

BYLAWS
OF
OXFORD PREPARATORY SCHOOL, INC.

**ARTICLE I
PURPOSES OF THE CORPORATION**

1.1 Purposes. The Corporation is organized exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, namely to maintain and operate a preparatory high school and its programs; and generally to engage in any lawful act or activity for which nonprofit and tax-exempt corporations may be organized under Chapter 55A of the North Carolina General Statutes and Section 501(c)(3) of the Internal Revenue Code of 1986 or the corresponding provisions of any future state or federal laws.

**ARTICLE II
OFFICES**

2.1 Principal Office. The principal office of the Corporation shall be located in Oxford, North Carolina or such other place as is designated by the Board of Directors.

2.2 Registered Office. The registered office of the Corporation required by law to be maintained in the State of North Carolina may be, but need not be, identical within the principal office.

2.3 Other Offices. The Corporation may have offices at such other places, either within or without the State of North Carolina, as the Board of Directors may from time to time determine or as the affairs of the Corporation may require.

**ARTICLE III
MEMBERSHIP**

3.1 Members. The Corporation shall not have members.

**ARTICLE IV
DIRECTORS**

4.1 General Powers. All corporate powers shall be exercised by or under the authority of, and the business and affairs of the Corporation shall be managed by, the Board of Directors or by such committees as the Board of Directors may establish pursuant to these Bylaws.

4.2 Number, Term and Qualification. The number of directors of the Corporation shall be not less than seven (7) nor more than eleven (11) as may be fixed or changed from time to time, within the minimum and maximum, by the Board of Directors. Each director shall hold office until the next meeting of the Board of Directors following the director's election or upon his death,

resignation, retirement, removal, disqualification or his successor is elected and qualifies. Directors must be residents of the State of North Carolina. The School Director shall be an ex-officio member of the Board of Directors, but shall not be entitled to vote.

4.3 Election of Directors. The directors shall be elected by the Board of Directors.

4.3A Student Members of Board of Directors.

(a) Purpose:

To ensure direct student representation in the Oxford Preparatory School Governing Board's policy process, foster civic engagement among the student body, and engage students in advocating for their own concerns, ideas, and suggestions.

(b) Role:

To serve as non-voting Student Representatives to the Oxford Preparatory School Governing Board at all open sessions, and to act as the liaisons between the student body and Governing Board.

(c) Appointment, Selection, and Duties:

Two students of Oxford Preparatory School shall be appointed by the Board of Directors to serve as ex-officio members of the Board of Directors. The student Board members will be able to attend all regular Board meetings and participate in Board discussions. However, the student Board members shall not be entitled to vote.

The two student Board members shall serve the same annual term as the Board of Directors. In the Board member's sole discretion, a student may be elected for multiple terms of service.

The selection process for the election of student Board members shall be determined by a committee consisting of the officers of the Board of Directors, which process may be amended from time to time. The Executive Director shall serve as an ex-officio member of this committee. In addition, the Board officers shall use their best efforts to consult with the faculty and student leaders during this process.

All qualifications, selection processes, and duties shall be in writing and approved by the Board of Directors. Such writings shall be incorporated by reference into the Bylaws and be made binding upon the Board of Directors. The writings shall

be reviewed at least annually. The writings, as may be amended, shall also be attached to the minutes of the Board of Directors. Changes shall be made as the committee deems necessary, and a majority of the Board approval shall be required for any and all changes.

4.4 Removal. A majority of the directors in office may remove, with or without cause, any director elected by the Board of Directors.

4.5 Vacancies. A vacancy occurring in the Board of Directors, including, without limitation, a vacancy created by an increase in the authorized number of directors, may be filled by the Board of Directors or if the directors remaining in office constitute less than a quorum of the directors, they may fill the vacancy by the affirmative vote of a majority of all remaining directors or by the sole remaining director. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

4.6 Compensation. The Board of Directors shall not be compensated for their services as such, but may be reimbursed for reasonable costs and expenses incurred in connection with such services.

4.7 Executive and Other Committees.

- (a) The Board of Directors, by resolution adopted by a majority of the number of directors then in office, may designate from among its members an Executive Committee and one or more other committees, each consisting of two or more directors and each of which, to the extent authorized by law or provided in the resolution, shall have and may exercise all of the authority of the Board of Directors, except no such committee shall have authority as to the following matters: (1) the authorization of distributions; (2) the dissolution, merger or consolidation of the Corporation; or the sale, lease or exchange of all or substantially all of the property of the Corporation; (3) the designation of any such committee or the filling of vacancies in the Board of Directors or in any such committee; and (4) the adoption or repeal of the Bylaws or the amendment of the Bylaws or the Articles of Incorporation.
- (b) Any resolutions adopted or other action taken by any such committee within the scope of the authority delegated to it by the Board of Directors shall be deemed for all purposes to be adopted or taken by the Board of Directors. The designation of any committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any member thereof, of any responsibility or liability imposed upon it or him by law.
- (c) Regular meetings of any such committee may be held without notice at such time and place as such committee may fix from time to time by resolution. Special

meetings of any such committee may be called by any member thereof upon not less than one day's notice stating the place, date and hour of such meeting, which notice may be written, oral or delivered by electronic mail and if mailed, shall be deemed to be delivered when deposited in the United States Mail addressed to any member of the committee at his business address. Any member of any committee may in a signed writing waive notice of any meeting and no notice of any meeting need be given to any member thereof who attends in person. The notice of a meeting of any committee need not state the business proposed to be transacted at the meeting.

- (d) A majority of the members of any such committee shall constitute a quorum for the transaction of business at any meeting thereof and actions of such committee must be authorized by the affirmative vote of a majority of the members of such committee.
- (e) Any member of any such committee may be removed at any time with or without cause by resolution adopted by a majority of the Board of Directors.
- (f) Any such committee shall elect a presiding officer from among its members and may fix its own rules of procedure which shall not be inconsistent with these Bylaws. It shall keep regular minutes of its proceedings and report the same to the Board of Directors for its information at the meeting thereof held next after the proceedings shall have been taken.

ARTICLE V OFFICERS

5.1 Number. The officers of the Corporation shall consist of a Chairman, a Vice-Chairman, a Secretary, a Treasurer, a School Director and other officers as the Board of Directors may see necessary. The School Director shall be an ex-officio member of the Board of Directors, but shall not have a vote. Any two or more offices, other than that of Chair and Secretary, may be held by the same person. In no event, however, may an officer act in more than one capacity where action of two or more officers is required. The duties of the officers shall be those prescribed by these Bylaws and any additional duties as the Board of Directors may from time to time assign.

5.2 Election. The officers of the Corporation shall be elected from among the Board of Directors. Such election may be held at any regular or special meeting (or annual meeting) of the Board of Directors. Each officer shall hold office for three years or until his death, resignation, retirement, removal, disqualification, or his successor is elected and qualifies, except that the initial 9 Directors shall serve staggered terms in order to establish a rotation of directors as follows: three directors shall serve a one year term; three directors shall serve a two year term; and three directors shall serve a three year term.

5.3. Term. The Chair may serve no more than two consecutive three-year terms. Trustees elected to the other officer positions may serve no more than five consecutive one-year terms. Former officers, after a break in service of one year, may be elected to another term as an officer.

5.4 Removal. Any officers or agent appointed by the Board of Directors may be removed by the Board with or without cause; but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

5.5 Vacancies. A vacancy among the officers of the corporation because of death, resignation, removal, disqualification, or any other cause may be filled for the unexpired portion of the term by the Board of Directors.

5.6 Compensation. Board members and officers of the corporation shall not receive compensation.

5.7 Chairman. The Chairman shall be the chief executive officer of the Corporation and, subject to the control of the Board of Directors, shall supervise and control the management of the Corporation in accordance with these Bylaws. He shall sign, with any other proper officer, any deeds, mortgages, bonds, contracts, or other instruments which may be lawfully executed on behalf of the Corporation, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be delegated by the Board of Directors to some other officer or agent; and, in general, he shall perform all duties incident to the office of Chair and such other duties as may be prescribed by the Board of Directors from time to time.

5.8 Vice-Chairman. The Vice-Chairman, unless otherwise determined by the Board of Directors, shall, in the absence or disability of the Chairman, perform the duties and exercise the powers of that office. In addition, he shall perform such other duties and have such other powers as the Chairman or the Board of Directors shall prescribe.

5.9 Executive Director. The Executive Director shall be selected by the Board of Directors and shall be the chief administrative officer of the corporation and shall in general supervise and control all of the operational and educational affairs of the corporation in collaboration and support from the school directors, including recruiting and supervision of teachers, school curriculum, student admission standards, general supervision of students, financial matters, building and grounds, fund raising, liaison with the parent body, and such other duties as may be prescribed by the Board of Directors. The Executive Director shall be an ex-officio member of the Board of Directors, but shall not have a vote.

5.10 Lower School Director and Upper School Director. The Lower School Director and Upper School Director shall be selected by the Board of Directors and shall be the chief administrative officer of their respective grades and in general supervise the operational and educational affairs, including recruiting and supervision of teachers, school curriculum, student admission standards, general supervision of students, liaison with the parent body, and such other duties as may be prescribed by the Board of Directors and the Executive Director. The Lower

School Director and Upper School Director shall be ex-officio members of the Board of Directors, but shall not have a vote.

5.11 Secretary. The Secretary shall keep accurate records of the acts and proceedings of all meetings of directors and committees. He shall give all notices required by law and by these Bylaws. He shall have general charge of the corporate books and records and of the corporate seal, and he shall affix the corporate seal to any lawfully executed instrument requiring it. He shall sign such instruments as may require his signature, and, in general, attest the signature or certify the incumbency or signature of any other officer of the Corporation and shall perform all duties incident to the office of Secretary and such other duties as may be assigned him from time to time by the Chairman or by the Board of Directors.

5.12 Treasurer. The Treasurer shall have custody of all funds belonging to the Corporation and shall receive, deposit or disburse the same under the direction of the Board of Directors. He shall keep full and accurate accounts of the finances of the Corporation in books especially provided for that purpose, which may be consolidated or combined statements of the Corporation and one or more of its subsidiaries as appropriate, that include a balance sheet as of the end of the fiscal year, and income statement for that year, and a statement of cash flows for the year unless that information appears elsewhere in the financial statements. If financial statements are prepared for the Corporation on the basis of generally accepted accounting principles, the annual financial statements must also be prepared on that basis. The Treasurer shall, in general, perform all duties incident to his office and such other duties as may be assigned to him from time to time by the Chair or by the board of Directors.

5.13 Assistant Secretaries and Assistant Treasurers. The Assistant Secretaries and Assistant Treasurers shall, in the absence or disability of the Secretary or the Treasurer, perform the respective duties and exercise the respective powers of those offices, and they shall, in general, perform such other duties as shall be assigned to them by the Secretary or the Treasurer, respectively, or by the Chair or by the Board of Directors.

5.14 Controller and Assistant Controller. The Controller, if one has been appointed, shall have charge of the accounting affairs of the Corporation and shall have such other powers and perform such other duties as the Board of Directors shall designate. Each Assistant Controller shall have such powers and perform such duties as may be assigned by the Board of Directors, and the Assistant Controllers shall exercise the powers of the Controller during that officer's absence or inability to act.

5.15 Bonds. The Board of Directors, by resolution, may require any or all officers, agents and employees of the Corporation to give bond to the Corporation, with sufficient sureties, conditioned on the faithful performance of the duties of their respective offices or positions, and to comply with such other conditions as may from time to time be required by the Board of Directors.

ARTICLE VI

MEETINGS OF DIRECTORS

6.1 North Carolina Open Meetings Law. Except as provided in N.C.G.S. ' ' 143-318.11, 143-318.14A and 143-318.18, each official meeting of the Board of Directors shall be open to the public, and any person is entitled to attend such a meeting. The Corporation shall comply with Article 33C of Chapter 143 of the North Carolina General Statutes as presently enacted, and as the same may hereafter be amended from time to time.

For purposes of these Bylaws, the term “official meeting” shall mean any regular meeting, special meeting, emergency meeting or any meeting, assembly, or gathering together at any time or place or the simultaneous communication by teleconference telephone or other electronic means of a majority of the members of the Board of Directors for the purpose of conducting hearings, participating in deliberations, or voting upon or otherwise transacting the corporate business within the jurisdiction, real or apparent, of the Board. However, a social meeting or other informal assembly or gathering together of the members of the Board does not constitute an official meeting unless called or held to evade the spirit and purpose of Article 33C of Chapter 143 of the North Carolina General Statutes.

6.2 Regular Meetings. A regular meeting of the Board of Directors shall be held at such time and place as the Board of Directors shall determine. All meetings of the Board of Directors, and Notice of said meetings, shall comply with Article 33C of Chapter 143 of the North Carolina General Statutes as presently enacted, and as the same may hereafter be amended from time to time.

If the Board establishes a schedule of regular meetings, the Corporation shall cause a current copy of that schedule, showing the time and place of regular meetings, be kept on file with the Secretary of the Corporation, and shall also post the schedule of regular meetings, showing the time and place of regular meetings, on the Corporation’s website. If the Board changes its schedule of regular meetings, it shall cause the revised schedule, showing the time and place of regular meetings, to be filed with the Secretary of the Corporation, and shall also post the revised schedule, showing the time and place of regular meetings, on the Corporation’s website.

6.3 Special Meetings. A special meeting of the Board of Directors may be called by or at the request of the Chairman of the Board (if one has been duly elected), the Vice-Chairman or by twenty percent (20%) of the directors then in office. All special meetings of the Board of Directors, and Notice of said special meetings, shall comply with Article 33C of Chapter 143 of the North Carolina General Statutes as presently enacted, and as the same may hereafter be amended from time to time.

6.4 Notice of Meetings. Notwithstanding any other provision in these Bylaws, Notice of all meetings of the Board of Directors shall comply with the requirements of Article 33C of Chapter 143 of the North Carolina General Statutes as presently enacted, and as the same may hereafter be amended from time to time.

6.5 Quorum. Unless otherwise required by law, a majority of the directors in office immediately before the meeting shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

6.6 Manner of Acting.

- (a) Except as otherwise provided in this paragraph, the affirmative vote of a majority of the directors then in office shall be the act of the Board of Directors, unless a greater number is required by law, the Articles of Incorporation or a Bylaw adopted by the members.
- (b) A director who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his contrary vote is recorded or his dissent is otherwise entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the Corporation immediately after the adjournment of the meeting. Such right of dissent shall not apply to a director who voted in favor of such action.
- (c) The vote of a majority of the directors then in office shall be required to adopt a resolution constituting an Executive Committee or other committee of the Board of Directors, to adopt, amend or repeal a Bylaw or to adopt a resolution dissolving the Corporation without action by the members in circumstances authorized by law.
- (d) All issues relating to personnel matters, including, but not limited to, hiring, termination, compensation and discipline of the School Director or employees of the Corporation shall require a 2/3 majority vote of the Directors then in office.

6.7 Attendance by Telephone. Any one or more directors or members of a committee may participate in a meeting of the Board of Directors or committee by means of a conference telephone or similar communications device which allows all persons participating in the meeting to hear each other simultaneously, and such participation in the meeting shall be deemed presence in person at such meeting.

**ARTICLE VII
CONFLICT OF INTEREST & ANTI-NEPOTISM POLICY**

7.1 Purpose. The purpose of the conflict of interest policy is to protect the interest of the Corporation when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Organization or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and

federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

7.2 Definition.

- (a) **Interested Person.** Interested Person is defined as any director, principal officer, or member of a committee with governing board delegated powers, board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.
- (b) **Financial Interest.** A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
 - i. An ownership or investment interest in any entity with which the Organization has a transaction or arrangement.
 - ii. A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement, or
 - iii. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement.
- (c) **Immediate Family Member.** Immediate family member is defined as a spouse, parent, child, brother, sister, grandparent, or grandchild. The term includes the step, half, and in-law relationships. N.C. Gen. Stat. 115C-12.2

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Section 3 of this Policy, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

7.3 Procedures.

- (a) **Provisions of Compliance.**
 - 1. No voting member of the governing board shall be an employee of a for-profit company that provides substantial services to the charter school for a fee.
 - 2. (A) Prior to employing any immediate family, as defined in G.S. 115C-12.2, of any member of the board of directors or a charter school employee with supervisory

authority shall be employed or engaged as an employee, independent contractor, or otherwise by the board of directors in any capacity, such proposed employment or engagement shall be:

- i. Disclosed to the board of directors; and
- ii. Approved by the board of directors in a duly called open-session meeting.

(B) The burden of disclosure of such conflict of interest shall be on the applicable board member or employee with supervisory authority. If the requirements of this subsection are complied with, the charter school may employ immediate family of any member of the board of directors or a charter school employee with supervisory authority.

3. A requirement of Oxford Preparatory School is that a person shall not be disqualified from serving as a member of a charter school's board of directors because of the existence of a conflict of interest, so long as the person's actions comply with:
 - i. Oxford Preparatory School's conflict of interest policy established as provided in this subsection; and
 - ii. Applicable N.C. and Federal law.
4. No teacher or staff member that is immediate family of the chief administrator shall be hired without the board of directors evaluating their credentials, establishing a structure to prevent conflicts of interest, and notifying the Department, with evidence, that this process has occurred.
5. No employee of Oxford Preparatory School, whether hired by the Board or a management company, shall be a voting member of the Nonprofit Board.
6. No employee of Oxford Preparatory School shall be in a supervisory position of an immediate family member.
7. Oxford Preparatory School must meet the requirements of Chapter 55A of the N.C. General Statutes related to conflicts of interest.

(b) Duty to Disclose.

In connections with any actual or possible conflict of interest, an interested person must disclose all material facts to the directors and members of committees with governing board

delegated powers considering the proposed transaction or arrangement.

(c) Determining Whether a Conflict of Interest Exists.

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, such person shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board of committee members shall decide if a conflict of interest exists.

(d) Procedures for Addressing the Conflict of Interest.

- i. An interested person may make a presentation at the governing board of committee meeting, but after the presentation, such person shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest,
- ii. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- iii. After exercising due diligence, the governing board or committee shall determine whether the Organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- iv. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Organization's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

(e) Violations of the Conflict of Interest Policy.

- i. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- ii. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and

corrective action including potential suspension or dismissal from the board.

7.4 Records of Proceeding. The minutes of the governing board and all committees with boards delegated powers shall contain:

- (a) The names of the persons who disclosed or otherwise were found to have a financial interest in connections with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.
- (b) The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceeding.

7.5 Compensation.

- (a) A voting member of the governing board who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- (b) A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to the member's compensation.
- (c) No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

7.6 Annual Statement. Each director, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

- (a) Has received a copy of the conflicts of interest policy,
- (b) Has read and understands the policy,
- (c) Has agreed to comply with the policy, and

- (d) Understands the Organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes

7.7 Periodic Reviews. To ensure the Organization operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- (a) Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
- (b) Whether partnerships, joint ventures, and arrangement with management organizations conform to the Organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

7.8 Use of Outside Experts. When conducting the periodic reviews as provided for in this Article, the Organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibilities for ensuring periodic reviews are conducted.

ARTICLE VIII CONTRACTS, LOANS AND DEPOSITS

8.1 Contracts. The Board of Directors may authorize any officer or officers, or agent or agents, to enter into any contract or execute and deliver any instrument on behalf of the Corporation, and such authority may be general or confined to specific instances.

8.2 Loans. No loans shall be contracted on behalf of the Corporation and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

8.3 Checks and Drafts. All checks, drafts or other orders for the payment of money issued in the name of the Corporation shall be signed by such officer or officers, or agent or agents, of the Corporation and in such manner as shall time to time be determined by resolution of the Board of Directors.

8.4 Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such depository or depositories as the Boards of Directors shall direct.

**ARTICLE IX
INDEMNIFICATION AND REIMBURSEMENT
OF DIRECTORS AND OFFICERS**

9.1 Indemnification for Expenses and Liabilities.

- (a) Any person who at any time serves or has served: (1) as a director, officer, employee or agent of the Corporation, (2) at the request of the Corporation as a director, officer, partner, trustee, employee or agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, or (3) at the request of the Corporation as a trustee or administrator under an employee benefit plan, shall have a right to be indemnified by the Corporation to the fullest extent from time to time permitted by law against Liability and Expenses in any Proceeding (including without limitation a Proceeding brought by or on behalf of the Corporation itself) arising out of his status as such or activities in any of the foregoing capacities or results from him being called as a witness at a time when he has not been made a named defendant or respondent to any Proceeding.
- (b) The Board of Directors of the Corporation shall take all such action as may be necessary and appropriate to authorize the Corporation to pay the indemnification required by this provision, including, without limitation, to the extent needed, making good faith evaluation of the manner in which the claimant for indemnity acted and of the reasonable amount of indemnity due him. Such determination shall be made by (1) the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding, or (2) if such quorum is not obtainable, or even if obtainable, if a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion.
- (c) Any person who at any time serves or has served in any of the aforesaid capacities for or on behalf of the Corporation shall be deemed to be doing or to have done so in reliance upon, and as consideration for, the rights provided for herein. Any repeal or modification of these indemnification provisions shall not affect any rights or obligations existing at the time of such repeal or modification. The rights provided for herein shall inure to the benefit of the legal representatives of any such person and shall not be exclusive of any other rights to which such person may be entitled apart from this provision.
- (d) The rights granted herein shall not be limited by the provisions contained in Sections 55A-8-51 through 55A-8-56 of the North Carolina Nonprofit Corporation Act or any successor to such statutes.

9.2 Advance Payment of Expenses. The Corporation shall (upon receipt of an undertaking

by or on behalf of the director, officer, employee or agent involved to repay the Expenses described herein unless it shall ultimately be determined that he is entitled to be indemnified by the Corporation against such Expenses) pay Expenses incurred by such director, officer, employee or agent in defending a Proceeding or appearing as a witness at a time when he has not been named as a defendant or a respondent with respect thereto in advance of the final disposition of such Proceeding.

9.3 Insurance. The Corporation shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, partner, trustee, employee or agent of another domestic or foreign corporation, partnership, joint venture, trust or other enterprise or as a trustee or administrator under an employee benefit plan against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Corporation would have the power to indemnify him or her against such liability.

9.4 Definitions. The following terms as used in this Articles shall have the following meanings. AProceeding@ means any threatened, pending or completed action, suit, or proceeding and any appeal therein (and any inquiry or investigation that could lead to such action, suit, or proceeding), whether civil, criminal, administrative, investigative or arbitative and whether formal or informal. AExpenses@ means expenses of every kind, including counsel fees. ALiability@ means the obligation to pay a judgment, settlement, penalty, fine (including an excise tax assessed with respect to an employee benefit plan), reasonable expenses incurred with respect to a Proceeding and all reasonable expenses incurred in enforcing the indemnification rights provided herein. Adirector,@ Aofficer,@ Aemployee@ and Aagent@ include the estate or personal representative of a director, officer, employee or agent. ACorporation@ shall include any domestic or foreign predecessor of this Corporation in a merger or other transaction in which the Predecessor's existence ceases upon consummation of the transaction.

ARTICLE X GENERAL PROVISIONS

10.1 Distributions. Except as authorized or permitted by the North Carolina Nonprofit Corporation Act, the Corporation shall not make any distributions to its directors, officers or to other entities.

10.2 Seal. The corporate seal shall have the name of the Corporation inscribed thereon and shall be in such form of as may be approved from time to time by the Board of Directors. Such seal may be an impression or stamp and may be used by the officers of the Corporation by causing it, or a facsimile thereof, to be impressed or affixed or in any other manner reproduced. In addition to any form of seal adopted by the Board of Directors, the officers of the Corporation may use as the corporate seal a seal in the form of a circle containing the name of the Corporation and the state of its incorporation (or an abbreviation thereof) on the circumference and the word ASeal@

in the center.

10.3 Fiscal Year. The fiscal year of the corporation shall begin on the 1st day of July and end on the last day of June in each year. As such, all of the Corporation's financial records shall be maintained according to Generally Accepted Accounting Principles (GAAP) on a July 1 through June 30 fiscal year basis.

10.4 Waiver of Notice. Whenever any notice whatever is required to be given under the provisions of '55A-2-02 of the General Statutes of the State of North Carolina or under the provisions of the by-laws of the corporation, 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.

10.5 Corporate Records. Any records maintained by the Corporation in the regular course of its business, including its books of account and minute books, may be kept on or be in the form of punch cards, magnetic tape, photographs, microphotographs or any other information storage device; provided that the records so kept can be converted into clearly legible form within a reasonable time. The Corporation shall so convert any records so kept upon the request of any person entitled to inspect the same. The Corporation shall maintain at its principal office the following records: (1) Articles of the Incorporation or Restated Articles of Incorporation and all amendments thereto; (2) Bylaws or Restated Bylaws and all amendments thereto; (3) resolutions by the Board of Directors relating to the number or classification of directors; (4) minutes of all meetings or action taken without a meeting for the past three years; (5) a list of names and business or home addresses of its current directors and officers; and (6) the Corporation's most recent annual report filed with the North Carolina Secretary of State.

10.6 Bylaw Amendments. Subject to such approval as may be required in the Articles of Incorporation by any person or persons other than the Board of Directors, and to the extent permitted by law, these Bylaws may be amended by the affirmative vote of a majority of the directors in office at the time of the meeting to consider such amendment, at any regular or special meeting at which a quorum is present, upon five (5) days' written notice of the meeting, which notice shall state that the purpose of the meeting is to consider a proposed amendment to the Bylaws and which shall contain a copy of the proposed amendment or state the nature of the proposed amendment.

10.7 Amendments to Articles of Incorporation. Subject to such approval as may be required in the Articles of Incorporation by any person or persons other than the Board of Directors, and to the extent permitted by law, these Articles of Incorporation may be amended by the affirmative vote of a majority of the directors in office at the time of the meeting to consider such amendment, at any regular or special meeting at which a quorum is present, upon five (5) days' written notice of the meeting, which notice shall state that the purpose of the meeting is to consider a proposed amendment to the Articles of Incorporation and which shall contain a copy of proposed amendment or state the nature of the proposed amendment.

ARTICLE XI DISSOLUTION

11.1 Authorization of Dissolution. Dissolution of the Corporation shall be authorized by approval of a plan of dissolution providing for the distribution of all assets of the Corporation and the payment of all liabilities and obligations of the Corporation in accordance with applicable law, by a vote of a majority of the Directors then in office.

11.2 Meeting Notice. The person or persons calling a special meeting of the Board of Directors to consider a plan of dissolution shall, not less than five (5) days before the meeting, give notice thereof either personally or by telephone, telegraph, teletype or other form of wire or wireless communication or by facsimile transmission, mail or private carrier or by any other means permitted by law. Notice shall be provided to members entitled to vote thereon in accordance with the notice provisions of these Bylaws. Such notices to directors and members shall state that the purpose (or one of the purposes) of the meetings is to consider dissolution of the Corporation and shall contain or be accompanied by a copy of summary of the plan of dissolution.

11.3 Distribution of Assets. Upon dissolution of the School, the property remaining after providing for the debts and obligations of the School shall be distributed to the Granville County Schools system.

ARTICLE XII NON-DISCRIMINATION POLICY

12.1 Non-Discrimination Policy. It is the policy of the School not to discriminate on the basis of race, color, religious creed, national origin, ancestry, sexual orientation, disability or handicap. No person shall, on the basis of race, color, national origin, ancestry, gender, sexual orientation, disability or handicap, be denied equal access or admission to school programs, courses, extracurricular activities and employment opportunities. In addition, under section 504 of the federal Rehabilitation Act of 1973, no otherwise qualified individual, shall solely by reason of his/her handicap, be excluded from the participation in, be denied the benefits of or be subjected to discrimination under any program or activity at the School.

The above Bylaws were duly adopted by the Board of Directors of the Corporation by action taken, effective July 9, 2020.