

BYLAWS OF BEAR GRASS CHARTER SCHOOL, INC.

ARTICLE I: Name and Seal

The name of the Corporation is BEAR GRASS CHARTER SCHOOL, INC. (the "Corporation").
The seal of the Corporation will be circular in form which shall bear the name BEAR GRASS CHARTER SCHOOL, INC. and words indicating that the Corporation was incorporated in North Carolina. Failure to affix the seal to corporate instruments shall not affect the validity of any such instrument

ARTICLE II: Purposes of the Corporation

1. IRC Section 501(C)(3) Purposes. This corporation is organized exclusively for one or more purposes as specified in Section 501(c)(3) of the Internal Revenue Code, including for such purposes, distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code.
2. Statement of Purpose. The organizational purpose of the BEAR GRASS CHARTER SCHOOL, INC. is to be a public charity which can engage in activities and provide various services that are beneficial to the public interest and may include the advancement of literacy and education of children.

ARTICLE III: Members

The Corporation shall have no members, certificate holders or shareholders. All functions and affairs of the corporation shall be directed entirely by the Board of Directors.

ARTICLE IV: Offices and Registered Agent

1. Offices. The Corporation continuously shall maintain in North Carolina a registered office at such place as may be designated by the Board of Directors. The principal office of the Corporation and such other offices as it may establish shall be located within North Carolina.
2. Agent. The Corporation continuously shall maintain within North Carolina a registered agent, who shall be designated by the Board of Directors.
3. Changes. Any change in the registered office or registered agent of the Corporation shall be accomplished in compliance with the North Carolina Non-Profit Corporation Act.
4. Initial Agent and Office. The initial registered agent is Delmas B. Cumbee, Jr. and the initial registered office is 127 West Blvd, Williamston, North Carolina 27892.

ARTICLE V: Board of Directors for the Corporation

1. General Powers and Duties. The property, business, and affairs of the Corporation shall be managed, controlled, and directed by a Board of Directors or such executive committees as the Board may establish. The Board of Directors shall have, and may exercise, any and all powers provided in the Articles of Incorporation or the North Carolina Non-Profit Corporation Act that are necessary or convenient to carry out the purposes of the Corporation as established in these Bylaws.
2. Composition.
 - (a) The Board shall consist of a minimum of 7 and a maximum of 11 voting directors elected or appointed as provided herein.
 - (b) Election. The Initial Board shall select three (3) of its members to serve an initial one (1) year term, four (4) members to serve an initial two (2) year term and the remaining four (4) members shall serve an initial (3) year term. New directors shall be elected in each succeeding year to fill any expiring terms. New directors shall be elected by the existing Board of Directors at the annual meeting. Members eligible for re-election may vote on new board members. Those receiving the highest number of votes shall be deemed elected. In the event any Director so demands, election of Directors shall be by secret ballot.
3. Qualifications of Directors. Directors shall be at least twenty-one (21) years of age, shall be current residents of North Carolina and shall hold at least a high school diploma or its equivalent. Any such qualified person seeking election to the Board of Directors must submit to a reasonable screening process by the nominating committee, which shall include submitting a personal written statement that provides the following:
 - statement as to personal reason for wanting to serve on the Board of Directors of this corporation;
 - certification statement as to age, residency, and diploma or equivalency;
 - certification statement of having read and understood the Articles of Incorporation and these Bylaws;
 - statement of support for this corporation's purposes;
 - statement of personal education philosophy;
 - statement of personal background, including any talents or experience that can contribute to the function of the corporation Board;
 - separate list of references, including the name, address and phone number of each, to at least (2) board members or other person who can verify personal background.
4. Vacancies. A vacancy occurring in the Board of Directors may be filled by a majority vote of the remaining Directors. The director so elected shall serve the unexpired term of the director replaced thereby.
5. Removal. Directors may be removed from office with or without cause by a vote of a majority of the directors. In the event any director is so removed, a new director or directors may be elected at the same meeting.

6. Officers of the Board.
 - (a) Chair. The Board of Directors shall elect a chair from the members of the Board. The Chair shall preside at meetings of the Board and perform such other duties as may be directed by the Board. The Chair shall be elected at each annual meeting of the Board of Directors by the Board of Directors from among its members.
 - (b) Vice-chair. The Board may elect from among its members a Vice-chair who shall preside at all meetings of the Board when the Chair is absent.
7. Term. The term of the Directors shall be as follows:
 - (a) Except as provided in Article V, paragraph 2(c), each Director shall hold office for the term of three (3) years or until a successor is appointed and qualified.
 - (b) Each Director is eligible for re-election for two (2) successive terms. After serving two (2) three (3) year terms, the Director shall not be eligible for re-election until after a one (1) year absence from service on the Board of Directors.
8. Compensation. No compensation shall be allowed to members of the Board except pursuant to a contract. Expenses incurred by a member in conducting corporate business may be paid if approved by the Board.
9. Resignation. A Director may resign at any time by giving notice there of in writing to the Chair.
10. Duties of Directors. It shall be the duty of the directors to:
 - (a) Register their addresses and phone numbers with the Secretary of the corporation, and notices of meetings mailed or telephoned to them at such addresses shall be valid notices;
 - (b) Meet at such times and places as required by these Bylaws;
 - (c) Appoint and remove, employ and discharge, supervise the duties of, and, except as otherwise provided in these Bylaws, prescribe the duties and fix the compensation, if any, of all officers, agents and employees of the corporation;
 - (d) Perform any and all duties imposed on them collectively or individually by law, or by these Bylaws.
11. Committees.
 - (a) Executive Committee. The Board Directors may, by a majority vote of its members, designate an Executive Committee consisting of two (2) or more directors and may delegate to such committee the powers and authority of the board in the management of the business and affairs of the corporation, to the extent permitted, except that the Executive Committee:
 - may not dissolve the corporation or plan its merger or consolidation;
 - may not change the Bylaws or Articles of Incorporation;
 - may not conduct any transaction involving all or substantially all corporate assets or property;
 - may not create committees;
 - may not fill board vacancies;
 - *may not alter board resolutions;
 - may not act as otherwise restricted by law.

By a majority vote of its members, the board may at any time revoke or modify any or all of the Executive Committee authority so delegated, increase or decrease but not below two (2) the number of members of the Executive Committee, and fill vacancies on the Executive Committee from the members of the board.

The Executive Committee shall keep minutes of its proceedings, cause them to be filed with the corporate records, and report the same to the board from time to time as the board may require.

- (b) Nominating and Board Development Committee. A nominating and Board Development committee shall be established which shall consist of three (3) individuals designated by the Chair. The purpose of said committee shall be to review applications and research candidates to serve as directors and officers of the Corporation and to recommend nominees for such office to the Board of Directors. Additionally, said committee shall have the responsibility to train and orient new members of the Board of Directors on a director's duties and responsibilities, as well as the goals and purposes of the Corporation. Members of the nominating committee shall serve until their terms as directors have expired.
 - (c) Other Board Committees. The Chair of the Board may establish any other committees deemed necessary to carry out the work of the Corporation. The Chair shall appoint Board Members to these committees, and the Chair shall designate chairs for each committee. Committees serve in an advisory capacity to the Board.
 - (d) Limitation on Authority of Committees. Neither the executive committee nor any other committee formed hereunder shall have the authority to repeal or amend a resolution duly adopted by the Board of Directors.
 - (e) Meetings and Actions of Committees. Meetings and Actions of committees shall be governed by, noticed, held and taken in accordance with the provisions of these Bylaws concerning meetings of the Board of Directors, with such changes in the context of such Bylaw provisions as 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 fixed by resolution of the Board or by the committee. The Board of Directors may also adopt rules for the conduct of meetings of committees to the extent that they are not inconsistent with the provisions of these Bylaws.
12. Majority Action as Board Action and Conflict of Interest. Every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present is the act of the Board of Directors, unless these Bylaws, or provisions of law require a greater percentage or different voting rules for approval of a matter by the board.

A member of the Board may have a conflict of interest of his or her vote on a matter before the Board in the best interest of the school if the vote is adverse to the personal, family or business interests of the Board member. If any member of the Board faces a conflict of interest in a matter pending before the Board- such member shall make full and candid disclosure to the Board of the nature of the conflict.

If one (1) or more directors present at a meeting abstain from voting on a particular motion before the Board, due to a personal conflict of interest with the subject of the motion or due to restrictions contained in these Bylaws, then the remainder of the directors shall still constitute a quorum for that particular vote and a two thirds majority of those voting directors shall be required to approve the motion.

ARTICLE VI: Officers of the Corporation

1. Designation. The officers of the Corporation shall be the President, such number of Vice Presidents as may from time to time be determined by the Board (and, if more than one, the Board of Directors at the time of determining the number thereof, may also determine the priority of the respective Vice Presidents), a Secretary, a Treasurer and any other officers that the Board of Directors may designate. Individuals to

serve in these capacities shall be designated by the Board of Directors and given powers and duties consistent with these Bylaws. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary; however, no officer shall execute, unless acknowledged, or verified by two (2) or more officers.

2. Qualifications. The President, Vice President, Secretary and Treasurer shall be members of the Board of Directors.
3. Officers of the Corporation
 - (a) President. The Chairman of the Board shall serve as the President and Chief Executive Officer of the Corporation. The President as the chief executive officer of the corporation shall, subject to the control of the Board of Directors, supervise and control the affairs of the corporation and the activities of the officers. He or she shall perform all duties incident to his or her office and such other duties as may be required by law or by these Bylaws, or which may be prescribed from time to time by the Board of Directors. Except as otherwise expressly provided bylaw, or by these Bylaws, he or she shall, in the name of the corporation, execute such deeds, mortgages, contracts, bonds, checks, or other instruments which may from time to time be authorize by the Board of Directors.
 - (b) Vice President. The Board may elect a Vice President who shall perform those duties as the Board may designate.
 - (c) Secretary. The Board shall elect from among its members a Secretary who shall preside at all meetings of the Board when the Chair and Vice-Chair are absent and who, with the assistance of the Corporation staff, shall be responsible for keeping an accurate record of the proceedings and actions of the Board. The Secretary shall have the custody of the corporate seal and shall maintain a current record of all the persons who are Directors of the Corporation, showing their respective places of residence, and such book shall be open for inspection as prescribed by law. Subject to the control of the Board of Directors, the Secretary shall in general perform all the duties incident to the office of Secretary, and shall perform such other duties as the Board or the President may assign.
 - (d) Treasurer. The Board shall elect from among its members a Treasurer who shall have the custody of all funds, property, and securities of the Corporation, subject to such regulations as the Board of Directors may impose. The Treasurer may be required to give bond for the faithful performance of his duties in such sum and with such sureties as the Board may require. When necessary or proper, the Treasurer, on behalf of the Corporation, may endorse for collection checks, notes, and other obligations, and shall deposit the proceeds to the credit of the Corporation at such bank or banks as the Board may designate by resolution as depository. The Treasurer shall sign all receipts and vouchers and, together with such other officer or officers, if any, as shall be designated by the Board, the Treasurer shall sign all checks of the Corporation and all bills of exchange issued by the Corporation, except in cases where the signing and execution thereof shall be expressly assigned by the Board or by these Bylaws to some other officer or agent of the Corporation. The Treasurer shall make such payments as may be necessary or proper to be made on behalf of the Corporation. The Treasurer shall maintain full and accurate books of account reflecting the transactions, assets and obligations of the Corporation and shall exhibit such books at all reasonable times to any Director on application at the offices of the Corporation. In general, the Treasurer shall perform all the duties incident to the office of Treasurer, subject to the control of the Board.
 - (e) Assistant Secretary. The Board may elect one (1) or more Assistant Secretaries not from among its members who may assist the Secretary and the Treasurer in the performance of their duties and shall have all legal authority to perform those duties.

4. Compensation. No compensation shall be allowed to Officers of the Corporation, except pursuant to a contract. Expenses incurred by an Officer in conducting corporate business may be paid if approved by the Board.
5. Removal. Any Officer of the Corporation may be removed from office with or without cause upon two-thirds vote of the membership of the Board then in office at any regular or special meeting called for that purpose. Any officer of the Corporation proposed to be removed shall be entitled to at least five (5) days notice in writing by mail and in person of the meeting of the Board of Directors at which such removal is to be voted upon and shall be entitled to appear before and be heard by the Board at such meeting. Any Board member removed from office pursuant to this section shall also be deemed removed from the Board of Directors pursuant to Article C Section 5 without further action by the Board.
6. Terms of Officers. The terms of the Officers of the Corporation shall be from the time of their election to the next annual meeting or until their successors are chosen.

ARTICLE VII: Meetings

1. Regular Meetings. The Board of Directors shall meet at least monthly at such times and dates as designated by the Chair of the Board, through a written call of the majority of Board members, or upon resolution of the Board. The annual meeting of the Board shall be held each year in June or at such other time as the Board may fix, for the purpose of electing directors and officers and for the transaction of other business. Regular meetings of the Board may be held without written notice.
2. Place of Meetings. The meetings of the Board of Directors shall be held at the principal office of the Corporation, or at such other place as the Chair of the Board of Directors may designate.
3. Special Meetings. The time, date, and place of a special meeting of the Board may be set at the call of the Chair, upon written call by the majority of Board members, or upon resolution of the Board. Notice shall be given by the usual means of communication prior to a special/emergency meeting.
4. Attendance. Attendance by a member at a meeting shall constitute a waiver of notice of such meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called.
5. Notice of Inability to Attend. Members of the Board shall be required to notify the Chair of the Board of the Corporation of their inability to attend a lawfully scheduled meeting at least twenty-four (24) hours prior to meeting time.
6. Quorum. A majority of the directors in office shall constitute a quorum for the transaction of business. The quorum shall be determined at the beginning of the business meeting.
7. Parliamentary Rules and Open Meeting Law. All meetings shall be conducted in an open, orderly, and fair manner; and any guidelines established by the Institute of Government shall apply to all deliberations. All meetings of the Board shall be held in compliance with the North Carolina Open Meetings Law, N.C. General Statutes Sections 143-318.9 -143-318.19. While the Board may elect not to proceed in full compliance with modified Roberts Rules of Order, those procedures may be invoked at any time for use during part or all of a particular meeting upon motion supported by a majority vote.
8. Manner of Acting. Except as otherwise provided by law, the Articles of Incorporation, or by these Bylaws, all matters before the Board of Directors shall be decided by a majority vote of the Directors present and eligible to vote at a meeting at which a quorum exists.

Any one or more or all of the directors or members of a committee may participate in a meeting of the Board of Directors or committee by means of a conference telephone or similar communications device that allows all persons participating in the meeting to hear each other. Participation in a meeting by means of a conference telephone or similar communications device shall be deemed presence in person at such meeting.

9. Meeting Agenda. Regular meetings of the Board shall strictly follow the written agenda prepared by the Chair. Any person having business to be brought before the Board shall notify the Chair at least four (4) days prior to the meeting of their request to be heard by the Board.

ARTICLE VIII: Contracts, Checks, Deposits, and Funds

1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents, 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.
2. Loans. No loans shall be contracted on behalf of the Corporation and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.
3. Checks and Drafts. All checks, drafts, or other orders for the payment of money, issued in the name of the Corporation, shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.
4. Funds. All funds of the Corporation not otherwise employed shall be deposited to the credit of the Corporation at such banks, trust companies, or other depositories as the Board may select, or as may be designated by any officer, officers, agent, or agents of the Corporation to whom the Board may delegate such power.
5. Acceptance of Gifts. The Board or any officer or officers or agent or agents of the Corporation to whom such authority may be delegated by the Board, may accept on behalf of the Corporation any contribution, gift, bequest, or devise for the purpose of the Corporation.
6. Audits. In compliance with North Carolina Charter School Law, the accounts of the Corporation shall be audited annually by a reputable certified public accountant, whose report shall be submitted to each member of the Board, and kept on file at the offices of the Corporation as required by law.
7. Bond. At the direction of the Board, any officer or employee of the Corporation shall be bonded. The Corporation shall pay the expense of procuring any such bond.

ARTICLE IX: Indemnification

The directors and officers of the Corporation shall be indemnified by the Corporation to the fullest extent permissible under North Carolina law.

The Board of Directors shall take all such action as may be necessary and appropriate to authorize the Corporation to pay the indemnification provided by this Bylaw, including without limitation, to the extent necessary, making a good faith evaluation of the manner in which the claimant for indemnity acted and of the reasonable amount of indemnity due him or her.

ARTICLE X: Corporate Records and Reports

1. Maintenance of Corporate Records. The Corporation shall keep at its principal office:
 - (a) A copy of the Corporation's Articles of Incorporation and these Bylaws as amended to date;
 - (b) A record of its directors, indicating their names and addresses and telephone numbers, dates of election to the board, and if applicable, dates of election to office;
 - (c) A record of its committees and committee members, including the specific task for which each committee was formed and members' names, addresses and telephone numbers;
 - (d) Minutes of all meetings of directors, and of committees of the board, indicating the time and place of such meetings, whether regular or special, how called, the notice given, the names of those present and the proceedings thereof;
 - (e) Adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains, and losses.

2. Directors' Inspection Rights. Every director shall have the absolute right at any reasonable time to inspect and copy all books, record and documents of every kind and to inspect the physical properties of the corporation and shall have such other rights to inspect the books, records and properties of this Corporation as may be required under the Articles of Incorporation, other provisions, of these Bylaws, and provisions of law.

Any inspection under the provisions of this Article may be made in person or by attorney and the right to inspections shall include the right to copy and make extracts.

3. Periodic Report. The board shall cause any annual or periodic report required under law to be prepared and delivered to an office of this state or other government agency and to be so prepared and delivered within the time limits set by law.

ARTICLE XI: Fiscal Year

Except as altered by a resolution of the Board of Directors, the fiscal year of the Corporation shall begin on the first day of each July, and end on the last day of June next ensuing.

ARTICLE XII: Election as a Charitable Corporation

Said corporation is organized exclusively for charitable, religious, educational and scientific purposes, pursuant to section 501(c)(3) of the Internal Revenue Code of 1986. Said corporation shall operate as a charitable corporation as defined in NCGS Section 55A-1-40(4). No part of the net earnings of the corporation shall inure to the benefit of or be distributable to its members, directors, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the Articles of Incorporation and these Bylaws. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office.

Notwithstanding any other provision of these articles, the corporation shall not carry on any 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 of 1986 or (b) by a corporation, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code of 1986.

Upon dissolution of the corporation, assets of the Corporation then remaining in the hands of the Board, after satisfaction of the Corporation's liabilities, shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code and in accordance with North Carolina General Statutes for Charter Schools.

ARTICLE XIII: General Provisions

1. Limit of Use of Property and Funds to Purposes of the Corporation. No funds or property of the Corporation shall be devoted to or expended for any purpose or objective not stated in Article II, but all the Corporation's funds and properties shall at all times be used exclusively for said corporate purposes. In no event shall any of the funds or property of the Corporation be used for personal benefit, by way of compensation, directly or indirectly, of these directors, with the exception of the Officers, who may be paid a salary set by the directors for services actually rendered.
2. Waiver of Notice. Whenever any notice is required to be given to any director or other person under the provisions of these Bylaws, the Articles of Incorporation, or any applicable law, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.
3. Amendments. These Bylaws may be altered, amended, or repealed, or new Bylaws may be adopted, at any meeting of the Board of Directors, by a vote of a majority of the Directors in office, if at least ten (10) day written notice is given of the intention to take such action at such meeting.