

BYLAWS OF MONTESSORI PEAKS ACADEMY  
(Incorporated as a Colorado non-profit (501(c)(3)) corporation  
as South Jeffco Montessori Charter School, referred to as the School)

ARTICLE I  
MISSION STATEMENT

It is the mission of Montessori Peaks Academy to achieve high standards of individual excellence by guiding the whole student through an exceptional learning experience based on the educational philosophy of Maria Montessori.

ARTICLE II  
MEMBERS

Definition of Members. The School shall have voting members. A member is defined as a family with a student(s) in the School, School staff, and any community member invited to serve on the School's Board of Directors. A family consists of one or two parents, or person who has legal and physical custody of a student. Only one vote is allowed per family. However, School employees who also have students in the School will be given 2 votes, one vote as an employee member and one vote as a family member. Membership terminates when either (1) the member's family no longer has a student enrolled in the School, (2) the member serves notice or otherwise terminates employment, or (3) the community member resigns or is removed from serving on the Board of Directors.

ARTICLE III  
MEETINGS OF THE MEMBERS

Section 3.1 Annual Meeting of Members. An annual meeting of the members shall be held by the 30<sup>th</sup> day of April of each year. Annual meetings shall be held for the purpose of electing members to the School's Board of Directors, and for the transaction of such other business as may come before the meeting. Failure to hold an annual meeting as required by these bylaws shall not work a forfeiture of dissolution of the School or invalidate any action taken by the Directors or officers of the School.

Section 3.2 Special Meetings. Special meetings of the members for any purpose or purposes unless otherwise prescribed by statute may be called by the Administrator or the Board of Directors. A meeting shall be called by the Administrator at the request of members having at least sixty percent of the votes entitled to be cast at such meetings.

Section 3.3 Place of Meeting. Each meeting of the members shall be held at the School or other location reasonably convenient to the members. All meetings will be held in accordance with Colorado Open Meetings Law and be open to the public.

Section 3.4 Notice of Meeting. Except as otherwise prescribed by statute, written notice of each meeting of the members stating the place, day, and hour of the meeting will be posted at least 24 hours in advance of the meeting. In the case of a special meeting, the purpose or purposes for which the meeting is called shall be delivered not less than ten nor more than thirty days before the date of the meeting, either personally by first class, certified, or registered mail by, or at the direction of, the Administrator, or the secretary, to each member entitled to attend such meeting. If mailed, such notice shall be deemed delivered when deposited in the United States mail, addressed to each member at such member's address as it appears in the School records, with postage thereon prepaid. Any member may waive notice of any meeting before, at, or after such meeting. Attendance in person 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 or convened. In extenuating circumstances, the notification requirements may be waived by the President of the School's Board of Directors with the concurrence of one other member of the Board of Directors, subject to the provisions of the Open Meetings Law.

Section 3.5 Proxies. At all meetings of members, a member may vote in person or by proxy executed in writing by the member or by his duly authorized attorney-in-fact. Such proxy shall be filed with the Secretary before or at the time of the meeting. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy.

Section 3.6 Cumulative Voting. Cumulative voting is not allowed. Each member is entitled to one vote for each vacancy to be filled.

Section 3.7 Quorum. Thirty-three percent of the members entitled to vote represented in person or by proxy shall constitute a quorum at each meeting of the members, and the affirmative vote of a majority of the members represented at the meeting at which a quorum is present and entitled to vote shall be the act of the members. If less than a quorum of the members is represented at a meeting, a majority of the members so represented may adjourn the meeting for a period not to exceed thirty days at any one adjournment without further notice other than an announcement at the meeting. At such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally notified.

Section 3.8 Committees. The members or the Board of Directors at any time may establish one or more advisory committees of members for any appropriate purposes and may dissolve any such committee. Either the members of the School or the members of the committee shall elect a chairperson who shall preside at all meetings of the committee and generally supervise the conduct of the committee's affairs. Rules governing procedures for meetings of any such committee and for the conduct of such committee's affairs shall be as established by the committee.

#### ARTICLE IV BOARD OF DIRECTORS

Section 4.1 General Responsibilities. The business and affairs of the School shall be governed by its Board of Directors. The Board of Directors shall be responsible for setting policy and direction for the School and for assuring that the School is run in compliance with all applicable laws and contractual obligations and to verify consistency with the School's charter contract.

Section 4.2 Specific Duties and Responsibilities. Activities for which the Board of Directors shall be responsible include the following:

- A. governing all operations of the School
- B. delegating management to the Administrator
- C. establishing the reporting relationship between the Board of Directors and the Administrator
- D. assuring that the School is run in compliance with its charter with the Jefferson County School District ("the District"), all provisions of the School's Articles of Incorporation and Bylaws, and all applicable laws
- E. implementing the School's mission statement as well as its philosophy and objectives (The School's mission statement should be read on a regular basis and taken into consideration, whenever possible, when changes of policy are under discussion.)
- F. negotiating and enforcing all contract issues, including employment, leases and charter agreements with the district or the State
- G. ensuring that the School remains financially viable by establishing fiscal policy and procedures, budgets, and financial controls for the School
- H. long-term planning for expansion and growth
- I. Selecting and hiring the Administrator and establishing the policies under which the Administrator will manage the School, including but not limited to the following:
  - 1. policies regarding facility use (including use by community members)
  - 2. grievance policy and procedure
  - 3. admission policies
  - 4. discipline policy consistent with district regulations and guidelines and state law

- J. establishing necessary working committees, defining the roles and relationships between such committees, and ensuring that all members are actively involved in appropriate committee assignments
- K. authorizing all facility layout, capital expenditures, use, and maintenance.
- L. periodically evaluating the School, taking into consideration the School's stated philosophy and goals
- M. conducting an annual evaluation of the performance of the Administrator and establishing goals for the following year:
- N. Conducting an annual self-evaluation
- O. keeping full and accurate minutes of its meetings and those of its committees
- P. maintaining a policy book so that governance decisions made over a period of years may be readily available to subsequent leadership and Administrator
- Q. developing and maintaining a communication link to the community, promoting the School's uniqueness as a charter school, and the Montessori philosophy
- R. assigning other duties as appropriate and necessary for the safe and effective operation of the School

These activities may be delegated to other staff members, committees, or parent volunteers for action, but any activities so delegated shall be reviewed by the Board of Directors on a regular basis, and the Board of Directors retains ultimate responsibility for the proper performance of the activities.

Section 4.3 Qualifications and Expectations. Directors shall exemplify integrity, honesty, and respect. A dedication and commitment to the vision of Montessori Peaks Academy and the charter school movement shall be the highest priority for any Director. Any Director finding himself/herself involved in an irresolvable conflict shall put the vision of the School first and foremost.

Directors are expected to maintain a professional demeanor at all Board meetings. Issues being discussed shall not be personalized and directed toward any other Director, staff member, parent or anyone else. Discernment should be used in interpersonal relationships and communications. Directors are prohibited from speaking inappropriately and disrespectfully about staff or other Directors to the School community or parties outside the School community.

Directors shall demonstrate initiative in remaining informed about the School's activities and progress through regular attendance at Board meetings and other planned meetings and through reading School reports and recommended publications. A Director missing two (2) Board meetings without approval for their absence from the Board of Directors, shall receive a notice of probation; missing a third meeting without approval shall be treated by the Board of Directors as the resignation of the absent Director.

A Director is prohibited from using his/her position of authority while acting in a parent or volunteer role at the School. Directors shall foster good relationships with the Administrator and staff on a personal level. With humility, each Director will serve the best interests of the School.

Section 4.4 Executive Committee. The Board of Directors will elect certain of its members as President, Vice-President, Secretary, and Treasurer at the first meeting following each annual meeting. Each officer will serve a one-year term and may stand for reelection. These elected officers of the Board of Directors compose the Executive Committee, which is responsible for conducting the Board's business between meetings, and is authorized to act for the Board of Directors in emergencies.

Section 4.5 Number of Directors. The number of Directors of the School shall be nine. Seven Directors shall be parents elected by the member community, voting as a separate group. One Director shall be a member of the educational staff, other than the Administrator, elected by the educational staff, voting as a separate group. One Director shall be a non-parent, non-staff community member who shall serve at the invitation of the elected members of the Board of Directors. In the event such a community member is not available to serve on the Board of Directors, such vacancy may be filled by either a parent or staff member elected by the affirmative vote of a majority or the remaining Directors.

Section 4.6 Term of Directors. The terms of the Directors elected by the members, as well as the Director elected by the educational staff and the invited community representative shall be for two years.

Section 4.7 Vacancies. Any Director may resign at any time by giving written notice to the President of the Board of Directors. A Director's resignation shall take effect at the time specified in such notice, and unless otherwise specified, the acceptance of such resignation shall not be necessary to make it effective. Any vacancy occurring on the Board of Directors may be filled by the affirmative vote of a majority of the remaining Board members. A Board member elected to fill a vacancy shall be elected for the unexpired term of such member's predecessor in office. Any Board vacancy to be filled by reason of an increase in the number of Board members shall be filled by the affirmative vote of a majority of the Board members then in office or by an election at a meeting of the members called for that purpose.

Section 4.8 Termination. Membership on the Board may be terminated for cause without the consent of the Director by a two-thirds vote of the remaining Directors, provided notice of the vote on termination is published in the agenda.

Section 4.9 Unethical Conduct. Unethical and/or illegal conduct as determined by a majority of the Directors shall be grounds for immediate removal, whether or not such conduct occurs while acting in the capacity of Board member.

Section 4.10 Removal by Petition. A removal petition must be submitted to the President of the Board of Directors and signed by a number equaling at least one-third of the members. The issue of the removal petition must be placed on the next Board agenda, provided that such petition is presented no less than fifteen days prior to the meeting. The Board of Directors shall action the recall petition at the meeting and if two-thirds of the Directors support the petition, the Director shall be removed. If the petition is not voted on by the Board within one month after the matter was placed on the agenda, or the petition is resubmitted after a vote by the Board that did not support the original petition, the Board will submit the removal issue to the membership for a vote.

Section 4.11 Regular Meetings. A regular meeting of the Board of Directors shall be held within 30 days after the annual meeting of the members for the purpose of electing officers and for the transaction of other business. Additional regular meetings will be held monthly and attendance is compulsory.

Section 4.12 Special Meetings. Special meetings of the Board may be called by, or at the request of, the President, the Administrator, or any two Directors.

Section 4.13 Notice. Notice of each meeting of the Board stating the place, day and hour of the meeting and agenda shall be given to each Director at such Director's home address at least five days prior thereto by the mailing of written notice by first class, certified or registered mail, or at least two days prior thereto by personal delivery of written notice or by telephonic, facsimile notice, or email (and the method of notice need not be the same as to each Director). If mailed, such notice shall be deemed to be given when deposited in the United States mail with postage thereon prepaid. If transmitted by facsimile or email, such notice shall be deemed to be given when the transmission is complete. Any Director may waive notice of any meeting before, at, or after such meeting. The notice must also be published or posted for the general public in accordance with applicable open meeting laws.

Section 4.14 Presumption Assent. A Director who is present at a meeting of the Board at which action on any School matter is taken shall be presumed to have assented to the action taken unless such Director's dissent shall be entered in the minutes of the meeting or unless such Director shall file a written dissent to such action with the person acting as the secretary of the School immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

Section 4.15 Quorum and Voting. A majority of the Directors shall constitute a quorum for the transaction of business at any meeting of the Board, and the vote of a majority of the Directors present in person at a meeting at which a quorum is present shall be the act of the Board. If less than a quorum is present at a meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice other than an announcement at the meeting until a quorum shall be present. No Director may vote or act by proxy at any meeting of the Board of Directors.

Section 4.16 Compensation. Directors shall not receive compensation for their services as such, although the reasonable expenses of Directors attendance at Board meetings may be paid or reimbursed by the School. Directors shall not be

disqualified to receive reasonable compensation for services rendered to or for the benefit of the School in any other capacity, under the provisions of state law and district policy concerning disclosure and conflict of interests.

Section 4.17 Other Committees. By resolution, the Board may designate from among its members one or more other standing or advisory committees. The delegation of authority to any committee shall not operate to relieve the Board or any Director from any responsibility imposed by law. Rules governing procedure for meetings of any committee of the Board shall be as established by the Board, or in the absence thereof, by the committee itself. The Board fully recognizes the requirement of the school to retain a separate Accountability Committee and will take no action to remove or dissolve such committee.

Section 4.18 Executive Sessions. All regular and special meetings of the Board of Directors shall be open to the public, except that, upon the vote of two-thirds of the quorum present, an executive session may be held to discuss any one or more of the following:

- A. purchase, acquisition, lease, transfer or sale of any real, personal or other property interest except that no executive session shall be held to conceal the fact that a member of the local public body has a personal interest in such property transaction
- B. conferences with an attorney for the purpose of receiving legal advice on specific legal questions (The mere presence or participation of an attorney at an executive session is not sufficient to satisfy this requirement.)
- C. matters required to be kept confidential by federal or state law or rules and regulations
- D. specialized details of security arrangements or investigations.
- E. determining positions relative to matters that may be subject to negotiations: developing strategy for negotiations: and instructing negotiators
- F. personnel matters; except if the employee who is the subject of the session has requested an open meeting (If the personnel matter involves more than one employee, all of the employees have to request an open meeting for the board to conduct the discussion in public. The Teacher Employment, Compensation and Dismissal Act provides teacher dismissal hearings are open unless either the administration or employee requests the hearing be closed.)
- G. consideration of any documents protected under the mandatory nondisclosure provisions of the Open Records Act
- H. discussion of individual students where public disclosure would adversely affect the person or persons involved

The motion requesting the executive session shall state the nature of the matter to be discussed. Only those persons invited by the Board may be present during the executive session. The Administrator will attend all executive sessions unless expressly excused by a vote of two-thirds of the Directors present and within quorum at the regular meeting. The Board shall not make final policy decisions, nor shall any resolution, rule, regulation or formal action or any action approving a contract or calling for the payment of money be adopted or approved at any session which is closed to the general public. Matters discussed during executive sessions shall remain among those attending; The Secretary of the Board of Directors shall maintain topical minutes of all executive session items that result in public Board action. Whenever reasonable, the convening of a necessary executive session will be scheduled in advance and announced to the community through the normal means of announcing Board meetings.

## ARTICLE V OFFICERS AND AGENTS

Section 5.1 Number and Qualifications. The elected officers of the School shall be, at least, a President, a Vice President, a Secretary and a Treasurer. The Board of Directors may also appoint such other officers, assistant officers and agents, as it may consider necessary. One person may hold only one elected office at a time.

Section 5.2 Election and Term of Office. The officers of the School shall be elected by the Board of Directors at the first meeting of the Board held after each annual meeting of the members. If the election of officers shall not be held at such meeting, such election shall be held as soon as convenient thereafter. All officer terms are for one year. Each officer shall hold office until such officer's successor shall have been duly elected and shall have qualified, or until such officer's earlier death, resignation or removal.

Section 5.3 Compensation. Officers shall not receive compensation for their services as such, although reasonable expenses may be paid or reimbursed by the School.

Section 5.4 Removal. Any officer or agent may be removed by the Board of Directors whenever in its judgment it would be in the best interests of the School, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer or agent shall not in itself create contract rights.

Section 5.5 Vacancies. Any officer may resign at any time subject to any rights or obligations under any existing contracts between the officer and the School, by giving written notice to the President. If the President is the resigning officer, written notice shall be provided to the Secretary of the Board. An officer's resignation shall take effect at the time specified in such notice, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. The Board of Directors may fill a vacancy in any office, however occurring, for the unexpired portion of the term.

Section 5.6 Authority and Duties of Officers. The officers of the School shall have the authority and shall exercise the powers and perform the duties specified below and as may be additionally specified by the Board of Directors of these Bylaws.

Section 5.7 President. The President of the Board of Directors shall, or his/her designee, shall (i) preside at all meetings of the members and of the Board of Directors; (ii) see that all orders and recommendations of the members and of the Board of Directors are carried into effect; and (iii) perform all other duties incident to the office of President of the Board of Directors and as from time to time may be assigned to the President by the members or the Board of Directors.

Vice President. The Vice President shall serve in the absence or disability of, and at the direction of the President. The Vice President shall take full responsibility for organizing and overseeing elections for members of the Board of Directors. The Vice President shall serve in as mentor for the for new Board members to aid in their acclimation and, in general, perform all duties incident to the office of vice president and other duties as from time to time may be assigned to such office by the Board of Directors. Assistant vice presidents, if any, shall have the same duties and powers, subject to supervision by the Vice President.

Secretary. The Secretary shall (i) keep the minutes of the proceedings of the Board of Directors and any committees of the Board of Directors; (ii) see that all notices are duly given in accordance with the provisions of these bylaws or as required by law; and (iii) in general, perform all duties incident to the office of secretary and other duties as from time to time may be assigned to such office by the Board of Directors. Assistant secretaries, if any, shall have the same duties and powers, subject to supervision by the Secretary.

Treasurer. The Treasurer shall (i) be the principal financial officer of the School and monitor the care and custody of all its funds, securities, evidences of indebtedness and other personal property and the real deposit of same in accordance with the instructions of the Board of Directors; (ii) work cooperatively with Administrative staff to prepare annual budget; (iii) upon request of the Board of Directors, make such reports to it as may be required at any time; and (iv) perform all other duties incident to the office of treasurer and other duties as from time to time may be assigned to such office by the Administrator or the Board of Directors. Assistant treasurers, if any, shall have the same powers and duties, subject to the supervision by treasurer.

Section 5.8 Surety Bonds. The Board of Directors may require any officer or agent of the School to execute to the School a bond in such sums and with such sureties as shall be satisfactory to the Boards of Directors conditioned upon the faithful performance of such person's duties and for the restoration to the School of all books, papers, vouchers, money and other property of whatever kind in such person's possession or under such person's control belonging to the School.

## ARTICLE VI INDEMNIFICATION

Section 6.1 Definitions. For purposes of this Article, the following terms shall have the meanings set forth below:

- (a) “School” means the School or any successor school created as a result of a merger, consolidation or other transaction in which the predecessor’s existence ceased upon consummation of the transaction.
- (b) “Expenses” means the actual and reasonable expenses, including attorney’s fees, incurred by a party in connection with a proceeding.
- (c) “Liability” means the obligation to pay a judgment, settlement, penalty, fine (including an excise tax assessed with respect to a private foundation or an employee benefit plan) or expense incurred with respect to a proceeding.
- (d) “Official Capacity” when used with respect to a Director of the School means the office of Director in the School, and when used with respect to a person in a capacity other than as Director (even if such person is also a Director) means the office in the School held by the officer or the employment relationship undertaken by the employee on behalf of the School in the performance of his/her duties in his/her capacity as such officer or employee. “Official capacity” does not include service for any other foreign or domestic school or for any partnership, joint venture, trust, other enterprise or employee benefit plan when acting directly on behalf of such other school, partnership, joint venture, trust, enterprise or plan as a Director, officer, employee, fiduciary or agent thereof.
- (e) “Party” means any person who was, is, or is threatened to be made, a named defendant or respondent in a proceeding by reason of the fact that such person is or was a Director, officer or employee of the School, and any person who, while a Director, officer or employee of the School, is or was serving at the request of the School as a Director, officer, partner, trustee, employee, fiduciary or agent of any other foreign or domestic school or of any partnership, joint venture, trust, other enterprise or employee benefit plan. A party shall be considered to be serving an employee benefit plan at the School’s request if such party’s duties to the school also impose duties on or otherwise involve services by such party to the plan or to participants in or 7/10/07beneficiaries of the plan.
- (f) “Proceeding” means any threatened, pending or completed action, suit or proceeding, or any appeal therein, whether civil, criminal, administrative, arbitrate or investigative (including an action by or in the right of the School) and whether formal or informal.

## Section 6.2 Right to Indemnification.

- (a) Standards of Conduct. Except as provided in Section 6.2(d) below, the School shall indemnify any party to a proceeding against liability incurred in or as a result of the proceeding if (1) such party conducted himself or herself in good faith (ii) such party reasonably believed (A) in the case of a Director acting in his/her official capacity, that his/her conduct was in the School’s best interests, or (B) in all other cases, that such party’s conduct was at least not opposed to the School’s best interests, and (iii) in the case of any criminal proceeding, such party had no reasonable cause to believe his/her conduct was unlawful. For purposes of determining the applicable standard of conduct under the Section 6.2 any party acting in his/her official capacity who is also a Director of the School shall be held to the standard of conduct set forth in Section 6.2(a)(ii)(A), even if such party is sued solely in a capacity other than as such Director.
- (b) Employee Benefit Plans. A party’s conduct with respect to an employee benefit plan for a purpose such party reasonably believed to be in the interests of the participants in or beneficiaries of the plan is conduct that satisfies the requirements of Section I. A party who did not reasonably believe their actions to be in the interests of the participants in, or beneficiaries of, the plan shall be deemed not to satisfy the requirements of Section 6.2(a)(1).
- (c) Settlement. The termination of any proceeding by judgment, order, settlement or conviction, or upon a plea of nolo-contender or its equivalent, is not of itself determinative that the party did not meet the applicable standard of conduct set forth in Section 6.2(a).

- (d) **Indemnification Prohibited.** Except as hereinafter set forth in this Section 6.2(d), the School may not indemnify a party under the Section 6.2 either (i) in connection with a proceeding or in the right of by the School in which the party is or has been adjudged liable for gross negligence of willful misconduct in the performance of the party's duty to the School, or (ii) in connection with any proceeding charging improper personal benefit to the party, whether or not involving action in the party's official capacity, in which the party was adjudged liable on the basis that personal benefit was improperly received by the party (even if the School was not thereby damaged). Notwithstanding the foregoing, the School shall indemnify any such party if and to the extent required by the court conducting the proceeding, or any other court of competent jurisdiction to which the party has applied, if it is determined by such court, upon application by the party, that despite the adjudication of liability in the circumstances in clauses (i) and (ii) of the Section 6.2(d) or whether or not the party met the applicable standard of conduct set forth in Section 6.2(a). and in view of all relevant circumstances, the party is fairly and reasonably entitled to indemnification for such expenses as the court deems proper in accordance with the Colorado Nonprofit School Code.
- (e) **Claims by or in the Right of School Indemnification permitted under this Section 6.2 in connection with proceeding by or in the right of the School shall be limited to expenses incurred in connection with the proceeding.**
- (f) **Combined Proceedings.** If any claim made by or in the right of the School against a party is joined with any other claim against such party in a single proceeding, the claim by or in the right of the School (and all expenses related thereto) shall nevertheless be deemed the subject of a separate and distinct proceeding for purposes of the Article.

**Section 6.3 Prior Authorization Required.** Any indemnification under Section 6.2 (unless ordered by a court) shall be made by the School only if authorized in the specific case after a determination has been made that the party is eligible for indemnification in the circumstances because the party has met the applicable standard of conduct set forth in Section 6.2(a) and after an evaluation has been made as to the reasonableness of the expenses. Any such determination, evaluation, and authorization shall be made by the Board of Directors by a majority vote of a quorum of such Directors, which quorum shall consist of Directors not parties to the subject proceeding, or by such other person or body as permitted by law.

**Section 6.4 Success on Merits or Otherwise.** Notwithstanding any other provision of this Article, the School shall indemnify a party to the extent such party has been successful, on the merits or otherwise, including without limitation, dismissal without prejudice or settlement without admission of liability, in defense of a proceeding to which the party was a party against expenses incurred by such party in connection therewith.

**Section 6.5 Advancement of Expenses.** The School shall pay for or reimburse the expenses, or a portion thereof, incurred by a party in advance of the final disposition of the proceeding if: (a) the party furnishes the School with a written affirmation of such party's good-faith belief that he or she has met the standard of conduct described in Section 6.2(a)(1); (b) the party furnishes the School a written undertaking, executed personally or on behalf of such party, to repay the advance if it is ultimately determined that the party did not meet such standard of conduct; and (c) authorization of payment and a determination that the facts then known to those making the determination would not preclude indemnification under this Article have been made in the manner provided in Section 6.3. The undertaking required by clause (b) must be an unlimited general obligation of the party, but need not be secured and may be accepted without reference to financial ability to make repayment.

**Section 6.6 Payment Procedures.** The School shall promptly act upon any request for indemnification, which request must be in writing and accompanied by the order of court or other reasonably satisfactory evidence documenting disposition of the proceeding in the case of indemnification under Section 6.4 and by the written affirmation and undertaking to repay as required by Section 6.5 in the case of indemnification under such Section. The right to indemnification and advances granted by this Article shall be enforceable in any court of competent jurisdiction if the School denies the claim, in whole or in part if no disposition of such claim is made within ninety days after written request for indemnification is made. A party's expenses incurred in connection with successfully establishing such party's right to indemnification, in whole or in part, in any such proceeding shall also be paid by the School.

**Section 6.7 Notification to Members.** Any indemnification of or advance of expenses to a Director (but not to any other party) in accordance with the Article, if arising out of a proceeding by or on behalf of the School, shall be reported in writing to the members with or before the notice of the next meeting of members.

Section 6.8 Insurance. By action of the Board of Directors, notwithstanding any interest of the Directors in such action, the School may purchase and maintain insurance in such amounts as the Directors deem appropriate to protect itself and any person who is or was a Director, officer, employee, fiduciary or agent of the School, or who, while a Director, officer, employee, fiduciary or agent of any other foreign or domestic School or corporation of any partnership, joint venture, trust, other enterprise or employee benefit plan against any liability asserted against or incurred by such person in any such capacity or arising out of such person's status as such, whether or not the School would have the power to indemnify such person against such liability under applicable provisions of law or this Article, provided any such insurance company is formed under the laws of Colorado or any other jurisdiction, including any insurance company in which the School has an equity or any other interest, through stock ownership or otherwise. The School may create a trust fund, grant a security interest or use other means (including, without limitation, a letter of credit) to ensure the payment of such sums as may become necessary to effect indemnification as provided herein.

Section 6.9 Right to Impose Conditions to Indemnification. The School shall have the right to impose, as conditions to any indemnification provided or permitted in this Article, such reasonable requirements and conditions as may appear appropriate to the Board of Directors in each specific case and circumstances, including but not limited to any one or more of the following: (a) that any counsel representing the party to be indemnified in connection with the defense or settlement of any proceeding shall be counsel mutually agreeable to the party and the School; (b) that the School shall have the right, at its option, to assume and control the defense or settlement of any claim of proceeding made, initiated or threatened against the party to be indemnified; and (c) that the School shall be subrogated, to the extent of any payments made by way of indemnification, to all of the indemnified party's right of recovery, and that the party to be indemnified shall execute all writings and do everything necessary to assure such rights of subrogation to the School.

Section 6.10 Other Rights and Remedies. The indemnification provided by this Article shall be in addition to any other rights which a party may have or hereafter acquire under any law, provision of the articles of, any other or further provision of these bylaws, vote of the members of Committee agreement, or otherwise.

Section 6.11 Applicability Effect. The indemnification provided in the Article shall be applicable to acts or omissions that occurred prior to the adoption of the Article, shall continue as to any party entitled to indemnification under this Article who has ceased to be a Director, officer or employee of the School or, at the request of the School, was serving as and has since ceased to be a Director, office, partner, trustee, employee, fiduciary or agent of any other domestic or foreign school, or of any partnership, joint venture' trust, other enterprise or employee, fiduciary agent of any other domestic of foreign school, or of any partnership, joint venture trust, other enterprise or employee benefit plan, and shall inure to the benefit of the estate and personal representatives of each such person. The repeal or amendment of the Article or of any Section of provision hereof that would have the effect of limiting, qualifying, or restricting any of the powers or rights of indemnification provided or permitted in the Article, shall not solely by reason of such repeal or amendment, eliminate, restrict or otherwise affect the right or power of the School to indemnify any person, or affect any right of indemnification of such person, with respect to any acts or omissions that occurred prior to such repeal or amendment. All right to indemnification under Article shall be deemed to be provided by a contract between the School and each party covered hereby.

Section 6.12 Indemnification of Agents. The School shall have the right, but shall not be obligated, to indemnify any agent of the School not otherwise covered by this Article to the fullest extent permissible by the laws of Colorado. Unless otherwise provided in any separate indemnification arrangement, any such indemnification shall be made only as authorized in the specific case in the manner provided in Section 5.3

Section 6.13 Savings Clause: Limitation. If the Article or any Section of provision hereof shall be invalidated by any court on any ground, then the School shall nevertheless indemnify each party otherwise entitled to indemnification hereunder to the fullest extent permitted by law of any applicable provision of the Article that shall not have been invalidated.

## ARTICLE VII MISCELLANEOUS

Section 7.1 Account Books, Minutes, Etc. The School shall retain correct and complete books and records of account and shall retain minutes of the proceedings of its members, including but not limited to meetings of its Board of Directors, Accountability Committee, parent/teacher committees, etc.

Section 7.2 Fiscal Year. The fiscal year of the School shall be July 1 to June 30.

Section 7.3 Conveyances and Encumbrances. Property of the School may be assigned, conveyed, or encumbered by such officers of the School as may be authorized to do so by the Board of Directors, and such authorized person(s) shall have power to execute and deliver any and all instruments of assignment, conveyance, and encumbrance: however, the sale, exchange, lease or other disposition of all or substantially all of the property and assets of the School shall be authorized only in the manner described by applicable statute.

Section 7.4 Designated Contributions. The School may accept any designated contribution, grant, bequest, or devise consistent with its general purposes. As so limited, donor designated contributions will be accepted for special funds, purposes or uses, and such designation generally will be honored. However, the School shall reserve all right, title, and interest in and to and control of such contributions, as well as full discretion as to the ultimate expenditure or distribution thereof in connection with any such special fund, purpose or use. The funds from such designated contributions shall be retained in a special account separate from School operating funds.

Section 7.5 Conflicts of Interest. If any person who is a Director or officer of the School is aware that the School is about to enter into any business transaction directly or indirectly with such person, any member of such person's family, or any entity in which such person has any legal, equitable or fiduciary interest or position, including without limitation as a Director, officer, shareholder, partner, beneficiary or trustee, such person shall: (a) immediately inform those charged with approving the transaction on behalf of the School of such person's interest or position: (b) aid the persons charged with making the decision by disclosing any material facts within such persons knowledge that bear on the advisability of such transaction from the standpoint of the School: and (c) not be entitled to vote on the decision to enter into such transaction.

Section 7.6 Loans to Directors and Officers Prohibited. No loans shall be made by the School to any of its Directors or officers. Any Director or officer who assents to or participates in the making of any such loan shall be liable to the School for the amount of such loan until it is repaid.

Section 7.7 Amendments. The power to alter, amend or repeal these bylaws or adopt new bylaws shall be vested in the Board of Directors: provided, however, that no change to these bylaws shall limit or repeal the voting rights of the membership unless such change is adopted by the affirmative vote of a majority of the members and provided further that these bylaws may be not amended to change the mission of the School as stated in Article I unless approved by eighty percent of the quorum of members at the annual members meeting.

Section 7.8 Severability. The invalidity of any provision of these bylaws shall not affect the other provisions hereof and in such event these bylaws shall be construed in all respects as if such invalid provision were omitted.

Section 7.9 Open Meetings and Records. All meetings and record keeping will be conducted in accordance with the applicable open meetings and records laws.

Section 7.10 Conduct of Meetings. All meetings of the Board of Directors and the Members will be conducted under Roberts Rules of Order.

#### BYLAWS CERTIFICATE

The undersigned certifies that he/she is the Secretary of Montessori Peaks Academy, and that, as such, he/she is authorized to execute this certificate on behalf of said school, and further certifies that attached hereto is a complete and correct copy of the presently effective bylaws of said school.

/s/ Phyllis Glawe  
Secretary

September XX, 2007