

**AMENDED & RESTATED
BY-LAWS
of
ELMWOOD-FRANKLIN SCHOOL, INC.**

**ARTICLE I
The Corporation**

Section 1. Name. The name of the Corporation is ELMWOOD-FRANKLIN SCHOOL, INC. (the "Corporation").

Section 2. Purposes. The Corporation was formed pursuant to the New York Membership Corporation Law, Chapter 559 of the Laws of 1895, and pursuant to its Certificate of Incorporation, filed in the office of the New York State Department of State (the "Department") on November 7, 1895, and as amended by amendments thereto filed in the Department on April 17, 1941 and August 20, 1941 (the "Certificate"). Pursuant to its Certificate the objects and purposes of the Corporation shall be "maintaining a school for the education of both sexes."

The Corporation is organized for and shall be operated exclusively for educational and charitable purposes, as more particularly set out in the Certificate and its activities shall be conducted only for the purpose set forth in its Certificate, as the same may be amended from time to time, and for such other purposes as are permitted under applicable laws.

**ARTICLE II
Membership**

Section 1. Members. The Corporation, being a Type B not-for-profit corporation as defined in paragraph (b) of section 201 of the New York Not-for-Profit Corporation Law, has no members.

**ARTICLE III
Board of Trustees**

Section 1. Management of Corporate Affairs. Except as otherwise provided by law, or by the Certificate of the Corporation and these by-laws, the business, activities, property and affairs of the Corporation will be managed by its Board of Trustees (the "Board") who shall also have the duty and be vested with the power to control and manage the affairs,

funds and finances of the Corporation, and to direct the use or disposition of such funds for the purposes of the Corporation.

Section 2. Number and Qualifications. The Board of Trustees shall consist of not more than Twenty (20) nor fewer than twelve (12) individuals, the exact number to be determined from time to time by the Board. The Board of Trustees shall have the power by vote of a majority of the then entire Board of Trustees to increase or decrease the number of Trustees within the aforementioned limits, except that only the office of a Trustee which is vacant can be abolished. The term "Entire Board" means the total number of Trustees that the Corporation would have if there were no vacancies.

Section 3. Election and Term of Office of Elected Trustees. Except as otherwise provided by law or these by-laws, each Trustee will be elected by the Board at an annual meeting of the Board, and will take office at the next regular meeting of the Board of Trustees following their election. Each Trustee will be elected for a term of three (3) years and until his or her successor has been elected and qualified. No Trustee may serve for more than two (2) consecutive three-year terms, subject to the provisions below. Any Trustee who has served two (2) consecutive three-year terms will not be eligible for re-election until one (1) year after the end of the second consecutive term, unless such Trustee has been nominated and is subsequently elected as an Officer, in which event his or her term may be extended for the terms for which he or she holds office as such. A Trustee may be elected to the Advisory Committee of EFS Corporation Members of the Corporation immediately following the expiration of his or her term.

Section 4. Vacancies and Newly Created Trusteeships. Any vacancy in the Board of Trustees and newly created trusteeships may be filled by the Board of Trustees at a regularly scheduled Board meeting. Trustees appointed or elected to fill vacancies hold office only until the next annual meeting at which election of Trustees is in the regular order of business. At that next annual meeting and as part of such Trustee's formal election, the Board of Trustees shall specify the term for which such new Trustee will serve. In the event that a Trustee is elected to fill an unfinished term resulting from filling a vacancy, that term shall not count against him or her in relation to the successive term limitations.

Section 5. Resignation. Any Trustee may resign at any time by giving written notice to the President or Secretary of the Corporation. Such resignation will take effect at the time specified therein but not more than thirty (30) days after the date upon which the Trustee gives notice of resignation. Unless otherwise specified therein, the acceptance of such resignation will not be necessary to make it effective.

Section 6. Removal. Any or all of the Trustees may be removed, with cause, by vote of a majority of the entire Board of Trustees. For purposes of this Section, cause will include, but not be limited to, any one of the following: (a) unexcused absence of any Trustee from three consecutive Board meetings without an acceptable excuse therefor; (b) any failure of a Trustee to maintain confidentiality obligations as provided by Article IV, Section 13 of these bylaws, as determined in the Board's sole discretion; or (c) any failure of a Trustee to act at all times as a positive ambassador of the Corporation, as determined in the Board's sole discretion.

Section 7. Compensation. No Trustee may receive, directly or indirectly, any salary, compensation or emolument from the Corporation except, where authorized by the Board of Trustees, reasonable compensation for services actually performed and reimbursement of expenses necessarily incurred in effecting one or more of the corporate purposes of the Corporation.

ARTICLE IV **Meetings of the Board of Trustees**

Section 1. Regular Meetings. Regular meetings of the Board of Trustees, for the transaction of such business as may be set forth in the notice of the meeting, will be held at the Corporation's principal office at 104 New Amsterdam Avenue, Buffalo, New York, or at such other place and at such time designated by the Board of Trustees and specified in the notice of meeting. Regular meetings of the Board shall be held at least once per calendar quarter.

Section 2. Special Meetings. Special meetings of the Board may be called at any time by the President, as deemed necessary by him or her, and must be called by the President or the Secretary upon the written request of at least five Trustees. Such request will state the purpose or purposes for which the meeting is to be called. Each special meeting of the Board will be held at such time and place as the President determines and the notice of the meeting specifies.

Section 3. Annual Meeting. The annual meeting of the Board will be the regular meeting held on the second Wednesday in September of each year, or such other regular meeting designated by the Board. At the annual meeting of the Board, the Board will elect Trustees and Officers and may transact any other business that may properly come before the meeting.

Section 4. Notice of Meetings. Notice of each regular or special meeting of the Board of Trustees stating the time and place thereof will be given by the President or the Secretary to each Trustee not less than ten (10) days before the meeting, by mailing the notice, postage prepaid, addressed to each Trustee at his or her residence or usual place of business, or not less than three (3) days before the meeting, by delivering the notice to each Trustee personally, by telecopy, by electronic mail, or by telephone.

Section 5. Waiver of Notice. Formal notice of a meeting need not be given to a Trustee if the Trustee executes a waiver of notice either before or after the meeting. The attendance of a Trustee at any meeting, without protesting prior to the conclusion of the meeting the lack of notice of such meeting, constitutes a waiver of notice.

Section 6. Quorum. At all meetings of the Board of Trustees, the following shall constitute a quorum for the transaction of business: if the Board consists of 15 members or less, the quorum shall be at least one third of the Entire Board and if the Board consists of more than 15 members, the quorum shall be at least 5 members plus 1 additional member

for every ten members (or fraction thereof) in excess of 15. If a quorum is not present, a lesser number may adjourn the meeting to another time and place.

Section 7. Action by the Board. Each Trustee is entitled to one vote on each matter properly submitted to the Board of Trustees for action at any meeting of the Board. Unless otherwise required by law or provided in these by-laws, the vote of a majority of the Trustees present at the time of the vote, provided that a quorum is then present, will be the act of the Board.

Section 8. Order of Business. The order of business and all matters of procedure at every meeting of the Board of Trustees shall be determined by the President, or in his or her absence, by the presiding Officer.

Section 9. Presence at Meeting by Telephone. Trustees may participate in a meeting of the Board or any Committee of the Board by means of a conference telephone, video-conferencing or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation in a meeting by such means constitutes presence in person at the meeting.

Section 10. Action Without a Meeting. Any action required or permitted to be taken by the Board of Trustees or any Committee thereof may be taken without a meeting if all of the Trustees consent in writing to the adoption of a resolution authorizing the action. The resolution and the written consents thereto by the Trustees must be filed with the minutes of the proceedings of the Board or the Committee.

Section 11. Minutes. The Secretary will maintain complete and accurate minutes of each Board meeting and will retain each unanimous written consent executed by each Trustee. All minutes and written consents must be maintained in the permanent records of the Corporation.

Section 12. Annual Reports. The Board of Trustees shall keep a fair record of all of the transactions of the Corporation, a report of which shall be filed in the Corporation's records. At the annual meeting of the Board, the President and Treasurer will present to the Board a report, verified by the President and Treasurer, showing in appropriate detail the following:

- (a) the assets and liabilities, including the trust funds, of the corporation as of the end of a 12-month fiscal period of the Corporation terminating not more than six months prior to said meeting;
- (b) the principal changes in assets and liabilities, including trust funds, during said fiscal period;
- (c) the revenue or receipts of the Corporation, both unrestricted and restricted to particular purposes, during said fiscal period; and

(d) the expenses or disbursements of the Corporation, for both general and restricted purposes, during said fiscal period.

Such report will be filed with the minutes of the annual meeting of the Board.

Section 13. Confidentiality. It is the policy of the Corporation that the Trustees treat as confidential the proceedings of all Board and committee meetings, and all information concerning the business activities of the Corporation, except as otherwise authorized by the Board or until there has been general public disclosure, or unless the information is a matter of public record or common knowledge.

ARTICLE V

Officers

Section 1. Officers. The Officers of the Corporation shall consist of a President of the Board, one or more Vice Presidents, a Secretary and a Treasurer, and such other Officers as the Board of Trustees may appoint. Only a member of the Board of Trustees may serve as an Officer of the Corporation. The Board of Trustees may also elect such other Officers as it may from time to time deem to be appropriate and may confer upon them such powers as the Board may deem proper in its discretion.

Section 2. Term of Office. The Officers of the Corporation shall be nominated by the Committee on Trustees and Governance and the Board may in its sole discretion elect those Officers. The President shall be elected for a period of two (2) years, and the Board may extend that term at the end of the two (2) years for one (1) or more additional year(s). All other Officers shall be elected for a one (1) year term or until the next annual meeting of the Board following their election and until their successors have been elected and qualified. The Board of Trustees shall have the power to remove or suspend from office any Officer, by vote of a majority of the entire Board of Trustees, provided that no fewer than two (2) days' notice of the proposed action shall be given to the Officer to be removed or suspended and to the Board. If the office of any Officer becomes vacant for any reason, the Board may fill such vacancy at any meeting of the Board of Trustees. The newly elected Officer shall complete the term of his or her predecessor.

Section 3. Resignation. Any Officer may resign at any time by notifying the Board of Trustees, the President or the Secretary of the Corporation in writing. Such resignation will take effect at the time specified therein but not more than thirty (30) days from the date upon which the Officer gives notice of resignation. Unless otherwise specified in such resignation, the acceptance thereof will not be necessary to make it effective.

Section 4. Duties of Officers May Be Delegated. In case of the absence or disability of an Officer of the Corporation, or for any other reason that the Board may deem sufficient,

the Board, except where otherwise provided by law, may delegate the powers or duties of any Officer to any other Officer or Trustee of the Corporation.

Section 5. The President. The President will preside at all meetings of the Board of Trustees and shall appoint all Committees that are not otherwise appointed by the Board. The President shall be the Chief Executive Officer of the Corporation and shall execute all contracts, deeds, mortgages, and other documents required to be executed in the name of the Corporation, except as the Board may otherwise authorize. The President will also provide general supervision and direction to the Officers, see that their duties and those assigned to other Trustees are properly performed, and also perform such other duties as usually pertain to the office or are properly required by the Board of Trustees.

Section 6. The Vice President. In the absence or disability of the President, the Vice President will perform all the duties of the President. The Vice President will assist the President in the performance of his or her duties, and have and perform such other powers and duties as may be prescribed from time to time by the President or the Board. If there is more than one Vice President serving, they shall be so empowered in the order of their seniority.

Section 7. The President Pro Tem. In the absence of the President and the Vice President(s), the Board of Trustees may appoint a President Pro Tem, who shall perform such duties and have such powers as the Board may prescribe.

Section 8. The Secretary. The Secretary will issue, or cause to be issued, notices of all meetings of the Board of Trustees, where such notices of such meetings are required by law or these by-laws. The Secretary will attend all meetings of the Board of Trustees and keep (or cause to be kept) the minutes thereof, and will perform such other duties as may be prescribed from time to time by the President or the Board.

Section 9. The Treasurer. The Treasurer shall be the principal financial officer of the Corporation. He or she shall be the custodian of all funds and securities of the Corporation. Funds of the Corporation shall be disbursed only on checks or other withdrawal orders signed by such Officers or other persons as may be specifically authorized by the Board. The Treasurer shall generally supervise the accounting and bookkeeping of the Corporation, regularly report to the Board of Trustees as to the financial condition and results of the operation of the Corporation, and shall have such other powers and duties as may be prescribed from time to time by the President or the Board. With the approval of the Board, the Treasurer may delegate to an administrative salaried employee of the Corporation, such of the foregoing duties, including the signing of checks or other orders for the payment of money, as the Treasurer shall specifically designate. All such delegations shall be recorded in the minutes of the Board.

Section 10. Officers Holding Two or More Offices. Any two (2) or more offices, except those of President and Secretary, may be held by the same person, but no Officer may execute or verify any instrument in more than one capacity if such instrument is required by law or otherwise to be executed or verified by two (2) or more Officers.

Section 11. Compensation. No Officer of the Corporation may receive, directly or indirectly, salary, compensation or emolument from the Corporation, except reasonable compensation for services actually performed and reimbursement of expenses necessarily incurred in effecting one or more of the corporate purposes of the Corporation.

ARTICLE VI **Committees**

Section 1. Executive Committee and Other Standing Committees of the Board. The Board of Trustees, by resolution or resolutions adopted by a majority of the entire Board, may designate from among its members an Executive Committee and other standing committees, each consisting of three (3) or more Trustees, and each of which, to the extent provided in the resolution or these by-laws, will have all the authority of the Board, except that no such committee may have authority as to the following matters:

- a. the filling of vacancies in the Board of Trustees or in any committee;
- b. the approval of any compensation or reimbursement of any Trustee;
- c. the amendment or repeal of these by-laws or the adoption of new by-laws;
and
- d. the amendment or repeal of any resolution of the Board which by its terms is not so amendable or repealable.

The Board may designate one or more Trustees as alternate members of any standing committee, who may replace any absent member or members at any meeting of such committee. Each standing committee will serve at the pleasure of the Board. The President shall be a member of all standing Committees and the Head of School shall be an ex-officio non-voting member of all standing Committees. It is expected that each Trustee shall serve on at least one Committee. The chairman of each standing Committee shall be a Trustee. All standing Committees shall meet at least two times annually.

Section 2. Executive Committee. The Executive Committee will consist of the Officers of the Board of Trustees, the chairman of the Committee on Trustees and Governance and such other Trustees as the President or Board may appoint. The President shall be the Chairman of the Executive Committee with the power to vote. In the interim between meetings of the Board, the Executive Committee has all the authority of the Board except as otherwise provided by law or these Bylaws. Except as provided in this Article VI, Section 1 and as otherwise provided in this Section, all acts done and power and authority conferred by the Executive Committee within the scope of its authority are deemed to be, and may be specified as being, the acts of and under the authority of the Board. In addition to those matters excluded under Section 1 of this Article VI, the Executive Committee may not (i) take any action inconsistent with the prior act of the Board of Trustees, or the by-Laws, (ii) remove or appoint the Head of School, (iii) dispose of any real property, or (iv) take any

action which has been reserved by the Board to itself. At each and every regularly scheduled meeting of the Board of Trustees, the proceedings and actions taken by the Executive Committee since the last meeting of the Board shall be reported to the Board.

Section 3. Committee on Trustees and Governance. The Board will designate from among its members a Committee on Trustees and Governance, which will be a standing committee of the Board. The chairman of the Committee on Trustees and Governance shall be a Trustee. The Committee on Trustees and Governance shall propose to the Board the names of individuals to fill Board vacancies and Officer positions. The Committee shall also make recommendations for new EFS Corporation Members. The Committee shall conduct annual evaluations of and by the Trustees and of the Head of School; and it shall periodically review and make recommendations for changes to these by-laws as may be necessary from time to time. The Committee shall be in charge of orientation and education of newly-elected Trustees. At least one meeting of the Committee on Trustees and Governance will be held approximately three (3) months prior to the next scheduled annual meeting of the Board.

Section 4. Special Committees of the Board. The Board may create such special committees of the Board as may be deemed desirable. The members of such committees, who must be Trustees of the Corporation, will be appointed by the Chair with the consent of the Board. Special committees of the Board will have only those powers specifically delegated to them by the Board and in no case will have powers which are not authorized for standing committees under these by-laws. Each special committee of the Board will serve at the pleasure of the Board.

Section 5. Committees of the Corporation. The Board of Trustees may create committees of the Corporation, which may be comprised of or include persons who are not Trustees of the Corporation. Any such committee will be strictly advisory, and will have no authority to act on behalf of the Corporation. All provisions of the Not-for-Profit Corporation Law and these by-laws applicable to Officers will apply to members of such committees. Committees of the Corporation shall include, but not be limited to, the following:

(a) ***Finance Committee.*** The Finance Committee shall be composed of not fewer than three (3) members, a majority of whom are Trustees. It shall review the annual operating and capital budget prepared and presented under the direction of the Head of School, and make recommendations to the Board of Trustees relating to the budget. It shall review major financial or property transactions not provided for in the budget and submit proposed variances with recommendations to the Board of Trustees or the Executive Committee. Members of the Committee, when requested by the Head of School or the President, shall also render advice on specific personnel matters and policies.

The Investment Committee shall be a subcommittee of the Finance Committee. The Investment Committee shall be composed of not fewer than three (3) members, a majority of whom are Trustees. The Chair of the Investment Committee shall be the Treasurer of the Corporation or his or her designee provided, however, that such designee shall be a current member of the Board of Trustees. Members of the Investment Committee shall serve two-year terms and the Chair shall serve a three-

year term. The President shall be an ex-officio member of the Committee with the power to vote. The Head of School and Comptroller shall be ex-officio members of the Committee without the power to vote. The Investment Committee shall have charge of the invested funds of the School, including the power to effect purchases, sales and exchanges of securities, and other investment assets of the School, except real property, provided, however, that such actions are consistent with the Investment Policy Statement as approved by the Board of Trustees. In accordance with such policy, the Investment Committee may employ investment managers and consultants and may delegate authority to purchase or sell securities for the account of the School to such investment managers and consultants. The Investment Committee shall report to the Board of Trustees performance on a semi-annual basis.

(b) ***Development Committee.*** The Development Committee shall review and recommend fundraising programs and report to the Finance Committee on fundraising progress, giving estimates of income to be received therefrom. The Director of Development shall be an ex-officio member of the Committee, without power to vote.

(c) ***Buildings and Grounds Committee.*** The Buildings and Grounds Committee shall review and analyze maintenance and operations policy, recommend improvements, review and recommend approval of plans and cost estimates for new facilities, review the annual operating capital budget applicable to physical plant, and recommend approval of such budgets to the Finance Committee. The Buildings and Grounds Committee shall tour the school plant and facilities at least once each year.

Section 6. Terms of Committee Service. Unless as otherwise provided in these bylaws, the term of service on any committee will be one (1) year. A committee member will be eligible for re-election or reappointment to any committee on which he or she has served for additional terms, without limit.

Section 7. Acts and Proceedings. Except as otherwise provided in this Section, all actions of the Executive Committee within the scope of its authority will be deemed to be actions of the Board. All actions taken by other committees must be submitted to the Board or to the Executive Committee for approval, except as may be otherwise provided in these by-laws or in the resolutions creating such committees. The Executive Committee and each other committee will keep regular minutes of its proceedings and will make regular reports to the Board of Trustees.

Section 8. Meetings of Committees. Each committee will meet at such times and places as the chairperson of the committee determines and the notice of the meeting specifies. Meetings of all committees will be governed by the provisions of Sections 4 through 7 and 10 through 13 of Article IV of these by-laws, which govern meetings of the Board.

Section 9. Advisory Committee of EFS Corporation Members.

(a) ***EFS Corporation Members.*** The Corporation shall have an Advisory Committee made up of EFS Corporation members, who shall be persons who (a) were lifetime EFS Corporation members of the Corporation on January 1, 1983, and (b) such other persons who may hereafter be designated as such by the Board of Trustees, from time to time in its discretion, in recognition of material contributions and exceptional, outstanding and faithful service to the Corporation (the “EFS Corporation Members”, and also referred to from time to time as “Life Members”). Members of the Advisory Committee of EFS Corporation Members shall be non-voting advisory committee members of the Corporation for life but shall not be deemed to be members of the Corporation as defined under Section 601 of the Not-for-Profit Corporation Law of New York.

(b) ***Evidence of Advisory Committee Membership.*** EFS Corporation membership shall be evidenced by the inclusion of each EFS Corporation Member’s name in a list of Advisory Committee members to be maintained under the direction of the Secretary.

(c) ***Compensation.*** No EFS Corporation Member may receive, directly or indirectly, any salary, compensation or emolument from the Corporation except, where authorized by the Board of Trustees, reasonable compensation for services actually performed and reimbursement of expenses necessarily incurred in effecting one or more of the corporate purposes of the Corporation.

ARTICLE VII
Conflict of Interest Policy

Section 1. Purpose. The purpose of the conflict of interest policy is to protect the Corporation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an Officer or Trustee of the Corporation or might result in a possible excess benefit transaction. This policy supplements but does not replace any applicable state and federal laws governing conflict of interest applicable to the Corporation.

Section 2. Definitions.

(a) **Interested person:** An interested person is any trustee principal officer, or member of a committee with board-delegated powers, who has a direct or indirect financial interest (as defined below), or who has any other interest or relationship that could reasonably be viewed as having the potential to affect his or her decision-making judgment.

(b) **Financial interest:** A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

(i) an ownership or investment interest in any entity with which the Corporation has a transaction or arrangement,

(ii) a compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a transaction or arrangement, or

(iii) a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement.

(c) **Compensation** includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

Section 3. Procedures.

(a) ***Duty to Disclose.*** In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial or other interest and be given the opportunity to disclose all material facts to the Trustees or members of committees with Board-delegated powers considering the proposed transaction or arrangement.

(b) ***Determining Whether a Conflict of Interest Exists.*** After disclosure of the interest and all material facts, and after any discussion with the interested person, he or she will leave the Board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board or committee members will decide if a conflict of interest exists.

(c) *Procedures for Addressing the Conflict of Interest.* An interested person who has been determined to have a conflict of interest may make a presentation at the Board or committee meeting, but after the presentation, he or she will leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the conflict of interest. The chair of the Board or committee meeting will, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement. After exercising due diligence, the Board or committee will determine whether the Corporation can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board or committee will determine by a majority vote of the disinterested Trustees whether the transaction or arrangement is in the Corporation's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it will make its decision as to whether to enter into the transaction or arrangement.

(d) *Violations of the Conflicts of Interest Policy.* If the Board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it will inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the Board or committee determines the member has failed to disclose an actual or possible conflict of interest, it will take appropriate disciplinary and corrective action.

Section 4. Records of Proceedings. The minutes of the Board and all committees with Board-delegated powers will contain the names of persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board's or committee's decision as to whether a conflict of interest in fact existed, and also the names of persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Section 5. Compensation. Any person (or family member of such person) who receives compensation or other payment, directly or indirectly, from the Corporation is precluded from voting on matters pertaining to his/her compensation or other payment. Trustees who receive compensation, directly or indirectly, from the Corporation may provide information to the Board or to any committee regarding compensation.

Section 6. Annual Statements. Each Trustee, principal officer and member of a committee with governing Board-delegated powers will annually sign a statement which affirms that he or she is aware of and understands the Corporation's conflict of interest policy, has agreed to comply with the policy, and understands the Corporation is charitable and in order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

Section 7. Periodic Reviews. To ensure the Corporation operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, the Board will conduct periodic reviews, including, at a minimum, whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining, and whether any partnerships, joint ventures, and arrangements with management organizations conform to the Corporation's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction. The Corporation may, but need not, use outside advisors to assist it in its periodic reviews. If outside advisors are used, their use will not relieve the Board of its responsibility for ensuring periodic reviews are conducted.

ARTICLE VIII **Indemnification**

Section 1. Indemnification. To the extent permitted by the New York Not-for-Profit Corporation Law, the Corporation will indemnify its Trustees and Officers against criminal and civil liability, including payment of defense costs. The Corporation may purchase insurance for such purpose.

Section 2. Right of Indemnification. Each Trustee and Officer of the Corporation, whether or not then in office, and any person whose testator or intestate was such a Trustee or Officer, will be indemnified by the Corporation for the defense of, or in connection with, any threatened, pending or completed actions or proceedings and appeals therein, whether civil, criminal, administrative or investigative, in accordance with and to the fullest extent permitted by the Not-For-Profit Corporation Law of the State of New York or other applicable law, as such law now exists or may hereafter be adopted or amended; provided, however, that the Corporation will provide indemnification in connection with an action or proceeding (or part thereof) initiated by such a Trustee or Officer only if such action or proceeding (or part thereof) was authorized by the Board of Trustees. For the purposes of this Article VIII, persons who serve on Committees of the Corporation and are not Trustees of the Corporation will be deemed to be Officers of the Corporation.

Section 3. Advancement of Expenses. Expenses incurred by a Trustee or Officer in connection with any action or proceeding as to which indemnification may be given under Section 2 of this Article VIII may be paid by the Corporation in advance of the final disposition of such action or proceeding upon (a) the receipt of an undertaking by or on behalf of such Trustee or Officer to repay such advancement in case such Trustee or Officer is ultimately found not to be entitled to indemnification as authorized by this Article VIII and (b) approval by the Board of Trustees acting by a quorum consisting of Trustees who are not parties to such action. To the extent permitted by law, the Board of Trustees will not be required to find that the Trustee or Officer has met the applicable standard of conduct provided by law for indemnification in connection with such action or proceeding before the Corporation makes any advance payment of expenses hereunder.

Section 4. Availability and Interpretation. To the extent permitted under applicable law, the rights of indemnification and to the advancement of expenses provided in this Article VIII: (a) will be available with respect to events occurring prior to the adoption of this Article VIII, (b) will continue to exist after any rescission or restrictive amendment of this Article VIII with respect to events occurring prior to such rescission or amendment, (c) will be interpreted on the basis of applicable law in effect at the time of the occurrence of the event or events giving rise to the action or proceeding or, at the sole discretion of the Trustee or Officer (or, if applicable, at the sole discretion of the testator or intestate of such Trustee or Officer seeking such rights), on the basis of applicable law in effect at the time such rights are claimed and (d) will be in the nature of contract rights that may be enforced in any court of competent jurisdiction as if the Corporation and the Trustee or Officer for whom such rights are sought were parties to a separate written agreement.

Section 5. Other Rights. The rights of indemnification and to the advancement of expenses provided in this Article VIII will not be deemed exclusive of any other rights to which any Trustee or Officer of the Corporation or other person may now or hereafter be otherwise entitled, whether contained in the Certificate, these by-laws, a resolution of the Board of Trustees or an agreement providing for such indemnification, the creation of such other rights being hereby expressly authorized. Without limiting the generality of the foregoing, the rights of indemnification and to the advancement of expenses provided in this Article VIII will not be deemed exclusive of any rights, pursuant to statute or otherwise, of any Trustee or Officer of the Corporation or other person in any action or proceeding to have assessed or allowed in his or her favor, against the Corporation or otherwise, his or her costs and expenses incurred therein or in connection therewith or any part thereof.

Section 6. Severability. If this Article VIII or any part hereof is held unenforceable in any respect by a court of competent jurisdiction, it will be deemed modified to the minimum extent necessary to make it enforceable, and the remainder of this Article VIII will remain fully enforceable. Any payments made pursuant to this Article VIII will be made only out of funds legally available therefor.

ARTICLE IX

Corporate Finance

Section 1. Corporate Funds. The funds of the Corporation will be deposited in its name with such banks, trust companies or other depositories as the Board of Trustees of the Corporation may from time to time designate. All checks, notes, drafts and other negotiable instruments of the Corporation will be signed by such Officer or Officers, agent or agents, employee or employees as the Board of Trustees from time to time may designate. No Officers, agents or employees of the Corporation, alone or with others, will have the power to make any checks, notes, drafts or other negotiable instruments in the name of the Corporation or to bind the Corporation thereby, except as provided in this section.

Section 2. Fiscal Year. The fiscal year of the Corporation will commence on July 1 in each year, unless otherwise provided by the Board of Trustees of the Corporation.

Section 3. Loans to Trustees and Officers. No loans will be made by the Corporation to its Trustees and Officers.

Section 4. Gifts. The Board of Trustees, the Executive Committee or any authorized Officer, employee or agent of the Corporation may accept on behalf of the Corporation any contribution, gift, bequest or devise for any general or special purpose or purposes of the Corporation. Any gift designated by the donor as being restricted to a particular purpose or purposes may only be accepted by the Board of Trustees or a committee designated by the Board of Trustees.

Section 5. Voting of Securities Held by the Corporation. Stocks or other securities owned by the Corporation may be voted in person or by proxy as the Board of Trustees or the Executive Committee specifies. In the absence of any direction by the Board of Trustees or Executive Committee, such stocks or securities may be voted by the President as he or she determines.

Section 6. Income from Corporation Activities. All income from activities of the Corporation will be applied to the maintenance, expansion or operation of the lawful activities of the Corporation.

ARTICLE X **Amendments**

Section 1. Procedure for Amending By-Laws. By-laws of the Corporation may be adopted, amended or repealed at any meeting of the Board, notice of which detailed the proposed action, by the vote of a majority of the entire Board.

ARTICLE XI **Miscellaneous**

Section 1. Execution of Contracts. The Board may authorize any Officer or Officers, agent or agents, to enter into any contract or execute any instrument in the name of or on behalf of this Corporation, and such authority may be general or confined to specific instances. The Executive Committee may authorize any Officer or Officers, agent or agents, to enter into any contract or execute any instrument in amounts up to and including (but not exceeding) \$25,000 in the name of or on behalf of this Corporation, and such authority may be general or confined to specific instances.

Section 2. Administration. The Board of Trustees shall have the power to determine annually the amount budgeted for the payroll of the employees of the Corporation as they deem necessary. The Board shall also have the power to hire the Head of School, annually evaluate his/her performance, and terminate his/her employment if so voted by the majority of the entire Board. The Board of Trustees, as and when they deem necessary, shall endeavor to establish goals for the Corporation and a long range plan by which the

Corporation can strive to meet such goals. Within the policy guidelines established by the Board, the Head of School shall develop the school program, provide administrative and educational leadership, employ and discharge personnel, enroll and dismiss students, prepare an annual budget and have day-to-day operational responsibility. The Head of School shall report to the Board of Trustees at its meetings, or as otherwise requested by the President or the Board.

Dated: January 22, 2014