

**BYLAWS**  
**OF**  
**THE SAN FRANCISCO SCHOOL**

**ARTICLE I**

**NAME, PURPOSE AND OFFICES**

Section 1.1    Name

The name of the corporation is “The San Francisco School” (the “Corporation”).

Section 1.2.   General Purpose

The Corporation is a nonprofit public benefit corporation organized under the Nonprofit Public Benefit Corporation Law of the State of California for one or more of the purposes specified within Section 501(c)(3) of the Internal Revenue Code.

Section 1.3    Primary Purpose

The primary purpose of the Corporation is to maintain a high quality program and environment for the education of children from preschool through middle school.

Section 1.4    Principal Offices

The principal offices of the Corporation shall be located in the City and County of San Francisco, California. The designation of the location of the principal offices of the Corporation may be changed from time to time by the Board of Trustees of the Corporation (the “Board”) within the county of San Francisco, and such change of address shall not be deemed nor shall it require an amendment of these Bylaws. Any change of the county or state of the principal offices of the Corporation shall require an amendment to these Bylaws.

Section 1.5    Other Offices

The Board may at any time establish branch or subordinate offices at any place or places where the Corporation is qualified to do business.

**ARTICLE II**  
**MEMBERSHIP**

Section 2.1 Members

“Members” shall mean both Family Members and Staff Members (as defined below in Sections 2.1(a) and 2.1(b) respectively). Notwithstanding anything to the contrary herein, all Members must be natural persons.

(a) Family Members. “Family Members” shall mean those parents or guardians listed by name in the current Designation Form (defined in Section 2.2 below) for each Student (as defined below in this Section 2.1(a)). No more than two (2) Family Members may be named on the Designation Form for each Student. “Student” shall mean each child: (i) who, during the Academic Year (as defined below in this Section 2.1(a)), is currently attending the School or, during Summer Break (defined below in this Section 2.1(a)), was attending the School during the prior Academic Year and has enrolled to attend the School during the next Academic Year; (ii) for whom all tuition payments or tuition equivalent payments (such as financial aid or scholarships) due and owing the Corporation have been paid; and (iii) for whom a current and active contract and Designation Form has been entered into with the School. “Student” shall not include any child who does not meet all of the above criteria, including without limitation, any child who has been expelled from or otherwise left the School, for whom tuition or a tuition equivalent has not been fully paid or who is on a leave of absence from the School. “Academic Year” shall mean the period from September through June of each year when the School runs its annual academic curriculum. “Summer Break” shall mean the period between June and September that is not included in the Academic Year. The Membership of a Family Member shall terminate upon the failure to meet all the requirements set forth in this Section 2.1(a).

(b) Staff Members. “Staff Members” shall mean those salaried employees of the Corporation who (i) work at the School at least 25% of a full time schedule (or an average of ten (10) hours per week) during the Academic Year and (ii) have entered into an a current and active employment agreement with the Corporation. The Membership of a Staff Member shall terminate upon the failure to meet all the requirements set forth in this Section 2.1(b).

## Section 2.2 Family Member Designation Form

The family for each Student shall complete a Family Member Designation Form (the “Designation Form”) and provide it to the School for each Academic Year. The Designation Form shall set forth the names of and contact information for up to two parents or other guardians of the Student who shall serve as Family Members. The Designation Form shall also assign the two (2) Member Units (defined below in Section 2.3(i)(i)) allocated to each Student among the Family Member(s). Subject to the terms of these Bylaws, the family may amend the Designation Form from time to time for each Student. The Designation Forms for each Student shall expire upon the earlier of (a) the end of the Summer Break following each Academic Year and (b) failure of a child to meet the definition of “Student” set forth above in Section 2.1(a). In the event of a dispute regarding the selection of Family Member(s) or allocation of Member Units for a particular Student, the Board shall have the right to make a sole and final determination of the matter, including without limitation the right to make its own selection or allocation or to deny any selection and allocation until the dispute is resolved to its satisfaction.

## Section 2.3 Member Meetings

(a) Place of Meetings. Meetings of the Members shall be held at any place designated by the Board. In the absence of designation, Members’ meetings shall be held at the principal executive office of the Corporation.

(b) Chairman and Secretary of Member Meetings. The President of the Board shall preside at each meeting of the Members. In the absence or disability of the President, the meeting shall be chaired by an Executive Officer of the Corporation (as defined below in Section 4.1) in the following order: Vice President, Treasurer and Secretary. In the absence of all such Executive Officers, a person chosen by the vote of a majority of the Member Units present in person or represented by ballot and entitled to vote thereat shall act as chairman. The Secretary (or in his/her absence an assistant secretary or in the absence of the secretary and all assistant secretaries a person whom the chairman of the meeting shall appoint) shall act as secretary of the meeting and keep a record of the proceedings thereof.

(c) Regulation and Conduct of Member Meetings. The Board shall be entitled to make such rules or regulations for the conduct of meetings of the Members, as it shall deem necessary, appropriate or convenient. Subject to such rules and regulations of the Board, if any, the chairman of the meeting shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts as in the judgment of such chairman, are necessary, appropriate or convenient for the proper conduct of the meeting, including, without limitation, establishing (i) an agenda or order of business for the meeting, (ii) rules and procedures for maintaining order at the meeting and for the safety of those present, (iii) limitations on participation in such meeting to Members of Record (as defined in Section 2.3(l)(i) below) and their duly authorized and constituted ballots, and such other persons as the chairman shall permit, (iv) restrictions on entry into the meeting after the time fixed for commencement thereof, (v) limitations on the time allotted to questions or comments by participants and (vi) procedures regulating the opening and closing of the polls for balloting on matters which are to be voted on by ballot. Unless and to the extent determined by the Board or the chairman of the meeting,

meetings of the Members shall not be required to be held in accordance with the rules of parliamentary procedure.

(d) Annual Meetings. The Corporation shall hold two Members meetings each year.

(i) Autumn Meeting. A meeting of Members shall be held each year in September or October on a date that shall be chosen by the Board (the “Autumn Meeting”). At the Autumn Meeting: (A) the Treasurer shall present the financial statement of the Corporation for the fiscal year ended the prior June 30<sup>th</sup>, (B) the President (or some other Executive Officer) shall present a report on the status of the School, and (C) any other proper business may be transacted.

(ii) Spring Meeting. A meeting of Members shall be held each year in April or May on a date that shall be chosen by the Board (the “Spring Meeting”). At the Spring Meeting: (A) Class A Trustees (as defined in Section 3.2(a)(i) below) shall be elected to fill any expiring terms, (B) the President (or some other Executive Officer) shall present a report on the status of the School, and (C) any other proper business may be transacted.

(e) Special Meetings. The President or the Board may call special meetings of the Members for any purpose at any time.

(f) Notice of Meetings. Notice of meetings of the Members shall be given in writing to each Member of Record entitled to vote, either personally, via any regular bulletin issued by the Corporation, a notice on the Corporation’s official website or by first-class mail or other means of written communication (whether in digital, electronic, printed or other common form). All mailings to Members of Record shall be sent to the address appearing on the books of the Corporation or appearing on a Designation Form. Such notice shall be given not less than ten (10) nor more than sixty (60) days before the meeting. Said notice shall state the place, date and hour of the meeting and (a) in the case of special meetings, the general nature of the business to be transacted and that no other business may be transacted, or (b) in the case of the Autumn Meeting and the Spring Meeting, those matters which the Board, at the time of the mailing of the notice, intends to present for action by the Members, and (c) in the case of the Spring Meeting and any other meeting at which Class A Trustees are to be elected, the names of the nominees intended at the time of the mailing of the notice to be presented by the Board for election. Notice shall be deemed to have been given at the time when delivered personally or published in the School Bulletin or deposited in the mail or sent by telegram, facsimile, e-mail or other means of written communication.

(g) Waiver of Notice or Consent by Absent Members. The transactions of any meeting of Members called without proper notice shall be as valid as though done at a meeting duly held after regular call and notice, if a quorum is present either in person or by ballot, and if, either before or after the meeting, each of the persons entitled to vote at the meeting, not present in person or by ballot, signs a written waiver of notice or a consent to the holding of the meeting or an approval of the minutes thereof. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

(h) Quorum. The presence in person or by ballot of the holders of at least one third (1/3) of the Member Units held by Members of Record entitled to vote shall constitute a quorum at a meeting of the Members for the transaction of business. The Members of Record present at a duly called or held meeting at which a quorum is present may continue to transact business until adjournment notwithstanding the withdrawal of enough Members of Record to leave less than a quorum, if any action taken (other than adjournment) is approved by at least the required vote (as set forth in Section 2.3(j)(ii)) of the number of Member Units constituting a quorum. Any Members' meeting, whether or not a quorum is present, may be adjourned from time to time by the vote of a majority of the Member Units represented in person at that meeting, and in the absence of a quorum no other business may be transacted at such meeting, except as provided immediately above. When any Members' meeting is adjourned for thirty (30) days or more or, if after the adjournment, a new record date is fixed for the adjourned meeting, notice of the adjourned meeting shall be given to each Member of Record entitled to vote at the adjourned meeting in accordance with the provisions of Section 2.3(f).

(i) Member Voting Rights and Member Units.

(i) Members Voting Rights and Units. Subject to the terms of these Bylaws, the Members shall have the right to vote (i) for the election of Trustees (as defined in Section 3.2(a) below), (ii) on a disposition of all or substantially all of the assets of the Corporation, (iii) on a merger or dissolution of the Corporation, and (iv) on any amendment to these Bylaws. The Members shall exercise those rights by voting their allocated "Member Units."

(ii) Allocation of Member Units. Each Student shall be granted two (2) Member Units. Those Member Units shall be allocated to each Student's Family Member(s) pursuant to the instructions set for in the relevant Family Member Designation Form. Each Staff Member shall be granted one (1) Member Unit. A Member may hold more than one Member Unit and may be both a Staff Member and a Family Member.

(iii) Transfer of Member Units. Member Units held by Family Members may be transferred by proper amendment of a Student's Family Member Designation Form to other persons who are both (A) qualified to be Family Members pursuant to the requirements of Sections 2.1(a) and 2.2 and (B) listed as a Family Member on the Family Member Designation Form. Member Units held by Staff Members may not be transferred at any time.

(j) Voting.

(i) Procedures and Ballots. The Member Units held by Members of Record and entitled to vote at any meeting of Members shall be determined in accordance with the provisions of Section 2.3(l). The Members' shall vote their Member Units by ballot, unless otherwise expressly determined by the Board. To be effective, all votes by ballot must be on the written form established by the Corporation, signed by the relevant Member and filed with the Secretary of the Corporation within the relevant deadline(s) established by the Board.

(ii) Required Vote. The affirmative vote a duly held meeting at which a quorum is (or, pursuant to Section 2.3(h), was) present shall be the act of the Members:

(A) for any amendment of the Bylaws pursuant to Section 8.2(b) - at least seventy five percent (75%) of Member Units held by Members of Record (in attendance in person or by ballot),

(B) for electing nominees for Class A Trustee at the Spring Meeting – the vote required by Section 3.2(d)(i) of the Member Units held by Family Members of Record (in attendance in person or by ballot); and

(C) for all other matters - at least fifty percent (50%) of Member Units held by Members of Record (in attendance in person or by ballot), unless a greater affirmative vote is required by law or the Articles of Incorporation of this Corporation (the “Articles”).

(iii) No Cumulative Voting and No Proxies. Members may not cumulate their votes. No Member may vote by proxy.

(k) Action Without Meeting. No action required to be taken or that may be taken at any Autumn, Spring or special meeting of the Members may be taken without a meeting, and the power of Members to consent in writing, without a meeting, to the taking of any action is specifically denied.

(l) Members of Record and Record Date.

(i) Members of Record. “Members of Record” shall mean those persons who meet the definition of Family Member or Staff Member on the Record Date (as defined in Section 2.3(l)(ii) below).

(ii) Record Date Established by the Board of Trustees. In order that the Corporation may determine the Members of Record entitled to notice of, or to vote at, any meeting or entitled to exercise any rights in respect of any other lawful action, the Board may fix, in advance, a record date, which shall not be more than sixty (60) nor less than ten (10) days before the date of such meeting, nor more than sixty (60) days prior to any other action (the “Record Date”).

(iii) Effect of Determination of Record Date. Members of Record at the close of business on the record date are entitled to notice and to vote, or to exercise rights, as the case may be, notwithstanding any transfer of any Member Units on the books of the Corporation after the record date.

Section 2.4 Other Powers of Members. Except for those rights of the Members expressly set forth in Article II of these Bylaws, all rights which would otherwise vest in members under the Nonprofit Public Benefit Corporation Law of the State of California shall instead vest in the Board.

**ARTICLE III**  
**TRUSTEES**

Section 3.1 Powers of Trustees

(a) General Powers. Subject to any limitations in the Articles, these Bylaws and the provisions of the California Nonprofit Public Benefit Corporation Law, the activities and the affairs of the Corporation shall be conducted and all corporate powers shall be exercised by or under the direction of the Board. The Board shall also have such authority and rights as shall be vested in it pursuant to the provisions of Section 2.4 above. The Board may delegate the management of the activities of the Corporation to any person or persons, a management company or committee or committees however composed, provided the activities and affairs of the Corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board.

(b) Specific Powers. Without prejudice to the above general powers, but subject to the above limitations, it is hereby expressly declared that the Board shall have the following powers in addition to other powers, if any, enumerated in these Bylaws:

(i) To select and remove all Officers, agents and employees of the Corporation, to prescribe any powers and duties for them that are consistent with the law, the Articles and these Bylaws and to fix their compensation;

(ii) To fill vacancies of any Class of Trustee by appointment until the expiration of the term of the relevant vacant Trusteeship pursuant to the provisions of Section 3.3(d);

(iii) To cause the Corporation to be qualified to do business in any other state, territory, dependency or country and to conduct business within or without the State of California;

(iv) To adopt, make and use a corporate seal and alter the form of the seal and certificate; provided, however, nothing contained herein shall require such adoption, making or use; and

(v) To borrow money and incur indebtedness on behalf of the Corporation 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 therefore.

Section 3.2 Number, Class, Qualification and Selection of Trustees

(a) Number, Class and Qualifications of Trustees. The authorized number of Trustees of the Corporation (the "Trustees") shall be not less than fifteen (15) and not more than twenty-five (25) until changed by amendment of the Articles or of this Section 3.2(a). The exact

number of Trustees shall be fixed at twenty-two (22) until changed within the limits specified above, by an amendment to this Section 3.2(a). The twenty-two (22) Trustees shall be comprised of three “Classes” as follows:

(i) Class A. There shall be twelve (12) Class A Trustees. All Class A Trustees must be Family Members.

(ii) Class B. There shall be four (4) Class B Trustees. The Class B Trustees must be Staff Members and shall include the Head of School (as defined in Section 4.7(f) below).

(iii) Class C. There shall be six (6) Class C Trustees. The Class C Trustees need not be Family Members and shall not be Staff Members.

(b) Election and Term of Office of Trustees. The Board shall be selected as set forth below in this Section 3.2(b). No Immediate Relatives (as defined below in Section 3.2(e)(ii)) shall simultaneously serve on the Board of Trustees.

(i) Class A Trustees. Except as provided in Section 3.1(b)(ii), Class A Trustees shall be elected by the Family Members and shall serve for terms of three (3) years. At least one third (1/3<sup>rd</sup>) of the Class A Trustees’ terms shall expire at each Spring Meeting. At the Spring Meeting, the nominees for Class A Trustee who receive the votes required by Section 3.2(d)(i) shall fill the seats of the Class A Trustees whose terms are expiring. Each Class A Trustee shall serve until his/her term expires and until a successor has been elected and qualified. Notwithstanding the foregoing or anything herein to the contrary, the Trusteeship of a Class A Trustee shall be automatically terminated if such person ceases to be a Family Member, resigns or is otherwise terminated pursuant to Sections 3.2(e), 3.2(f), 3.2(g) or 3.3(b).

(ii) Class B Trustees. Except as provided in Section 3.1(b)(ii), each Spring, Class B Trustees shall be selected by the Staff Members to serve for terms of one (1) year. The Class B Trustees shall include the Head of School and a Staff Member representative of each of the Preschool, the Elementary School and the Middle School. The Staff Members who receive the votes required by Section 3.2(d)(ii) shall serve as the Preschool, the Elementary School and the Middle School representatives, respectively. Each Class B Trustee shall serve until his/her term expires and a successor has been elected and qualified. Notwithstanding the foregoing or anything herein to the contrary, the Trusteeship of a Class B Trustee shall be automatically terminated if such person ceases to be a Staff Member, resigns or is otherwise terminated pursuant to Sections 3.2(e), 3.2(f), 3.2(g) or 3.3(b).

(iii) Class C Trustees. Class C Trustees shall be elected by the Board at the Annual Meeting (as defined in Section 3.4(e)(i) below) and, subject to the following, shall serve terms of three (3) years. At least a fifth (1/5<sup>th</sup>) of the Class C Trustees’ terms shall expire at each Annual Meeting. Upon adoption of these Bylaws, the Board shall initially set some of the Class C Trustees’ terms to be for one (1) and two (2) years to implement the staggering process. At the Annual Meeting, the nominees for Class C Trustee who receive the votes required by Section 3.2(d)(iii) shall fill the seats of those Class C Trustees whose terms are expiring. Each

Class C Trustee shall serve until his/her term expires or until a successor has been elected and qualified. Notwithstanding the foregoing or anything herein to the contrary, the Trusteeship of a Class C Trustee may be automatically terminated pursuant to Sections 3.2(e), 3.2(f), 3.2(g) or 3.3(b).

(c) Nominations and Solicitations for Votes.

(i) Nominations from the Nominating Committee. Prior to the Spring Meeting, the Nominating Committee (as defined below in Section 3.5(c)) shall prepare, after solicitation of suggestions from the Board and the Members, a slate of qualified candidates for election to fill the expiring terms of Class A Trustees and Class C Trustees. The number of candidates on the slate shall equal the number of expiring Class A Trustee and Class C Trustee terms. The Nominating Committee shall deliver its slate to the Board at least five (5) days prior to the Spring Meeting. In the event of a mid-term vacancy for any Class of Trustee, the Board may use the Nominating Committee to select a qualified candidate for election pursuant to Section 3.3(d).

(ii) Nominations from the Floor. Any Trustee present at a meeting of the Board to nominate the annual slate of Class A Trustees and Class C Trustees or to otherwise elect any Trustees may place a name or names in nomination.

(iii) Use of Corporate Funds to Support Nominees. No corporate funds may be expended to support a nominee for Trustee.

(d) Vote Required to Elect Trustees. At Spring Meeting and Annual Meeting elections at which there are more candidates nominated for a particular Class of Trustee than exist expiring terms, the expiring terms shall be filled as follows:

(i) qualified Class A Trustee candidates receiving the highest number of votes from the Family Members shall fill the Class A Trustee expired terms;

(ii) qualified Class B Trustee candidates receiving the highest number of votes from the Staff Members shall fill the Class B Trustee expired terms for the Preschool, the Elementary School and the Middle School and the Head of School shall fill the remaining Class B Trusteeship; and

(iii) qualified Class C Trustee candidates receiving the highest number of votes from all Trustees (of any Class) shall fill the Class C Trustee expired terms.

Notwithstanding the foregoing, no candidate shall be elected to the position of Trustee (of any Class) unless such candidate shall have at least a majority vote from its respective electorate.

(e) Restriction on Interested Trustees. Not more than forty-nine percent (49%) of the persons serving on the Board at any time may be “interested persons.” An “interested person” is: (i) any person being compensated by the Corporation for services rendered to it within the previous twelve (12) months, whether as a full-time or a part-time employee, independent

contractor or otherwise, excluding any reasonable reimbursement paid to a Trustee as Trustee; (ii) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law or father-in-law of any such person (“Immediate Relative”); or (iii) as otherwise defined by Section 5227 of the California Nonprofit Public Benefit Corporation Law. Notwithstanding the foregoing, any violation of the provisions of this subsection shall not affect the validity or enforceability of any transaction entered into by the Corporation. Upon determination that more than forty nine percent (49%) of the Trustees serving on the Board are interested persons, the term of sufficient interested person Trustees may be terminated by a majority vote of the Trustees to meet the requirements of this Section 3.2(e), and such interested persons shall cease to be a Trustee of and, if applicable, an Officer of the Corporation.

(f) Termination for Unexcused Absences. The term of any Trustee who shall be absent and not excused by the President from more than four (4) consecutive meetings of the Board may be terminated by a majority vote of the Trustees, and such person shall cease to be a Trustee and, if applicable, an Officer of the Corporation.

(g) Automatic Termination for Specific Events. The term of any Trustee shall be automatically terminated upon his or her: (i) death, (ii) resignation pursuant to Section 3.3(b), (iii) declaration of unsound mind by an order of court, (iv) conviction of a felony, fraud or act of moral turpitude, (v) finding by an order or judgment of any court to have breached the duty of care required by Sections 5230 to 5239 of the California Nonprofit Public Benefit Corporation Law, (vi) removal from the Board by the vote of at least seventy five percent (75%) of the Trustees of any Class in attendance and voting at a meeting at which a quorum is or was present (pursuant to Section 3.4(b)(ii)(A)); or (vii) removal pursuant to Sections 5221, 5222 or 5223 of the California Nonprofit Public Benefit Corporation Law.

### Section 3.3 Vacancies

(a) Events Causing Vacancy. A vacancy or vacancies on the Board shall be deemed to exist on the occurrence of any one or more of the following: (i) an increase in the authorized number of Trustees pursuant to Section 3.2(a); (ii) the failure of the Trustees or the Members, at any meeting of the Trustees or the Members at which any Trustee or Trustees are to be elected, to elect the number of Trustees to be elected at such meeting, (iii) the removal of a Trustee pursuant to Sections 3.2(e), 3.2(f), or 3.2(g), and (iv) the resignation of a Trustee pursuant to Section 3.3(b).

(b) Resignations. Subject to the provisions of Section 5226 of the California Nonprofit Public Benefit Corporation Law, any Trustee may resign, which resignation shall be effective upon giving notice to the President, the Secretary or the Board, unless the notice specifies a later time upon which the resignation will become effective. If the resignation of a Trustee is to be effective at a later time, the Board may elect a successor in advance to take office when the resignation becomes effective.

(c) No Vacancy on Reduction of Number of Trustees. No reduction of the authorized number of Trustees shall have the effect of removing any Trustee before that Trustee’s term of office expires.

(d) Manner of Filling a Vacancy. A vacancy on the Board for a Trustee of any Class shall be filled by a majority vote of the remaining Trustees, even if such Trustees constitute less than a quorum, or by a sole remaining Trustee. In the event that there are more candidates nominated than vacancies in any mid-term election by the Board to fill vacancies for any Class of Trustee, those qualified candidates receiving the highest number of votes from all Trustees of any Class shall fill such vacancies. Notwithstanding the foregoing, no candidate shall be elected to the position of Trustee (of any Class) unless such candidate shall have at least a majority vote from the Board. Each Trustee so elected shall hold office until the expiration of the term of the replaced Trustee and until a successor has been elected and qualified, unless such term is earlier terminated pursuant to Sections 3.2(e), 3.2(f), 3.2(g) or 3.3(b).

#### Section 3.4 Meetings

(a) Quorum. The presence in person of at least one half (1/2) of the number of Trustees then holding office shall constitute a quorum of the Board for the transaction of business, except to adjourn as provided in Section 3.4(g). Every act or decision done or made by the required vote of the Trustees (set forth in Section 3.4(b)(ii)) present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board, subject to the Articles and the provisions of the California Nonprofit Public Benefit Corporation Law, including, but not limited to, those provisions relating to (i) approval of contracts or transactions in which a Trustee has a direct or indirect material financial interest, (ii) appointment of committees and (iii) indemnification of Trustees. A meeting at which a quorum is initially present may be continued, notwithstanding the withdrawal of a Trustee or Trustees, if any action taken at such meeting is approved by at least the required vote (set forth in Section 3.4(b)(ii)) of the number of Trustees constituting a quorum for such meeting.

(b) Voting.

(i) Procedures. All Trustees, regardless of their Class, who are currently holding un-expired terms may vote at a meeting of the Board.

(ii) Required Board Vote. The following affirmative vote of the Trustees in attendance and voting at a duly held meeting at which a quorum is (or, pursuant to Section 3.4(a), was) present shall be the act of the Board:

(A) at least seventy five percent (75%) for any (I) amendment of the Bylaws pursuant to Section 8.2(a), (II) removal of a Trustee pursuant to Section 3.2(g)(vi), or (III) if such a vote is required by the Head Contract (as defined below in Section 4.2), removal of the Head of School;

(B) at least the required vote for electing Trustees (as set forth in Section 3.2(d)) or filling vacancies on the Board (as set forth in Section 3.3(d)); and

(C) at least fifty percent (50%) for all other matters, unless a greater affirmative vote is required by law or the Articles.

(iii) No Cumulative Voting and No Proxies. Trustees may not cumulate their votes. No Trustee may vote by proxy.

(c) Place of Meetings. Meetings of the Board may be held at any place within or without the State of California designated from time to time by the Board. In the absence of such designation, meetings shall be held at the principal office of the Corporation.

(d) Meetings by Telephone. Any meeting, regular or special, may be held by conference telephone, computer or similar communication equipment, so long as all Trustees participating in the meeting can hear one another (or otherwise immediately receive the text of each other's comments), and all such Trustees shall be deemed to be present in person at such meeting.

(e) Meetings.

(i) Annual Meeting. Each year the Board meeting immediately following the Spring Meeting of the Members shall be designated the annual meeting (the "Annual Meeting").

(ii) Regular Meetings. Regular meetings of the Board shall be held at such times as shall from time to time be fixed by the Board and shall occur no less than four (4) times per year.

(iii) Special Meetings. Special meetings of the Board may be called for any purpose at any time by the President, the Vice President, the Secretary, the Treasurer or any three (3) Trustees.

(f) Notice of Meetings and Waiver of Notice.

(i) Manner of Giving Notice and Time Requirements. All meetings of the Board shall be held upon five (5) days' notice in person or by first-class mail, fax, e-mail or other similar means of communication. Special meetings of the Board may also be called on twenty-four (24) hours' notice given personally or by telephone. Any such notice shall be addressed or delivered to each Trustee at such Trustee's address as it is shown on the records of the Corporation or as may be deemed to have been given to the Trustee by the Corporation for the purposes of notice or, if such address is not shown on such records or is not readily ascertainable, at the principal place of business of the Corporation or such other place at which the meetings of the Trustees are regularly held. If the Board establishes a schedule of meetings, distribution of the schedule by the means above shall constitute notice of the meetings. Any notice of change in such schedule shall be as specified above.

(ii) Deemed Delivery of Notice. Notice by mail shall be deemed given at the time a written notice is deposited in the United States mails, postage prepaid. Any other written notice shall be deemed given at the time it is personally delivered to the recipient or is delivered to a common carrier for transmission, or is actually transmitted by the person giving the notice by electronic means, to the recipient. Oral notice shall be deemed to have been given at the time it is communicated, in person or by telephone, to the recipient or to a person or voicemail system

or machine at the home or office of the recipient to whom or which the person giving the notice has reason to believe will promptly communicate it to the receiver.

(iii) Waiver of Notice. The actions taken by the Board at any meeting of the Board called without proper notice shall be as valid as though taken at a meeting duly held after regular notice, if (a) a quorum is present and (b) either before or after the meeting, each of the Trustees not present signs a written waiver of notice, a consent to holding the meeting or an approval of the minutes of the meeting. The waiver or consent need not specify the purpose of the meeting. Any waiver, consent or approval shall be filed with the minutes of the proceedings of the Board. Notice of a meeting shall also be deemed given to any Trustee who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

(g) Adjournment.

(i) Power of Adjournment. A majority of the Trustees present, whether or not a quorum is present, may adjourn any meeting of the Board to another time and place.

(ii) Notice of Adjournment. Notice of the time and place for holding an adjourned meeting need not be given to absent Trustees unless the meeting is adjourned for more than twenty-four (24) hours, in which case notice of the time and place shall be given to absent Trustees before the time of the adjourned meeting.

(h) Action Without Meeting. Any action required or permitted to be taken by the Board may be taken without a meeting, if all members of the Board, individually or collectively, consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board.

(i) Governance of Meetings. The President shall preside at the meetings of the Board, or, in the absence of the President, the Vice President or, in the absence of the Vice President, a temporary President chosen by a majority of the Trustees present shall preside. The Secretary shall act as Secretary of the Board, and may delegate the taking of minutes. In the event the Secretary is absent from any such meeting, the person presiding may appoint any person to act as Secretary for the meeting.

### Section 3.5 Committees of Trustees

(a) Authority. The Board shall appoint a standing Executive Committee and Nominating Committee and may appoint such other standing committees as it may determine from time to time to be necessary or appropriate for the governance of the Corporation, including without limitation a Finance Committee, a Buildings and Grounds Committee, and an Internal Audit Committee. The Board may delegate to such committees any of the authority of the Board except that no committee may:

(i) take any final action on a matter which, under the provisions of the California Nonprofit Public Benefit Corporation Law, requires approval of the Board;

- (ii) fill vacancies on the Board or any committee;
- (iii) fix the compensation of the Trustees for serving on the Board or any committee;
- (iv) amend or repeal Bylaws or the Articles or adopt new Bylaws or Articles;
- (v) amend or repeal any resolution of the Board which by its express terms is not so amendable or repealable;
- (vi) create any other committee or committees of the Board or the members thereof;
- (vii) expend corporate funds to support a nominee for Trustee;
- (viii) approve the Corporation's budget for any fiscal year or any expenditures in excess of those established in a Board approved budget; or
- (ix) approve any transaction to which the Corporation is a party and in which one or more Trustees has a material financial interest or between the Corporation and one or more Trustees or between the Corporation and any person or entity in which one or more Trustees has a material financial interest or between the Corporation and an interested person.

Any committee of the Board that is not outlined below in this Section 3.5 must be created by resolution duly adopted by the Board or by an amendment to these Bylaws. Each committee of the Board shall consist of at least two (2) Trustees. Except as otherwise expressly stated in this Section 3.5, the chair of each Board committee shall be nominated by the President and selected by the Board. Unless membership is expressly required to be determined pursuant to certain provisions of this Section 3.5, the membership of each committee shall be determined by the chair of that committee in consultation with the President. Members who are not Trustees may serve as members of committees. Only Trustees are eligible for selection as chair of a committee. The President shall be an ex-officio member of all committees and shall have full voting rights. All standing committees shall from time to time report their activities to the Board and shall make recommendations to the Board on matters under their consideration.

(b) Executive Committee. The Board shall appoint an Executive Committee that shall consist of the Executive Officers, the Head of School and the Trustees who chair each standing committee. It shall be the responsibility of the Executive Committee to: (i) supervise and control such routine activities of the Corporation as may be required between meetings of the Board, (ii) engage in long range planning for the Corporation, and (ii) without the participation of the Head of School, ensure evaluation of the Head of the School. Except for these functions, the Executive Committee shall possess only such powers as are delegated to it from time to time by the Board.

(c) Nominating Committee. The Board shall appoint a Nominating Committee composed of at least: (A) the President, (B) the Head of School, (C) the Vice President, (D) one

(1) Class A Trustee, (E) one (1) Family Member that is not a Trustee or Staff Member, and (F) one (1) Staff Member. It shall be the responsibility of the Nominating Committee to select candidates for election to the Board pursuant to Section 3.2(c) and for election as Executive Officers pursuant to Section 4.2. The Nominating Committee, without the Head of School, shall also evaluate and propose candidates to fill any vacancy in the office of Head of School. Except for these functions, the Nominating Committee shall possess only such powers as are delegated to it from time to time by the Board.

(d) Finance Committee. From time to time the Board may appoint a Finance Committee to supervise the financial affairs of the Corporation and shall make recommendations to the Board from time to time with regard to operating and capital budgets, salaries, tuition and other business affairs. Except for these functions, the Finance Committee shall possess only such powers as are delegated to it from time to time by the Board. From time to time the Board may also appoint an Investment sub-committee as part of the Finance Committee, the membership of which shall be at least partially derived from the Finance Committee. The Treasurer shall serve on and as the chair of the Finance Committee and the Investment Committee.

(e) Building and Grounds Committee. From time to time the Board may appoint a Building and Grounds Committee to supervise the construction and maintenance of all buildings and facilities. Except for these functions, the Building and Grounds Committee shall possess only such powers as are delegated to it from time to time by the Board.

(f) Internal Audit Committee. From time to time the Board may appoint an Internal Audit Committee to provide independent assessment of the financial status of the school and provide other recommendations to the Board. Upon the approval of a majority of the Board, the Internal Audit Committee may from time to time hire an independent forensic auditor. Except for these functions, the Internal Audit Committee shall possess only such powers as are delegated to it from time to time by the Board.

(g) Meetings and Actions of Committees. Meetings and actions of committees shall be governed by the provisions of Article III of these Bylaws, with such changes in the context of these Bylaws as are necessary to substitute the committee and its members for the Board, except that the time for regular meetings of committees and the number of members of the committees necessary to constitute a quorum may be determined either by resolution of the Board or by resolution of the committee. Special meetings of committees may also be called by resolution of the Board or the committees. Notice of special meetings of committees shall also be given to all members of each committee, who shall have the right to attend all meetings of the committee. The Board may adopt rules for the governance of any committee not inconsistent with the provisions of these Bylaws.

Section 3.6 Fees and Compensation of Trustees

Class A Trustees and Class C Trustees shall not receive compensation from the Corporation for their services as Trustees. All Trustees may receive such reimbursement for expenses as may be determined by resolution of the Board to be just and reasonable.

Section 3.7 Ex-officio Board Members.

The person or persons who be designated by the Board shall be ex-officio members of the Board, entitled to participate in the proceedings of the Board to the extent the Board may provide from time to time, but shall not be counted toward the number of authorized Trustees or toward the quorum and shall not be entitled to vote.

**ARTICLE IV**

**OFFICERS**

Section 4.1 Officers

The “Executive Officers” of the Corporation shall be the President, the Vice President, the Secretary and the Treasurer. In addition to the Executive Officers, the term “Officers” shall include the Head of School and any other officers appointed pursuant to the provisions of Section 4.3. Any number of offices may be held by the same person, except that neither the Secretary nor the Treasurer may serve concurrently as the President. All Executive Officers must be Class A Trustees.

Section 4.2 Election of Executive Officers and Head of School

The Executive Officers shall serve two (2) year terms. The Executive Officers shall be chosen every other year in even-numbered years by the Board at the Annual Meeting, to take office at the Board meeting next held or as soon as possible thereafter. The Head of School shall serve such term as shall be designated from time to time in his or her the current contract with the Corporation (the “Head Contract”). Candidates to fill vacancies for Executive Officers or the Head of School shall be proposed by the Nominating Committee, or nominations may be made at the Annual Meeting or other Board meeting where the election is to take place, and each Executive Officer and the Head of School must be elected by majority vote pursuant to Section 3.4(b)(ii)(C). Each Executive Officer and the Head of School shall serve at the pleasure of the Board, and shall hold their respective offices until their resignation, removal or other disqualifications from service or until their respective successors shall be elected. No person shall serve in any one Executive Officer position for longer three consecutive terms. The Head of School may serve multiple successive terms, at the discretion of the Board of Trustees.

Section 4.3 Subordinate Officers and Executive Personnel

The Board may elect, and may authorize the President or another Executive Officer, to appoint such Officers other than the Executive Officers as the business of the Corporation may require,

each of whom shall serve at the pleasure of the Board and shall hold office for such period determined by the Board or until their resignation, removal or other disqualification from service. Officers appointed pursuant to this Section 4.3 must be Members and shall have such authority and perform such duties as are provided in these Bylaws or as the Board may from time to time determine.

#### Section 4.4 Removal of Officers

Subject to the rights, if any, of an Officer under any contract of employment, any Officer (including the Head of School) may be removed, with or without cause, by the majority vote of the Board pursuant to Section 3.4(b)(ii)(C). Further subject to the rights, if any, of an Officer under any contract of employment, any Officer other than the Head of School who is not an Executive Officer, may be removed, with or without cause, by an Executive Officer on whom such power of removal may have been conferred by the Board.

#### Section 4.5 Resignation of Officers

Subject to the rights, if any, of an Officer or the School under any contract of employment, any Officer may resign at any time by giving written notice to the Corporation. A resignation shall take effect at the date of receipt thereof by the President or Secretary, or at any later time specified in that notice or in the contract of employment with the School. Unless otherwise expressly specified therein, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the Corporation under any contract to which the Officer is party.

#### Section 4.6 Vacancies in Offices

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

#### Section 4.7 Responsibilities of Officers

(a) President. The President shall: (i) subject to the control of the Board, serve as Chief Executive Officer of the Corporation, supervise, direct and control the business of the Corporation and its Officers and supervise the Head of School; (ii) preside at all meetings of the Board and the Members; (iii) perform all duties incident to the office of President and such other duties as may be required by law, the Articles or these Bylaws; and (iv) have such other powers and duties as may be prescribed by the Board or as may be required by law, the Articles or these Bylaws.

(c) Vice President. In the absence or disability of the President, the Vice President shall perform all the duties of the President and when so acting shall have all the powers of, and be subject to all the restrictions on, the President. The Vice President(s) shall have such other powers and perform such other duties as from time to time may be prescribed for them

respectively by the Board or the President or as may be required by law, the Articles or these Bylaws.

(d) Secretary. The Secretary shall attend to the following:

(i) Book of Minutes. The Secretary shall keep or cause to be kept, at the principal office of the Corporation or such other place as the Board may direct, a book of minutes of all meetings and actions of the Members, the Trustees and committees of the Board, with the time and place of holding, whether regular or special, and, if special, how authorized, the notice given, the names of those present at such meetings and the proceedings thereof.

(ii) Membership Records. The Secretary shall keep, or cause to be kept, at the principal office of the Corporation, or at such other place as the Board may direct, a record of the Members and Trustees, showing the names of each Student and his/her Family Members and their allocation of Member Units, each Staff Member and each Trustee and Officer, as well as a list of their respective addresses and other contact information and a notation of membership on any committees of the Board.

(iii) Notices and Seal. The Secretary shall give, or cause to be given, notice of all meetings of the Board required by these Bylaws to be given and shall keep the seal of the corporation, if it has one, in safe custody.

(iv) In General. The Secretary shall perform all duties incident to the office of Secretary and such other duties as may be required by law, the Articles or these Bylaws or which may be assigned to the Secretary from time to time by the Board.

(e) Treasurer. The Treasurer shall be the chief financial officer of the corporation, shall be a member of and the chair of the Finance Committee and shall attend to the following:

(i) Books of Account. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the Corporation.

(ii) Deposit and Disbursement of Money and Valuables. The Treasurer shall deposit all money and other valuables in the name and to the credit of the Corporation with such depositaries as may be designated by the Board; shall disburse the funds of the Corporation as may be ordered by the Board; and shall render to the President, whenever requested, an account of all the transactions of the treasurer and of the financial condition of the corporation. The Treasurer shall render to the Members at each Autumn Meeting a report on the financial condition of the Corporation for the fiscal year ended the prior June 30<sup>th</sup>.

(iii) Reports to Internal Revenue Service, Franchise Tax Board and Attorney General. The Treasurer shall prepare and submit prior to delinquency all reports required by the Internal Revenue Service, the California Franchise Tax Board and the California Attorney General's Office of Charitable Trusts and other regulatory entities with which the Corporation must file tax reports.

(iv) Bond. If required by the Board, the Corporation shall obtain for the Treasurer a bond in the amount and with the surety or sureties specified by the Board. This bond shall cover for the faithful performance of the duties of the office of Treasurer and shall insure, in the event of the on the death, resignation, retirement or other removal from office of the Treasurer, the restoration to the Corporation of all the Corporation's books, papers, vouchers, money and other property of any kind in the possession or under the control of the Treasurer.

(v) In General. The Treasurer shall perform all duties incident to the office of Treasurer and such other duties as may be required by law, the Articles or these Bylaws or which may be assigned to the treasurer from time to time by the Board.

(f) Head of School. The Head of the San Francisco School ("Head of School") shall be the chief administrative officer of the Corporation. The Head of School shall report to the Board and the President. The Head of School shall have such powers, duties and responsibilities as shall be set forth in his or her contract with the Corporation and shall otherwise be prescribed from time to time by the President or the Board.

## ARTICLE V

### INDEMNIFICATION OF AGENTS

#### Section 5.1 Indemnity

The Corporation shall indemnify all Trustees and Officers of the Corporation to the fullest extent permitted by Section 5238 of the California Nonprofit Public Benefit Corporation Law. The Corporation may, at the discretion of the Board, offer to indemnify under Section 5238 of the California Nonprofit Public Benefit Corporation Law any other agent of the Corporation, including, but not limited to any employee or Member of the Corporation, against any liability asserted against or incurred by the agent acting in the capacity as agent for the Corporation or arising out of the agent's status as such. Notwithstanding the foregoing, the Corporation shall have no obligation to grant such indemnification to its other agents except as expressly required by Section 5238 of the California Nonprofit Public Benefit Corporation Law.

#### Section 5.2 Insurance

To the extent permitted by law, the Corporation shall have the power to purchase and maintain insurance on behalf of any agent of the Corporation, including, but not limited to, any Trustee, Officer, Member or employee of the Corporation, against any liability asserted against or incurred by the agent acting in the capacity as agent for the Corporation or arising out of the agent's status as such.

#### Section 5.3 Limitations.

This Article V does not apply to any proceeding against any Trustee, Officer or other agent of the Corporation, serving as an investment manager or other fiduciary of an employee benefit plan and acting in such capacity. Notwithstanding the foregoing, nothing contained in this Section 5.3 shall limit any right to indemnification to which such Trustee, Officer or other agent may be entitled to by contract or operation of law to the extent that such indemnification is permitted by law.

## **ARTICLE VI**

### **RECORDS AND REPORTS**

#### Section 6.1 Maintenance of Articles and Bylaws

The Corporation shall keep at its principal office, or if its principal office is not in the State of California, at its principal business office in this state, the original or a copy of the Articles and these Bylaws, as amended from time to time.

#### Section 6.2 Maintenance of Other Corporate Records

The accounting books, records and minutes of the proceedings of the Board and any committee of the Board shall be kept at such place or places designated by the Board, or, in the absence of such designation, at the principal office of the Corporation. The minutes shall be kept in written or typed form and the accounting books and records shall be kept either in written or typed form or in any other form capable of being converted into written, typed or printed form.

#### Section 6.3 Inspection by Trustees

Every Trustee shall have the right at any reasonable time to inspect all books, records and documents of any kind and all physical properties of the Corporation and each of its subsidiary corporations. This inspection by a Trustee may be made in person or by an agent or attorney and the right of inspection includes the right to copy and make extracts of documents.

#### Section 6.4 Annual Report to Members

The annual report to members referred to in Section 6321 of the California Nonprofit Public Benefit Corporation Law is expressly dispensed with, but nothing in these Bylaws shall be interpreted as prohibiting the Board from issuing annual or other periodic reports as it considers appropriate. Notwithstanding the foregoing, the President shall provide to the Board within one hundred twenty (120) days of the close of its fiscal year, a report containing the following information in reasonable detail:

(a) the assets and liabilities, including the trust funds, of the Corporation as of the end of the fiscal year;

(b) the principal changes in assets and liabilities, including trust funds, during the fiscal year;

(c) the revenue or receipts of the Corporation, both unrestricted and restricted to particular purpose, for the fiscal year.

(d) the expenses or disbursements of the Corporation, for both general and restricted purposes, during the fiscal year; and

(e) any information required by Section 6322 of the California Nonprofit Public Benefit Corporation law regarding transactions with or indemnification of interested persons.

Section 6.5 Fiscal Year.

The fiscal year of the Corporation shall end on the 30<sup>th</sup> day of June each year.

**ARTICLE VII**

**EXECUTION OF INSTRUMENTS, DEPOSITS AND FUNDS**

Section 7.1 Authority

The Board, except as otherwise provided in these Bylaws, may by resolution authorize any Officer, employee or other agent of the Corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances. Unless so authorized, no Officer, agent or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or in any amount.

Section 7.2 Signature

Except as otherwise specifically determined by resolution of the Board, or as otherwise required by law, checks, drafts, promissory notes, orders for payment of money and other evidences of indebtedness of the Corporation shall be signed by the Treasurer and countersigned by the President.

**ARTICLE VIII**

**BYLAWS**

Section 8.1 Date Effective

These Bylaws shall become effective immediately upon their adoption. Amendments to these Bylaws shall become effective immediately upon their adoption or at such later time as specified in the amendment.

Section 8.2 Amendment

Subject to the limitations contained in the Articles and any provisions of law applicable to the amendment of bylaws of nonprofit corporations, these Bylaws, or any of them, may be altered, amended or repealed and new bylaws adopted by

(a) the affirmative vote of seventy-five percent (75%) of the Trustees in attendance at a meeting at which a quorum is (or pursuant to Section 3.4(a) was) present or, pursuant to Section 3.4(h) by the unanimous written consent of the Trustees; or

(b) the affirmative vote of seventy-five percent (75%) of the Member Units in attendance at a meeting (in person or by ballot) at which a quorum is (or pursuant to Section 2.3(h) was) present.

**ARTICLE IX**

**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. Without limiting the generality of the above, unless otherwise expressly stated to the contrary:

(a) the masculine gender includes the feminine and neuter, the singular number includes the plural, the plural number includes the singular and the term “person” includes both the corporation and a natural person; and

(b) all references to the provisions of any regulations, codes, statutes or laws, shall be deemed to include any amendments to such provisions and to be replaced by any relevant provisions of any successor regulations, codes, statutes or laws.

\* \* \* \* \*

## **CERTIFICATE OF SECRETARY**

I, the undersigned, certify that I am the presently elected and acting Secretary of The San Francisco School, a California nonprofit public benefit corporation, and that the above Bylaws, consisting of twenty one (21) pages, including this page, are the Bylaws of the corporation as unanimously adopted at a meeting of the Board of Trustees held on March 15, 2004.

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Patrick White, Secretary of the Board of Trustees  
The San Francisco School