

OREGON EPISCOPAL SCHOOL
AMENDED AND RESTATED BYLAWS

Adopted _ June 6, 2015_, by Board of Trustees
Approved _ July 24, 2015_, by Diocesan Council

AMENDED AND RESTATED BYLAWS OF OREGON EPISCOPAL SCHOOL

SECTION 1 PURPOSE

Oregon Episcopal School (the "School") is organized and exists for the purpose of operating a primary and secondary school. The School is guided by its mission to prepare students for higher education and lifelong learning, as grounded in its Episcopal history, tradition and identity. It is an institution subject to the jurisdiction of the Diocese of Oregon ("Diocese") as outlined in these bylaws (the "Bylaws").

SECTION 2 MEMBERS

The School shall not have any voting members within the meaning of ORS 65.001(26).

SECTION 3 TRUSTEES

3.1 Powers. All corporate powers shall be exercised by or under the authority of, and the affairs of the School shall be managed under the direction of, a board (the "Board") of trustees (the "Trustees").

3.2 Qualifications. All Trustees must be individuals 18 years of age or older. Trustees need not be residents or citizens of the State of Oregon or of the United States of America.

3.3 Number. The Board shall consist of at least fifteen and not more than 25 Trustees. If, through resignations or for any other reason, the Board has fewer than fifteen Trustees, the Board may nonetheless transact business if there is a quorum for the transaction of business and the vacancies created thereby are filled as soon as reasonably possible.

3.4 Episcopal Trustees. At least 30 percent of the Trustees shall be Trustees who are active members of Episcopal congregations and known to their clergy in charge of the congregations ("Episcopal Trustees"). For purposes of this requirement, the Bishop of the Diocese (the "Bishop") shall not be an Episcopal Trustee and the Rector of the Parish Church of St. John the Baptist (the "Rector") shall be an Episcopal Trustee. Unless the Bishop or the Standing Committee of the Diocese ("Standing Committee") objects in accordance with Section 3.6 to the classification of a Trustee identified as an Episcopal Trustee, the Trustee shall be conclusively presumed to be an Episcopal Trustee during his or her term. If less than 30 percent of the Trustees are Episcopal Trustees because of resignations or for any other reason, the Board may nonetheless transact business, including under Section 3.13 or Section 3.16, if the vacancies created thereby are filled at the next election of Trustees or as soon thereafter as reasonably possible.

3.5 Ex Officio Trustees. The Bishop and the Rector shall be Trustees. The Bishop and the Rector shall have all rights, powers, and duties of other Trustees, but they shall not be subject to Section 3.6, Section 3.7, Section 3.8, Section 3.9, or Section 3.10.

3.6 Election. Trustees shall be elected by vote of the Board no later than the April meeting or in any other month that the Board subsequently determines by resolution, except that (i) the Bishop shall have the right to object to the election of any newly elected Trustee by delivering written notice of objection to the President or Secretary within one week after the election, and (ii) each of the Bishop and the Standing Committee shall have the right to object to the classification of any newly elected Trustee as an Episcopal Trustee by delivering written notice of objection to the President or Secretary, in the case of the Bishop, within one week after the election and in the case of the Standing Committee, within the earlier of five days after its next meeting after the election or 45 days after the election. If the Bishop timely objects to the election of a newly elected Trustee, or the Bishop or the Standing Committee timely objects to the classification of a newly elected Trustee as an Episcopal Trustee, the election will be ineffective as to that Trustee, that person will not be a Trustee, and the Board may have a new vote to elect a Trustee. The Governance Committee shall be responsible for nominating candidates for Trustee positions, and the Board (except for the Bishop) shall vote on Trustees by approving or rejecting all candidates nominated by the Governance Committee (a "slate"). If the Bishop is present during a Board vote on Trustees and votes for a Trustee or slate of Trustees, the Bishop will thereby waive his or her right to object to the election of any such Trustee or the classification of any such Trustee as an Episcopal Trustee.

3.7 Term. Trustees shall serve for terms of three years beginning July 1. No Trustee may serve more than two consecutive three-year terms, except that (i) a Trustee who serves or has been elected to serve as President shall continue to be a Trustee while he or she is President and for one additional year thereafter, notwithstanding clause (ii); (ii) a Trustee who serves or has been elected to serve as an officer shall continue to be a Trustee while he or she is an officer through his or her ninth consecutive year of serving as a Trustee; (iii) up to three Trustees may be re-elected to any number of consecutive terms (without limitation) for reasons including, but not limited to, a Trustee's wisdom and his or her understanding of the School and its history, and (iv) a former Trustee (including a former Trustee who served two consecutive terms) may be elected or appointed to an additional term or an additional two consecutive terms after a break in service of at least one year.

3.8 Vacancies. A vacancy in the Board shall exist upon the death, resignation, or removal of any Trustee or an increase of the number of Trustees. A vacancy in the Board may be filled by a majority of the Board at any meeting, subject to the requirements of Section 3.6. Each Trustee so elected or appointed shall hold office for the balance of the unexpired term of his or her predecessor (and, for the avoidance of doubt, such term shall not be taken into account for purposes of the two-term limit described in Section 3.7). If the Board accepts the resignation of a Trustee tendered to take effect at a future time, a successor may be elected to take office when the resignation becomes effective.

3.9 Resignation. A Trustee may resign at any time by delivering written notice to the President or the Secretary. The resignation is effective when notice is received by the President or Secretary or such later time as specified in the notice. Once delivered, a notice of resignation is irrevocable unless revocation is permitted by the Board.

3.10 Removal. A Trustee may be removed, at any time, with or without cause, by (i) the Bishop, if the Bishop provides written notice to the President or Secretary (in which case

the notice is effective upon receipt by the Board or at such later time specified in the notice) or (ii) a vote by two-thirds of the Trustees present at any meeting where a quorum is constituted or a unanimous action by the Board under Section 3.13 if the Bishop does not deliver written notice of objection to the President or Secretary within one week after the meeting or action.

3.11 Meetings. An annual meeting of the Board shall be held in June or in any other month that the Board subsequently determines by resolution. If the time and place of any meeting of the Board is regularly scheduled by the Board, the meeting is a regular meeting. All meetings other than the annual meeting and the regular meetings are special meetings. The Board may hold annual, regular or special meetings in or out of the State of Oregon.

3.12 Telephonic Participation. The Board may permit any or all of the Trustees to participate in a meeting by, or conduct the meeting through, use of any means of communication by which all Trustees participating may simultaneously hear each other during the meeting. A Trustee participating in a meeting by this means is deemed to be present in person at the meeting.

3.13 Action Without Meeting. Any action required or permitted to be taken at a Board meeting may be taken without a meeting if the action is taken by all members of the Board. The action shall be evidenced by one or more written consents (including consents transmitted or received by electronic means) describing the action taken, signed (including electronically) by each Trustee, and included in the minutes or filed with the corporate records reflecting the action taken. Action taken under this section is effective when the last Trustee signs the consent, unless the consent specifies an earlier or later effective date. A consent under this section has the effect of a meeting vote and may be described as such in any document.

3.14 Call and Notice of Meetings. Regular meetings of the Board may be held without further notice of the date, time, place, or purpose of the meeting. The annual meeting must be preceded by at least fourteen days' notice to each Trustee of the date, time, and place of the meeting. A special meeting must be preceded by at least two days' notice to each Trustee of the date, time, and place of the meeting. Notice may be delivered personally or given by telephone, email, fax, or mail or other delivery service at the telephone number, email address, fax number, or mailing address shown on the records of the School. Except as specifically provided in the Bylaws or applicable law, the notice need not describe the purposes of any meeting. The President or one-fifth of the Trustees then in office may call and give notice of a meeting of the Board.

3.15 Waiver of Notice. A Trustee may at any time waive any notice required by the Bylaws. A Trustee's attendance at or participation in a meeting waives any required notice to the Trustee of the meeting unless the Trustee, at the beginning of the meeting or promptly upon the Trustee's arrival, objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to any action taken at the meeting. Except as provided in the preceding sentence, any waiver must be in writing, must be signed by the Trustee entitled to the notice, must specify the meeting for which the notice is waived, and must be filed with the minutes or the corporate records.

3.16 Quorum and Voting. A quorum of the Board shall consist of a majority of the number of Trustees in office immediately before the meeting begins. If a quorum is present

when a vote is taken, the affirmative vote of a majority of the Trustees present when the action is taken is the act of the Board except to the extent that the articles of incorporation, the Bylaws, or applicable law require the vote of a greater number of Trustees. A Trustee is considered present regardless of whether the Trustee votes or abstains from voting.

3.17 Presumption of Assent. A Trustee who is present at a meeting of the Board when corporate action is taken is deemed to have assented to the action taken unless:

(a) The Trustee objects at the beginning of the meeting, or promptly upon the Trustee's arrival, to holding the meeting or transacting the business at the meeting;

(b) The Trustee's dissent or abstention from the action taken is entered in the minutes of the meeting; or

(c) The Trustee delivers written notice of dissent or abstention to the presiding officer of the meeting before its adjournment or the School immediately after adjournment of the meeting.

The right of dissent or abstention is not available to a Trustee who votes in favor of the action taken.

3.18 Board Committees. The Board may create or dissolve standing or special committees of the Board ("Board Committees") and appoint Trustees to serve on them or designate the method of selecting committee members. Except as otherwise provided herein or determined by the Board (including by resolution adopting a committee charter), the President shall appoint and may remove all members of a Board Committee, except the President and the Bishop, who shall be *ex officio* members of each Board Committee. Each Board Committee shall consist of two or more Trustees. The creation of a Board Committee and the appointment of Trustees to the Board Committee or designation of a method of selecting members of the Board Committee must be approved by a majority of all Trustees in office when the action is taken. The provisions of the Bylaws governing meetings, action without meetings, notice and waiver of notice, and quorum and voting requirements of the Board shall apply to Board Committee and their members as well. Except as otherwise determined by the Board from time to time, the only Board Committee shall be the Board Operations Committee. Board Committees may, to the extent specified by the Board, exercise the authority of the Board; provided, however, that no Board Committee may:

(a) Authorize distributions, provided that this restriction does not apply to payment of value for property received or services performed or payment of benefits in furtherance of the School's purposes;

(b) Approve or recommend dissolution, merger, or the sale, pledge, or transfer of all or substantially all of the School's assets;

(c) Elect, appoint, or remove Trustees or fill vacancies on the Board or on any of its committees;

(d) Adopt, amend, or repeal the articles of incorporation or bylaws; or

accepts the later effective date, the Board may fill the pending vacancy before the effective date if the Board provides that the successor does not take office until the effective date. Once delivered, a notice of resignation is irrevocable unless revocation is permitted by the Board.

4.6 Chair. The Chair, at his or her discretion, may preside at any regular or special meeting of the Board, and at any meeting of any other committee of the Board. The Chair shall not be subject to Section 4.2, Section 4.3, Section 4.4, or Section 4.5.

4.7 President. The President shall preside at all regular and special meetings of the Board, unless the Chair has exercised his or her privilege to preside. The President shall ensure that the Board is advised on all significant matters of the School's business, shall act as a principal spokesperson and representative of the Board, and shall have such other powers and duties as may be prescribed by the Board or the Bylaws.

4.8 President-Elect. The President-Elect, if any, shall be the Trustee who the Governance Committee has proposed to be nominated, or, if applicable, the Trustee who has been elected, to assume the role of President. The President-Elect shall have the powers and duties as may be prescribed by the Board or the Bylaws.

4.9 Vice President. The Vice President shall generally act in the absence of the President. The Vice President also shall have such other powers and duties as may be prescribed by the Board or the Bylaws.

4.10 Secretary. The Secretary shall be responsible for preparing, or causing to be prepared, minutes of meetings of the Board and for authenticating records of the School. The Secretary shall keep or cause to be kept, at the principal office or such other place as the Board may order, a book of minutes of all meetings of Trustees. In the absence of the President, the Secretary shall have the powers and perform the duties of the Vice President. The Secretary also shall have such other powers and perform such other duties as may be prescribed by the Board or the Bylaws.

4.11 Treasurer. The Treasurer shall be the chair of the Finance Committee. With the Finance Committee, the Treasurer will advise the Board regarding the Board's review of and action related to the Board's financial responsibilities. The Treasurer will work with the Head of School and the Chief Financial Officer to ensure that appropriate financial reports and the annual budget are made available to the Board on a timely basis.

4.12 Assistants. The Board may appoint or authorize the appointment of assistants to the Secretary, Treasurer, or the Vice President. Such assistants may exercise the powers of the Secretary, Treasurer, or Vice President, as the case may be, and shall perform such duties as are prescribed by the Board.

SECTION 5 ADMINISTRATION

5.1 Head of School. The Head of School shall be the chief executive officer of the School and shall be directly responsible to the Board. Subject to determination of basic policy by the Board, the Head of School shall have and exercise full authority and control over the academic affairs and business operations of the School. The Head of School shall have the

(e) Approve any other action that Oregon Revised Statutes, Chapter 65, requires that the Board (rather than a Board Committee) approve.

3.19 Advisory Committees. The Board may create one or more advisory committees. Members of these committees need not be members of the Board, but at least one Trustee shall serve on each such committee. These committees shall have no power to act on behalf of, or to exercise the authority of, the Board, but may make recommendations to the Board. Except as otherwise provided herein or as determined by the Board (including by resolution adopting a committee charter), the President shall appoint and may remove all advisory committee members, except the President and the Bishop, who shall be *ex officio* members of each such committee. Except as otherwise determined by the Board from time to time, the Board shall have the following advisory committees: Governance, Finance, Development, Investment, Audit, and Mt. Hood Climb Observance.

3.20 Compensation. Trustees and members of committees may receive reimbursement of such expenses related to service in their capacities as Trustees and members of committees as may be determined by resolution of the Board to be just and reasonable. Trustees and members of committees shall not otherwise be compensated for service in their capacities as Trustees and members of committees.

SECTION 4 OFFICERS OF THE BOARD

4.1 Designation; Appointment. The officers of the Board shall be the Chair, President, Secretary, Treasurer, Vice President, President-Elect (if any), and such other officers as the Board shall from time to time appoint. The Bishop shall be the Chair. The officers of the Board other than the Chair shall be elected by the Board at the annual meeting. The same individual may simultaneously hold more than one office, except that the offices of President and Secretary may not be held simultaneously by the same individual. All officers of the Board must be Trustees.

4.2 Term. The terms of the officers of the Board shall begin July 1. The initial term of each officer of the Board shall be two years. After his or her initial term, the President may serve up to two additional one-year terms, and an officer of the Board other than the President may serve up to three additional one-year terms in the office. An officer of the Board other than the President may serve more than three additional one-year terms in the office, but only if approved by a two-thirds vote of the Governance Committee.

4.3 Vacancy. A vacancy shall exist upon the death, resignation, or removal of any officer. A vacancy may be filled by the Board at any meeting. The successor shall hold office for the unexpired portion of the term of his or her predecessor.

4.4 Removal. An officer of the Board may be removed, with or without cause, at any time by two-thirds of the Trustees present at any meeting where a quorum is constituted or a unanimous action by the Board under Section 3.13.

4.5 Resignation. An officer may resign at any time by delivering notice to the President or Secretary. A resignation is effective when the notice is received unless the notice specifies a later effective date. If a resignation is made effective at a later date and the School

SECTION 7 GENERAL PROVISIONS

7.1 Amendment of Bylaws. The Bylaws may be amended by vote of two-thirds of the Trustees present at any meeting where a quorum is constituted if (i) the substance of the proposed amendments is included in the notice of the meeting and (ii) the amendment is approved by one of the following, as determined by the Bishop in his or her sole discretion: the Bishop, the Council of the Diocese ("Diocesan Council"), or the Convention of the Diocese (the "Diocesan Convention"). The Bishop shall use reasonable efforts to approve or reject, or to cause the Diocesan Council or Diocesan Convention to approve or reject, any amendment. The Bishop shall promptly provide written notice to the President or Secretary of the approval or rejection of any amendment. Whenever an amendment or new bylaw is adopted, it shall be copied in the minute book with the original bylaws in the appropriate place. If any bylaw is repealed, the fact of repeal and the date on which the repeal occurred shall be stated in such book and place.

7.2 Inspection of Books and Records. All books, records, and accounts of the School shall be open to inspection by the Trustees in the manner and to the extent required by law.

7.3 Checks, Drafts, Etc. All checks, drafts, and other orders for payment of money, notes, or other evidences of indebtedness issued in the name of or payable to the School shall be signed or endorsed by such person or persons and in such manner as shall be determined from time to time by resolution of the Board.

7.4 Loans or Guarantees. The School shall not borrow money and no evidence of indebtedness shall be issued in its name unless authorized by the Board. This authority may be general or confined to specific instances. Except as explicitly permitted by ORS 65.364, the School shall not make a loan, guarantee an obligation or modify a pre-existing loan or guarantee to or for the benefit of a Trustee or officer of the School.

7.5 Execution of Documents. The Board may, except as otherwise provided in the Bylaws, authorize any officer or agent to enter into any contract or execute any instrument in the name of and on behalf of the School. Such authority may be general or confined to specific instances. Unless so authorized by the Board, no officer, agent, or employee shall have any power or authority to bind the School by any contract or engagement, or to pledge its credit, or to render it liable for any purpose or for any amount.

7.6 Insurance. The School may purchase and maintain insurance on behalf of an individual against liability asserted against or incurred by the individual who is or was a Trustee, officer, employee, or agent of the School, or who, while a Trustee, officer, employee, or agent of the School, is or was serving at the request of the School as a trustee, officer, partner, director, employee, or agent of another foreign or domestic business or nonprofit School, partnership, joint venture, trust, employee benefit plan, or other enterprise; provided, however, that the School may not purchase or maintain such insurance to indemnify any Trustee, officer, or agent of the School in connection with any proceeding charging improper personal benefit to the Trustee, officer, or agent in which the Trustee, officer, or agent was adjudged liable on the basis that personal benefit was improperly received by the Trustee, officer, or agent.

authority within the limits of the annual budget approved by the Board to employ academic staff and assistants (including heads of divisions and faculty) and non-faculty personnel.

5.2 Chief Financial Officer. The Head of School may delegate to a Chief Financial Officer such authority with respect to the business operations of the School (including authority to employ other non-faculty personnel involved in the business operations of the School and authority to contract for and purchase supplies and services) as the Head of School shall deem necessary for the proper financial administration of the School. The Chief Financial Officer shall be an employee of the School and shall be directly responsible to the Head of School.

SECTION 6 STANDARDS OF CONDUCT; CONFLICTS OF INTEREST

6.1 General Standards of Conduct. Each officer and Trustee shall discharge his or her duties, including his or her duties as a member of a committee, in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner the officer or Trustee reasonably believes to be in the best interests of the School. Unless an officer or Trustee has knowledge or information concerning the matter in question that makes reliance unwarranted, he or she is entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, if prepared or presented by: (a) one or more Trustees, officers or employees of the School whom the officer or Trustee reasonably believes to be reliable and competent in the matters presented; (b) legal counsel, public accountants or other persons as to matters the officer or Trustee reasonably believes are within the person's professional or expert competence; or (c) a committee of the Board of which he or she is not a member, as to matters within its jurisdiction, if he or she reasonably believes the committee merits confidence.


6.2 Conflicts of Interest. A conflict of interest transaction is a transaction with the School in which a Trustee has a direct or indirect interest, as defined in ORS 65.361. A conflict of interest transaction is not voidable or the basis for imposing liability on the Trustee if the transaction is fair to the School at the time it was entered into or is approved either (a) by the vote of the Board or a Board Committee by the affirmative vote of a majority of the Trustees on the Board or the Board Committee who have no direct or indirect interest in the transaction if the material facts of the transaction of the Trustees' interest are disclosed or known to the Board or Board Committee or (b) by obtaining the approval of the Attorney General of Oregon or a Circuit Court of the State of Oregon in an action in which the Attorney General of Oregon is joined as a party. For purposes of this section, a Trustee has an indirect interest in a transaction if (a) another entity in which the Trustee has a material interest or in which the Trustee is a general partner as a party to the transaction or (b) another entity in which the Trustee is a director, trustee, or officer is a party to the transaction, and the transaction is or should be considered by the Board. A transaction may not be authorized, approved or ratified under this section by a single Trustee. If a majority of the Trustees who have no direct or indirect interest in the transaction votes to authorize, approve or ratify the transaction, a quorum is present for the purpose of taking action under this section.

7.7 Advances for Expenses. The School may pay for or reimburse the reasonable expenses incurred by a Trustee, officer, employee, or agent who is a party to a proceeding in advance of the final disposition of the proceeding pursuant to ORS 65.397.

7.8 Severability. A determination that any provision of the Bylaws is for any reason inapplicable, invalid, illegal or otherwise ineffective shall not affect or invalidate any other provision of the Bylaws.

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The foregoing bylaws were duly adopted by the Board of Oregon Episcopal School on [June 6], 2015.



Secretary
NATE SCHWABACH

