

**AMENDED AND RESTATED BYLAWS
DISPUTE RESOLUTION POLICY
CONFLICT OF INTEREST POLICY &
POLICY AGAINST EXCESS BENEFITS TRANSACTIONS**

OF

INTRINSIC SCHOOLS

**As Duly Adopted by the Board of Directors
this 17th day of June, 2013**

MOSHER & WAGENMAKER, LLC

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**AMENDED AND RESTATED BYLAWS OF
INTRINSIC SCHOOLS**

ARTICLE I. CORPORATE OFFICES

The Corporation shall continuously maintain in the State of Illinois a registered office and a registered agent whose office is identical with such registered office. The Corporation may have other offices within or without the state and need not be identical with the principal office in the State of Illinois. The address of the registered office and registered agent may be changed from time to time by the Board of Directors.

ARTICLE II. CORPORATE PURPOSES AND LIMITATIONS

Section A. General Purposes

The Corporation shall have such educational purposes as are now or may hereafter be set forth in the Articles of Incorporation as follows:

The Corporation is organized to operate a network of primary and secondary schools for grades K through 12. The Corporation's school curriculum will help students develop into independent and intellectually curious learners well prepared for college success.

Section B. Waiver or Reduction of Fees

The Corporation, being organized exclusively for religious, charitable, educational, or scientific purposes under Illinois law, shall strive to make its charitable services and programs available to the appropriate general public without undue obstacles to access. It is the general policy of the Corporation that any fees or charges associated with the charitable services and programs of the Corporation shall be waived or reduced in accordance with each recipient's ability to pay. The administrative staff shall have the necessary discretion to make such waivers or reductions when appropriate to ensure the maximum distribution of the Corporation's charitable services and programs. More specifically, the program fee schedules (if any) shall be set in accordance with 35 ILCS 200/15-65(c) of the Illinois Compiled Statutes.

Section C. Powers and Limitations

1. The Corporation, being organized exclusively for educational purposes, may make distributions to organizations and individuals in furtherance of its corporate purposes and in accordance with section 501(c)(3) of the Code. Under no circumstances shall the Corporation make any distributions that are inconsistent with its purpose statement above.

2. No activity, program, scholarship or other financial opportunity provided by the Corporation as a private school shall be conducted in a manner that might permit or encourage discrimination among its faculty or students on the basis of race, sex, color, national origin or ethnic background. The Board of Directors and administrative staff will manage public notice of this fact and all related administrative processes in full compliance with IRS Revenue Procedure 75-50.
3. 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 Section A above.
4. 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.
5. Notwithstanding any other provision of these articles, the Corporation shall not carry on any other activities not permitted to be carried on (1) by a corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law) or (2) by a corporation, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law).
6. Upon dissolution of the Corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the Corporation, dispose of all of the assets of the Corporation, exclusively for the purposes of the Corporation in such manner, or to such organization or organizations organized and operated exclusively for religious, charitable, educational, or scientific purposes, as shall at the time qualify as an exempt organization or organizations under section 501(c)(3) of the Code, as the Board of Directors shall determine. Any such assets not so disposed of shall be disposed of by the appropriate court of law of the county in which the principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for exempt purposes.

ARTICLE III. MEMBERSHIP

There shall be no members of the Corporation, and the organization shall be governed by a self-perpetuating Board of Directors.

ARTICLE IV. BOARD OF DIRECTORS

Section A. General Powers

The affairs, business and all legal matters of the Corporation shall be managed by its Board of Directors.

Section B. Number and Tenure

The number of directors shall be five (5) and may vary from time to time up to ten (10) by resolution of the Board of Directors without amendment of these bylaws. If a Chief Executive Officer is employed as the principal business administrator, he/she shall be an ex-officio non-voting director of the Board, shall be considered for purposes of notice but not quorum, shall not be elected for a term of office, and shall not be counted as one of the eight (8) directors authorized by this Section. The Board of Directors may from time to time, by amendment of these bylaws, change the minimum and maximum number of directors, but in no case shall the number be less than three (3). Each director shall hold office for a term of three (3) years unless the Board shall expressly resolve to elect a director for a shorter term. Beginning after the date of the implementation of these bylaws, the first Board election shall provide for staggered terms of office so that approximately one-third of the directors, thereafter, shall be elected at each annual meeting of the Board.

Section C. Qualifications

Those who seek to be directors of the Corporation must personally affirm the Corporation's statement of purpose, must abide in all respects with the corporate policies set forth in these bylaws, and must characterize personal commitment to the values of the Corporation.

Section D. Election

Directors shall be elected at the annual meeting of the Board. Each director shall hold office until the first of the following to occur: until his or her successor shall have been duly elected and shall have qualified; or until his or her death or disability, or until he or she shall resign in writing; or until he or she shall have been removed in the manner hereinafter provided.

Section E. Resignation and Removal

Any director may resign at any time by giving written notice to the Chairperson of the Board or Secretary of the Corporation. Such resignation, which may or may not be made contingent on formal acceptance, shall take effect on the date of receipt or at any later time specified therein. Any director may be removed with or without cause at any time by resolution adopted by the Board.

Any director who fails to attend three (3) consecutive meetings, whether regular or special, of the Board without an excused absence, may be removed from the Board at the discretion of the remaining directors. For purposes of this subsection, the nature of the absence, whether excused or unexcused, shall be determined by the Chairperson of the Board. Such determination shall be final and binding on all parties concerned.

Section F. Vacancies

Any vacancy occurring in the Board of Directors to be filled by reason of any increase in the number of directors or resignation or termination of a director shall be filled by the Board of Directors as soon as is practicable. A director so elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office.

Section G. Compensation

Directors shall not receive compensation for their services as directors. However, by resolution of the Board of Directors, expenses of attendance, if any, may be reimbursed for each regular or special meeting of the Board of Directors, provided that nothing herein contained shall be construed to preclude any directors from serving the Corporation in any other capacity and receiving reasonable compensation therefore.

ARTICLE V. MEETINGS OF THE BOARD OF DIRECTORS

Section A. Annual Meeting

An annual meeting of the Board of Directors shall be held in the registered office of the Corporation on the first Monday of July each year or at such other time and place as may be designated by the CEO in accordance with the notice provisions herein below, for the purpose of approving an annual budget, election of directors and officers, and for the transaction of such other business as may come before the meeting.

Section B. Special Meetings

Special meetings of the Board of Directors may be called by, or at the request of, the CEO or any two directors. The person or persons authorized to call special meetings of the Board of Directors may fix any place for holding any special meeting of the Board of Directors called by them.

Section C. Notice

Notice of any meeting of the Board of Directors shall be delivered not less than five (5) days nor more than sixty (60) days prior to the date of the scheduled meeting. Written notice shall be delivered to each director at his or her address as shown by the records of the Corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. Notice of any meeting of the Board of Directors may be waived in writing, signed by the person or person entitled to the notice either before or after the time of the meeting. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting except where a director attends a meeting for the expressed purpose of objection to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted, nor the purpose of any regular or special meeting of the Board of Directors, need be specified in the notice or waiver of such meeting, unless specifically required by law or by these bylaws. Notwithstanding the above provisions of this paragraph, the notice requirements may be satisfied by sending a facsimile or email communication in a timely manner to

the director's email address on the Corporation's records. Telephone communications may be useful for establishing the time and place of meeting but shall not be used in lieu of the above notice provisions. At any duly convened meeting of the Board a resolution may be approved concerning future meetings of the Board. Timely mailing of the Board minutes to each director may qualify as notice of the next meeting of the Board if the minute concerning the meeting is clearly set-forth and concise in its composition.

Section D. Quorum

A majority of the directors then in office shall constitute a quorum for the transaction of the business at any meeting of the Board of Directors, provided that if fewer than half of the directors are present at the said meeting, a majority of the directors present may adjourn the meeting to another time without further notice.

Section E. Manner of Acting

The act of a majority of the directors present at a duly convened meeting shall be the act of the Corporation unless the act of a greater number is required by statute, these bylaws or the Articles of Incorporation. Directors may not vote by proxy or under any other power of attorney. All board meetings shall be subject to confidentiality requirements as contained in Article XI, Section H herein.

Section F. Telephone Meeting

Any meeting of the directors may be conducted in simultaneous multiple locations if the various locations are effectively connected by telephonic conference call lines. Directors or non-director committee members may participate in and act at any meeting of such board or committee through the use of a conference telephone or other communications equipment by means of which all persons participating in the meeting can communicate with each other. Participation in such meeting shall constitute attendance and presence in person at the meeting of the person or persons so participating.

Section G. Informal Action by Directors

Any action which may be taken at a meeting of the Board of Directors or a committee thereof, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be approved in writing by all of the directors and all of any non-director committee members entitled to vote with respect to the subject matter thereof, or by all the members of such committee, as the case may be. The consent shall be evidenced by one or more written approvals, each of which sets forth the action taken and provides a written record of approval. All the approvals evidencing the consent shall be delivered to the Corporation's Secretary to be filed in the Corporation's records. The action taken shall be effective when all the directors or the committee members, as the case may be, have approved the consent unless the consent specifies a different effective date. Any such consent approved by all the directors or all the committee members, as the case may be, shall have the same effect as a unanimous vote and may be stated as such in any document filed with the Secretary of State.

ARTICLE VI. COMMITTEES

Section A. Committees with Corporate Authority

The Board of Directors shall have the power to appoint committees and delegate to such committees authority generally reserved to the Board provided such authority is not otherwise directed in these bylaws or prohibited by §805 ILCS 105/108.40 or other state laws. This may include, but is not limited to, negotiating and executing contracts on behalf of the Corporation, or authorizing expenditures. The committees with legal authority to act on behalf of the Corporation must have two or more directors, a majority of its membership must be directors, and all the committee members shall serve at the pleasure of the Board. All committee members shall be appointed by the Board of Directors to serve on a committee with corporate authority.

Section B. Committees without Corporate Authority

Committees without corporate authority may not act on behalf of the Corporation or bind the Corporation to any action. Rather, these committees will generally be responsible for investigating, reporting, and advising the Board on certain activities and program as well as making recommendations to the Board of Directors or officers for approval. For purposes of clarity to the public, committees without corporate authority should be identified as advisory boards, commissions, task forces, or similar names. These committees may be composed of persons appointed by the Board of Directors for specific skills and need not be directors or officers of the Corporation.

Section C. Standing Committees

The Corporation may have standing committees as created by the Board. The term of office for all standing committee members shall be one (1) year beginning each year at the annual meeting of the Board unless specifically designated otherwise in the resolution appointing the committee member.

Section D. Special Committees

The Corporation shall have the power to appoint special committees by a resolution of the Board of Directors. These committees may or may not have authority to act on behalf of the Corporation and shall generally be created to manage a specific task or responsibility of the Corporation which is of limited duration. A resolution of the Board creating an ad hoc or special committee shall specify (1) the task assigned to the committee; (2) whether or not the committee has authority to act on behalf of the Corporation, (3) the duration of the committee which may be generalized to a period necessary to bring the matter to full resolution, and (4) the term of office for the committee members appointed.

Section E. Committee Meetings

Meetings of any committee may be called by the CEO of the Corporation, the chairperson of the committee, or a majority of the committee's voting members. Notice of the time and place of any meeting of a committee shall be given at least three (3) days prior to the meeting. All committee meetings shall be subject to confidentiality requirements as contained in Article XI, Section H herein.

Section F. Resignation and Removal

Any member of a committee may resign at any time by giving written notice to the chairperson of the committee or to the Secretary of the Corporation. Such resignation, which may or may not be made contingent on formal acceptance, shall take effect on the date of receipt or at any later time specified therein. Any member of a committee may be removed at any time by resolution adopted by a majority of the Board of Directors.

Section G. Quorum

Unless otherwise provided in the resolution of the Board designating a committee, the act of a majority of any committee shall be the act of the committee. All committee members, and the CEO of the Corporation, shall be notified in advance of all meetings of the committee.

Section H. Conduct of Meetings

The bylaw provisions which govern meetings, action without meetings, notice and waiver of notice, and quorum and voting requirements of the Board, shall apply to committees of the Board and their members as well. Each committee may adopt rules for its own government not inconsistent with these bylaws or with rules adopted by the Board.

ARTICLE VII. OFFICERS AND AGENTS

Section A. Officers

The officers of the Corporation shall consist of a Chairperson of the Board of Directors (“Chairperson of the Board” or “Chairperson”), a Chief Executive Officer (“CEO”), a Secretary, and a Treasurer. The Chairperson of the Board (who shall be a Board member), the Secretary and the Treasurer shall be elected for a term of one (1) year by the Board at its annual meeting. Such other officers and assistant officers and agents as may be deemed necessary may be elected or appointed by the Board. Any two (2) or more offices may be held by the same person, except that the offices of Chief Executive Officer and Secretary may not be held by the same person concurrently. Directors of the Board may simultaneously serve as officers, but directorship shall not be a required qualification to serve as an officer of the Corporation other than Chairperson of the Board.

Section B. Chairperson of the Board

The Chairperson of the Board shall preside at all Board meetings and shall exercise and perform such powers and duties as the Board may assign from time to time.

Section C. Vice President

During the absence or disability of the Chairperson, the Vice President shall exercise all of the functions of Chairperson. He or she shall have such powers and discharge such duties as may be assigned to him or her from time to time by the Board.

Section D. Chief Executive Officer

Subject to such supervisory powers as the Board may give the Chairperson, and subject to the control of the Board, and subject to the CEO's employment contract, the CEO shall be the general manager of the corporation and shall supervise, direct and control the corporation's activities, affairs and officers as fully described in any applicable employment contract, agreement or job description. The CEO shall supervise and be principally responsible for the day-to-day administrative management of the Corporation, and ensure that all corporate functions are adequately carried out

Unless the Board requires otherwise, he or she shall sign, with the Secretary or any other officer of the Corporation authorized by the Board, such documents and deeds of the Corporation as necessary or appropriate including, but not limited to, mortgages, bonds, contracts, or other instruments which the Board has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board or by these bylaws to some other officer or agent of the Corporation, or shall be required by law to be otherwise signed or executed, and in general, shall discharge all duties incident to the office of Chief Executive Officer and such other duties as may be assigned to him or her by the Board from time to time.

The CEO shall be an ex officio non-voting director of the Board. The duties and responsibilities of the CEO shall include: (a) carrying out all policies established by the Board; (b) preparing an annual budget showing expected revenue and expenditures as required by the Board; (c) selecting, employing, training, controlling and discharging all other employees of the Corporation; (d) attending all meetings of the Board; (e) supervising the business affairs to insure that funds are collected and obligations are paid out in a timely and advantageous fashion; preparing and presenting to the Board regular reports reflecting accomplishment of corporate goals and the Corporation's mission.

Section E. Secretary

The Secretary shall: (a) be responsible for the keeping of the minutes of the Board and committee meetings in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these bylaws or as required by law; (c) be custodian of and maintain copies of all corporate records, including all notices and voting records, whether in electronic or paper form; and (d) in general, discharge all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the CEO or by the Board.

In the event that the electronic communication, such as email, is used for notice of meetings and voting on informal actions pursuant to Article V, Sections C and G respectively, the Secretary shall maintain signed consents for every director and other individual entitled to notice under these bylaws. Said consents shall include: (1) express authorization to receive notice by email or other electronic communication; (2) the preferred electronic address for the Corporation to communicate with the individual; and (3) contain such additional information as may be requested by the Board of Directors.

Section F. Treasurer

The Treasurer shall: (a) monitor the financial books of the Corporation; (b) keep regular books of account and make them available for inspection at all times to the directors of the

Corporation; (c) render to the Board from time to time as may be required of him or her, an account of the financial condition of the Corporation; and (d) in general, discharge all duties incident to the office of Treasurer, and such other duties as may be assigned to him or her by the CEO or by the Board.

Section G. Assistant Treasurers and Assistant Secretaries

At its discretion, the Board may appoint Assistant Treasurers and Assistant Secretaries to perform such duties as shall be assigned to them by the Treasurer or the Secretary or by the Chief Executive Officer. These officers shall report to the Board as requested but shall not serve on the Board or have voting rights unless the person so appointed is already a director of the Corporation. If required by the Board of Directors, the Assistant Treasurers shall give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine.

Section H. Delegation of Authority

In case of the absence of any officer of the Corporation, or for any other reason that it may deem sufficient, the Board may either delegate the powers or duties of such officer to any director or employee of the Corporation, for the time being, or may eliminate some or all of such powers or duties of such officer, provided a majority of the entire Board concurs therein.

Section I. Election and Term of Office

The officers of the Corporation, other than the CEO, shall be elected by the Board for a term of one (1) year at the annual meeting of the Board of Directors. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each elected officer shall hold office until the first of the following to occur: until his or her successor shall have been duly elected and shall have qualified; or until his or her death or disability, or until he or she shall resign in writing; or until he or she shall have been removed in the manner hereinafter provided. The CEO shall be hired by the Board and hold office as a Board member for the duration of his or her employment in that capacity. Election or appointment of an officer or agent shall not in itself create contract rights.

Section J. Removal

Any officer or agent may be removed by the Board of Directors whenever, in its judgment, the best interest of the Corporation shall be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

ARTICLE VIII. ADVISORY COUNCILS OR BOARDS

The Board of Directors may from time to time appoint advisory boards or special councils for specific purposes that do not require corporate action. The composition of such advisory groups may include persons with professional skills or special experience necessary to advise and inform the Board of Directors. Such advisory groups shall not have the authority to commit the Corporation to any legal contracts or agreements whether or not related to the business of the Corporation. The

Board of Directors shall not lend “apparent authority” to such advisory groups and all related corporate resolutions shall expressly limit the groups’ authority in this respect.

ARTICLE IX. FINANCIAL POLICIES

Section A. Fiscal Year

The fiscal year of the Corporation shall be from July 1st to June 30th.

Section B. Sale of Assets

A sale, lease, exchange, mortgage, pledge or other disposition of property or assets of the Corporation outside the normal course of business may be made by the Board upon such terms and conditions and for such consideration, which may consist in whole or in part of money or property, real or personal, as may be authorized by the Board; provided, however, that a sale, lease, exchange or other disposition of all or substantially all the property and assets of the Corporation shall be authorized only upon receiving the vote of two-thirds of the directors in office.

Section C. Contracts

The Board may authorize any officer or officers, agent or agents, to enter into any contracts 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.

Section D. 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. Such authority may be general or confined to specific instances.

Section E. Checks, Drafts, Etc.

All checks, drafts or other orders for the payment of money, notes or other evidence of indebtedness 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. The CEO is hereby authorized to spend up to \$5,000 per item for the purchase of non-budgeted goods or services used in furtherance of corporate objectives.

Section F. Deposits

All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board may select.

Section G. Gifts

The Board of Directors or the CEO may accept on behalf of the Corporation any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Corporation.

ARTICLE X. INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section A. Indemnification in Actions other than by or in the Right of the Corporation

The Corporation shall indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he or she is or was a director, officer, employee or agent of the Corporation, or who is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding, if such person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation, or, with respect to any criminal action or proceeding, that the person had reasonable cause to believe that his or her conduct was unlawful.

Section B. Indemnification in Actions by or in the Right of the Corporation

The Corporation shall indemnify any person who was or is a party, or is threatened to be made a party, to any threatened pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that such person is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit, if such person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation, provided that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his or her duty to the Corporation, unless, and only to the extent that the court in which such action or suit was brought shall determine upon application that despite the adjudication of liability, but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses as the court shall deem proper.

Section C. Right to Payment of Expenses

To the extent that a director, officer, employee or agent of the Corporation has been successful, on the merits or otherwise, in the defense of any action, suit or proceeding referred to in Sections A and B of this Article, or in defense of any claim, issue or matter therein, such person may be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith.

Section D. Determination of Conduct

Any indemnification under Sections A and B of this Article (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case, upon determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he or she has met the applicable standard of conduct set forth in Sections A and B of this Article. Such determination shall be made: (1) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding; (2) if such a quorum is not obtainable, or, even if attainable, if a quorum of disinterested directors so directs, by independent legal counsel in written opinion.

Section E. Payment of Expenses in Advance

Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding as authorized by the Board of Directors in the specific case, upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount, unless it shall ultimately be determined that he or she is entitled to be indemnified by the Corporation as authorized in the Article.

Section F. Indemnification not Exclusive

The indemnification provided by the Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any agreement, vote of disinterested directors, or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be director, officer, employee or agent, and shall inure to the benefit of the heirs, executors and administrators of such a person.

Section G. Insurance

The Corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or who is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against such person and incurred by such person in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify such person against such liability under the provisions of this Article.

Section H. References to Corporation

For purposes of the Article, references to the "Corporation" shall include, in addition to the surviving corporation, any merging corporation (including any corporation having merged with a merging corporation) absorbed in a merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, and employees or agents, so that any person who is or was a director, officer, employee or agent of such merging corporation or is or was serving at the request of such merging corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under

the provisions of this Article with respect to the resulting or surviving corporation as such person would have with respect to such constituent corporation if its separate existence had continued.

Section I. Other References

For purposes of this Article, references to “other enterprises” shall include employee benefit plans; reference to “fines” shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to “serving at the request of the Corporation” shall include any service as a director, officer, employee or agent of the Corporation which imposes duties on or involves services by such director, officer, employee or agent with respect to an employee benefit plan, its participants, or beneficiaries. A person who acted in good faith and in a manner he or she reasonably believed to be in the best interests of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner “not opposed to the best interests of the Corporation” as referred to in this Article.

ARTICLE XI. MISCELLANEOUS

Section A. Waiver of Notice of Meetings

Whenever any notice is required to be given to any director or committee member of the Corporation under the provisions of these Bylaws or under the provisions of the Articles of Incorporation or under the provisions of the Illinois General Not For Profit Corporation Act of 1986, 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 deemed equivalent to the giving of such notice.

Section B. Amendments

The Articles of Incorporation and these Bylaws may be altered, amended or repealed, and new articles and bylaws may be adopted by a vote of two-thirds of the directors present at any regular or any special meeting called for that purpose. Notice of the proposed amendment (including the suggested text of the change) shall be given in writing to all directors at least twenty (20) days before the meeting at which the vote thereon is to be taken, and shall identify the persons proposing the amendment.

Section C. Severability

The invalidity or unenforceability of any provision in these bylaws shall not affect the validity or enforceability of the remaining provisions.

Section D. Forum for Dispute Resolution

Being an organization committed to doing charitable work, it is the policy of the Board of Directors to seek amicable resolution of disputes that arise within the legal context of the Corporation, its directors, officers, employees, and agents. It is in the best interest of the Corporation that disputes be resolved in a manner that will avoid civil litigation. Attached to these Bylaws as Addendum A is the Dispute Resolution Policy, which shall be the policy of the Corporation. Provided, however, that with respect to breaches of confidentiality as required in Article XI, Section H herein, the Corporation

may at its option protect its interests through injunctive and other judicial relief available through litigation.

Section E. Directors, Officers, and Agents Conflict of Interest

Directors should scrupulously avoid transactions in which the director has a personal or material financial interest, or with entities of which the director is an officer, director, or general partner. Therefore, the policy of the Corporation concerning conflict of interest and matter involved with compensation of employees has been set forth and attached hereto as Addendum B to these bylaws.

Section F. Seal

The Corporation shall not maintain a corporate seal.

Section G. Books and Records

The Corporation, at its offices, shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board and committees, and shall keep a record of the names and addresses of all Board and committee members. All books and records of the Corporation may be inspected by a director, or his agent or attorney at any reasonable time.

Section H. Confidentiality

As part of their fiduciary duties owed to the Corporation, all directors, officers, committee members, and other agents of the Corporation are expected to maintain appropriate confidentiality of information related to the Corporation, including donor and supporter lists and related records, fundraising strategies, financial information about the Corporation, organizational plans, marketing information, expense information, personnel matters, and computer passwords (all whether in electronic or paper format), and to prevent unauthorized disclosure to any outside party, except to the extent such information is otherwise disclosed in accordance with the ordinary course of business to the public or third parties or otherwise is required to be disclosed under applicable law. Such confidentiality is expected to be maintained at all times subsequent to service to the Corporation. Each director, officer, and key employee shall annually complete a confidentiality agreement. Notwithstanding the dispute resolution provision contained in Addendum B, the Corporation may enforce this provision as it deems appropriate (including mediation and arbitration at its option), and it shall be entitled to recover attorneys' fees and costs against those found liable for violating this provision.

CERTIFICATION OF ADOPTION OF BYLAWS

The undersigned, being the duly elected Secretary of Intrinsic Schools, an Illinois not for profit corporation, does hereby certify that the attached bylaws of said Corporation were adopted by the official act of the Board of Directors on _____, 2012 and the same do constitute the bylaws of the Corporation.

Dated this _____ day of _____, 2012.

Secretary

ADDENDUM A. DISPUTE RESOLUTION POLICY

In the event a dispute may arise between two or more persons operating under the authority of these Bylaws, and except as provided in Article XI, Section D of the Corporation's Bylaws, the parties to the dispute shall submit the circumstances and issues in dispute for mediation or arbitration as follows.

Article I – Mediation

- A. Each party to the dispute shall select a representative, who may be an attorney or other agent or other trusted person, and the parties shall select a mediator who is an impartial and disinterested person to mediate the matter in a fair and impartial manner.
- B. The goal of the mediation process and the mediator is to bring about an amicable, voluntary resolution of the dispute, and the parties shall make a good faith effort to work with one another and the mediator to effect such a resolution of their dispute.
- C. The mediator may hold joint and separate conferences with the parties. Such conferences shall be private and all communications therein confidential unless the parties otherwise agree.
- D. Information disclosed by a party to a mediator in the performance of mediation functions shall not be disclosed voluntarily outside of mediation, except as required by law and otherwise agreed by the parties. All files, records, reports, documents, or other papers prepared by a mediator shall be considered confidential. The mediator shall not willingly produce any such confidential records of, or testify in regard to, any mediation conducted by him, on behalf of any party to any cause pending in any type of proceeding.
- E. Compensation for the mediator, if any, shall be paid equally by the parties in dispute.
- F. The mediator shall have sole discretion to make the determination that the parties have reached an impasse and no voluntary resolution will be forthcoming.

Article II – Arbitration

- A. If the parties cannot come to a voluntary agreement as a result of the mediation and the mediator makes the determination that the parties have reached an impasse and no voluntary resolution will be forthcoming, the parties shall submit the matter for arbitration.
- B. Each party to the dispute shall select an impartial, disinterested person to be part of the arbitration panel.
- C. The persons so selected shall appoint one or more additional person(s) as may be necessary to provide an odd numbered arbitration panel.
- D. When the arbitration panel is assembled the parties in conflict shall be permitted to present evidence and arguments in support of their position and the panel shall deliberate as necessary to resolve the problems. In all matters the panel shall first seek to reconcile the conflicting parties. If reconciliation is not possible, then the panel shall arbitrate a solution and such solution shall be binding upon all parties.
- E. Compensation for the arbitration shall be paid equally by the parties.

No person shall bring any dispute under these Bylaws to any court of law or chancery without first proceeding under the above conflict resolution procedure. Unless the determination of the arbitration panel is clearly in conflict with the laws of the State of Illinois or in such venue as appropriate no court shall reverse or otherwise amend the determination except as may be necessary to correct a minor discrepancy.

Attest: _____
Secretary

Date: _____

ADDENDUM B. CONFLICT OF INTEREST POLICY & POLICY AGAINST EXCESS BENEFITS TRANSACTIONS

Article I – Purpose

The purpose of these policies is to protect the interest of Intrinsic Schools (the “Corporation”) and its tax-exempt status when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director. This policy is intended to supplement but not replace any applicable state laws governing conflicts of interest applicable to nonprofit and charitable corporations.

Article II – Definitions

- A. Interested Person. Any director, principal officer, or member of a committee with board delegated powers who has a direct or indirect financial interest, as defined below, is an interested person.
- B. Financial Interest. A person has a financial interest if the person has, directly or indirectly, through business, investment or family:
 - 1. An ownership or investment interest in any entity with which the Corporation has a transaction or arrangement, or
 - 2. A compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a transaction or arrangement, or
 - 3. 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.

Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate board or committee decides that a conflict of interest exists.

- C. Significant Leadership Interest. A person has a significant leadership interest if he or she is a director, officer, or management worker (whether volunteer or paid staff) of any entity with which the Corporation has a material transaction or arrangement.

Article III – Procedures for Addressing Financial Interests

- A. Duty to Disclose. In connection with any actual or possible conflicts of interest, an interested person must disclose the existence of his or her financial interest and must be given the opportunity to disclose all material facts to the directors and 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 financial interest and all material facts, and after any discussion with the interested person, he/she shall 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 shall decide if a conflict of interest exists.
- C. Procedures for Addressing the Conflict of Interest.
 - 1. An interested person may make a presentation at the board or committee meeting, but after such presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement that results in the conflict of interest.
 - 2. The CEO or committee chairperson shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
 - 3. After exercising due diligence, the board or committee shall determine whether the Corporation can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest.
 - 4. If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the board or committee shall determine by a majority vote of the disinterested directors whether the transaction or

arrangement is in the Corporation's best interest and whether the transaction is fair and reasonable to the Corporation, and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination.

D. Violations of the Conflicts of Interest Policy.

1. If the board or committee has reasonable cause to believe that a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
2. If, after hearing the response of the member and making such further investigation as may be warranted in the circumstances, the board or committee determines that the member has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action, including removal from the Board.
- 3.

Article IV – Disqualification For Persons with a Significant Leadership Interest

An interested person who has a significant leadership interest shall not participate in or vote on any grant-making, financial assistance, or other funding decision affecting an entity for which he or she is a director, officer, or management worker (whether volunteer or paid staff).

Article V – Records of Proceedings

The minutes of the board and all committees with board-delegated powers shall contain:

- A. The names of the persons who disclosed or otherwise were found to have a financial or significant leadership interest in connection with an actual or possible conflict of interest, the nature of the 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.
- B. The names of the 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 therewith.

Article VI – Compensation and Avoiding Excess Benefits

- A. A voting member of the board of directors who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's compensation.
- B. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's compensation.
- C. Persons who receive compensation, directly or indirectly, from the Corporation, whether as employees or independent contractors, are precluded from membership on any committee whose jurisdiction includes compensation matters. No person, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

All compensation arrangements shall be reviewed by the Corporation at least every other year to assure that compensation is reasonable and is the result of arms-length bargaining. Decisions regarding compensation shall be made only after the board or an appropriate independent committee examines relevant financial information regarding compensation received by similarly situated individuals for similar services performed. The board or appropriate committee shall examine the data on compensation paid by at least three comparable organizations in the same or similar communities for similar services (or at least five such comparable organizations in the event that the Corporation receives in excess of \$1,000,000 during the current period during which compensation is set or during the previous accounting period) . A copy of such relevant comparable financial information, including a description of how the data was obtained, shall be maintained as a part of the records of board or appropriate committee making such compensation decision.

Article VII – Annual Statements

Each director, principal officer and member of a committee with board delegated powers shall annually sign a statement which affirms that such person:

- A. Has received a copy of the conflicts of interest policy;
- B. Has read and understands the policy;
- C. Has agreed to comply with the policy; and
- D. Understands that the Corporation is a charitable organization and that in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Article VIII – Periodic Reviews

To ensure that the Corporation operates in a manner consistent with its charitable purposes and that it does not engage in activities that could jeopardize its status as an organization exempt from federal income tax, periodic reviews shall be conducted by the Corporation’s Executive Committee. The periodic reviews shall, at a minimum, include the following subjects:

- A. Whether compensation arrangements and benefits are reasonable and are the result of arm’s-length bargaining.
- B. Whether provider services result in inurement or impermissible private benefit.
- C. Whether partnership and joint venture arrangements and arrangements conform to written policies, are properly recorded, reflect reasonable payments for goods and services, further the Corporation’s charitable purposes and do not result in inurement or impermissible private benefit.
- D. Whether agreements with other providers, employees, and third party entities further the Corporation’s charitable purposes and do not result in inurement or impermissible private benefit.

Attest: _____ Date: _____
Secretary

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