

BYLAWS

OF

**Old Town Academy K-8
Charter School**

Revised and Approved, May 16, 2018

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**BYLAWS OF
OLD TOWN ACADEMY K-8 CHARTER SCHOOL
Revised December 16, 2015**

**ARTICLE I
Name**

The name of the corporation is Old Town Academy K-8 Charter School (hereafter “the corporation” or “Old Town Academy”).

**ARTICLE II
Purposes**

The corporation is organized for the public and educational purposes as specified in its Articles of Incorporation.

**ARTICLE III
Offices**

Section 1. Principal Office.

The corporation’s principal office for the transaction of the activities and affairs of the corporation shall be located at 2120 San Diego Avenue, San Diego, California 92110. The Board of Directors of the corporation ("Board" or “Governing Board”) is granted full power and authority to change the principal office from one location to another within California.

Section 2. Other Offices.

Branch or subordinate offices may at any time be established by the Board at any place or places where the corporation is qualified to do business.

**ARTICLE IV
Membership**

Section 1. No Members.

Unless and until these Bylaws are amended to provide otherwise, this corporation shall have no statutory members, as the term “member” is defined in California Corporations Code, Section 5056. Any action which would otherwise by law require approval by a majority of all members or approval by the members shall require only approval of the Board. All rights which would otherwise by law vest in the members shall rest in the Board.

Section 2. Associates.

Nothing in this Article shall be construed to limit the corporation’s right to refer to persons associated with it as “members” even though such persons are not members, and no such reference by the corporation shall render anyone a member within the meaning of California Corporations Code, Section 5056. Such individuals may originate and take part in the

discussion of any subject that may properly come before any meeting of the Board, but may not vote. The corporation may confer, by amendment of its Articles of Incorporation or of these Bylaws, some or all of a member's rights, set forth in the California Nonprofit Corporation Law, upon any person who does not have the right to vote for the election of Directors, on a disposition of substantially all of the assets of the corporation, on a merger, on a dissolution, or on changes to the corporation's Articles of Incorporation or Bylaws, but no such person shall be a member within the meaning of Section 5056. The Board may also, in its discretion, without establishing memberships, establish an advisory council or honorary board or such other auxiliary groups as it deems appropriate to advise and support the corporation.

ARTICLE V

Board of Directors

Section 1. Powers.

Subject to the provisions and limitations of the California Corporations Code, Section 5110 et seq., any other applicable laws, the corporation's Articles of Incorporation, and these Bylaws, the activities and affairs of the corporation shall be conducted and all corporate powers shall be exercised by or under the direction of the Board. The Board may delegate the management of the corporation's activities to any person(s), management company, or committees, however composed, provided that the activities and affairs of the corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board. No assignment, referral or delegation of authority by the Board or anyone acting under such delegation shall preclude the Board from exercising full authority over the conduct of the corporation's activities, and the Board may rescind any such assignment, referral or delegation at any time.

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

i. To select and remove all of the officers, agents and employees of the corporation; to prescribe powers and duties for them which are not inconsistent with law, the corporation's Articles of Incorporation or these Bylaws; to fix their compensation; and to require security from them for faithful service;

ii. To conduct, manage, and control the affairs and activities of the corporation and to make such rules and regulations therefor which are not inconsistent with law, the corporation's Articles of Incorporation or these Bylaws;

iii. To adopt, make, and use a corporate seal and to alter the form of the seal from time to time;

iv. To borrow money and incur indebtedness for the purposes of the corporation, and to cause to be executed and delivered therefor, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, and other evidences of debt and securities therefore;

v. To carry on a business and apply any revenues in excess of expenses that results from the business activity to any activity in which it may lawfully engage;

vi. To act as Director under any trust incidental to the principal object of the corporation, and receive, hold, administer, exchange, and expend funds and property subject to such trust;

vii. To acquire by purchase, exchange, lease, gift, devise, bequest, or otherwise, and to hold, improve, lease, sublease, mortgage, transfer in trust, encumber, convey, or otherwise dispose of real and personal property;

viii. To assume any obligations, enter into any contracts or other instruments, and do any and all other things incidental or expedient to the attainment of any corporate purpose; and

ix. To carry out such other duties as are described in the Charter of Old Town Academy as approved by the San Diego Unified School District and the Charter Schools Act of 1992 (Education Code Section 47600 et seq.).

Section 2. Number and Qualifications of Directors.

i. The authorized number of voting Directors shall be not less than five (5) or more than eleven (11), unless changed by a duly adopted amendment to this provision. The authorized number of non-voting Directors shall be not less than one (1) and not more than (4), unless changed by a duly adopted amendment to this provision. The exact number of voting and non-voting Directors shall be fixed within these limits by a resolution of the Board and as may be set forth in a Board Appointment and Election Policy (“Board Election Policy”) adopted by the Board.

ii. The qualifications for Directors are generally the ability to attend Board meetings, a willingness to actively support and promote Old Town Academy, and a dedication to its educational philosophy, goals, and endeavors. Directors shall be appointed to represent a broad cross-section of parents and teachers of Old Town Academy and professional members of the community at large, or, if applicable, in accordance with the Board Election Policy. It is of value that some appointees of the Board are comprised of “disinterested parties,” which means persons who are not parents, grandparents, guardians, staff, students, employees or contractors of OTA. Selection of disinterested parties will allow for continued growth and maturation of OTA and will help ensure creative thinking and a diverse board of directors.

Section 3. Appointment and Term of Office.

i. At such time as may be established by the Board Election Policy, an annual election shall be held to elect the number of voting Directors equaling a majority of the total number of authorized voting Directors, as established by the Board Election Policy. The elected Directors shall be elected by the parents and guardians of students enrolled in Old Town Academy in the applicable academic year. Parents and guardians entitled to vote at each annual election shall be determined based on the records of Old Town Academy as of the date set as the closing date for nominating candidates for election (the “Annual Nominating Date”). There shall

be two votes per student enrolled in Old Town Academy as of the Annual Nominating Date, as may be appropriately allotted to the legal parent(s) or legal guardian(s) of each enrolled student.

ii. The principal, or his or her designee, and one teacher nominated by teachers, shall serve as additional voting Directors, and one 8th grade student appointed by the Board upon nomination of the Principal (as selected from the rising 7th grade class) shall serve as an additional non-voting Director. Additional Directors, voting or non-voting, up to the total authorized number of Directors, may be appointed by majority vote of the Board.

iii. In the event that an annual election is held and there are not enough candidates elected to fill the open number of elected director positions, the Board of Directors reserves the right to appoint a Director for said position(s). At the completion of the term by said appointed Director(s), the position(s) will automatically revert back to an elected Director position.

iv. Elected Directors shall serve a term of three (3) years, (except the teacher Director), and said terms shall be staggered, as determined by lot, in accordance with the Board Election Policy. No elected or appointed Director shall serve more than two terms of service without a break in service of at least one (1) year. Directors serving more than one term must be either re-elected or re-appointed in accordance with Board Election Policy. The term of the principal is not limited. The 8th grade Director shall serve a non-renewable term of one (1) year. The terms of all appointed Directors shall be set by the Board upon appointment.

Section 4. Director Approval of Certain Corporate Actions.

The Board must approve the following actions:

- i.** The annual budget of the corporation;
- ii.** Any non-budgeted expenditures of the corporation over \$5,000;
- iii.** Any initial contract for the establishment or operation of, or licensing of rights to, a charter school;
- iv.** The approval of the sale, lease, conveyance, exchange, transfer, or other disposition of all or substantially all of the assets of the corporation;
- v.** The approval of the principal terms of a merger of the corporation with another organization;
- vi.** The approval of the filing of a petition for the involuntary dissolution of the corporation if statutory grounds for such a dissolution exist;
- vii.** The approval of the voluntary dissolution of the corporation or the revocation of such an election to dissolve it; and
- viii.** The approval of any borrowing of money.

ix. The retention or employment of any attorney, accountant, consultant or other professional for any purpose.

Section 5. Resignation.

Subject to the provisions of California Corporations Code, Section 5226, any Director may resign effective upon giving oral or written notice to the president, the secretary, or the Board, unless the notice specifies a later effective time. If the resignation is effective at a future time, a successor may be selected before such time, to take office when the resignation becomes effective. Except on notice to the California Attorney General and San Diego Unified School District, no Director may resign if the corporation would be left without at least one remaining duly elected Director.

Section 6. Vacancies.

i. A Board vacancy or vacancies shall be deemed to exist if any Director dies, resigns, or is removed, or if the authorized number of Directors is increased.

ii. Notwithstanding Section 5 of this Article, the Board may declare vacant the office of any Director who has been convicted of a felony; has been found to have breached any duty arising under California Corporations Code, Section 5230 et seq.; has been found to be of unsound mind by any court of competent jurisdiction; (teacher or principal Director) has been terminated from employment with Old Town Academy, for whatever reason; (8th grade Director) has been expelled; or (parent Director) who no longer has a child that is enrolled at Old Town Academy.

iii. A vacancy on the Board shall be filled only by resolution of the Board or if the number of Directors then in office is less than a quorum of the total number of Board members, then by (a) the unanimous consent of the Directors then in office, (b) 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 (c) a sole remaining director. Each Director so elected, appointed, or designated shall hold office until the expiration of the term of the replaced Director and continue to hold office until a qualified successor has been elected, appointed, or designated.

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

Section 7. Place of Meeting.

All meetings of the Board (annual, regular, and special) shall be held at the principal office of the corporation or within the jurisdiction, and if necessary, in addition at any other place within or without the State of California which has been designated in the notice of the meeting or, if there is no notice, by resolution of the Board.

Section 8. Requirements of Meeting.

i. Notwithstanding any other requirements contained in these Bylaws, all meetings of the Board (annual, regular, and special) shall be held in compliance with applicable requirements of the Ralph M. Brown Act (“Brown Act”) (Chapter 9 of Part I of Division 2 of the California Government Code, commencing with Section 54950).

ii. Notices of all meetings (annual, regular, and special) shall be posted on Old Town Academy property, in a place previously designated by the Board, and such notices and all documents distributed to Directors for review, discussion or action at that meeting (excluding documents relating to closed session items) shall be posted on the Old Town Academy website.

Section 9. Annual Meeting.

Annually the Board shall meet for the purpose of organization, appointment of officers, and the transaction of such other business as may properly be brought before the meeting. This meeting shall be held at a time, date and place as may be specified and noticed by resolution of the Board.

Section 10. Regular Meetings.

Regular meetings of the Board shall be held at least 10 times per calendar school year, with the times and places fixed by the Board.

Section 11. Special Meetings.

Special meetings of the Board for any purpose may be called at any time by the president, the secretary of the corporation or a written request of a majority of the members of the Board. The party calling such special meeting shall determine the place, date and time thereof.

Section 12. Notice of Special Meetings.

i. Special meetings of the Board may be held only after each Director has received twenty-four (24) hours’ notice given personally, by telephone (including a voice messaging system or other system or technology designed to record and communicate messages), telegraph, facsimile, electronic mail, or other electronic means, provided that such notice otherwise complies with the Brown Act.

ii. Any such notice shall be addressed or delivered to each Director at the Director’s address (or telephone or facsimile number, or electronic mail address, etc., as applicable) 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 (or telephone or facsimile number, or electronic mail address, etc., as applicable) is not shown on the corporation’s records or is not readily ascertainable, at the place at which the meetings of the Directors are regularly held.

iii. 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 phone, 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.

iv. 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 13. Quorum.

A majority of the Directors then in office shall constitute a quorum. Every act or decision done or made by a majority of the Directors voting at a meeting duly held at which a quorum is present is an act of the Board. If a quorum is not present at any meeting, the meeting shall be adjourned. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the Directors voting at such meeting. Directors may not vote by proxy.

Section 14. Consent to Meetings.

Except as otherwise may be provided in the Brown Act, the transactions of the Board at any meeting, however called and noticed or wherever held, shall be as valid as though done at a meeting duly held after regular call and notice if a quorum be present, and if, either before or after the meeting, each Director entitled to vote, not present in person signs a written waiver of notice, or a consent to the holding of such meeting, or approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records and made a part of the minutes of the meeting. Notice of a meeting need not be given to any Director who attends the meeting without protesting prior to or at the commencement of the meeting, the lack of notice to such Director.

Section 15. Telephonic and Electronic Video Meetings.

Members of the Board may participate in a meeting through the use of conference telephone, electronic video screen communication, or other communications equipment. Participation in a meeting through use of conference telephone constitutes presence in person at that meeting as long as all members participating in the meeting are able to hear one another. Participation in a meeting through use of electronic video screen communication or other communications equipment (other than conference telephone) constitutes presence in person at that meeting if:

i. Each member participating can communicate with all other members concurrently

ii. Each member is provided the means of participating in all matters before the Board including, without limitation, the capacity to propose, or to interpose an objection to, specific action to be taken, and

iii. The corporation has adopted and implemented some means of verifying both that the person participating in the meeting is a Director or other person entitled to participate in the meeting and that all actions of, or votes by, the Board are taken or cast only by the Directors and not by persons who are not Directors; and

iv. Said person participates in the complete discussion of the issue(s) upon which said person casts a vote.

Section 16. Adjournment.

A majority of the Directors present, whether or not a quorum is present, may adjourn any 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 scheduled for the continuation of the meeting, to the Directors who were not present at the time of the adjournment.

Section 17. Rights of Inspection.

Subject to applicable federal and state laws regarding pupil confidentiality, every Director has the absolute right at any reasonable time to inspect and copy all books, records, and documents of every kind and to inspect the physical properties of the corporation.

Section 18. Board Committees.

The president may appoint an executive committee and one or more other committees each consisting of three (3) or more Directors to serve at the pleasure of the Board, and delegate to such committee any of the authority of the Board, except with respect to:

i. The filling of vacancies on the Board or on any committee which has the authority of the Board;

ii. Any of the duties of the Board as set forth in section 4 hereof;

iii. The amendment or repeal of Bylaws or the adoption of new Bylaws;

iv. The amendment or repeal of any resolution of the Board which by its express terms is not so amendable or repealable;

v. The appointment of other committees having the authority of the Board;

vi. The expenditure of corporate funds to support a nominee for Director after there are more people nominated for Director than can be elected; or

vii. The approval of any self-dealing transaction as such transactions are defined in California Corporations Code, Section 5233(a), except as permitted under Section 24 of this Article.

Any such committee must be created, and the members thereof appointed, by resolution adopted by a majority of the number of Directors then in office, and any such committee may be designated as an executive committee or by such other name as the Board shall specify. The Board may appoint, in the same manner, alternate members to a committee who may replace any absent member at any meeting of the committee. The Board shall have the power to prescribe the manner in which proceedings of any such committee shall be conducted. In the absence of any such prescription, such committee shall have the power to prescribe the manner in which its proceedings shall be conducted. Unless the Board, such committee, or these Bylaws shall otherwise provide, the regular and special meetings and other actions of any such committee shall be governed by the provisions of Article I of these Bylaws applicable to meetings and actions of the Board. Minutes shall be kept of each meeting of each committee.

Section 19. Advisory Panels.

i. The President, subject to limitations imposed by the Board, or the Board, may create advisory panels, either standing or special, to serve the Board which do not have the powers of the Board. The President, with the approval of the Board, shall appoint members to serve on such panels, and shall designate the committee chair. If a Director is on a panel, he or she shall be the chair. Each Director member of a panel shall continue as such until the next annual election of officers and until his or her successor is appointed, unless the member sooner resigns or is removed from the panel.

ii. Meetings of a panel may be called by the President, the chair of the panel or a majority of the panel's voting members. Each panel shall meet as often as is necessary to perform its duties. Notice of a meeting of a panel may be given at any time and in any manner reasonably designed to inform the panel members of the time and place of the meeting. A majority of the voting members of a panel shall constitute a quorum for the transaction of business at any meeting of the panel. Each panel may keep minutes of its proceedings and shall report periodically to the Board. A panel may take action by majority vote.

iii. Any member of a panel may resign at any time by giving oral or written notice to the president. Such resignation, which may or may not be made contingent upon formal acceptance, shall take effect upon the date of receipt or at any later time specified in the notice. The President may, with prior approval of the Board, remove any appointed member of a panel. The President, with the Board's approval, shall appoint a member to fill a vacancy in any panel or any position created by an increase in the membership for the unexpired portion of the term.

Section 20. Fees and Compensation.

Directors and members of committees shall not receive any compensation for their services; however, the Board may approve reimbursement of a Director's actual and necessary expenses incurred in the conduct of the corporation's business.

Section 21. Nonliability of Directors.

No Director shall be personally liable for the debts, liabilities or other obligations of this corporation.

Section 22. Interested Persons.

Not more than forty-nine percent (49%) of the Directors serving on the Board may be “interested persons.” An “interested person” is:

i. Any person compensated by the corporation for services rendered to it within the previous twelve (12) months whether as a full- or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a Director as Director; and

ii. Any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law or father-in-law of any such person. However, any violation of the provisions of this Section shall not affect the validity or enforceability of any transaction entered into by the corporation.

Section 23. Standard of Care.

A Director shall perform the duties of a Director, including duties as a member of any committee of the Board upon which the Director may serve, in good faith, in a manner such Director believes to be in the best interests of the corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. In performing the duties of a Director, a Director shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by:

i. One or more officers or employees of the corporation whom the Director believes to be reliable and competent in the matters presented;

ii. Counsel, independent accountants or other persons as to matters which the Director believes to be within such person's professional or expert competence; or

iii. A committee of the Board upon which the Director does not serve as to matters within its designated authority, provided the Director believes merits confidence and the Director acts in good faith, after reasonable inquiry when the need therefor is indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted.

Section 24. Self-Dealing Transactions.

Except as provided in subsection i. below, a self-dealing transactions means transactions to which the corporation is a party and in which one or more of the Directors (“interested Director(s)”) has a material financial interest and which does *not* meet the requirements of subsection ii.a), ii.b) or ii.c) below.

i. A self-dealing transaction does not include:

a) An action by the Board fixing the compensation of a Director as a Director, officer or employee of the corporation.

b) A transaction which is part of a public or charitable program of the corporation if the transaction is:

(i) approved or authorized by the corporation in good faith and without unjustified favoritism; and

(ii) results in a benefit to one or more Directors or their families because they are in a class of persons intended to be benefited by the public or charitable program.

c) A transaction of which the interested Directors have no actual knowledge, and which does not exceed the lesser of one percent (1%) of the corporation's gross receipts for the preceding fiscal year or One Hundred Thousand Dollars (\$100,000).

ii. None of the remedies available under California Corporations Code, Section 5233(h), will be granted to a party permitted to bring an action under California Corporations Code, Section 5233(c) (with respect to a self-dealing transaction), if:

a) The Attorney General, or the court in an action in which the Attorney General is an indispensable party, has approved the transaction before or after it was consummated; or

b) The following facts are established:

(i) The corporation entered into the transaction for its own benefit;

(ii) The transaction was fair and reasonable as to the corporation at the time the corporation entered into the transaction;

(iii) Prior to consummating the transaction or any part thereof, the Board authorized or approved the transaction in good faith by vote of a majority of the Directors then in office without counting the vote of the interested Director(s), and with knowledge of the material facts concerning the transaction and the interested Director's interest in the transaction. Except as provided in subsection ii.c) below, action by a committee of the Board will not satisfy this requirement; and

(iv) Either:

A. Prior to authorizing or approving the transaction, the Board considered and in good faith determined after reasonable investigation under the circumstances that the corporation could not have obtained a more advantageous arrangement with reasonable effort under the circumstances, or

B. The corporation in fact could not have obtained a more advantageous arrangement with reasonable effort under the circumstances; and

c) The following facts are established:

(v) A committee or person authorized by the Board approved the transaction in a manner consistent with the standards prescribed for approval by the Board under subsection ii.b) above;

(vi) It was not reasonably practical to obtain approval of the Board prior to entering into the transaction; and

(vii) The Board, after determining in good faith that the conditions set forth in subparagraphs (i) and (ii) of this subsection ii.c) were satisfied, ratified the transaction at its next meeting by a vote of a majority of the Directors then in office without counting the vote of the interested Director(s).

Section 25. Interested Director's Vote.

In determining whether the Board validly met to authorize or approve a self-dealing transaction, interested Directors may be counted to determine the presence of a quorum, but an interested Director's vote may not be counted toward the required majority for such authorization, approval or ratification.

Section 26. Persons Liable and Extent of Liability.

If a self-dealing transaction has not been approved as provided in Section 24 of this Article, the interested Director(s) may be required to do such things and pay such damages as a court may provide as an equitable and fair remedy to the corporation, considering any benefit received by it and whether or not the interested Director(s) acted in good faith and with the intent to further the best interests of the corporation.

Section 27. Contracts or Transactions With Mutual Directors.

No contract or other transaction between the corporation and any domestic or foreign corporation, firm or association of which one or more of the corporation's Directors are Directors is either void or voidable because such Director(s) are present at the meeting of the Board or committee thereof which authorizes, approves or ratifies the contract or transaction if:

i. The material facts as to the transaction and as to such Director's other directorship are fully disclosed or known to the Board or committee, and the Board or committee authorizes, approves or ratifies the contract or transaction in good faith by a vote sufficient without counting the vote of the common Director(s); or

ii. As to contracts or transactions not approved as provided in subsection i. of this Section, the contract or transaction is just and reasonable as to the corporation at the time it is authorized, approved or ratified.

Notwithstanding the foregoing, this Section shall not apply to self-dealing transactions described in Section 24 of this Article.

Section 28. Corporate Loans and Advances.

The corporation shall not make any loan of money or property to or guarantee the obligation of any Director or officer.

Section 29. Annual Report.

Pursuant to California Corporations Code, Section 6321, the treasurer shall cause an annual report to be prepared and sent to each Director not later than 120 days after the close of the fiscal year. Such annual report shall be prepared in conformity with the requirements of the California Nonprofit Public Benefit Corporation Law as it may be in effect from time to time.

Section 30. Annual Statement of Certain Transactions and Indemnifications.

Pursuant to California Corporations Code, Section 6322, the corporation shall furnish an annual statement of certain transactions and indemnifications to each of the Directors no later than 120 days after the close of the fiscal year. If the corporation issues an annual report as set forth in Section 29 of this Article, this requirement shall be satisfied by including the required information, as set forth below, in such report. Such annual statement shall describe:

i. Any “covered transaction” (defined below) during the previous fiscal year of the corporation involving (a) more than five thousand dollars (\$5,000) or, (b) which was one of a number of “covered transactions” in which the same “interested person” (defined below) had a direct or indirect material financial interest, and which transactions in the aggregate involved more than five thousand dollars (\$5,000). The statement shall describe the names of any “interested persons” involved in such covered transactions, including such “interested persons” relationship to the transaction, and, where practicable, the amount of such interest; provided, that in the case of a transaction with a partnership of which the “interested person” is only a partner, only the interest of the partnership need be stated.

ii. For the purposes of this Section, a “covered transaction” is a transaction in which the corporation, its parent or its subsidiary, was a party, and in which either of the following had a direct or indirect material financial interest:

a) Any Director or officer of the corporation, or its parent or subsidiary; or

b) Any holder of more than ten percent (10%) of the voting power of the corporation, its parent or its subsidiary.

iii. The amount and circumstances of any indemnifications or advances aggregating more than ten thousand dollars (\$10,000) paid during the fiscal year of the corporation to any officer or Director of the corporation.

For purposes of this Section, any person described in either paragraph (a) or (b) of subsection ii. above is an “interested person.”

Section 31. Property Rights.

No Director shall have any right or interest in any of the corporation’s property or assets.

Section 32. General Public Agency Prohibitions Governing Certain Transactions.

Notwithstanding the foregoing Sections, nothing in this Article V shall be construed to authorize any transaction otherwise prohibited by California Government Code Section 81000 et seq., or other applicable laws.

**ARTICLE VI
Officers**

Section 1. Officers.

The officers of this corporation shall be a president, one or more vice presidents, a secretary, and a treasurer. The corporation may also have, at the discretion of the Board, one or more assistant secretaries, one or more assistant treasurers, and such other officers as may be elected or appointed by 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. Appointment of Officers.

Except as otherwise specified in Sections 3 and 9 of this Article, the officers of the corporation shall be chosen annually by the Board and each shall hold office until he or she shall resign or shall be removed or otherwise disqualified to serve, or his or her successor shall be elected and qualified. It is the goal that officers who are Board members serve not more than one (1) term as an officer, and in no event a second term in the same role.

Section 3. Subordinate Officers.

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

Section 4. President.

The president of Old Town Academy is also the chair of the Board and shall preside at Board meetings (the “Presiding Officer”) and exercise and perform such other powers and duties as required by these Bylaws and as the Board may assign from time to time. The president shall be an ex officio voting member of each Board committee.

Section 5. Vice President.

In the absence or disability of the president, the vice president (or if more than one (1) vice president is appointed, in order of their rank as fixed by the Board or if not ranked, the vice president designated by the Board) shall perform all the duties of the president and when so acting shall have all the powers of, and be subject to all of the restrictions upon, the president. The vice presidents shall have such other powers and perform such other duties as the Board may prescribe from time to time.

Section 6. Secretary.

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

Section 7. Treasurer.

The treasurer is the chief financial officer of the corporation and shall keep and maintain or cause to be kept and maintained adequate and correct accounts of the properties and business transactions of the corporation, including accounts of its assets, liabilities, receipts, disbursements, gains and losses. The books of account shall at all times be open to inspection by any Director. The treasurer shall deposit or cause to be deposited all monies and other valuables in the name and to the credit of the corporation in such depositories as may be designated by the Board. The treasurer shall disburse the funds of the corporation as shall be ordered by the Board, and shall render to the president and the Directors, upon request, an account of all transactions as treasurer. The treasurer shall present an operating statement and report to the Board on a quarterly basis. The treasurer shall have such other powers and perform such other duties as may be prescribed from time to time by the Board.

Section 8. Principal.

The principal shall be the chief executive officer of the corporation and shall, subject to the control of the Board, supervise and control the business and affairs of the corporation. The principal shall perform all duties incident to his or her office and such other duties as may be required by law, by these Bylaws, or which may be prescribed from time to time by the Board.

Section 9. Removal and Resignation.

Any officer may be removed, either with or without cause, by the Board at any time. In the case of an officer appointed by the president, the president shall also have the power of removal. Any such removal shall be without prejudice to the rights, if any, of the officer under any contract of employment. Any officer may resign at any time by giving oral or written notice to the Board, but without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 10. Vacancies.

A vacancy in any office because of death, resignation, removal, disqualification, or any other cause, shall be filled in the manner prescribed in the Bylaws for regular election or appointment to such office, provided that such vacancies shall be filled as they occur and not on an annual basis.

**ARTICLE VII
Indemnification**

Section 1. Definitions.

For the purposes of this Article, “agent” means any person who is or was a Director, officer, or employee of this corporation, or is or was serving at the request of the corporation as a Director, officer, employee or agent of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise, or was a Director, officer, employee or agent of a foreign or domestic corporation which was a predecessor corporation of this corporation or of another enterprise at the request of such predecessor corporation; and “proceeding” means any threatened, pending or completed action or proceeding, whether civil, criminal, administrative or investigative; and “expenses” includes, without limitation, attorneys’ fees and any expenses of establishing a right to indemnification under Sections 4 or 5b of this Article.

Section 2. Indemnification in Actions by Third Parties.

This corporation may indemnify any person who was or is a party or is threatened to be made a party to any proceeding (other than an action by or in the right of this corporation to procure a judgment in its favor, an action brought under California Corporations Code, Section 5233, or an action brought by the Attorney General or a person granted relator status by the Attorney General for any breach of duty relating to assets held in charitable trust) by reason of the fact that such person is or was an agent of this corporation, against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of this corporation, and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of such person was unlawful. The termination of any proceeding by judgment, order, settlement, conviction or upon a plea of *nolo contendere* or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in

a manner which the person reasonably believed to be in the best interests of this corporation or that the person had reasonable cause to believe that the person's conduct was unlawful.

Section 3. Indemnification in Actions by or in the Right of the Corporation.

This corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action by or in the right of this corporation, or brought under California Corporations Code, Section 5233, or brought by the Attorney General or a person granted regulator status by the Attorney General for breach of duty relating to assets held in charitable trust, to procure a judgment in its favor by reason of the fact that such person is or was an agent of the corporation, against expenses actually and reasonably incurred by such person in connection with the defense or settlement of such action if such person acted in good faith, in a manner such person believed to be in the best interests of the corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. No indemnification shall be made under this Section:

i. In respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to this corporation in the performance of such person's duty to the corporation, unless and only to the extent that the court in which such proceeding is or was pending shall determine upon application that, in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for the expenses which such court shall determine;

ii. Of amounts paid in settling or otherwise disposing of a threatened or pending action, with or without court approval; or

iii. Of expenses incurred in defending a threatened or pending action which is settled or otherwise disposed of without court approval, unless it is settled with the approval of the Attorney General.

Section 4. Indemnification Against Expenses.

To the extent that an agent of this corporation has been successful on the merits in defense of any proceeding referred to in Sections 2 or 3 of this Article or in defense of any claim, issue or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection therewith.

Section 5. Required Determinations

Except as provided in Section 4 of this Article, any indemnification under this Article shall be made by this corporation only if authorized in the specific case, upon a determination that indemnification of the agent is proper in the circumstances because the agent has met the applicable standard of conduct set forth in Sections 2 or 3 of this Article by:

i. A majority vote of a quorum consisting of Directors who are not parties to such proceeding; or

ii. The court in which such proceeding is or was pending upon application made by this corporation or the agent or the attorney or other person rendering services in connection with the defense, whether or not such application by the agent, attorney or other person is opposed by this corporation.

Section 6. Advance of Expenses.

Expenses incurred in defending any proceeding may be advanced by this corporation prior to the final disposition of such proceeding upon receipt of an undertaking by or on behalf of the agent to repay such amount unless it shall be determined ultimately that the agent is entitled to be indemnified as authorized in this Article.

Section 7. Other Indemnification.

No provision made by this corporation to indemnify its or its subsidiary's Directors or officers for the defense of any proceeding, whether contained in the Articles of Incorporation, Bylaws, a resolution of members or Directors, an agreement, or otherwise, shall be valid unless consistent with this Article.

Section 8. Forms of Indemnification Not Permitted.

No indemnification or advance shall be made under this Article, except as provided in Sections 4 or 5b. of this Article, in any circumstances where it appears:

i. That it would be inconsistent with a provision of the Articles of Incorporation, these Bylaws, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or

ii. That it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

Section 9. Insurance.

The corporation shall have the power to purchase and maintain insurance on behalf of any agent of this corporation against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such whether or not this corporation would have the power to indemnify the agent against such liability under the provisions of this Article; provided, however, that this corporation shall have no power to purchase and maintain such insurance to indemnify any agent of the corporation for a violation of California Corporations Code, Section 5233.

Section 10. Nonapplicability to Fiduciaries of Employee Benefit Plans.

This Article does not apply to any proceeding against any Director, investment manager or other fiduciary of an employee benefit plan in such person's capacity as such, even though such person may also be an agent of the corporation as defined in Section 1 of this

Article. The corporation shall have power to indemnify such Director, investment manager or other fiduciary to the extent permitted by California Corporations Code, Section 207(f).

Section 11. Indemnification and the California Tort Claims Act.

Notwithstanding any other provision of this Article VI, the corporation shall have the right and obligation to insure, defend, and indemnify the corporation's employees, officers, and Directors for all claims brought pursuant to the Government Code, Section 810, et seq. to the fullest extent allowed.

**ARTICLE VIII
Miscellaneous**

Section 1. Fiscal Year.

The fiscal year of the corporation shall be a fiscal year ending June 30.

Section 2. Inspection of Corporate Records.

The books of account and minutes of the proceedings of the Board, and of any executive committee or other committees of the Directors, shall be open to inspection at any reasonable time upon the written demand of any member of the Board. Such inspection may be made in person or by an agent or attorney, and shall include the right to make photocopies and extracts.

Section 3. Checks, Drafts, Etc.

All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness issued in the name of or payable to the corporation and any and all securities owned by or held by the corporation requiring signature for transfer shall be signed or endorsed by such person or persons and in such manner as from time to time shall be determined by the Board or the executive committee, if any, or by the principal or treasurer, as may be appropriate.

Section 4. Endorsement or Execution of Documents and Contracts.

Subject to the provisions of applicable law, any note, mortgage, evidence of indebtedness, contract, conveyance or other instrument in writing and any assignment or endorsement thereof executed or entered into between the corporation and any other person, when signed by the president, vice-president, the secretary, the treasurer of the corporation, or the principal shall be valid and binding on the corporation in the absence of actual knowledge on the part of the other person that the signing officer(s) had no authority to execute the same. Additionally, by resolution of the Board, general signatory authority may be granted and delegated to other persons on behalf of the corporation. Any such instruments may be signed by any other person or persons and in such manner as from time to time shall be determined by the Board, or the president. Unless so authorized, no officer, agent or employee shall have any power or authority to bind the corporation to any contract or engagement or to pledge its credit or to render it liable for any purpose or amount.

ARTICLE IX
Effective Date and Amendments

Section 1. Effective Date.

These Bylaws shall become effective immediately upon their adoption by the vote of a majority of the Board. Amendments to these Bylaws shall become effective immediately upon their adoption, unless the Board directs otherwise.

Section 2. Amendments.

These Bylaws may be amended or repealed and new Bylaws adopted only by the vote of a majority of Directors then in office.

CERTIFICATE OF ADOPTION

I, the undersigned, do hereby certify that I am the Secretary of Old Town Academy K-8 Charter School, and that the foregoing Bylaws, as amended, constitute the Bylaws of such corporation as duly adopted by the corporation's Board of Directors on December 16, 2015.

Date: _____, 2018

_____, Secretary