

**BY-LAWS
OF
THE ASSOCIATION FOR WALDORF EDUCATION IN SAN DIEGO**

These Bylaws were APPROVED April 23, 2015 to replace previous bylaws in their entirety. Section 4.2.2(ii) was amended on May 28, 2015. Section 4.4.1 was amended on July 26, 2018.

ARTICLE 1 NAME AND PURPOSE

Section 1.1 Corporate Name

The name of this Corporation is **Association for Waldorf Education in San Diego**, which does business as **Waldorf School of San Diego** ("Corporation").

Section 1.2 General Purpose

The Corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Corporation Law of California for charitable purposes.

Section 1.3 Specific Purpose

The specific purpose of the Corporation is to engage exclusively in charitable, educational, literary or scientific work of a public nature, and to foster creative and instructive education for individuals of school age and particularly to form and develop a Waldorf School in the San Diego area. A Waldorf School is defined as a school which derives its primary inspiration and impetus from the International Waldorf Movement originally founded by Rudolf Steiner.

Section 1.4 Powers of the Corporation

The general purpose and powers of the Corporation are to have and exercise those authorities conferred on nonprofit corporations under the law of California, including the power to contract, rent buy or sell personal or real property.

Furthermore, in furtherance of, incident to and limited by the purposes set forth in in this Section and not otherwise, this Corporation shall have the following powers:

- (i) To aid finance, endow, provide for, make donations or contributions to, work in cooperation with, and/or make loans of property or funds to institutions meeting their requirements hereinafter set forth.
- (ii) To aid, assist, care for and/or make loans to needy and worthy individuals who are the objects of the benefits dispensed by this corporation.
- (iii) To establish, build, equip, maintain, and/or operate exclusively charitable, educational, scientific, literary and/or religious projects of a public nature.
- (iv) To do each and everything necessary or proper to accomplish any of the purposes herein set forth, either alone or in conjunction with others, or as principal, agent or otherwise, either in this state or elsewhere in the United States, as to do any other act or acts, thing or things, incidental or pertinent to or calculated to promote any one or more of said purposes.

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Section 1.5 Members

The Corporation shall have no members within the meaning of section 5056 of the California Corporate Code.

ARTICLE 2 LIMITATIONS

Section 2.1 Political Activities

The Corporation has been formed under California Nonprofit Corporation Law for the charitable purposes described in Article 1, and it shall be nonprofit and nonpartisan. No substantial part of the activities of the Corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in or intervene in any political campaign (including the publishing or distribution of statements) on behalf of, or in opposition to, any candidate for public office.

Section 2.2 Prohibited Activities

The Corporation shall not, except in any insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes described in Article 1. Furthermore, nothing in Article 1 shall be construed as allowing the Corporation to carry on other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code or (b) by a corporation, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code.

ARTICLE 3 DEDICATION OF ASSETS

Section 3.1 Property Dedicated to Nonprofit Purposes

The property of the Corporation is irrevocably dedicated to charitable purposes. No part of the net income or assets of the Corporation shall ever inure to the benefit of any of its Board Members or Officers, or to the benefit of any private person.

Section 3.2 Distribution of Assets Upon Dissolution

Upon the dissolution or winding up of the Corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of the Corporation shall be distributed to a nonprofit fund, foundation, or corporation which is organized and operated exclusively for charitable, educational, scientific, literary and/or religious work of a public nature which has established its tax exempt status under Section 501(c)(3) of the Internal Revenue Code.

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ARTICLE 4 BOARD OF TRUSTEES

Section 4.1 Corporate Powers Exercised by the Board of Trustees

4.1.1 General Powers

Subject to the provisions of the Articles of Incorporation of the Corporation, California Nonprofit Corporation Law and any other applicable laws, the business and affairs of the Corporation shall be managed, and all corporate powers shall be exercised, by or under the direction of a Board of Trustees (Board).

4.1.2 Specific Powers

The Board shall, in addition to the general powers conferred upon them by these Bylaws, have the power to:

- (i) Conduct, manage and control the affairs and business of the corporation, and to make rules and regulations not inconsistent with law, the Articles of Incorporation, or the Bylaws.
- (ii) Receive and hold by purchase, gift, devise, bequest or grant, real or personal property for educational purposes connected with the Corporation or for the benefit of the Waldorf School of San Diego.
- (iii) Borrow money and incur indebtedness for the purposes of the corporation and for that purpose to cause to be executed and delivered, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, or other evidence of debt and securities.
- (iv) Sell, mortgage, lease or otherwise use and dispose of the property of the Corporation in such a manner as the trustees shall deem most conducive to the prosperity of the Corporation.
- (v) Move the school site from one location to another and to fix and locate from time to time one or more subsidiary sites.
- (vi) Close the school and dispose of its assets if in the judgment of the Board, the school no longer adheres to and promotes the purposes of the school.

4.1.3 Limitation of Powers

Specifically excluded from the powers of the Board and reserved to the faculty of the school are all matters pertaining to the conduct of the educational program of the school, including, but not restricted to, the formation of the curriculum.

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4.1.4 Confidentiality

Each Board Member will respect and protect the confidentiality appropriate to issues of a sensitive nature, and shall assure that all information that is confidential or privileged or that is not publicly available is not disclosed inappropriately.

Section 4.2 Number and Qualifications of Board Members

4.2.1 Number

The authorized number of members of the Board shall be not less than 5 or more than 13 voting members.

4.2.2 Qualifications

- (i) Faculty. Up to three of the Board positions are reserved for faculty members. Faculty members are voting members of the Board. There shall be at least one faculty Board member, to be chosen by the faculty, on the Board at all times.
- (ii) Executive Leadership. Persons serving as the designated executive leadership of the Corporation in accordance with Section 5.2.6 shall be voting members of the Board.
- (iii) Voting Members. Voting Board Members other than those holding faculty positions on the Board shall not hold paid positions with the school, unless approved by the Board on a case-by-case basis, subject to the limitations of Section 4.3.6. There shall be on the Board at least two parents of currently enrolled students. Other Board Members may be chosen from the community at large.

Section 4.3 Board Membership

4.3.1 Selection

New Board Members are selected by Board Members currently serving on the Board. New Board Members may be suggested by any active Board Member or faculty member of the School. Suggestions shall be submitted to a Nominating Committee designated by the Board which is responsible for proposing individuals to fill vacancies on the Board.

The Nominating Committee shall receive and review suggestions; collect appropriate background information, including the identification of actual or potential conflicts, if any, that might affect that prospective Board member's participation on the Board; cultivate relationships with the potential Board members; report on its work to the full Board and ultimately make formal nominations to fill vacant positions. A new member can only be appointed by consensus of the Board.

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4.3.2 Term

Each Member of the Board shall serve for three years and be eligible for a second three-year term. After two full terms, a lapse of two years is required before re-appointment to the Board. These limitations shall not apply to faculty members or administrative staff members who are appointed to the Board by virtue of their position in the Corporation's executive leadership.

4.3.3 Vacancies

A vacancy or vacancies on the Board may be deemed to exist at the Board's discretion upon the resignation or removal of any Board Member. A vacancy or vacancies on the Board shall automatically be deemed to exist when the total number of members fails to meet the requirements of either Section 4.2 of these Bylaws or California Nonprofit Corporation Law.

4.3.4 Resignation

Any Board Member may resign at any time by giving written notice to the Board or to the President, or to the Secretary of the Corporation. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. No Member may resign if the Corporation would then be left without a duly appointed Board in charge of its affairs, except upon notice to the California Attorney General.

4.3.5 Removal

The Board may by resolution declare vacant the position of a Board Member who has been declared of unsound mind by an order of court, or convicted of a felony, or found by final order or judgment of any court to have breached a duty under California Nonprofit Corporation Law.

The Board may declare vacant the seat of any Board Member who is absent from three consecutive regular meetings of the Board without prior approval of the Board President.

No reduction of the authorized number of Board Members shall have the effect of removing any Board Member before the term of office expires unless the reduction also provides for the removal of that specified Board Member in accordance with these Bylaws and California Nonprofit Corporation Law.

Any Board Member may be involuntarily removed from the Board by a unanimous vote of the remainder of the Board. No reason or cause is required. Such removal is entirely within the discretion of the Board.

4.3.6 Compensation for Service

The Corporation shall not pay any compensation to a Board Member for services rendered to the Corporation as a Board Member, except that Board Members may

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be reimbursed for expenses incurred in the performance of their duties to the Corporation, in reasonable amounts as approved by the Board, for travel, out-of-pocket and other expenses incurred in serving as a Board Member.

Unless approved in accordance with Section 4.2.2 (iii) Board Members may not be compensated for rendering services to the Corporation in a capacity other than as Board Members (including as Staff, Faculty or Consultants), unless such compensation is reasonable and further provided that not more than 49% of the persons serving as Board Members may be an "interested person." For purposes of this section, "interested person" means:

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

4.3.7 Non-Liability of Board Members

Board Members shall not be personally liable for the debts, liabilities, or other obligations of the Corporation.

Section 4.4 Board Meetings

4.4.1 Regular Meetings

Regular meetings of the Board shall be held at the Waldorf School of San Diego or at such other place designated by the President.

4.4.2 Special Meetings.

Special meetings of the Board may be called at any time by the President or in the event of his/her absence or inability to act, the Vice President, or any three Board Members.

4.4.3 Notice of Meetings

Three days advance notice of the time and place of each monthly or special meeting shall be given to each trustee. In the event of a special meeting, the notice shall include the purpose of the meeting.

4.4.4 Meetings by Telephone or Similar Communication Equipment

Any meeting may be held by conference telephone or other communications equipment permitted by California Nonprofit Corporation Law, as long as all Board Members participating in the meeting can communicate with one another

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and all other requirements of California Nonprofit Corporation Law are satisfied. All such Board Members shall be deemed to be present in person at such meeting.

4.4.5 Waiver of Notice

The transactions of any meeting of the Board, however called and noticed or wherever held, shall be as valid as though held after proper notice, if (i) a quorum is present, and (ii) either before or after the meeting, each of the Board Members who is not present at the meeting signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent does not need to specify the purpose of the meeting. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Notice of a meeting is not required to be given to any Board Member who attends the meeting without protesting before or at its commencement about the lack of adequate notice. Board Members can protest the lack of notice only by presenting a written protest to the Secretary at the principal office of the Corporation as contained on the records of the Corporation as of the date of the protest.

4.4.6 Adjournment

A majority of the Board Members present, whether or not constituting a quorum, may adjourn any meeting to another time and place. Notice of the time and place of holding an adjourned meeting need not be given, unless the meeting is adjourned for more than 24 hours, in which case personal notice of the time and place shall be given before the time of the adjourned meeting to the Board Members who were not present at the time of the adjournment.

4.4.7 Conduct of Meetings

Meetings of the Board shall be presided over by the President or, if the President is absent, by the Vice President, or, in the absence of each of these persons, by a chairperson of the meeting, chosen by a majority of the Board Members present at the meeting. The Secretary shall act as secretary of all meetings of the Board, provided that, if the Secretary is absent, the presiding officer shall appoint another person to act as secretary of the meeting. Meetings shall be governed by rules of procedure as may be determined by the Board from time to time, insofar as such rules are not inconsistent with or in conflict with these Bylaws, with the Articles of Incorporation, or with any provisions of law applicable to the Corporation.

Section 4.5 Quorum and Action of the Board

4.5.1 Quorum

Fifty percent of the Board entitled to vote shall constitute a quorum for the transaction of business.

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4.5.2 Minimum Vote Requirements for Valid Board Action

Every act taken or decision made by a vote of the majority of the Board Members present at a meeting duly held at which a quorum is present is the act of the Board, unless a greater number is expressly required by California Nonprofit Corporation Law, the Articles of Incorporation or these Bylaws. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Board Members from the meeting, if any action taken is approved by at least a majority of the required quorum for that meeting.

4.5.3 When a Greater Vote Is Required for Valid Board Action

The following actions shall require unanimous consent of all Members then in office in order to be effective:

- (i) Approval of contracts or transactions in which a Board Member has a direct or indirect material financial interest as described in Section 7.3 (provided that the vote of any interested Board Member is not counted);
- (ii) Action without a meeting (See Section 4.5.4)
- (iii) Appointment of an executive committee, or other committees as described in Article 6, and to delegate to the executive committee or other committee any of the powers and authority of the Board in the management of the business and affairs of the corporation, except the power to adopt, amend, or repeal Bylaws.
- (iv) Removal of a Board Member without cause as described in Section 4.3.5; and
- (v) Indemnification of Board Members as described in Article 8.
- (vi) Ratification of the annual budget of the Corporation

4.5.4 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 the action. For the purposes of this Section 4.5.4 only, "all members of the Board" shall not include any "interested Board Member" as defined in Section 7.3.1 of these Bylaws. Such written consent shall have the same force and effect as a unanimous vote of the Board taken at a meeting. Such written consent or consents shall be filed with the minutes of the proceedings of the Board. Written consent may be transmitted by e-mail or any other reasonable method satisfactory to the President.

ARTICLE 5 OFFICERS

Section 5.1 Selection

The officers of the Corporation shall consist of a President, Vice President, a

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Treasurer, and a Secretary. All officers shall be elected from members of the Board. Any number of offices may be held by the same person, except that the Secretary and the Treasurer may not serve concurrently as the President.

5.1.1 Election of Officers

The Officers shall be elected by the Board for a term of one year, and each shall serve at the discretion of the Board until his or her successor shall be elected, or his or her earlier resignation or removal. Officers may be elected for consecutive terms consistent with the term limitations as stated in Section 4.3.2.

5.1.2 Removal of Officers

Any Officer may be removed from his or her position as an officer of the Board, with or without cause (i) by the Board, at any regular or special meeting of the Board, or (ii) by an Officer on whom such power of removal may be conferred by the Board.

5.1.3 Resignation of Officers

Any Officer may resign at any time by giving written notice to the Corporation. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice; and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective.

5.1.4 Vacancies in Offices

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 regular appointments to that office, provided that such vacancies shall be filled as they occur. In the event of a vacancy in any office other than the President, such vacancy may be filled temporarily by appointment by the President, and the appointee shall remain in office for 60 days, or until the next regular meeting of the Board, whichever comes first. Thereafter, the position can be filled only by action of the Board.

Section 5.2 Responsibilities of Officers

5.2.1 President

The President shall be the chief executive officer of the corporation, subject to the limitations set forth in these bylaws, and subject to any Board policy directive established to govern the day-to-day activities of the Corporation. The Board may delegate chief executive officer responsibilities and duties to the executive leadership of the Corporation consistent with Section 5.2.6.

The President of the Corporation shall preside at all meetings on behalf of the Board. The President shall sign and execute, on behalf of the Corporation and as its President, all bonds, deeds, contracts, and other written instruments, which

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have been first fully authorized or approved by the Board. The President shall have such other powers and perform such other duties incident to the office of President as may be prescribed by the Board or by these Bylaws.

5.2.2 Vice President

The Vice President of the Corporation shall, in the absence or disability of the President, perform all the duties of the President and, when so acting, have all the powers of and be subject to all the restrictions upon, the President. In the event of the death, resignation or permanent disability of the President, the Vice President shall succeed to the office of the President. In the event of doubt or dispute, the Board shall have the power to determine by majority vote whether or not the President is permanently disabled from the performance of his duties. The Vice President shall have such other powers and perform such other duties incident to the office of Vice President as may be prescribed from time to time by the Board or by these Bylaws.

5.2.3 Secretary

The Secretary shall certify and keep or cause to be kept at the principal office of the Corporation the original or a copy of these Bylaws as amended to date. The Secretary shall prepare and keep at the principal office of the Corporation the records of minutes of all meetings of the Board. The Secretary shall execute such contracts and other documents on behalf of the corporation as may be authorized or directed by the Board. The Secretary shall have such other powers and perform such other duties incident to the office of Secretary as may be prescribed by the Board or by these Bylaws.

5.2.4 Treasurer

The Treasurer of the Corporation shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and transactions of the Corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and other matters customarily included in financial statements. The books of account shall be open to inspection by any Board Member at all reasonable times and the Treasurer shall render, or cause to be rendered to the President and Board, whenever they request it, an account of all of his or her transactions as Treasurer and of the financial condition of the Corporation

The Treasurer shall prepare, or cause to be prepared, and certify, or cause to be certified, the financial statements to be included in any required reports and shall be responsible for the annual report of the Corporation.

The Treasurer shall aid and assist the Secretary and President of the Corporation, and shall have such other powers and perform such other duties incident to the office of Treasurer as may be prescribed by the Board or by these Bylaws.

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5.2.5 Additional Officers

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

5.2.6 Executive Leadership of the Corporation

The Board may hire or designate individuals who shall serve as the executive leadership of the Corporation. The executive leadership shall be subject to the control of the Board and have such powers, duties and responsibilities as prescribed by the Board, subject to the limitations of power conferred to the Board by these Bylaws. Any powers, duties and responsibilities conferred by the Board will be documented as Board policy directives regarding the supervision, direction and control of the Corporation's day-to-day activities and business and affairs. The executive leadership may delegate its responsibilities and powers subject to the approval of the Board. The Corporation's executive leadership shall serve as Board Members in accordance with Section 4.2.2 of these Bylaws.

5.2.7 Fairness of Compensation

The Board shall periodically review the fairness of compensation, including benefits, paid to every person, regardless of title, with powers, duties, or responsibilities comparable to the president, chief executive officer, treasurer, or chief financial officer, including any individuals hired to serve as executive leadership in accordance with Section 5.2.6 of these Bylaws (i) once such person is hired, (ii) upon any extension or renewal of such person's term of employment, and (iii) when such person's compensation is modified (unless all employees are subject to the same general modification of compensation).

ARTICLE 6 COMMITTEES

Section 6.1 Committees of Board Members

The Board may, by resolution adopted by a majority of the Board Members then in office, create one or more Board Committees ("Committees"), including an executive committee, each consisting of two or more Board Members, to serve at the discretion of the Board. Any Committee, to the extent provided in the resolution of the Board, may be given the authority of the Board except that no Committee may:

- (i) Approve any action for which the California Nonprofit Corporation Law also requires approval of the members or approval of a majority of all members;

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- (ii) Fill vacancies on the Board or in any Committee which has the authority of the Board;
- (iii) Amend or repeal Bylaws or adopt new Bylaws;
- (iv) Amend or repeal any resolution of the Board which by its express terms is not so amendable or repealable;
- (v) Appoint any other Committees or the members of these Committees;
- (vi) Approve any transaction (i) between the Corporation and one or more of its Board Members or (ii) between the Corporation and any entity in which one or more of its Board Members have a material financial interest.

6.1.1 Meetings and Action of Board Committees

Meetings and action of Committees shall be governed in accordance with the provisions of Article 4 concerning meetings of Board, with such changes in the context of Article 4 as are necessary to substitute the Committee and its members for the Board and its members, except that the time for regular and special meetings of Committees may be determined by resolution of the Committee. Minutes shall be kept of each meeting of any Committee and shall be filed with the corporate records. The Committee shall report to the Board from time to time as the Board may require. The Board may adopt rules for the governance of any Committee not inconsistent with the provisions by these Bylaws. In the absence of rules adopted by the Board, the Committee may adopt such rules.

6.1.2 Revocation of Delegated Authority

The Board may, at any time, revoke or modify any or all of the authority that the Board has delegated to a Committee, increase or decrease (but not below two) the number of members of a Committee, and fill vacancies in a Committee from the members of the Board.

Section 6.2 Advisory Committees

The Board may create one or more advisory committees to serve at the pleasure of the Board. Appointments to such advisory committees need not, but may, be Board Members. The Board shall appoint and discharge advisory committee members. All actions and recommendations of an advisory committee shall require ratification by the Board before being given effect.

ARTICLE 7 CONFLICT OF INTEREST

Section 7.1 Notification

Each Board Member has an obligation to disclose to the Board any actual or potential conflict(s) of interest in their personal, business or financial dealings that she or he has reason to be aware of in connection with any business or financial

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matter that arises before the Board or as a consequence of their work, whether paid or volunteer, on any committee for the Board or for the Corporation.

Section 7.2 **Recusal**

No Board Member with such an actual or potential conflict may vote or participate in discussion on a matter giving rise to their conflict absent a waiver of the conflict by the Board. Upon full disclosure of the matter and its review of the circumstances surrounding the Member's conflict, the Board may vote to waive the conflict or to take other action which vote and any related discussions shall be included as part of the record in the minutes of a scheduled meeting of the Board. A copy of those minutes and the Board's vote shall thereafter be forwarded to the Board for its review and approval.

Section 7.3 **Transactions with Board Members**

7.3.1 Interested Party Transactions

Except as described in Section 7.3.2, the Corporation shall not be a party to any transaction:

- (i) In which one or more of its Board Members has a material financial interest, or
- (ii) With any corporation, firm, association, or other entity in which one or more Board Members has a material financial interest.

7.3.2 Requirements to Authorize Interested Party Transactions

The Corporation shall not be a party to any transaction described in 7.3.1 unless:

- (i) The Corporation enters into the transaction for its own benefit;
- (ii) The transaction is fair and reasonable to the Corporation at the time the transaction is entered into;
- (iii) Prior to consummating the transaction or any part thereof, the Board authorizes or approves the transaction in good faith, by a vote of a majority of Board Members then in office (without counting the vote of the "interested Board Member"), and with knowledge of the material facts concerning the transaction and the interested Board Member's financial interest in the transaction;
- (iv) Prior to authorizing or approving the transaction, the Board considers and in good faith determines after reasonable investigation that the Corporation could not obtain a more advantageous arrangement with reasonable effort under the circumstances; and
- (v) The minutes of the Board meeting at which such action was taken reflect that the Board considered and made the findings described in paragraphs (i) through (iv) of this Section 7.3.2.

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**ARTICLE 8 INDEMNIFICATION OF BOARD MEMBERS, OFFICERS, EMPLOYEES
AND AGENTS**

Section 8.1 Definitions

For purpose of this Article 8,

8.1.1 "Agent"

means any person who is or was a Board Member, Officer, or employee of the Corporation.

8.1.2 "Proceeding"

means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative; and

8.1.3 "Expenses"

includes, without limitation, all attorneys' fees, costs, and any other expenses reasonably incurred in the defense of any claims or proceedings against an Agent by reason of his or her position or relationship as Agent and all attorneys' fees, costs, and other expenses reasonably incurred in establishing a right to indemnification under this Article 8.

Section 8.2 Applicability of Indemnification

8.2.1 Successful Defense by Agent

To the extent that an Agent has been successful on the merits in the defense of any proceeding referred to in this Article 8, or in the defense of any claim, issue, or matter therein, the Agent shall be indemnified against expenses actually and reasonably incurred by the Agent in connection with the claim.

8.2.2 Settlement or Unsuccessful Defense by Agent

If an Agent either settles any proceeding referred to in this Article 8, or any claim, issue or matter therein, or sustains a judgment rendered against him, then the provisions of Section 8.3 through Section 8.6 shall determine whether the Agent is entitled to indemnification.

Section 8.3 Actions Brought by Persons Other than the Corporation ("Third Party Proceedings")

8.3.1 Scope of Indemnification in Third Party Proceedings

Subject to the required findings to be made pursuant to Section 8.3.2, the Corporation may indemnify any person who was or is a party, or is threatened to be made a party, to any Third Party proceeding, by reason of the fact that such

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person is or was an Agent, for all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with the proceeding.

- 8.3.2 **Required Standard of Conduct for Indemnification in Third Party Proceedings**
No indemnification under Section 8.3.1 shall be provided for any Agent in any proceeding unless the Board determines that the Agent seeking reimbursement acted in good faith, in a manner he or she reasonably believed to be in the best interests of the corporation or, in the case of a criminal proceeding, where he or she had reasonable cause to believe that his or her conduct was lawful. The termination of any proceeding by judgment, order, settlement, conviction, or on a plea of *nolo contendere* or its equivalent shall not, of itself, create a presumption that the person did not act in good faith or in a manner he or she reasonably believed to be in the best interest of the Corporation or that he or she had reasonable cause to believe that his or her conduct was unlawful. The indemnification granted by this Section requires such determination by
- (i) The Board by a majority vote of a quorum consisting of Board Members who are not parties to the proceeding; or
 - (ii) The court in which the proceeding is or was pending. Such determination may be made on application brought by the Corporation or the Agent or the attorney or other person rendering a defense to the Agent, whether or not the application by the Agent, attorney, or other person is opposed by the Corporation.

Section 8.4 **Action Brought By or On Behalf Of the Corporation**

This Section 11.4 applies to any proceeding brought (i) by or in the right of the Corporation, or (ii) by an Officer, Board Member or person granted relator statu by the Attorney General, or (iii) by the Attorney General.

- 8.4.1 **Scope of Indemnification in Proceeding By or On Behalf Of the Corporation**
Subject to the required findings to be made pursuant to Section 8.4.2, and except as provided in Sections 8.4.3 and 8.4.4, the Corporation may indemnify any person who was or is a party, or is threatened to be made a party, to any proceeding by or on behalf of the Corporation, by reason of the fact that such person is or was an Agent, for all expenses actually and reasonably incurred in connection with the defense or settlement of such action.
- 8.4.2 **Required Standard of Conduct for Indemnification in Proceeding By or On Behalf Of the Corporation**
No indemnification under Section 8.4.1 shall be provided for any Agent in any proceeding unless the Board determines that the Agent seeking reimbursement acted in good faith, in a manner he or she believed to be in the best interest of the Corporation and with such care, including reasonable inquiry, as an ordinarily

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prudent person in a like position would use under similar circumstances. The indemnification granted by this Section requires such determination by

- (i) The Board by a majority vote of a quorum consisting of Board Members who are not parties to the proceeding; or
- (ii) The court in which the proceeding is or was pending. Such determination may be made on application brought by the Corporation or the Agent or the attorney or other person rendering a defense to the Agent, whether or not the application by the Agent, attorney, or other person is opposed by the Corporation.

8.4.3 Claims Settled Out of Court

If any Agent settles or otherwise disposes of a threatened or pending action brought by or on behalf of the Corporation, with or without court approval, the Agent shall receive no indemnification for amounts paid pursuant to the terms of the settlement or other disposition. In cases settled or otherwise disposed of without court approval, the Agent shall receive no indemnification for expenses reasonably incurred in defending against the proceeding, unless the proceeding is settled with the approval of the Attorney General.

8.4.4 Claims and Suits Awarded Against Agent

If any Agent is adjudged to be liable to the Corporation in the performance of the Agent's duty to the Corporation, the Agent shall receive no indemnification for amounts paid pursuant to the judgment, and any indemnification of such Agent under Section 8.4.1 for expenses actually and reasonably incurred in connection with the defense of that action shall be made only if both of the following conditions are met:

- (i) The determination of good faith conduct required by Section 8.4.2 must be made in the manner provided therein; and
- (ii) Upon application, the court in which the action was brought must determine that, in view of all of the circumstances of the case, the Agent is fairly and reasonably entitled to indemnity for the expenses incurred. If the Agent is found to be so entitled, the court shall determine the appropriate amount of expenses to be reimbursed.

Section 8.5 Advance of Expenses

Expenses incurred in defending any proceeding may be advanced by the Corporation before the final disposition of the proceeding on receipt of an undertaking by or on behalf of the Agent to repay the amount of the advance unless it is determined ultimately that the Agent is entitled to be indemnified as authorized in this Article 8.

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Section 8.6 Amendment

This Article 8 is effective as of its adoption into these Bylaws. No amendment or repeal of the provisions of this Article which adversely affects the right of an indemnified officer, member, or employee under this Article shall apply to such officer, member, or employee with respect to those acts or omissions which occurred at any time prior to such amendment or repeal.

ARTICLE 9 CORPORATE RECORDS

Section 9.1 Minute Book

The Corporation shall keep a "minute book" in written form which shall contain a record of all actions by the Board or any Board committee including (i) the time, date and place of each meeting; (ii) whether a meeting is regular or special and, if special, how called; (iii) the manner of giving notice of each meeting and a copy thereof; (iv) the names of those present at each meeting of the Board or any Committee thereof; (v) the minutes of all meetings; (vi) any written waivers of notice, consents to the holding of a meeting or approvals of the minutes thereof; (vii) all written consents for action with a meeting; (viii) all protests concerning lack of notice; and (ix) formal dissents from Board actions.

Section 9.2 Records of Account

The Corporation shall keep at its principal office adequate and correct books and records of account. "Correct books and records" includes, but is not necessarily limited to: accounts of properties and transactions, its assets, liabilities, receipts, disbursements, gains, and losses.

Section 9.3 Articles of Incorporation and Bylaws

The Corporation shall keep at its principal office, the original or a copy of the Articles of Incorporation and Bylaws as amended to date.

Section 9.4 Maintenance and Inspection of Federal Tax Exemption Application and Annual Information Returns

The Corporation shall at all times keep at its principal office a copy of its federal tax exemption application and, for three years from their date of filing, its annual information returns. These documents shall be open to public inspection and copying to the extent required by the Code.

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Section 9.5 Annual Report: Statement of Certain Transactions

The Board shall cause an annual report to be sent to each Board Member within 120 days after the close of the Corporation's fiscal year containing the following information:

- (i) The assets and liabilities of the Corporation as of the end of the fiscal year;
The principal changes in assets and liabilities, including trust funds, during the fiscal year;
- (ii) The revenue or receipts of the Corporation, both unrestricted and restricted to particular purposes, for this fiscal year;
- (iii) The expenses or disbursements of the Corporation for both general and restricted purposes during the fiscal year;
- (iv) A statement of any transaction (a) to which the Corporation, its parent, or its subsidiary was a party, (b) which involved more than \$50,000 or which was one of a number of such transactions with the same person involving, in the aggregate, more than \$50,000, and (c) in which either of the following interested persons had a direct or indirect material financial interest (a mere common directorship is not a financial interest): (1) Any Board Member or Officer of the Corporation, its parent, or its subsidiary; (2) Any holder of more than 10% of the voting power of the Corporation, its parent, or its subsidiary.
- (v) A brief description of the amounts and circumstances of any loans, guaranties, indemnifications, or advances aggregating more than \$10,000 paid during the fiscal year to any Officer or Board Member.

Section 9.6 Board Members' Rights of Inspection

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

ARTICLE 10 CONSTRUCTION AND DEFINITIONS

Unless the context requires otherwise, the general provisions, rules of construction, and definitions of California Nonprofit Corporation Law shall govern the construction of these Bylaws. All references to statutes, regulations and laws shall include any future statutes, regulations and laws that replace those referenced.

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ARTICLE 11 AMENDMENTS

Section 11.1 Amendment by the Board

New Bylaws may be adopted or these Bylaws may be amended or repealed by a vote of two-thirds majority of the total membership of the Board at the time of amendment.

Section 11.2 Record of Amendments.

Whenever an amendment or new Bylaw is adopted it shall be inserted in the existing Bylaws in the appropriate place. If any Bylaw is repealed, the fact of repeal and the date of the meeting at which the repeal was enacted or the date the written consent was effective shall be stated in the existing Bylaws. The official record of the Bylaws shall contain a record of all amendments to the Bylaws.

[END of Bylaws]

CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting Secretary of the **Association for Waldorf Education of San Diego**, a California nonprofit public benefit corporation; that these Bylaws, consisting of 19 pages, are the Bylaws of this Corporation as adopted by the Board of Trustees on July 26 2018; and that these Bylaws have not been amended or modified since that date.

Executed on 7/26/2018 at San Diego California.



Brandon Iselin-Bradley
Secretary