. The annual meeting of the Board shall be held on or before the first day of school of each school year, at the time designated in the notice of meeting, at the principal business office of the corporation, unless otherwise determined by the Board. The Board of Directors may designate that a meeting be held at any place within California that has been designated by resolution of the Board of Directors or in the notice of the meeting. All meetings of the Board of Directors shall be called, held and conducted in accordance with the terms and provisions of the Ralph M. Brown Act, California Government Code Sections 54950, et seq., as said chapter may be modified by subsequent legislation.

Section 2. REGULAR MEETINGS. Regular meetings of the Board of Directors, including annual meetings, shall be held at such times and places as may from time to time be fixed by the Board of Directors. At least 72 hours before a regular meeting, the Board of Directors, or its designee shall post an agenda containing a brief general description of each item of business to be transacted or discussed at the meeting.

Section 3. SPECIAL MEETINGS. Special meetings of the Board of Directors for any purpose may be called at any time by the Chairman of the Board of Directors, if there is such an officer, or a majority of the Board of Directors. If a Chairman of the Board has not been elected then the President is authorized to call a special meeting in place of the Chairman of the Board. The party calling a special meeting shall determine the place, date, and time thereof.

Section 4. NOTICE OF SPECIAL MEETINGS. In accordance with the Brown Act, special meetings of the Board of Directors may be held only after twenty-four (24) hours notice is given to each director and to the public through the posting of an agenda. Pursuant to the Brown Act, the Board of Directors shall adhere to the following notice requirements for special meetings:

- a. 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 Board of Directors are regularly held.
- b. 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.
- c. The notice of special meeting shall state the time of the meeting, and the place if the place is other than the principal office of the Corporation, and the general nature of the business proposed to be transacted at the meeting. No business, other than the business the general nature of which was set forth in the notice of the meeting, may be transacted at a special meeting.

Section 5. REQUIREMENTS APPLICABLE TO MEETINGS. Notwithstanding any other requirements contained in these Bylaws, all meetings of the corporation shall be held in compliance with all applicable requirements of the Ralph M. Brown Act (Chapter 9 of Part 1 of Division 2 of the California Government Code, commencing with Section 54950).

Section 6. TELECONFERENCE MEETINGS. Members of the Board of Directors may participate in teleconference meetings so long as all of the following requirements in the Brown Act are complied with:

- a. At a minimum, a quorum of the members of the Board of Directors shall participate in the teleconference meeting from locations within the boundaries of the school district in which the Charter School operates;
- b. All votes taken during a teleconference meeting shall be by roll call;
- c. If the Board of Directors elects to use teleconferencing, it shall post agendas at all teleconference locations with each teleconference location being identified in the notice and agenda of the meeting;
- d. All locations where a member of the Board of Directors participates in a meeting via teleconference must be fully accessible to members of the public and shall be listed on the agenda;<sup>1</sup>
- e. Members of the public must be able to hear what is said during the meeting and shall be provided with an opportunity to address the Board of Directors directly at each teleconference location; and
- f. The agenda shall indicate that members of the public attending a meeting conducted via teleconference need not give their name when entering the conference call.<sup>2</sup>

Section 7. QUORUM. A majority of the authorized number of Directors then in office shall constitute a quorum for the transaction of business, except to adjourn. Every action taken or decision made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be the act of the Board, subject to the more stringent provisions of the California Nonprofit Public Benefit Corporation Law, including, without limitation, those provisions relating to (a) approval of contracts or transactions in which a Director has a direct or indirect material financial interest, (b) approval of certain transactions between corporations having common directorships, (c) creation of and appointments to committees of the Board, and (d) indemnification of Directors. A meeting at which a quorum is initially present may continue to transact business, despite the withdrawal of Directors, if any action taken or decisions made is approved by at least a majority of the required quorum for that meeting.

Section 8. ADJOURNMENT. A majority of the directors present, whether or not a quorum is present, may adjourn any Board of Directors meeting to another time or 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 schedule for the continuation of the meeting, to the directors who were not present at the time of the adjournment, and to the public in the manner prescribed by any applicable public open meeting law.

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<sup>1</sup> This means that members of the Board of Directors who choose to utilize their homes or offices as teleconference locations must open these locations to the public and accommodate any members of the public who wish to attend the meeting at that location.

<sup>2</sup> The Brown Act prohibits requiring members of the public to provide their names as a condition of attendance at the meeting.

Section 9. COMPENSATION. Directors as such shall not receive any stated salaries for their services, but by resolution of the Board, a fixed sum and expenses of attendance, if any may be allowed for attendance at each regular or special meeting of the Board; but nothing herein contained shall be construed to preclude any Director from serving the corporation in any other capacity and receiving compensation therefore. Directors may receive such reimbursement of expenses as the Board may determine by resolution to be just and reasonable as to the corporation at the time that the resolution is adopted.

Section 10. COMMITTEES. The Board, by resolution adopted by a majority of the Directors then in office, provided a quorum is present, may create one or more committees, each consisting of two or more Directors and no persons who are not Directors, to serve at the pleasure of the Board. Appointments to committees of the Board shall be by majority of the Directors then in office. The Board may appoint one or more Directors as alternate members of any such committee, who may replace any absent member at any meeting. Any such committee, to the extent provided in the Board resolution, shall report its findings and recommendations to the Board for its action.

Section 11. MEETINGS AND ACTION OF COMMITTEES. Meetings and actions of committees of the Board of Directors shall be governed by, held, and taken under the provisions of these bylaws concerning meetings, other Board of Directors' actions, and the Brown Act, if applicable, except that the time for general meetings of such committees and the calling of special meetings of such committees may be set either by Board of Directors' resolution or, if none, by resolution of the committee. Minutes of each meeting shall be kept and shall be filed with the corporate records. The Board of Directors may adopt rules for the governance of any committee as long as the rules are consistent with these bylaws. If the Board of Directors has not adopted rules, the committee may do so.

Section 12. NON-LIABILITY OF DIRECTORS. No director shall be personally liable for the debts, liabilities, or other obligations of this corporation.

Section 13. COMPLIANCE WITH LAWS GOVERNING STUDENT RECORDS. The Charter School and the Board of Directors shall comply with all applicable provisions of the Family Education Rights Privacy Act ("FERPA") as set forth in Title 20 of the United States Code Section 1232g and attendant regulations as they may be amended from time to time.

## Article VII OFFICERS

Section 1. OFFICERS. The officers of the corporation shall be a president, a secretary and a chief financial officer who shall be known as the treasurer. The corporation may also have, at the Board's discretion, one or more assistant secretaries, one or more assistant treasurers, and such other officers as the Board may appoint, who need not be members of the Board. 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.

Section 2. ELECTION OF OFFICERS. The officers of the corporation, except any appointed under Section 3 of Article VIII of these bylaws, shall be chosen annually by the Board and shall serve at the pleasure of the Board, subject to the rights of any officer under any employment contract.

Section 3. APPOINTMENT OF OTHER OFFICERS. The Board may appoint and authorize the Chairman of the Board, the President, or another officer to appoint any other officers that the corporation may require. Each appointed officer shall have the title and authority, hold office for the period, and perform the duties specified in the Bylaws or established by the Board.

Section 4. REMOVAL OF OFFICERS. Without prejudice to the rights of any officer under an employment contract, the Board may remove any officer with or without cause. An officer who was not chosen by the Board may be removed by any other officer on whom the Board confers the power of removal.

Section 5. RESIGNATION OF OFFICERS. Any officer may resign at any time by giving written notice to the Board. The resignation shall take effect on the date the notice is received or at any later time specified in the notice. Unless otherwise specified in the notice, the resignation need not be accepted to be effective. Any resignation shall be without prejudice to any rights of the corporation under any contract to which the officer is a party.

Section 6. TERM OF SERVICE. The officers of the corporation shall hold office for a term of one year and thereafter until their successors are chosen and qualify in their stead. Any officer may be removed at any time, with or without cause, by the affirmative vote of a majority of the Board.

Section 7. VACANCIES IN OFFICE. A vacancy in any office shall be filled in the manner prescribed in these bylaws for regular appointments to that office, provided, however, that vacancies need not be filled on an annual basis.

Section 8. PRESIDENT. Subject to the control of the Board, the president shall be the general manager of the corporation and shall supervise, direct, and control the corporation's activities, affairs, and officers. The president shall preside at all Board meetings. The president shall have the power to hire, discharge, and fix and pay compensation of such agents, independent contractors and employees as he deems necessary to the operations of the corporation. The president shall have such other powers and duties as the Board or the Bylaws may prescribe. The President shall not be a paid employee of the Charter School or the sponsoring school district.

Section 9. SECRETARY. The secretary shall keep or cause to be kept, at the corporation's principal office or such other place as the Board may direct, a book of minutes of all meetings, proceedings, and actions of the Board, or committees of the Board. The secretary shall keep or cause to be kept, at the principal office in California, a copy of the Articles of Incorporation and Bylaws, as amended to date.

The secretary shall give, or cause to be given notice of all meetings of the Board and of committees of the Board required by these Bylaws to be given. The secretary shall keep the corporate seal in safe custody and shall have such other powers and perform such other duties as the Board or the Bylaws may prescribe.

Section 10. TREASURER. The treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the corporation's properties and transactions. The treasurer shall send or cause to be given to the Directors such financial statements and reports as are required to be given by law, by these Bylaws, or by the Board. The book of account shall be open to inspection by any Director at all reasonable times.

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 the Board may designate, shall disburse the corporation's funds as the Board may order, shall render to the president, and the Board, when requested, an account of all transactions as treasurer and of the financial condition of the corporation, and shall have such other powers and perform such other duties as the Board or the Bylaws may prescribe.

Section 11. CONTRACTS WITH DIRECTORS AND OFFICERS. No director of this corporation nor any other corporation, firm, association, or other entity in which one or more of this corporation's directors have a material financial interest, shall be interested, directly or indirectly, in any contract or transaction with this corporation, unless all of the following apply:

- (a) The material facts regarding that director's financial interest in such contract or transaction or regarding such common directorship, officership, or financial interest are fully disclosed in good faith and noted in the minutes, or are known to all members of the Board prior to the Board's consideration of such contract or transaction;
- (b) Such contract or transaction is authorized in good faith by a majority of the board by a vote sufficient for that purpose without counting the votes of the interested directors;
- (c) Before authorizing or approving the transaction, the Board considers and in good faith decides after reasonable investigation that the corporation could not obtain a more advantageous arrangement with reasonable effort under the circumstances; and
- (d) The corporation for its own benefit enters into the transaction, which is fair and reasonable to the corporation at the time the transaction is entered into.

This section does not apply to a transaction that is part of an educational or charitable program of this corporation if it (1) is approved or authorized by the corporation in good faith and without unjustified favoritism and (2) results in a benefit to one or more directors or their families because they are in the class of persons intended to be benefited by the educational or charitable program of this corporation.

Section 12. CONTRACTS WITH NON-DIRECTOR DESIGNATED EMPLOYEES. 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 Independent Paths to Learning, Inc. Conflict of Interest Policy have been fulfilled.

Article VIII  
INDEMNIFICATION OF DIRECTORS, OFFICERS,  
EMPLOYEES AND OTHER AGENTS

Section 1. RIGHT OF INDEMNITY. To the fullest extent permitted by law, this corporation may indemnify its Directors, officers and employees, and other persons described in Section 5238(a) of the California Corporations Code, including persons formerly occupying any such position, 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 corporation, by reason of the fact that the person is or was a person described in that Section. “Expenses,” as used in this Bylaw, shall have the same meaning as in Section 5238(a) of the California Corporations Code.

ARTICLE IX  
RIGHT TO INSURE

This corporation shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its officers, directors, employees, and other agents, to cover any liability asserted against or incurred by any officer, director, employee, or agent in such capacity or arising from the officer’s, director’s, employee’s or agent’s status as such.

ARTICLE X  
RECORDS AND REPORTS

Section 1. MAINTENANCE OF CORPORATE RECORDS. The corporation shall keep: (1) adequate and correct books and records of accounts; and (2) written minutes of the proceedings of the Board and committees of the Board.

Section 2. INSPECTION BY DIRECTORS. Every Director shall have the absolute right at any reasonable time to inspect the corporation’s books, records, documents of every kind, physical properties, and the records of each of its subsidiaries. The inspection may be made in person or by the Director’s agent or attorney. The right of inspection includes the right to copy and make extracts of documents.

Section 3. ANNUAL STATEMENT OF CERTAIN TRANSACTIONS AND INDEMNIFICATIONS. The corporation shall annually prepare and furnish to each Director a statement of any transaction or indemnification of the following kind within 120 days after the end of the corporation’s fiscal year:

- (a) Any transaction (i) in which the corporation, its parent, or its subsidiary was a party, (ii) in which an “interested person” had a direct or indirect material financial interest, and (iii) which involved more than \$50,000, or was one of a number of transactions with the same interested person involving, in the aggregate, more than \$50,000. For this purpose, an “interested person” is any Director or officer of the corporation, its parent, or subsidiary (but mere common directorship shall not be considered such an interest).

The statement shall include a brief description of the transaction, the names of interested persons involved, their relationship to the corporation, the nature of their interest in the transaction and, if practicable, the amount of that interest, provided that if the transaction was with a partnership in which the interested person is a partner, only the interest of the partnership need be stated.

- (b) Any indemnification or advances aggregating more than \$10,000 paid during the fiscal year to any officer or Director of the corporation under Article VII of these Bylaws.

Section 4. YEAR END REPORT. Within 120 days after the close of the fiscal year, a year-end report consisting of at least the following shall be distributed to Directors:

- (i) A balance sheet as of the end of the fiscal year;
- (ii) An operating (income) statement for the fiscal year;
- (iii) A statement of changes in financial position for the fiscal year;
- (iv) Any information required to be reported under section 6322 of the Corporations Code requiring the disclosure of certain transactions in excess of \$50,000 per year between the corporation and any director or officer of the corporation and indemnifications and advances to officers or directors in excess of \$10,000 per year.

The annual report shall be prepared by an independent accountant. If the annual report is not prepared by an independent accountant it shall be accompanied by the certificate of an authorized officer of the corporation that the statement was prepared without an audit from the books and records of the corporation.

## Article XI OTHER PROVISIONS

Section 1. AMENDMENT OF BYLAWS. The Board may adopt, amend, or repeal these Bylaws, provided that any such amendment does not conflict with the provisions of the charters that created the charter school(s) operated by this Corporation, the Articles of Incorporation, or with any laws.

Section 2. FISCAL YEAR. The fiscal year of the corporation shall be from July 1<sup>st</sup> through June 30<sup>th</sup> of each year.

Section 3. CONSTRUCTION AND DEFINITIONS. Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the California Nonprofit Corporation Law shall govern the construction of these Bylaws.

Section 4. ANNUAL STATEMENT OF GENERAL INFORMATION. As and when required by section 6210 of the California Nonprofit Corporation Law, the corporation shall file with the Secretary of State of California, on the prescribed form, a statement setting forth the authorized number of directors, the names and complete business or residence addresses of all incumbent directors, the names and complete business or residence addresses of the chief executive officer, secretary and chief financial officer, the street address of its principal office in this state, together with a designation of the agent of the corporation for the purpose of service of process.

**CERTIFICATE OF SECRETARY**

I certify that I am the duly elected and acting Secretary of Independent Paths to Learning, Inc., a California nonprofit public benefit corporation; that these bylaws, consisting of the foregoing 15 pages, are the revised bylaws of this corporation as adopted by the board of directors on July 11, 2002; and that these bylaws have been amended or modified since that date.

Executed on 12<sup>th</sup> day of March, 2009 at Santa Rosa, California.

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Secretary of the Board