

**BYLAWS  
OF  
SUMMIT PUBLIC SCHOOLS WASHINGTON**

(A Washington Nonprofit Corporation)

**ARTICLE I  
NAME**

Section 1. NAME. The name of this corporation is Summit Public Schools Washington (the “Corporation”).

**ARTICLE II  
PRINCIPAL OFFICE OF THE CORPORATION**

Section 1. PRINCIPAL OFFICE OF THE CORPORATION. The principal office for the transaction of the activities and affairs of the Corporation shall be at such location within the State of Washington as the Member shall from time to time designate. The Member may change the location of the principal office. Any such change of location must be noted by the Secretary on these Bylaws opposite this Section; alternatively, this Section may be amended to state the new location.

Section 2. OTHER OFFICES OF THE CORPORATION. The Member may at any time establish branch or subordinate offices at any place or places where this Corporation is qualified to conduct its activities.

**ARTICLE III  
GENERAL AND SPECIFIC PURPOSES; LIMITATIONS**

Section 1. GENERAL AND SPECIFIC PURPOSES. The purpose of this Corporation is to manage, operate, guide, direct and promote one or more Washington public charter schools. Also in the context of these purposes, the Corporation shall not, except to an insubstantial degree, engage in any other activities or exercise of power that do not further the purposes of the Corporation.

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

**ARTICLE IV  
CONSTRUCTION AND DEFINITIONS**

Section 1. **CONSTRUCTION AND DEFINITIONS.** Unless the context indicates otherwise, the general provisions, rules of construction, and definitions in the Washington Nonprofit Corporation Act shall govern the construction of these Bylaws. Without limiting the generality of the preceding sentence, the masculine gender includes the feminine and neuter, the singular includes the plural, and the plural includes the singular, and the term “person” includes both a legal entity and a natural person.

## **ARTICLE V DEDICATION OF ASSETS**

Section 1. **DEDICATION OF ASSETS.** This Corporation’s assets are irrevocably dedicated to the purposes in Article III, Section 1. No part of the net earnings, properties, or assets of the Corporation, on dissolution or otherwise, shall inure to the benefit of any private person or individual, or to any director or officer of the Corporation. On liquidation or dissolution, all properties and assets remaining after payment, or provision for payment, of all debts and liabilities of the Corporation shall be distributed as follows: (1) the public school funds of the charter school that have been provided pursuant to RCW 28A.710.220 shall be returned to the state and local account from which the public funds originated as set forth in RCW 28A.710.210(2); and (2) any remaining assets of the Corporation shall be distributed to a nonprofit fund, foundation, or corporation that is organized and operated exclusively for charitable purposes and that has established its exempt status under Internal Revenue Code section 501(c)(3).

## **ARTICLE VI MEMBERSHIP**

Section 1. **SOLE MEMBER.** Unless and until these Bylaws are amended to provide otherwise, Summit Public Schools, a California nonprofit public benefit corporation, shall be the sole Member of this Corporation (the “Member”) as the term “member” is defined in RCW 24.03.065. The membership of the Member in the Corporation is not transferable.

Section 2. **ASSOCIATES.** Nothing in this Article VI shall be construed as limiting the right of the Corporation to refer to persons associated with it as “members” even though such persons are not members of the Corporation, and no such reference shall make anyone a member within the meaning of RCW 24.03.065, including honorary or donor members. 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 these Bylaws some or all of the rights of a member, as set forth in the Washington Nonprofit Corporation Act, upon any person who does not have the right to vote for the election of directors, on a disposition of substantially all of the Corporation’s assets, on the merger or dissolution of it, or on changes to its Articles of Incorporation or Bylaws, but no such person shall be a member within the meaning of RCW 24.03.065. 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.

Section 3. **RIGHTS OF MEMBER.** The Member (as defined in RCW 24.03.065) shall have the right, as set forth in these Bylaws, to elect or appoint members of the Board of Directors, to remove members of the Board of Directors, to vote on the disposition of all or substantially all of the Corporation's assets, to vote on any merger and its principal terms and any amendment of those

terms, and to vote on any election to dissolve the Corporation, and as otherwise required under the Washington Nonprofit Corporation Act and/or set forth in these Bylaws.

## **ARTICLE VII BOARD OF DIRECTORS**

Section 1. **GENERAL POWERS.** Subject to the provisions and limitations of the Washington Nonprofit Corporation Act and any other applicable laws, and subject to any limitations of the Articles of Incorporation or Bylaws, the Corporation's activities and affairs shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board of Directors ("Board"). The Board may delegate the management of the Corporation's activities to any person(s), nonprofit 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.

Section 2. **SPECIFIC POWERS.** Without prejudice to the general powers set forth in Section 1 of these Bylaws, but subject to the same limitations, the Board of Directors shall have the power to:

- a. Appoint and remove, at the pleasure of the Board of Directors, all corporate officers, except the Chief Regional Officer, agents, and employees; prescribe powers and duties for them as are consistent with the law, the Articles of Incorporation, and these Bylaws; fix their compensation; and require from them security for faithful service.
- b. Borrow money and incur indebtedness on the corporation's behalf and cause to be executed and delivered for the Corporation's purposes, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, and other evidences of debt and securities that do not exceed the amount of Two Hundred and Fifty Thousand Dollars (\$250,000).
- d. Adopt and use a corporate seal; prescribe the forms of membership certificates; and alter the forms of the seal and certificates.

Section 3. **DESIGNATED DIRECTORS AND TERMS.** The number of directors shall be no less than three (3) and no more than nine (9), unless changed by amendments to these Bylaws. All directors shall be designated by the Member. The Board of Directors shall consist of at least three (3) directors unless changed by amendment to these Bylaws.

Except for the initial Board of Directors, each director shall hold office unless otherwise removed from office in accordance with these Bylaws for three (3) year(s) and until a successor director has been designated and qualified. The terms of the Directors shall be staggered to ensure that no more than one-third (1/3) of the directors have less than one year of experience on the Board, with the exception of the initial WA Board.

Section 4. **DIRECTORS' TERM.** Each director shall hold office for three (3) years and until a successor director has been designated and qualified.

Section 5. RESTRICTION ON BOARD AUTHORITY. The Board shall not, without the prior written approval of the Member, authorize or direct any officer of the Corporation to perform or commit any of the following acts:

- a. Borrow money in the name of the Corporation for corporate purposes in excess of Twenty Five Thousand Dollars (\$25,000) or utilize property (real or personal) owned by the Corporation as security for loans in excess of Twenty Five Thousand Dollars (\$25,000);
- b. Assign, transfer, pledge, compromise or release any of the claims of or debts to the Corporation in excess of Twenty Five Thousand Dollars (\$25,000) except on payment in full, or arbitrate or consent to the arbitration of any dispute or controversy of the Corporation in excess of Twenty Five Thousand Dollars (\$25,000);
- c. Make, execute or deliver any assignment for the benefit of creditors, or any bond, confession of judgment, chattel mortgage, security agreement, deed, guaranty, indemnity bond, surety bond, or contract to sell or bill of sale of the property of the Corporation in excess of Twenty Five Thousand Dollars (\$25,000);
- d. Acquire, purchase, develop, improve, sell, lease or mortgage any corporate real estate or any interest therein or enter into any contract for any such purposes in excess of Twenty Five Thousand Dollars (\$25,000);
- e. Make any loan or investment of any assets of the Corporation, or enter into any contract or incur any liabilities on behalf of the Corporation other than for fair consideration or in the ordinary course of business relating to its normal daily operation;
- f. Approve the sale, lease, conveyance, exchange, transfer, or other disposition of all or substantially all of the assets of the Corporation;
- g. Approve the principal terms of a merger of the Corporation with another organization;
- h. Approve the filing of a petition for the involuntary dissolution of the Corporation if statutory grounds for such a dissolution exist;
- i. Approve the voluntary dissolution of the Corporation or the revocation of such an election to dissolve it;
- j. Approve, repeal or amend the Bylaws; or
- k. Appoint or remove any member of the Board of Directors.

Section 6. EVENTS CAUSING VACANCIES ON BOARD. A vacancy or vacancies on the Board of Directors shall occur in the event of (a) the death, resignation, or removal of any

director; (b) the declaration by resolution of the Board of Directors of a vacancy in the office of a director who has been convicted of a felony, declared of unsound mind by a court order, or found by final order or judgment of any court to have breached a duty under RCW 24.03.127; (c) the increase of the authorized number of directors; or (d) the failure of the Member, at any meeting of the Member at which any director or directors are to be elected, to elect the number of directors required to be elected at such meeting.

Section 7. RESIGNATION OF DIRECTORS. Except as provided below, any director may resign by giving written notice to the President, if any, or to the Chief Regional Officer, or the Secretary, or to the Board. The resignation shall be effective when the notice is given unless the notice specifies a later time for the resignation to become effective. If a director's resignation is effective at a later time, the Member may elect a successor to take office as of the date when the resignation becomes effective.

Section 8. DIRECTOR MAY NOT RESIGN IF NO DIRECTOR REMAINS. No Director may resign if the Corporation would be left without a duly elected Director in charge of its affairs.

Section 9. REMOVAL OF DIRECTORS. A Director may only be removed by the Member. The Member may remove a Director with or without cause.

Section 10. VACANCIES FILLED BY MEMBER. Vacancies on the Board of Directors shall be filled by the Member.

Section 11. NO VACANCY ON REDUCTION OF NUMBER OF DIRECTORS. Any reduction of the authorized number of directors shall not result in any directors being removed before his or her term of office expires.

Section 12. PLACE OF BOARD OF DIRECTORS MEETINGS. Meetings shall be held at the principal office of the Corporation. The Board of Directors may designate that a meeting be held at any place within Washington that has been designated by resolution of the Board of Directors or in the notice of the meeting. All meetings of the Board of Directors shall be called, held and conducted in accordance with the terms and provisions of the Open Public Meetings Act RCW 42.30.

Section 13. MEETINGS; OPEN PUBLIC MEETINGS ACT. All meetings of the Board shall be called, noticed and held in compliance with the provisions of the Open Public Meetings Act set forth in RCW 42.30. Except as otherwise permitted by the Open Public Meetings Act, all meetings of the Board shall be open and public, and all personnel shall be permitted to attend any meeting of the Board. The Board shall not at any meeting required to be open to the public vote by secret ballot. Any vote taken in violation of this section shall be null and void.

Section 14. ANNUAL MEETINGS. The Board of Directors shall meet annually for the purpose of organization 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 of Directors. Prior notice of all meetings shall be provided to the Member.

Section 15. REGULAR MEETINGS. Regular meetings of the Board shall be held on such dates and at such times as shall be determined from time to time by resolution of the Board. If at any time any regular meeting falls on a holiday, such regular meeting shall be held on the next business day. At least seventy-two (72) hours before a regular meeting, the Board or its designee shall post an agenda containing a brief general description of each item of business to be transacted or discussed at the meeting, including items to be discussed in closed session. The agenda shall specify the time and location for the regular meeting and shall be posted in a location that is freely accessible to members of the public, or on the Corporation's internet web site, if the Corporation has one, and at the site of each charter school operated by the Corporation. The agenda shall include information regarding how, to whom, and when a request for disability-related modification or accommodation, including auxiliary aids or services may be made by a person with a disability who requires modification or accommodation in order to participate in the public meeting. The agenda shall provide an opportunity for members of the public to directly address the Board on any item of interest to the public before or during the Board's consideration of the item, that is within the authority of the Board. Except as otherwise permitted by the Open Public Meetings Act, no action or discussion shall be undertaken on any item not appearing on the posted agenda.

Section 16. SPECIAL MEETINGS. Special meetings of the Board of Directors for any purpose may be called at any time by the President of Directors, if there is such an officer, or a majority of the Board of Directors. If a President has not been elected then the Chief Regional Officer is authorized to call a special meeting in place of the President. The party calling a special meeting shall determine the place, date, and time thereof.

- (1) A special meeting may be called at any time by the President or by a majority of the members of the Board by delivering written notice personally, by mail, by fax, or by electronic mail to each member of the Board. Written notice shall be deemed waived in the following circumstances:
  - (a) A Director submits a written waiver of notice with the secretary of the Board at or prior to the time the meeting convenes. A written waiver may be given by fax, or electronic mail; or
  - (b) A Director is actually present at the time the meeting convenes

(2) Notice of a special meeting called under Section 16 shall be:

(a) Delivered to each local newspaper of general circulation and local radio or television station that has on file with the Board a written request to be notified of such special meeting or of all special meetings;

(b) Posted on the Corporation's web site. The Corporation is not required to post a special meeting notice on its web site if it (i) does not have a web site; (ii) employs fewer than ten full-time equivalent employees; or (iii) does not employ personnel whose duty, as defined by a job description or existing contract, is to maintain or update the web site; and

(c) Prominently displayed at the main entrance of the Corporation's principal location and the meeting site if it is not held at the Corporation's principal location.

Such notice must be delivered or posted, as applicable, at least twenty-four (24) hours before the time of such meeting as specified in the notice.

(3) The call and notices required under subsections (a) and (b) of this section shall specify the time and place of the special meeting and the business to be transacted. Final disposition shall not be taken on any other matter at such meetings by the Board.

(4) The notices provided in this section may be dispensed with in the event a special meeting is called to deal with an emergency involving injury or damage to persons or property or the likelihood of such injury or damage, when time requirements of such notice would make notice impractical and increase the likelihood of such injury or damage.

Section 17. EMERGENCY MEETINGS. In the event of an emergency, as defined by RCW 42.30.070, and there is a need for expedited action by the Board to meet the emergency, the President may provide for a meeting site other than the regular meeting site and the notice requirements of RCW 42.30.070 shall be suspended during such emergency.

Section 18. QUORUM. A majority of the directors then in office shall constitute a quorum. All acts or decisions of the Board of Directors will be by majority vote based upon the presence of a quorum. Should there be fewer than a majority of the directors present at any meeting, the meeting shall be adjourned. Directors may not vote by proxy.

Section 19. TELECONFERENCE MEETINGS. Members of the Board of Directors may participate in teleconference meetings so long as all of the in the Open Public Meetings Act are complied with.

Section 20. DISTURBANCE OF MEETINGS. In the event that any meeting is interrupted by a group or groups of persons so as to render the orderly conduct of such meeting unfeasible and order cannot be restored by the removal of individuals who are interrupting the

meeting, the members of the Board conducting the meeting may order the meeting room cleared and continue in session or may adjourn the meeting and reconvene at another location selected by majority vote of the Board. In such a session, final disposition may be taken only on matters appearing on the agenda. Representatives of the press or other news media, except those participating in the disturbance, shall be allowed to attend any session held pursuant to this section. Nothing in this section shall prohibit the Board from establishing a procedure for readmitting an individual or individuals not responsible for disturbing the orderly conduct of the meeting.

Section 21. ADJOURNMENT. The Board of the Corporation may adjourn any regular, adjourned regular, special, or adjourned special meeting to a time and place specified in the order of adjournment. Less than a quorum may so adjourn from time to time. If all members of the Board are absent from any regular or adjourned regular meeting the Secretary of the Board may declare the meeting adjourned to a stated time and place. He or she shall cause a written notice of the adjournment to be given in the same manner as provided in section 16 for special meetings, unless such notice is waived as provided for special meetings. Whenever any meeting is adjourned a copy of the order or notice of adjournment shall be conspicuously posted immediately after the time of the adjournment on or near the door of the place where the regular, adjourned regular, special, or adjourned special meeting was held. When a regular or adjourned regular meeting is adjourned as provided in this section, the resulting adjourned regular meeting is a regular meeting for all purposes. When an order of adjournment of any meeting fails to state the hour at which the adjourned meeting is to be held, it shall be held at the hour specified for regular meetings by resolution.

Section 22. COMPENSATION AND REIMBURSEMENT. Directors may receive such compensation, if any, for their services as directors or officers, and such reimbursement of expenses, as the Board of Directors may establish by resolution to be just and reasonable as to the Corporation at the time that the resolution is adopted.

Section 23. CREATION AND POWERS OF COMMITTEES. The Board, by resolution adopted by a majority of the directors then in office, may create one or more committees, each consisting of two or more directors and no one who is not a director, to serve at the pleasure of the Board. Appointments to committees of the Board of Directors shall be by majority vote of the authorized number of directors. The Board of Directors may appoint one or more directors as alternate members of any such committee, who may replace any absent member at any meeting. Any such committee shall have all the authority of the Board, to the extent provided in the Board of Directors' resolution, except that no committee may:

- a. Take any final action on any matter that, under the Washington Nonprofit Corporation Act, also requires approval of the Member or Board of Directors;
- b. Fill vacancies on the Board of Directors or any committee of the Board;
- c. Fix compensation of the directors for serving on the Board of Directors or on any committee;
- d. Amend or repeal Bylaws or adopt new Bylaws;



- e. Amend or repeal any resolution of the Board of Directors that by its express terms is not so amendable or subject to repeal;
- f. Create any other committees of the Board of Directors or appoint the members of committees of the Board;
- g. Expend corporate funds to support a nominee for director if more people have been nominated for director than can be elected; or
- h. Approve any contract or transaction to which the Corporation is a party and in which one or more of its directors has a material financial interest.

Section 24. **MEETINGS AND ACTION OF COMMITTEES.** Meetings and actions of committees of the Board of Directors shall be governed by, held, and taken under the provisions of these Bylaws concerning meetings, other Board of Directors' actions, and the Open Public Meetings Act, if applicable, except that the time for general meetings of such committees and the calling of special meetings of such committees may be set either by Board of Directors' resolution or, if none, by resolution of the committee. Minutes of each meeting shall be kept and shall be filed with the corporate records. The Board of Directors may adopt rules for the governance of any committee as long as the rules are consistent with these Bylaws. If the Board of Directors has not adopted rules, the committee may do so.

Section 25. **NON-LIABILITY OF DIRECTORS.** No director shall be personally liable for the debts, liabilities, or other obligations of this Corporation.

Section 26. **COMPLIANCE WITH LAWS GOVERNING STUDENT RECORDS.** The Corporation and the Board of Directors shall comply with all applicable provisions of the Family Education Rights Privacy Act ("FERPA") as set forth in Title 20 of the United States Code Section 1232g and attendant regulations as they may be amended from time to time.

## **ARTICLE VIII OFFICERS OF THE CORPORATION**

Section 1. **OFFICES HELD.** The officers of this Corporation shall be a Chief Regional Officer, a President, a Secretary, and a Chief Financial Officer. The Corporation, at the Board's direction, may also have a President, one or more Vice-Presidents, one or more assistant secretaries, one or more assistant treasurers, and such other officers as may be appointed under Article VIII, Section 4, of these Bylaws. The officers in addition to the corporate duties set forth in this Article VIII shall also have administrative duties as set forth in any applicable contract for employment or job specification.

Section 2. **DUPLICATION OF OFFICE HOLDERS.** 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 Chief Regional Officer or the President.

Section 3. **ELECTION OF OFFICERS.** The officers of this Corporation, except the Chief Regional Officer, shall be chosen annually by the Board of Directors and shall serve at the

pleasure of the Board, subject to the rights of any officer under any employment contract.

Section 4. APPOINTMENT OF OTHER OFFICERS. The Board of Directors may appoint and authorize the President, the Chief Regional Officer, or another officer to appoint any other officers that the Corporation may require. Each appointed officer shall have the title and authority, hold office for the period, and perform the duties specified in the Bylaws or established by the Board.

Section 5. REMOVAL OF OFFICERS. Without prejudice to the rights of any officer under an employment contract, the Board of Directors may remove any officer with or without cause. An officer who was not chosen by the Board of Directors may be removed by any other officer on whom the Board of Directors confers the power of removal.

Section 6. RESIGNATION OF OFFICERS. Any officer may resign at any time by giving written notice to the Board. The resignation shall take effect on the date the notice is received or at any later time specified in the notice. Unless otherwise specified in the notice, the resignation need not be accepted to be effective. Any resignation shall be without prejudice to any rights of the Corporation under any contract to which the officer is a party.

Section 7. VACANCIES IN OFFICE. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these Bylaws for normal appointment to that office, provided, however, that vacancies need not be filled on an annual basis.

Section 8. PRESIDENT. The President shall preside at the Board of Directors' meetings and shall exercise and perform such other powers and duties as the Board of Directors may assign from time to time.

Section 9. CHIEF REGIONAL OFFICER. The Chief Regional Officer shall be selected by the Member. Subject to such supervisory powers as the Board of Directors may give to the President, if any, and subject to the control of the Board, and subject to Chief Regional Officer's contract of employment, the Chief Regional Officer shall be the general manager of the Corporation and shall supervise, direct, and control the Corporation's activities, affairs, and officers as fully described in any applicable employment contract, agreement, or job specification. The Chief Regional Officer shall have such other powers and duties as the Board of Directors or the Bylaws may require.

Section 10. SECRETARY. The Secretary shall keep or cause to be kept, at the Corporation's principal office or such other place as the Board of Directors may direct, a book of minutes of all meetings, proceedings, and actions of the Board and of committees of the Board. The minutes of meetings shall include the time and place that the meeting was held; whether the meeting was annual, regular, special, or emergency and, if special or emergency, how authorized; the notice given; and the names of the directors present at Board of Directors and committee meetings.

The Secretary shall keep or cause to be kept, at the principal Washington office, 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 of Directors that these Bylaws require to be given. The Secretary shall keep the corporate seal, if any, in safe custody and shall have such other powers and perform such other duties as the Board of Directors or the Bylaws may require.

Section 11. CHIEF FINANCIAL OFFICER. The Chief Financial Officer 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 Chief Financial Officer shall send or cause to be given to 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 Chief Financial Officer shall (a) 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 of Directors may designate; (b) disburse the Corporation's funds as the Board of Directors may order; (c) render to the President, Chief Regional Officer, and the Board, when requested, an account of all transactions as Chief Financial Officer and of the financial condition of the Corporation; and (d) have such other powers and perform such other duties as the Board, contract, job specification, or the Bylaws may require.

If required by the Board, the Chief Financial Officer shall give the Corporation a bond in the amount and with the surety or sureties specified by the Board of Directors for faithful performance of the duties of the office and for restoration to the Corporation of all of its books, papers, vouchers, money, and other property of every kind in the possession or under the control of the Chief Financial Officer on his or her death, resignation, retirement, or removal from office.

## **ARTICLE IX CONTRACTS WITH DIRECTORS**

Section 1. CONTRACTS WITH DIRECTORS. The Corporation shall not enter into a contract or transaction in which a director directly or indirectly has a material financial interest (nor any other corporation, firm, association, or other entity in which one or more of this Corporation's directors are directors and have a material financial interest).

## **ARTICLE X CONTRACTS WITH NON-DIRECTOR DESIGNATED EMPLOYEES**

Section 1. CONTRACTS WITH NON-DIRECTOR DESIGNATED EMPLOYEES. The Corporation shall not enter into a contract or transaction in which a non-director designated employee (e.g., officers and other key decision-making employees) directly or indirectly has a material financial interest unless all of the requirements in the Corporation's Conflict of Interest Policy have been fulfilled.

## **ARTICLE XI LOANS**

Section 1. No loans shall be contracted on behalf of the Corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the

Board. Such authority may be general or confined to specific instances. In addition, the Corporation may not pledge, assign, or encumber any public funds received or to be received pursuant to RCW 28A.710.220.

Section 2. LOANS OR EXTENSIONS OF CREDIT TO OFFICERS OR DIRECTORS. No loans shall be made and no credit shall be extended by the Corporation to its Officers or Directors.

## **ARTICLE XII INDEMNIFICATION**

Section 1. RIGHT TO INDEMNIFICATION. The Corporation shall indemnify and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any person who was or is made or is threatened to be made a party or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "Proceeding"), by reason of the fact that such person, or a person for whom such person is the legal representative, is or was a Director or officer of the Corporation or, while a Director or officer of the Corporation, is or was serving at the request of the Corporation as a Director, officer, partner, trustee, employee or agent of another corporation, or of a foundation, partnership, joint venture, limited liability company, trust, enterprise or other nonprofit entity, including service with respect to employee benefit plans (each such other entity, "Another Enterprise") (such person, an "Indemnified Person"), against all liability and loss suffered and expenses (including attorneys' fees) actually and reasonably incurred by such Indemnified Person in connection with such Proceeding. Notwithstanding the preceding sentence, except as otherwise provided in Section 4 of this Article XII, the Corporation shall be required to indemnify an Indemnified Person in connection with a Proceeding (or part of such Proceeding) commenced by such Indemnified Person only if the commencement of such Proceeding (or part of such Proceeding) by the Indemnified Person was authorized in advance by the Board of Directors.

Section 2. RESTRICTION ON INDEMNIFICATION. The Corporation may not indemnify any Indemnified Person for: (a) acts or omissions of the Indemnified Person finally adjudged to be intentional misconduct or a knowing violation of law; (b) conduct of the Indemnified Person finally adjudged to be in violation of violation of RCW 24.03.043 in reference to RCW 23B.08.310 ct; or (c) any transaction with respect to which it was finally adjudged that such Indemnified Person personally received a benefit in money, property or services to which the Indemnified Person was not legally entitled or if the Corporation is otherwise prohibited by applicable law from paying such indemnification; provided, however, that if RCW 23B.08.560 or any successor provision of the Washington Business Corporation Act is hereafter amended, the restrictions on indemnification set forth in this Section 2 of this Article XII shall be as set forth in such amended statutory provision.

Section 3. EXPENSES PAYABLE IN ADVANCE. The Corporation shall pay the reasonable expenses (including attorneys' fees) incurred by an Indemnified Person in defending any Proceeding in advance of such Proceeding's final disposition (such expenses, "*Advanced Expenses*"), provided, however, that, to the extent required by law, such payment of Advanced Expenses in advance of the final disposition of the Proceeding shall be made only upon receipt of

an undertaking by the Indemnified Person to repay all Advanced Expenses if it should be ultimately determined that the Indemnified Person is not entitled to be indemnified under this Article XII or otherwise. Notwithstanding any of the foregoing in this Section 3, the Corporation shall not be required to pay any Advanced Expenses to a person against whom the Corporation directly brings a claim alleging that the Corporation is not required to indemnify such person under Section 2 of this Article XII.

**Section 4. WRITTEN STATEMENT REQUIRED AND RIGHT OF INDEMNIFIED PERSON TO BRING SUIT.** An Indemnified Person seeking indemnification pursuant to Section 1 or Advanced Expenses pursuant to Section 3 of Article XII must first submit to the Board a sworn statement requesting indemnification or Advanced Expenses, as the case may be, and reasonable evidence of all such amounts requested by such Indemnified Person (such statement, a "*Claim*"). If (a) a Claim pursuant to Section 1 above is not paid in full by the Corporation within 60 days after such Claim has been received by the Corporation, or (b) a Claim pursuant to Section 3 above is not paid in full by the Corporation within 30 days after such Claim has been received by the Corporation, then the Indemnified Person may at any time after the expiration of the applicable period bring suit against the Corporation to recover the unpaid amount of such Claim. If an Indemnified Person succeeds in whole or in part in any such suit or in a suit brought by the Corporation to recover Advanced Expenses pursuant to the terms of an undertaking, then such Indemnified Person is also entitled to receive reimbursement from the Corporation for the expense of prosecuting or defending such suit. The Indemnified Person shall be presumed to be entitled to indemnification under this Article XII upon submission of a Claim (and, in an action brought to enforce a Claim for Advanced Expenses, where the required undertaking has been delivered to the Corporation), and, thereafter, the Corporation shall have the burden of proof to overcome the presumption that the Indemnified Person is so entitled.

**Section 5. PROCEDURES EXCLUSIVE.** Pursuant to RCW 24.03.043 of the Washington Nonprofit Corporation Act in reference to RCW 23B.08.560(2) or any successor provision of the Washington Business Corporation Act, the procedures for indemnification and Advanced Expenses set forth in this Article VII are in lieu of the procedures required by RCW 23B.08.550 or any successor provision of the Washington Business Corporation Act.

**Section 6. NONEXCLUSITIVITY OF RIGHTS.** The right to indemnification and Advanced Expenses conferred by this Article XII shall not be exclusive of any other right that any person may have or hereafter acquire under (a) any statute, (b) provision of these Articles of Incorporation, (c) the Bylaws of the corporation, (d) by general or specific action of the Board of Directors, (e) by contract or (f) otherwise.

### **ARTICLE XIII INSURANCE**

**Section 1. INSURANCE.** This Corporation shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its directors, officers, employees, and other agents, to cover any liability asserted against or incurred by any director, officer, employee, or agent in such capacity or arising from the director's, officer's, employee's, or agent's status as such.

**ARTICLE XIV  
MAINTENANCE OF CORPORATE RECORDS**

Section 1. MAINTENANCE OF CORPORATE RECORDS. This Corporation shall keep:

- a. Adequate and correct books and records of account;
- b. Written minutes of the proceedings of the Board and committees of the Board, which shall also be promptly provided to the Member; and
- c. The Corporation shall comply with the Public Records Act as set forth in RCW 42.56.

**ARTICLE XV  
INSPECTION RIGHTS**

Section 1. RIGHT TO INSPECT. The Member and every director shall have the right at any reasonable time to inspect the Corporation's books, records, documents of every kind, physical properties, and the records of each subsidiary as permitted by Washington and federal law. The inspection may be made in person or by the Member or director's agent or attorney. The right of inspection includes the right to copy and make extracts of documents as permitted by Washington and federal law. This right to inspect may be circumscribed in instances where the right to inspect conflicts with Washington or federal law (e.g., restrictions on the release of educational records under FERPA) pertaining to access to books, records, and documents.

Section 2. ACCOUNTING RECORDS AND MINUTES. On written demand on the Corporation, the Member and any director may inspect, copy, and make extracts of the accounting books and records and the minutes of the proceedings of the Board of Directors and committees of the Board of Directors at any reasonable time for a purpose reasonably related to the Member interest as a Member or director's interest as a director. Any such inspection and copying may be made in person or by the Member or director's agent or attorney. This right of inspection extends to the records of any subsidiary of the Corporation.

Section 3. MAINTENANCE AND INSPECTION OF ARTICLES OF INCORPORATION AND BYLAWS. This Corporation shall keep at its principal Washington office the original or a copy of the Articles of Incorporation and Bylaws, as amended to the current date, which shall be open to inspection by the Directors at all reasonable times during office hours. If the Corporation has no business office in Washington, the Secretary shall, on the written request of any director, furnish to that director a copy of the Articles of Incorporation and Bylaws, as amended to the current date.

**ARTICLE XVI  
REQUIRED REPORTS**

Section 1. ANNUAL REPORTS. The Board of Directors shall cause an annual report to be sent to the Member and itself (the members of the Board of Directors) within 120 days after

the end of the Corporation's fiscal year. That report shall contain the following information, in appropriate detail:

- a. The assets and liabilities, including the trust funds, or the Corporation as of the end of the fiscal year;
- b. The principal changes in assets and liabilities, including trust funds;
- c. The Corporation's revenue or receipts, both unrestricted and restricted to particular purposes;
- d. The Corporation's expenses or disbursement for both general and restricted purposes;
- e. Any information required under these Bylaws; and
- f. An independent accountant's report or, if none, the certificate of an authorized officer of the Corporation that such statements were prepared without audit from the Corporation's books and records.

Section 2. ANNUAL STATEMENT OF CERTAIN TRANSACTIONS AND INDEMNIFICATIONS. As part of the annual report to the Member and all directors, or as a separate document if no annual report is issued, the Corporation shall, within 120 days after the end of the Corporation's fiscal year, annually prepare and mail or deliver to each director and furnish to each director a statement of any transaction or indemnification of the following kind:

- a. Any transaction (i) in which the Corporation, or its parent or subsidiary, was a party, (ii) in which an "interested person" had a direct or indirect material financial interest, and (iii) which involved more than \$50,000 or was one of several transactions with the same interested person involving, in the aggregate, more than \$50,000. For this purpose, an "interested person" is either:
  - (1) Any director or officer of the Corporation, its parent, or subsidiary (but mere common directorship shall not be considered such an interest); or
  - (2) Any holder of more than 10 percent of the voting power of the Corporation, its parent, or its subsidiary. The statement shall include a brief description of the transaction, the names of interested persons involved, their relationship to the Corporation, the nature of their interest, provided that if the transaction was with a partnership in which the interested person is a partner, only the interest of the partnership need be stated.

## **ARTICLE XVII BYLAWS**

Section 1. BYLAW AMENDMENTS. The Member has the exclusive authority to adopt, amend or repeal any of these Bylaws, except that no amendment shall make any provisions of these Bylaws inconsistent with the Corporation's Articles of Incorporation, or any laws.

Section 2. **BYLAWS EFFECTIVE.** These Bylaws shall not be effective until approved by the Member.

**ARTICLE XVIII  
ADMINISTRATIVE AND FINANCIAL  
PROVISIONS**

Section 1. **FISCAL YEAR OF THE CORPORATION.** Unless a different accounting year is at any time selected by the Board, the accounting year of the corporation shall be the twelve months ending 12/31.

Section 2. **RULES OF PROCEDURE.** The rules of procedure at meetings of the Board and committees of the Board shall be rules contained in Roberts' Rules of Order on Parliamentary Procedure, Newly Revised, so far as applicable and when not inconsistent with these Bylaws, the Articles of Incorporation or any resolution of the Board.

Section 3. **CHECKS, DRAFTS, ETC.** All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness 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 is from time to time determined by resolution of the Board.

Section 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 banks, trust companies or other depositories as the Board may select.



**CERTIFICATE OF SECRETARY**

I certify that I am the duly elected and acting Secretary of Summit Public Schools Washington, a Washington nonprofit corporation; that these Bylaws, consisting of 19 pages, are the Bylaws of this corporation as adopted by the Board of Directors on April 18, 2014; and that these Bylaws have not been amended or modified since that date.

Executed on April 18, 2014 at Seattle, Washington.

  
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Gordon E. King, Secretary