

**RESTATED BYLAWS OF
JULIAN CHARTER SCHOOL, INC.**

A California Nonprofit Public Benefit Corporation

March 2019

ARTICLE I

NAME: OFFICE

1. NAME. The name of this corporation is Julian Charter School, Inc.

2. PRINCIPAL OFFICE. The principal office of this corporation for the transaction of the activities and affairs of the corporation is located at 1704 Cape Horn Avenue, Julian, California 92036 ("principal office"). The mailing address for the corporation is Post Office Box 2470, Julian, California 92036. The corporation may have such other offices within the State of California as the Board of Directors ("Board") may determine or as the affairs of the corporation may require from time to time. The Board may at any time establish branch or subordinate offices at any place or places where this corporation is qualified to conduct its activities.

ARTICLE II

PURPOSES

1. This corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the California Nonprofit Public Benefit Corporation Law for charitable purposes. The specific purposes of this corporation are set forth in its Articles of Incorporation

ARTICLE III

MEMBERSHIP

1. This corporation shall have no "members" as that term is used in the California Nonprofit Public Benefit Corporation Law. All rights which would otherwise shall vest in the Board.

ARTICLE IV

DIRECTORS

1. GENERAL CORPORATE POWERS. Subject to the limitations of its Articles of Incorporation, these bylaws and such public agency laws as may be applicable to the corporation; the activities and affairs of the corporation shall be exercised by or under the direction of the Board.

2. SPECIFIC POWERS. Without prejudice to the general powers set forth in these bylaws, but subject to the same limitation, the directors shall have the power to:

- a) Exercise all powers vested in the Board under the laws of the State of California.
- b) Select and remove certain officers, agents and employees of the corporation, and to prescribe any powers and duties for such persons that are consistent with law, the articles of incorporation and these bylaws and to fix compensation.
- c) Appoint such agents and employ such other employees, including attorneys and accountants, as it sees fit to assist in the operation of the corporation, and to fix their duties and to establish their compensation.
- d) Adopt and establish rules and regulations governing the affairs and activities of the corporation, and take such steps as it deems necessary for the enforcement of such rules and regulation.
- e) Enforce all applicable provisions of the bylaws.
- f) Contract for and pay premiums for insurance and bonds (including indemnity bonds) which may be required from time to time by the corporation.
- g) Delegate Pay all taxes and charges which are or would become a lien on any portion of the corporation's properties.
- h) 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.
- i) Delegate its duties and powers hereunder to the officers of the corporation, the management company or to committees established by the Board, subject to the limitations expressed in herein.
- j) Prepare budgets and maintain a full set of books and records showing the financial condition of the affairs of the corporation in a manner consistent with generally accepted accounting principles, and at no greater than three times annually cause to have financial reports prepared and presented in open session of the Board.
- k) Open bank accounts, borrow money and incur indebtedness on behalf of the corporation and designate the signatories to such bank accounts.
- l) Bring and defend actions on behalf of the corporation so long as the action is pertinent to the operations of the corporation.

3. NUMBER AND QUALIFICATION OF DIRECTORS. The authorized number of directors shall be no less than three (3) and no more than seven (7) with the exact number to be fixed by approval of the Board within such limits. The Board will strive to have an appropriate complement of parent and community members on the Board. The number of authorized directors may be changed from time to time by an amendment of these bylaws. The sponsoring organization (s) shall be entitled but not obligated to appoint one (1) director to the Board. The remaining directors shall be elected by a majority of directors then in office.

4. TERM OF OFFICE. The term of office of all members of the board shall be two (2) years. There shall be no limit upon the number of consecutive terms to which a director may be re-appointed. Each director, including a director appointed to fill a vacancy, shall hold office until the expiration of the term for which appointed and until a successor has been appointed and qualified.

5. REMOVAL OF DIRECTORS AND FILLING VACANCIES ON THE BOARD.

a) Vacancies, Generally. A vacancy or vacancies in the Board shall be deemed to exist on the occurrence of any of the following: (i) the death, resignation or removal of the director; or (ii) an increase of the authorized number of directors.

b) Resignation of Directors. Any director may resign, which resignation shall be effective on giving written notice to the president, the secretary, or the Board, unless the notice specified a later time for the resignation to become effective. If the resignation of a director is effective at a future time, the Board may elect a successor to take office when the resignation becomes effective.

6. LIMITATIONS ON POWERS

a) Self-Dealing Transactions. Notwithstanding the powers conferred on the Board by law or these bylaws, this corporation shall not engage in any transaction which meets the definition of a "self-dealing transaction" as defined in section 5233 of the Nonprofit Public Benefit Corporation Law unless the transaction has been approved by one of the means specified in subparagraph d) of said section 5233.

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

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

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

- (i) Avoid speculation, looking instead to the permanent disposition of the funds, considering the probable income, as well as the probable safety of the corporation's capital; and

- (ii) Comply with additional standards, if any, imposed by the articles of incorporation, these bylaws or the express terms of any instrument or agreement pursuant to which the invested assets were contributed to the corporation.

ARTICLE V
MEETINGS OF THE BOARD OF DIRECTORS

1. **ANNUAL MEETING.** The Board shall hold an annual meeting for the purpose of organization, selection of officers, and the transaction of other meetings. Such meeting shall be held at such a time, date, and place as may be specified and noticed by the Board. Notwithstanding any other provision of these bylaws, to the extent required by law, all meetings of the Board shall be called, noticed and held in compliance with the provisions of the Ralph M. Brown Act ("Brown Act").
2. **REGULAR MEETINGS.** Regular meeting of the Board, including the annual meeting shall be held with notice given pursuant to the Brown Act, on such dates and at such times and places as may be fixed from time to time by the Board.
3. **SPECIAL MEETINGS.** Special meetings of the Board for any purpose may be called at any time by the president, secretary, treasurer or any two (2) directors. Notice of the time and place of special meeting shall be given to each director by one of the following methods; a) by personal delivery of written notice; b) by first-class mail, postage prepaid; c) by telephone, either directly to the director or to a person at the director's office who would reasonably be expected to communicate that notice promptly to the director; or d) electronic communication. All such notices shall be given or sent to the director's address, telephone number, or email address as shown on the records of the corporation.

Notices sent by first-class mail shall be deposited in the United States mail at least four days before the time set for the meeting. Notice given by personal delivery, telephone, email, or telegraph shall be delivered, telephoned, or given to the telegraph company at least forty-eight (48) hours before the time set for the meeting.

The notice sent shall state the time of the meeting, and the place if the place is other than the principal office of the corporation. It need not specify the purpose of the meeting.

4. **QUORUM.** A majority of the authorized number of directors shall constitute a quorum for the transaction of business, except to adjourn. Every action taken or decision made by a majority of the directors present at a duly held meeting at which a quorum is present shall be the act of the Board, subject to the more stringent provisions of the California Nonprofit Public Benefit Corporation Law, including, without limitation, those provisions relating to a) approval of contracts or transactions in which a director has a direct or indirect material financial interest, b) approval of certain transactions between corporations having common directorships, c) creation of and appointments to committees of the board, and d) indemnification of directors. A meeting at which a quorum is initially present may continue to transact business, despite the withdrawal of directors, if any action taken or decision made is approved by at least a majority of the required quorum for that meeting. Directors may not vote by proxy.
5. **PARTICIPATION IN MEETINGS BY CONFERENCE CALL:** Except as otherwise may be provided in the Brown Act, members of the Board may participate in a meeting through the use of conference telephone or similar communications equipment, so long as all directors and

attending members of the public can hear one another. Participation in a meeting pursuant to this section constitutes presence in person at such meeting.

6. COMPENSATION. Directors shall not receive any compensation for their services, however, the board may approve the reimbursement of a director's actual and necessary expenses when conducting the corporation's business. Directors may receive such reimbursement of expenses as the Board may determine by policy to be just and reasonable as to the corporation at the time that the policy is adopted. Additionally, directors will receive an expense stipend in the amount determined by the board, designed to fully or partially reimburse directors with costs associated with attendance at Board meetings.

7. STANDARD OF CARE.

a) A director shall perform the duties of a director, including duties as a member of any committee of the Board on which the director may serve, in good faith, in a manner such director believes to be in the corporation's best interests and with such care, including reasonable inquiry, as an ordinarily prudent person in a like situation would use under similar circumstances.

b) 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 of the corporation's officers or employees whom the director believes to be reliable and competent in the matters presented:

(ii) Legal counsel, independent accountants, or other persons as to matters 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, which committee the director believes to merit confidence, so long as the director acts in good faith, after reasonable inquiry.

ARTICLE VI

OFFICERS

1. OFFICERS. The officers of the corporation shall be a president, a secretary and a treasurer. The corporation may also have, at the Board's discretion, one or more assistant secretaries, and such other officers as the Board may appoint, who need not be members of the Board. Any number of offices may be held by the same person, except that neither the secretary nor the chief financial officer may serve concurrently as the president. The representative of the chartering entity may not serve as an officer of the corporation

2. ELECTION OF OFFICERS. The officers of the corporation shall be chosen annually by the Board and shall serve at the pleasure of the Board.

3. TERM OF OFFICE. The officers of the corporation shall hold office for a term or two (2) years and thereafter until their successors are chosen and qualify in their stead. Any

officer may be removed at any time, with or without cause by the affirmative vote of a majority of the Board.

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

5. PRESIDENT. Subject to the control of the Board, the president shall be the general manager of the corporation and shall supervise, direct, and control the corporation's activities, affairs, and officers. The president shall, preside at all Board meetings. The president shall have the power to hire, discharge, and fix and pay compensation of such agents, independent contractors and employees as he/she deems necessary to the operations of the corporation. The president shall have such other powers and duties as the Board or the bylaws may prescribe.

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

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

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

The treasurer shall deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the corporation with such depositories as the Board may designate, shall disburse the corporation's funds as the Board may order, shall render to the president, and the Board, when requested, an account of all transactions as treasurer and of the financial condition of the corporation, and shall have such other powers and perform such other duties as the Board or these bylaws may prescribe.

ARTICLE VII

INDEMNIFICATION OF DIRECTORS OFFICERS, EMPLOYEES AND OTHER AGENTS

I. DEFINITIONS. For the purpose of this Article VII, "agent" means any person who is or was a director, officer, or employee of the corporation, or is or was serving at the request of the corporation as a director, trustee, officer, employee or agent of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise; 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 Article VII, Sections 4 or 5(a).

2. INDEMNIFICATION IN ACTIONS BY THIRD PARTIES. The corporation shall 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 the corporation to procure a judgment in its favor, and action brought under Section 5233 of the California Nonprofit Public Benefit Corporation Law, or an action brought by the Attorney General) by reason of the fact that such person is or was an agent of the 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 the 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 the corporation or that the person had reasonable cause to believe that the person's conduct was unlawful.

3. INDEMNIFICATION IN ACTIONS BY OR IN THE RIGHT OF THE CORPORATION. The Corporation shall 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 the corporation, or brought under Section 5233 of the California Nonprofit Public Benefit Corporation Law, or brought 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 manners 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:

- a) In respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the 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;
- b) Of amounts paid in settling or otherwise disposing of a threatened or pending action, with or without court approval; or
- c) 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.

4. INDEMNIFICATION AGAINST EXPENSES. To the extent that an agent of the corporation has been successful on the merits in defense of any proceeding referred to in Article VII Section 3, any indemnification shall be made by the 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 Article VII, Section 2 and 3 by:

- a) A majority vote of a quorum consisting of directors who are not parties to such proceeding; or
- b) The court in which such proceeding is or was pending upon application made by the 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 the corporation.

5. ADVANCE OF EXPENSES. Expenses incurred in defending any proceeding may be advanced by the 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 VII.

6. OTHER INDEMNIFICATION. No provision made by the corporation to indemnify its or its subsidiary's directors or officers for the defense of any proceeding, whether contained in the articles of incorporation, these bylaws, a resolution of directors, an agreement of otherwise, shall be valid unless consistent with this Article VII. Nothing contained in this Article VII shall affect any right to indemnification to which persons other than such directors and officers may be entitled by contract or under the provisions of the California Tort Claims Act. The corporation shall have the power to indemnify, to advance expenses to, or to procure insurance for any person who is an agent of the corporation as long as such actions are consistent with this Article VII and comply with the California Public Benefit Corporation Law.

7. FORMS OF INDEMNIFICATION NOT PERMITTED. No indemnification or advance shall be made under this Article VII. Except as provided in Sections VII (4) in any circumstances where it appears:

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

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

9. NONAPPLICABILITY TO FIDUCIARIES OF EMPLOYEE BENEFIT PLANS. This Article VII does not apply to any proceeding against any trustee, investment manager or other fiduciary of an employee benefit plan in such person's capacity as such, even though such person may also be an agent of the corporation as defined in Section VII (1). The corporation shall have power to indemnify such trustee, investment manager or fiduciary to the extent permitted by subdivision (f) of Section 207 of the California General Corporation Law.

10. INDEMNIFICATION AND THE CALIFORNIA TORT CLAIMS ACT. Notwithstanding any other provision of this Article VII, 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 California Tort Claims Act (Government Code Section 810, et seq.) to the fullest extent allowed under said Act.

**ARTICLE VIII
RECORDS AND REPORTS**

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

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

3. YEAR-END REPORT. Within 120 days after the close of the fiscal year, a year-end report consisting of at least the following shall be distributed to directors:
 - a) A balance sheet as of the end of the fiscal year;
 - b) An operating (income) statement for the fiscal year;
 - c) A statement of changes in financial position for the fiscal year;
 - i. Any information required to be reported under the section 6322 of the Corporations Code requiring the disclosure of certain transaction in excess of \$50,000 per year between the corporation and any director or officer of the corporation and indemnifications and advances to officers or directors in excess of \$10,000 per year.

The annual report shall be prepared by an independent accountant for any fiscal year in which the gross income of the corporation exceeds \$75,000. If the annual report is not prepared by an independent accountant it shall be accompanied by the certificate of an authorized officer of the corporation that the statement was prepared without and audit from the books and records of the corporation.

**ARTICLE IX
OTHER PROVISIONS**

1. AMENDMENT OF BYLAWS. The Board, by majority vote of all members, may adopt, amend, or repeal these bylaws, provided that any such amendment does not conflict with Articles of Incorporation or with any laws.

2. EFFECTIVE DATE. These bylaws shall become effective immediately upon their adoption. Any amendment to these bylaws shall become effective immediately upon adoption unless the Board directs otherwise.

3. FISCAL YEAR. The fiscal year of the corporation shall be from July 1 through June 30 of each year.

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

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

CERTIFICATE OF SECRETARY

I certify that I am duly elected and acting secretary of Julian Charter School, Inc., a California nonprofit public benefit corporation, and that the foregoing Restated Bylaws, consisting of ten (10) pages are the bylaws of this corporation, as adopted by the Board of Directors on March 8, 2019, and that they have not been amended or modified since that date.

Executed on March 8, 2019, at Temecula, California.


Wendy Schroeter, Secretary

AMENDMENT DATES AND PROVISIONS

March 6, 2016 – Article II, Section 1; Article IV, Section 6