

**AMENDED AND RESTATED BYLAWS OF THE  
PENNSYLVANIA COALITION OF PUBLIC CHARTER SCHOOLS**  
(a Pennsylvania nonprofit corporation)

**ARTICLE I**  
**NAME**

Section 1.01. NAME. The name of the corporation is the PENNSYLVANIA COALITION OF PUBLIC CHARTER SCHOOLS (the “Coalition”).

Section 1.02. ADDRESS. The principal office of the Coalition shall be 5103 Maple Leaf Court, Mechanicsburg, PA 17055.

Section 1.03. FISCAL YEAR. The fiscal year of the Coalition shall commence on July 1<sup>st</sup> of each year.

**ARTICLE II**  
**MISSION AND PURPOSE**

Section 2.01. MISSION. The Coalition’s purpose is to advocate, communicate, engage in coalition building, support an environment conducive to the growth of Pennsylvania’s charter movement, and provide services to its charter school members aimed at increasing school quality, enhancing student performance, and improving internal operations.

Section 2.02. PURPOSE. The Coalition is a nonprofit corporation established under the laws of the Commonwealth of Pennsylvania. The purposes for which the Coalition is organized and shall be operated are exclusively charitable and educational within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”), and, in furtherance of the purposes as set forth in the Corporation’s Articles.

**ARTICLE III**  
**NOTICE - WAIVERS - MEETINGS GENERALLY**

Section 3.01. MANNER OF GIVING NOTICE.

(a) General Rule. Whenever written notice is required to be given to any person under the provisions of Pennsylvania law, the Coalition’s Articles of Incorporation (the “Articles”) or these Bylaws, it may be given to such person, either personally or by sending a copy thereof by first class mail, postage prepaid,

or by courier service, charges prepaid, or by facsimile transmission or email or other electronic communication, as supplied by him or her to the Coalition for the purpose of notice. If the notice is sent by mail or by courier, notice shall be deemed to have been given to the person entitled thereto when deposited in the United States mail or with a courier service for delivery to that person. Notice sent by facsimile transmission, email or other electronic communication shall be deemed given to the person entitled thereto when sent. A notice of meeting shall specify the place, day and time of the meeting and any other information required by any other provision of Pennsylvania law, the Articles or these Bylaws.

(b) Adjourned Meetings. When a meeting is adjourned, it shall not be necessary to give any notice of the adjourned meeting or of the business to be transacted at an adjourned meeting, other than by announcement at the meeting at which such adjournment is taken unless otherwise required under Pennsylvania law.

### Section 3.02. NOTICE OF MEETINGS OF BOARD.

(a) Requirement.

(1) Notice of a regular meeting under these Bylaws need not be given, except by the adoption of a resolution establishing the places, dates, and times of regular meetings; provided that a written reminder of the regular meetings will be given at least one week before the meeting.

(2) Notice of a special meeting under these Bylaws shall be given by telephone or in writing at least twenty-four (24) hours before the time at which the meeting is to be held.

(b) Content. Every required notice of a regular meeting shall state the place, date and time of the meeting, and the business to be transacted at such meeting. Unless otherwise provided by Pennsylvania law, neither the business to be transacted at, nor the purpose of, any special meeting need be specified in a notice of such special meeting.

### Section 3.03. WAIVER OF NOTICE.

(a) Written Waiver. Whenever any written notice is required to be given under the provisions of Pennsylvania law, the Articles or these Bylaws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Except as otherwise required by this subsection, neither the business to be transacted at, nor the purpose of, a meeting need be specified in the waiver of notice of such meeting. In the case of a special meeting of the Charter School

Members, such waiver of notice shall specify the general nature of the business to be transacted.

(b) Waiver by Attendance. Attendance of a person at any meeting shall constitute a waiver of notice of such meeting, except where a person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting was not lawfully called or convened.

Section 3.04. MODIFICATION OF PROPOSAL CONTAINED IN NOTICE. Whenever the language of a proposed resolution is included in a written notice of a meeting, the meeting considering the resolution may, without further notice, adopt it with such clarifying or other amendments as does not enlarge its original purpose.

Section 3.05. EXCEPTION TO REQUIREMENT OF NOTICE. Whenever any notice or communication is required to be given to any person under the provisions of Pennsylvania law, the Articles or these Bylaws, or by the terms of any agreement or other instrument or as a condition precedent to taking any corporate action, and communication with such person is then unlawful, the giving of such notice or communication to such person shall not be required.

Section 3.06. USE OF CONFERENCE TELEPHONE AND SIMILAR EQUIPMENT. One or more persons may participate in a meeting under these Bylaws, by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this section shall constitute presence in person at such meeting.

#### ARTICLE IV BOARD OF TRUSTEES

Section 4.01. POWERS; STANDARD OF CARE.

(a) General Rule. Unless otherwise provided by Pennsylvania law, all powers vested by law in the Coalition shall be exercised by or under the authority of, and the business and affairs of the Coalition shall be managed under the direction of the Board of Trustees of the Coalition (the "Board"). Unless otherwise provided in these Bylaws, the Board shall have all of the voting rights for the Coalition under the Pennsylvania Nonprofit Corporation Law.

(b) Standard of Care; Justifiable Reliance. A trustee shall stand in a fiduciary relation to the Coalition and shall perform his or her duties as a trustee,

including duties as a member of any committee of the Board upon which the trustee may serve, in good faith, in a manner the trustee reasonably believes to be in the best interests of the Coalition and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances. In performing his or her duties, a trustee shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:

- (1) One or more officers or employees or other persons of the Coalition whom the trustee reasonably believes to be reliable and competent in the matters presented.
- (2) Counsel, public accountants or other persons as to matters which the trustee reasonably believes to be within the professional or expert competence of such person.
- (3) A committee of the Board upon which the trustee does not serve, duly designated in accordance with law, as to matters within its designated authority, which committee the trustee reasonably believes to merit confidence.

A trustee shall not be considered to be acting in good faith if the trustee has knowledge concerning the matter in question that would cause his or her reliance to be unwarranted.

(c) Consideration of Factors. In discharging the duties of their respective positions, the Board, committees of the Board and individual trustees may, in considering the best interests of the Coalition, consider the effects of any action upon communities in which offices or other establishments of the Coalition are located, and all other pertinent factors. The consideration of those factors shall not constitute a violation of subsection (b) above.

(d) Presumption. Absent breach of fiduciary duty, lack of good faith or self-dealing, any action taken as a trustee or any failure to take any action shall be presumed to be in the best interests of the Coalition.

(e) Notation of Dissent. A trustee who is present at a meeting of the Board, or of a committee of the board, at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his or her dissent is entered in the minutes of the meeting or unless the trustee files a written dissent to the action with the Secretary before the adjournment thereof or transmits the dissent in writing to the secretary of the Coalition immediately after the adjournment of the meeting. The right to dissent shall not apply to a trustee who

voted in favor of the action. Nothing in this section shall bar a trustee from asserting that minutes of the meeting incorrectly omitted his dissent if, promptly upon receipt of a copy of such minutes, the trustee notifies the secretary in writing of the asserted omission or inaccuracy.

Section 4.02. QUALIFICATION OF TRUSTEES FOR THE BOARD. Each trustee of the Coalition shall be a natural person of full age, with demonstrated commitment to the mission of the organization.

Section 4.03. NUMBER AND TERM OF OFFICE.

(a) Number. The Board shall consist of not less than 10 and not more than 15 trustees. The Board shall consist of two classes of trustees: (1) Charter School Leaders, who shall be directors, executives, or board members of PA charter schools at the time of their election (“Charter School Leaders Trustee”), (2) Outside Stakeholders, who, while not serving as the director, executive or board member of a charter school, shall be champions of the mission of the Coalition (“Outside Stakeholders Trustee”). At least eight (8) trustees shall be Charter School Leaders Trustees and the remaining trustees shall be Outside Stakeholders Trustees.

(b) Term of Office/Term Limits. Charter School Leaders Trustees shall be elected to staggered terms of two (2) years commencing on July 1. Should the Charter School Leader Trustee cease to serve as director, executive or board member of a PA charter school during their term, the Charter School Leader Trustee shall be permitted to complete his/her two year term but shall not be eligible to serve for a subsequent term. Outside Stakeholders Trustees shall be elected to staggered terms of three (3) years commencing on July 1 of each year. The trustees shall serve to the expiration of the term and until a successor has been selected and qualified or until his or her earlier death, resignation or removal. Charter School Leaders Trustees shall not serve more than three consecutive (3) terms and Outside Stakeholder Trustees shall not serve more than two consecutive (2) terms.

(c) Election of Trustees. Prior to June 30 of each year, the Leaders Council shall elect Charter School Leaders Trustees whose terms are expiring. Also prior to June 30 of each year, the Board shall elect Outside Stakeholders Trustees whose terms are expiring.

(d) Resignation. Any trustee may resign at any time upon written notice to the Board’s Secretary. The resignation shall be effective upon receipt thereof by the Coalition or at such subsequent time as shall be specified in the notice of resignation.

Section 4.04. DUTIES. Trustees shall: (a) attend regularly scheduled meetings in any fiscal year; (b) provide notification of expected absence from any meeting; and (c) assist in fundraising and other efforts of the Coalition.

Section 4.05. VACANCIES. If a vacancy occurs in the office of a trustee for any reason, including an increase in the number of trustees, the Board shall select a successor, who shall hold office for the balance of the unexpired term for which the vacancy occurred.

Section 4.06. REMOVAL OF TRUSTEES. The Board may remove any trustee from office for any reason. The Board shall give written notice to such trustee prior to his or her removal. Immediate removal from the Board will be effective at the next meeting upon two (2) consecutive unexcused or three (3) total unexcused absences in the same fiscal year.

Section 4.07. PLACE OF MEETINGS. Meetings of the Board may be held at such place, within or without Pennsylvania, as the Board may from time to time designate, or as may be designated in the notice of the meeting.

Section 4.08. REGULAR MEETINGS. The Board shall hold an annual meeting by September of each calendar year, and shall hold regular meetings at such times and places as it may determine.

Section 4.09. SPECIAL MEETINGS. Special meetings of the Board shall be held whenever called by the President or in his or her absence, the Vice President.

Section 4.10. QUORUM OF AND ACTION BY TRUSTEES.

(a) General Rule. The attendance by a majority of trustees then in office shall be necessary to constitute a quorum for the transaction of business and, except as otherwise expressly provided in these Bylaws, the acts of a majority of the trustees present at a meeting at which a quorum is present shall be the acts of the Board. Trustees shall not vote by proxy.

(b) Voting Rights. Each trustee shall be entitled to one vote.

(c) Action by Written Consent. Any action which may be taken at a meeting of the trustees may be taken without a meeting if a consent or consents in writing setting forth the action so taken shall be signed by all of the trustees in office and shall be filed with the Secretary of the Coalition.

Section 4.11. COMMITTEES.

(a) Establishment and Powers. The Board may, by resolution adopted by a majority of the trustees in office, establish one or more committees to consist of at least one trustee of the Coalition and an unlimited number of additional trustees or volunteers who are not members of the Board. Any committee, to the extent provided in the resolution of the Board, shall have and may exercise all of the powers and authority of the Board, except that no such committee shall have any power or authority as to the following:

- (1) The creation or filling of vacancies in the Board.
- (2) The adoption, amendment or repeal of these Bylaws.
- (3) The amendment or repeal of any resolution of the Board.
- (4) Action on matters committed by a resolution of the Board to another committee of the Board.

(b) Committee Quorum. Unless otherwise expressly provided in the resolution of the Board establishing any committee, a majority of the members of such committee shall be necessary to constitute a quorum for the transaction of business, and the acts of a majority of the committee members present at a meeting at which a quorum is present shall be the acts of such committee.

(c) Term. Each member of a committee shall serve at the pleasure of the Board.

Section 4.12. CONFLICT OF INTEREST. Each trustee of the Coalition stands in a fiduciary relationship with the Coalition and is required to perform his or her duties in good faith, in the best interests of the Coalition and with reasonable care. In order to preserve its tax exempt status under Section 501(c) of the Internal Revenue Code of 1986, as amended, the Coalition must avoid conferring a private benefit on individuals, particularly "insiders" which includes trustees or officers of the Coalition. The Board shall adopt a Conflicts of Interest Policy. Any transaction or arrangement between an "insider" and the Coalition must be approved in accordance with the provisions of such Policy. As part of such Policy, trustees must abstain from voting on financial, business and related matters affecting family members or other close relatives.

## ARTICLE V OFFICERS

Section 5.01. OFFICERS GENERALLY.

(a) Number, Qualifications and Designation. The officers of the Coalition shall be a President, a Vice-President, a Secretary, a Treasurer, and such other officers as may be elected in accordance with the provisions of this Section 5.01 and Section 5.02. All officers shall be trustees of the Coalition.

(b) Resignations. Any officer may resign at any time upon written notice to the Coalition. The resignation shall be effective upon receipt thereof by the Coalition or at such subsequent time as may be specified in the notice of resignation.

(c) Bonding. The Coalition may secure the fidelity of any or all of its officers by bond or otherwise.

(d) Standard of Care. An officer shall perform his or her duties as an officer in good faith, in a manner he or she reasonably believes to be in the best interests of the Coalition and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances.

Section 5.02. ELECTION AND TERM OF OFFICE. The officers of the Coalition shall be elected by the Board at its annual meeting, and each such officer shall hold office for a term of one (1) year beginning immediately upon election and until a successor has been selected and qualified or until his or her earlier death, resignation or removal.

Section 5.03. NO CONTRACT RIGHTS. Election or appointment of an officer or agent shall not of itself create any contract rights in the officer or agent.

Section 5.04. REMOVAL OF OFFICERS. Any officer of the Coalition may be removed at any time by the Board for failing to attend meetings or to perform the duties of his or her office. The Board must give written notice to such officer prior to such removal.

Section 5.05. VACANCIES. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause, shall be filled by the Board and if the office is one for which these Bylaws prescribe a term, shall be filled for the unexpired portion of the term.

Section 5.06. AUTHORITY. All officers of the Coalition, as between themselves and the Coalition, shall respectively have such authority and perform such duties in the management of the property and affairs of the Coalition as are provided in these Bylaws or may be provided by or pursuant to resolutions or orders of the Board.

Section 5.07. THE PRESIDENT. If elected, the President shall preside at all meetings of the Board, shall serve as an ex-officio member of all committees, except for the Leaders Council's Nominating Committee, shall appoint committee chairs and shall perform such other duties as may from time to time be requested by the Board.

Section 5.08. THE VICE PRESIDENT. The Vice President shall perform the duties of the President in his or her absence, and shall perform such other duties as may from time to time be requested by the Board.

Section 5.09. THE SECRETARY. The Secretary shall record all votes of the trustees and the minutes of the meetings of the Board in a book, books or electronic filing to be kept for that purpose; shall see that notices are given and records and reports properly kept and filed by the Coalition as required by law; shall be the custodian of the seal of the Coalition and see that it is affixed to all documents which are to be executed on behalf of the Coalition under its seal; and, in general, shall perform all duties incident to the office of secretary, and such other duties as may from time to time be assigned by the Board or the President.

Section 5.10. THE TREASURER. The Treasurer shall have or provide for the custody of the funds or other property of the Coalition; shall collect and receive or provide for the collection and receipt of monies earned by or in any manner due to or received by the Coalition; shall deposit all funds in his custody as treasurer in such banks or other places of deposit as the Board may from time to time designate; shall, whenever so required by the Board, render an account showing all transactions as treasurer and the financial condition of the Coalition; and, in general, shall discharge such other duties as may from time to time be assigned by the Board or the President.

Section 5.11 EXECUTIVE DIRECTOR. The Coalition shall have an Executive Director who shall:

- (a) shall have general and active management of the business of the Coalition;
- (b) have such other duties and powers as the Board may from time to time determine;
- (c) have the executive and administrative responsibility for carrying out the programs of the Coalition as directed by and in accordance with the policies formulated and adopted by the Board and shall be directly responsible to the Board through the President;

(d) make regular reports to the Board concerning the work of the Coalition and shall attend all meetings of the Board, with voice but without vote; and

(e) shall be an ex-officio member of all committees of the Board with voice but without vote.

ARTICLE VI  
MEMBERSHIP

Section 6.01. CLASSES OF MEMBERSHIP. The Coalition shall be two (2) classes of membership:

(a) Charter School Members.

- (1) Charter School Membership shall be open to any Pennsylvania charter school which pays membership dues and meets other requirements that may be set by the Board from time to time (hereinafter referred to as a "Charter School Member").
- (2) Each Charter School Member shall designate two (2) authorized representatives, one of which is an Administrator of the Charter School Member and the other which is a member of the Charter School Member's Board of Trustees to represent such member under these Bylaws.
- (3) Each Charter School Member shall be entitled to one (1) vote in the election of members to the Leaders Council. Charter School Members shall have no other voting rights under these Bylaws; and
- (4) Each Charter School Member shall designate which of their authorized representatives shall vote on behalf of the Charter School Member, and shall provide the Coalition with notice in writing of the designated representative by September 1<sup>st</sup> of each year.

(b) Associate Members.

- (1) Associate Membership shall be open to any person, parent, student, organization, business entity or other individual(s) interested in supporting the purpose of the Coalition, paying dues and meeting other requirements that may be set by the Board from time to time; and
- (2) Associate Members shall be honorary members without any voting privileges.

Section 6.02. MEMBERSHIP DUES. Membership dues for each membership class shall be established by the Board and provided to members no later than March 31. Membership dues for all members shall be paid annually prior to June 30 which is the commencement of the Coalition's fiscal year.

ARTICLE VII  
LEADERS COUNCIL FOR THE COALITION

Section 7.01. LEADERS COUNCIL FOR THE COALITION

- (a) Purpose. The Coalition shall establish a Leaders Council. The Leaders Council will have three primary roles. (1) To elect Charter School Leaders Trustees to the Board (2) To provide critical input and advice to the Coalition's staff about programs and services including particularly any annual conference held and professional development services offered; (3) To enable the Coalition to speak collectively for charter schools in Pennsylvania.
- (b) Election of the Leaders Council.
- (1) The Leaders Council shall be comprised of twenty (20) members selected by the Charter School Members .
  - (2) The Leaders Council shall be structured to represent the various geographical regions in Pennsylvania as determined by the Board from time to time. The Leaders Council shall be comprised as follows: six (6) from the Philadelphia Region; three (3) from the Eastern Region; three (3) from the Central Region; four (4) from the Western Region; one (1) from the Cyber Western Region; one (1) from the Cyber Eastern Region; and two (2) representatives of charter school governance (the "Council Members").
  - (3) The elections to fill any vacancies on the Leaders Council opened by the end of a term of a Council Member shall be held annually during the Spring by the Charter School Members at a date and on a ballot prepared at the recommendation of the Leaders Council.
  - (4) To prepare for the elections of Leaders Council Members, the Leaders Council shall prepare a list of the designated representatives from each member school authorized to vote on behalf of the Charter School Member. Such list shall be provided to Charter School Members at least two (2) months before the elections.
  - (5) Newly elected Leaders Council Members shall thereafter serve three (3) year terms, commencing on the day following their election. No Council Member may serve more than two (2) consecutive terms. Effective July 1, 2018 no Council Member may also serve as a member of the Board of Trustees simultaneously.

(c) Officers of the Leaders Council.

- (1) The Leaders Council will elect a Chair and Secretary from within itself. Only Council Members can serve as Officers.
- (2) The Chair shall oversee the operations of Council, preside at meetings, and shall perform such other duties as may from time to time be requested by the Leaders Council.
- (3) The Secretary shall record all votes of the Leaders Council and the minutes of the meetings of the Leaders Council in a book or books to be kept for that purpose.
- (4) Officers shall be elected from the Council by the Council Members to serve a one (1) year term, beginning on the first full day following election and ending one (1) year later after their successor officer is duly elected. No Council Member may serve as an officer for more than four (4) terms.

(d) Vacancies on the Leaders Council or its Officers.

- (1) If a vacancy occurs on the Leaders Council for any reason, the Leaders Council shall elect a successor based on the recommendations of the Leaders Council's Nominating Committee. A Council Member elected to fill a vacancy shall hold office for the unexpired term for the vacancy being filled.
- (2) Where a Council Member or officer ceases to be a Council Member or officer by virtue of the authorized representatives' termination of services with the Charter School Member for any reason, the Charter School Member shall appoint a replacement authorized representative, but such replacement representative shall not serve as an officer unless specifically nominated by the Nominating Committee and duly appointed by the Leaders Council in accordance with these Bylaws.

(e) Meetings and Activities of the Leaders Council and Charter School Members.

- (1) Annual Meeting of the Leaders Council and Charter School Members: The annual meeting of Leaders Council and Charter School Members shall be held in April or May of each year, or as soon thereafter as practicable. This meeting shall be for the purpose of reporting on the actions of the Leaders Council; elect Council Members; establishing goals and policies, and such other business as may come before the

Charter School Members. The meeting schedule and agenda shall be determined by the Chair in consultation with other members the Leaders Council. Notice of the annual meeting shall be given at least two (2) months prior to the scheduled meeting date. The annual meeting of Leaders Council shall be presided by the Chair and be open to all Charter School Members and Associate Members.

- (2) Regular Meetings of the Leaders Council: Regular meetings of the Leaders Council shall be held at least quarterly at such place and time as determined by the Leaders Council, or with such frequency as reasonably necessary for the efficient operation of the Coalition. Notice of a regular meeting of the Leaders Council need not be given, except by the adoption of a resolution by the Leaders Council establishing the places, dates, and times of regular meetings; provided that the Secretary of the Leaders Council shall provide a written reminder of the regular meetings at least one week before the meeting.
- (3) Special Meetings: Special meetings of the Leaders Council or Charter School Members shall be held whenever called by the Chair. Notice of a special meeting of the Leaders Council or Charter School Members shall be given to each member of Leaders Council or Charter School Member by telephone or in writing at least twenty-four (24) hours before the time at which the meeting is to be held.
- (4) Quorum Of And Action By Leaders Council or Charter School Members: The attendance by a majority of Council Members then in office or Charter School Members shall be necessary to constitute a quorum for the transaction of business and the acts of a majority of the Council Members or the Charter School Members present at a meeting at which a quorum is present shall be the acts of the Leaders Council or the Charter School Members. Council Members shall not vote by proxy. A Charter School Member may vote by proxy. Each Council Member or Charter School Member shall be entitled to one vote. Any action which may be taken at a meeting of the Leaders Council or Charter School Members may be taken without a meeting if a consent or consents in writing setting forth the action so taken shall be signed by all of the Council Members in office or Charter School Members and shall be filed with the Secretary of the Leaders Council.
- (5) Committees of the Leaders Council: There shall be standing and special committees as the Leaders Council may determine from time to time.

ARTICLE VIII  
LIMITATION OF TRUSTEES' LIABILITIES AND INDEMNIFICATION

Section 8.01. LIMITATION OF LIABILITY. To the fullest extent permitted by Pennsylvania law, trustees and officers of the Coalition, the Coalition's Executive Director, Council Members and officers of the Leaders Council shall not be personally liable to the Coalition or others for monetary damages for any action taken or any failure to take any action, unless the trustees or officers have breached or failed to perform the duties of his or her office and such breach or failure constitutes self-dealing, willful misconduct or recklessness. The provisions of this Section 8.01 shall not apply with respect to the responsibility or liability of a trustee under any criminal statute or the liability of a trustee or officer for the payment of taxes pursuant to local, state or federal law.

Section 8.02. INDEMNIFICATION.

(a) Definitions. For purposes of this Section 8.02:

(1) "Liability" means any compensatory, punitive or other damages, judgment, amount paid in settlement, fine, penalty, excise tax assessed with respect to an employee benefit plan, and cost or expense of any nature whatsoever, including without limitation attorneys' fees and costs of Proceedings;

(2) "Indemnified Capacity" means any and all past, present and future service by a Representative in one or more capacities:

(A) as a trustee, officer, the Coalition's Executive Director, Council Member, Officer of the Leaders Council, employee or agent of the Coalition, or

(B) at the request of the Coalition, as a director, officer, employee, agent, director or fiduciary of another corporation or any partnership, joint venture, trust, employee benefit plan, or other entity, enterprise or undertaking, including service as a representative that imposes duties on or involves service by the representative with respect to an employee benefit plan, its participants or beneficiaries;

(3) "Proceeding" means any threatened, pending or completed action, suit, appeal or other proceeding of any nature, whether civil, criminal, administrative or investigative, and whether formal or informal, and whether brought by or in the right of the Coalition, or otherwise; and

(4) "Representative" means any person who (i) serves or has served as a trustee, officer, the Coalition's Executive Director, Council Member, Officer of the Leaders Council, employee or agent of the Coalition,

or (ii) has been expressly designated by the Board as a Representative of the Coalition for purposes of and entitled to the benefits under this Section 8.02.

(b) Indemnification. Subject to the subsequent provisions of this subsection (b) and of subsection (c) below, the Coalition shall indemnify a Representative against any Liability actually and reasonably incurred by the Representative in connection with any Proceeding in which he or she may be involved as a party or otherwise by reason of the fact that the Representative is or was serving in an Indemnified Capacity, including without limitation any Liability resulting from an actual or alleged breach or neglect of duty, error, misstatement or misleading statement, negligence, gross negligence, or act or omission giving rise to strict or products liability, except to the extent: (i) the conduct of the Representative is determined by a court to have constituted willful misconduct or recklessness; (ii) the conduct of the Representative is based upon or attributable to his or her receipt from the Coalition of a personal benefit to which the person is not legally entitled; (iii) the liability of a Representative is with respect to the administration of assets held by the Coalition in trust pursuant to Section 5547 of the Pennsylvania Nonprofit Corporation Law of 1988, as amended; or (iv) such indemnification is expressly prohibited by applicable law or otherwise is unlawful.

The Coalition shall indemnify a Representative under the preceding provisions of this subsection (b) only if the Representative acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Coalition and, with respect to any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any Proceeding by judgment, order, settlement or 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 that he or she reasonably believed to be in, or not opposed to, the best interests of the Coalition and, with respect to any criminal proceedings, had reasonable cause to believe that his or her conduct was unlawful. If applicable, action with respect to an employee benefit plan taken or omitted in good faith by a Representative in a manner that he or she reasonably believed to be in the best interests of the participants and beneficiaries of the plan shall be deemed to be action in a manner that is not opposed to the best interests of the Coalition.

The Coalition shall not indemnify a Representative under the preceding provisions of this subsection (b) with respect to any claim, issue or matter as to which the Representative has been adjudged to be liable to the Coalition in a Proceeding brought by or in the right of the Coalition to procure a judgment in its favor, unless (and then only to the extent) that the court of common pleas of the judicial district embracing the county in which the Coalition's registered office is located or the court in which the action was brought determines upon application

that, despite the adjudication of Liability but in view of all of the circumstances of the case, the Representative is fairly and reasonably entitled to indemnification from the Coalition for the expenses that such court deems proper.

Unless ordered by court, any indemnification of a Representative under preceding provisions of this subsection (b) shall be made by the Coalition only upon a determination made in the specific case that such indemnification of the Representative is proper in the circumstances because he or she has met the applicable standard of conduct set forth in the preceding provisions of this paragraph. Such determination shall be made by two-thirds vote of the Board then in office.

To the extent that a Representative has been successful on the merits or otherwise in defense of any proceeding referred to in Section 5741 or Section 5742 of the Pennsylvania Nonprofit Corporation Law of 1988, as amended, or in defense of any claim, issue or matter therein, such Representative shall be indemnified by the Coalition against expenses (including without limitation attorneys' fees and costs of Proceedings) actually and reasonably incurred by such person in connection therewith.

If a Representative is entitled to indemnification under this subsection (b) in respect to a portion, but not all, of a Liability to which the Representative is subject, the Coalition shall indemnify the Representative to the maximum extent for such portion of the Liability.

(c) Limitation on Indemnification. Notwithstanding any other provision of this Section 8.02, the Coalition shall not indemnify a Representative under this Section 8.02 for any Liability incurred in a Proceeding which was initiated by the Representative (which shall not be deemed to include counter-claims or affirmative defenses) or in which the Representative participated as an intervenor or amicus curiae, unless such initiation of or participation in the Proceeding is authorized, either before or after its commencement, by the two-thirds vote of the Board then in office.

(d) Advancement of Expenses. The Coalition shall pay, in advance of the final disposition of a Proceeding described in subsection (b) above or the initiation of or participation in a Proceeding authorized under subsection (c) above, the expenses (including without limitation attorneys' fees and costs of Proceedings) incurred in good faith in connection with such Proceeding by the Representative who is involved in the Proceeding by reason of the fact that he or she is or was serving in an Indemnified Capacity. Such advancement of expenses shall be made by the Coalition upon its receipt of an undertaking, satisfactory to the Coalition, by or on behalf of the Representative to repay to the Coalition the

amounts advanced by the Coalition in the event it is ultimately determined that the Representative is not entitled to indemnification under this Section 8.02.

(e) Insurance. To effect, secure or satisfy the indemnification and contribution obligations of the Coalition, whether under this Section 8.02 or otherwise, the Coalition from time to time may self-insure, obtain and maintain insurance or letters of credit, create a reserve, trust, escrow, cash collateral or other fund or account, enter into indemnification agreements, pledge or give a mortgage upon or a security interest in any property of the Coalition, or use any other mechanism or arrangement, in such amounts, at such costs, and upon such other terms and conditions as and when the Board shall determine. Absent fraud, the determination of the Board with respect to such matters shall be conclusive against all security holders, officers and directors, and shall not be subject to avoidance or voidability.

(f) Payment of Expenses. A person who is entitled to indemnification or advancement of expenses from the Coalition under this Section 8.02 shall receive such payment or advancement promptly after the person's written request therefor has been delivered to the Secretary of the Coalition.

(g) Interpretation. The provisions of this Section 8.02 shall constitute and be deemed to be a contract between the Coalition and its Representatives, pursuant to which the Coalition and each such Representative intend to be legally bound. Each person serving as a Representative shall be deemed to be doing so in reliance upon the rights provided by this Section 8.02. The rights granted by this Section 8.02 shall not be deemed exclusive of any other rights to which persons seeking indemnification, advancement of expenses or contribution under this Section 8.02 may be entitled under any statute, agreement, vote of the Board or disinterested trustees of the Board, or otherwise, both as to action in an Indemnified Capacity and as to action in any other capacity. The rights to indemnification, advancement of expenses and contribution provided by this Section 8.02 shall continue as to a person who no longer serves as a Representative, and shall inure to the benefit of his or her heirs and personal and legal representatives.

Section 8.03. EFFECT OF AMENDMENT. Any repeal or modification of this Article VIII shall be prospective only, and shall not adversely affect any limitation on the personal liability of a trustee of the Coalition or any right of any person to indemnification from the Coalition with respect to any action or failure to take any action occurring prior to the time of such repeal or modification.

ARTICLE IX  
MISCELLANEOUS

Section 9.01. SEAL. The Corporate seal shall have inscribed thereon the name of the Coalition, the year of its organization, and the words "Corporate Seal, Pennsylvania".

Section 9.02. CHECKS. All checks, notes, bills of exchange or other orders in writing shall be signed by the Treasurer, President or other agent of the Coalition appointed by the Board.

Section 9.03. CONTRACTS.

(a) General Rule. Except as otherwise provided by Pennsylvania law, the Board may authorize any officer or agent to enter into any contract or to execute or deliver any instrument on behalf of the Coalition, and such authority may be general or confined to specific instances.

(b) Statutory Form of Execution of Instruments. Any note, mortgage, evidence of indebtedness, contract or other instrument in writing, or any assignment or endorsement thereof, executed or entered into between the Coalition and any other person, when signed by two or more officers or agents having actual or apparent authority to sign it, but must have the signature of the President or Vice President and the Secretary or Treasurer of the Coalition, shall be held to have been properly executed for and in behalf of the Coalition. Such fact shall be without prejudice to the rights of the Coalition against any person who shall have executed the instrument in excess of his actual authority.

(c) Seal. Except as otherwise required by Pennsylvania law, the affixation of the corporate seal shall not be necessary to the valid execution, assignment or endorsement by the Coalition of any instrument in writing.

Section 9.04. DEPOSITS AND WITHDRAWALS. All funds of the Coalition shall be deposited from time to time to the credit of the Coalition in such banks, trust companies or other depositories as the Board may approve to designate, and all such funds shall be disbursed only upon the authorized signature of the Treasurer and President.

Section 9.05. CORPORATE RECORDS. The Coalition shall keep appropriate, complete and accurate books or records of account in accordance with generally accepted accounting principles consistently applied, minutes of the proceedings of the trustees, and a copy of these Bylaws, including all amendments thereto to date, certified by the Secretary of the Coalition. All such records shall be kept at the registered office of the Coalition in Pennsylvania or at its principal

place of business. Any books, minutes or other records may be in written form or any other form capable of being converted into written form within a reasonable time.

Section 9.06. ANNUAL REPORT.

(a) Contents. The Coalition shall present annually to the Charter School Members a report showing in appropriate detail the following:

- (1) The assets and liabilities, including the trust funds, of the Coalition as of the end of the fiscal year immediately preceding the date of the report.
- (2) The principal changes in assets and liabilities, including trust funds, during the year immediately preceding the date of the report.
- (3) The revenue or receipts of the Coalition, both unrestricted and restricted to particular purposes, for the year immediately preceding the date of the report, including separate data with respect to each trust fund held by or for the Coalition.
- (4) The expenses or disbursements of the Coalition, for both general and restricted purposes, during the year immediately preceding the date of the report, including separate data with respect to each trust fund held by or for the Coalition.

(b) Place of Filing. The annual report of the Board shall be filed with the minutes of the meetings of the Board.

Section 9.07. DISSOLUTION OF COALITION. In the event of dissolution of the Coalition, any surplus property remaining after the payment of its debts shall be distributed in accordance with the Articles.

ARTICLE X  
AMENDMENTS

The Board may alter, amend and repeal, in whole or in part, these Bylaws or the Articles at any meeting of the Board at which a quorum is present, by two-thirds vote of those trustees present at said meeting; provided, however, that no amendment may be made to Article VI, Membership, Article VII, Leaders Council for the Coalition, or any changes to the number or qualification of the Board as set forth in Section 4.02 or Section 4.03 of Article IV of these Bylaws unless such amendment is approved by a vote of majority of the Leaders Council Members then in office.

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END

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