

BY-LAWS OF THE TIMOTHY CHRISTIAN SCHOOLS

Article 1: Name, Purposes, Powers, and Office.

Section 1.1. Name. The name of this corporation is Timothy Christian Schools, hereinafter referred to as “Timothy.”

Section 1.2. Purposes. Timothy is organized exclusively for charitable, religious and educational purposes, within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (or the corresponding provisions of any future United States internal revenue laws).

The purposes for which Timothy is organized are subject to the limitations set forth below:

No part of the net income of Timothy shall inure to the benefit of, or be distributable to, any of its Directors, officers or other private persons, except that Timothy 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 herein.

No substantial part of the activities of Timothy shall be the carrying on of propaganda, or the attempting to influence legislation. Timothy shall not participate or intervene in any political campaign (including the publishing or distributing of statements) on behalf of or in opposition to any candidate for public office.

Notwithstanding any provision of the Articles of Incorporation of Timothy or any other provision of these Bylaws, Timothy shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (or the corresponding provisions of any future United States internal revenue laws) or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986, as amended (or the corresponding provisions of any future United States internal revenue laws).

Section 1.3. Mission. For the glory of God, Timothy Christian Schools exists to uphold Biblical truth, ignite academic growth, and inspire courageous leadership one student at time.

Section 1.4. Vision. Timothy Christian Schools will develop life-long learners and servant leaders who fully live out their purpose in the world for Christ.

Article 2: Powers

Except as provided otherwise by the Articles of Incorporation and these Bylaws, Timothy shall have all the powers of a corporation organized under the Illinois General Not For Profit Corporation Act of 1986, as amended (“Act”), and shall have such additional powers as are permitted by any applicable law.

Article 3: Office and Registered Agent

Timothy shall have and maintain in the State of Illinois a registered office and a registered agent whose business office is identical with such registered office and may have other offices within or without the State of Illinois as the Board of Directors may determine.

Article 4: Members

Timothy shall have no members as defined in the Act.

Article 5: Board of Directors

Section 5.1. General Powers. The affairs of Timothy shall be managed by the Board of Directors. The Board of Directors is the custodian of all property of the Schools; supervises instruction; appoints teachers, staff and administrators; manages the business of the schools; and may perform or delegate other duties necessary to carry out the Mission and Vision of Timothy. The Board of Directors employs a Superintendent who supervises and evaluates Timothy's employees, and the Board of Directors directly supervises and evaluates the Superintendent.

Section 5.2. Number, Election and Tenure.

A. The Directors shall be appointed by the Board of Directors. In addition, without creating any contractual rights hereunder, the Superintendent shall serve *ex officio* as a non-voting Director, except as to any matters relating to his own employment or any other matters designated by the Board of Directors. The terms of all Directors except the Superintendent shall expire at the annual meetings of the Board of Directors.

The minimum number of Directors on the Board of Directors shall be sixteen (16) and the maximum shall be twenty-one (21). No sitting Director's term shall be terminated due to any decreases in the number of Directors.

In the event the number of Directors is increased, Directors appointed to fill these additional positions shall be appointed for staggered terms, as determined by the Board of Directors.

B. The term of a Director shall be three (3) years. Directors are eligible to serve no more than two consecutive three-year terms. However, Directors may be elected to terms of less than three (3) years if necessary, in the discretion of the Board of Directors, in order to provide for staggered terms, such that the number of terms expiring each year shall not exceed one-half of the directorships on a Board.

C. Unless approval is otherwise granted by the Executive Committee, (a) Directors must be parents or guardians of students currently enrolled in Timothy's schools; and (b) all school age children of Directors shall be enrolled in Timothy's schools. Directors must subscribe to the Mission and Vision of Timothy and must be actively involved in a Christian church.

D. Approximately two-thirds of the Directors shall be elected from the membership of the Supporting Churches. Approximately one-third of the Directors shall be elected from the membership of churches other than Supporting Churches. Supporting Churches may nominate Director candidates, but the Board of Directors has exclusive discretion to elect Directors and may propose different nominees. No Director's term shall be terminated as a result of a violation of the church representation requirements in this Section 5.2(D).

Section 5.3. Vacancies. Any vacancy occurring in the Board of Directors, for reasons other than the expiration of a term of a Director, may be filled by appointment by the Board of Directors for the unexpired portion of the term, unless the Board of Directors votes to reduce the size of the Board, in which case the vacancy shall not be filled. Members of the Board of Directors are expected to attend all meetings of the Board and Committees of which they are members. Three absences without notice shall be cause for the Board of Directors to consider the Director's seat vacant upon a vote by the Board of Directors.

Section 5.4. Removal of Directors. A Director may be removed from the Board of Directors with or without cause. Removal of a Director shall require an affirmative vote of a majority of the Directors then in office present and voting at a meeting of the Board of Directors at which a quorum is present. Action to remove a Director may not be taken informally under Section 5.9. Notice of such meeting must be made in accordance with the Notice provision of Section 5.9, and shall state that a purpose of the meeting is to vote upon the removal of one or more Directors named in the Notice. Only the named Director(s) may be removed at such a meeting.

Section 5.5. Annual Meetings. The annual meeting of the Board of Directors shall be held at the principal office, unless otherwise provided by notice.

Section 5.6. Regular Meetings. The Board of Directors shall meet regularly and as necessary, at least quarterly. At the annual meeting of the Board of Directors, the time and place of one or more additional regular meetings (e.g. quarterly, monthly other scheduled regular meetings) may be fixed. If no action is taken by the Board of Directors at their annual meeting to fix either the time or place of the additional regular meetings, then such special meetings may be called as necessary throughout the year. The meetings of the Board shall be open with prayer and be open to parents or guardians of students currently enrolled in Timothy's schools, unless the Board determines that it is appropriate to conduct any matter of business in executive session. The Board of Directors may establish rules or policies to allow for limited participation at meetings by parents or guardians of students.

Section 5.7. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or any five (5) Directors, and such persons may fix any place within 20 miles of the principal office of Timothy as the place for holding any special meeting so called.

Section 5.8. Notice of Meetings. Notice of any special meeting of the Board of Directors shall be given in accordance with these Bylaws at least two (2) days in advance thereof by written notice to each Director. In the case of a special meeting called for the purpose of removal of one

or more Directors, written notice shall be delivered to each Director not less than twenty (20) nor more than sixty (60) days before the date of the meeting. Notice of any special meeting of the Board of Directors may be waived in a writing signed by the person or persons entitled to such notice either before or after the time of the meeting. 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 express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting, unless specifically required by law, the Articles of Incorporation or these Bylaws.

Section 5.9. Action Without a Meeting. Any action required by law to be taken at a meeting of the Board of Directors, or any other 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 Directors or by all the members of such committee entitled to vote with respect to the subject matter thereof, 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. Such record of approval may be provided by electronic mail or other electronic written means. All the approvals evidencing the consent shall be delivered to the Secretary to be filed in the records of Timothy. 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 shall have the same force and effect as a unanimous vote.

Section 5.10. Attendance by Electronic Means. Directors or non-director committee members may participate in and act at any meeting 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. Meetings may take place entirely by telephone or videoconferencing or other simultaneous interactive electronic means.

Section 5.11. Quorum. A majority of the Directors then in office shall constitute a quorum for the transaction of business at any Board of Directors meeting; provided, that if less than a majority of the Directors are present, a majority of the Directors then present may adjourn the meeting to another time without further notice. Withdrawal of Directors from any meeting shall not cause failure of a duly constituted quorum at that meeting.

Section 5.12. Action at a Meeting. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law, the Articles of Incorporation or these Bylaws.

Section 5.13. Proxy Prohibited, Presumption of Assent. No Director may act by proxy on any matter. A Director who is present at a meeting at which action on any corporate matter is taken by the Board of Directors, or by a committee thereof acting on its behalf, is conclusively presumed to have assented to the action taken unless the Director's dissent or abstention is entered in the minutes of the meeting or unless the Director files his or her written dissent or

abstention to the action with the person acting as the secretary of the meeting before the adjournment of the meeting or forwards the dissent or abstention to the Secretary immediately after the adjournment of the meeting. The right to dissent or abstain does not apply to a Director who voted in favor of the action.

Section 5.14. Compensation; Reimbursement. No Director shall receive any payment for services as a Director, except that a Director may be reimbursed for reasonable expenses incurred in connection with his or her service as a Director.

Section 5.15. Director Conflicts of Interest. The Board of Directors shall adopt a policy to address potential conflicts of interest, and each Director shall sign all required statements or disclosures and shall otherwise comply with that policy. In addition, the Board of Directors shall adhere to all applicable state and federal laws governing conflicts of interest.

Article 6: Supporting Church

Section 6.1. Definition of Supporting Church. A Supporting Church of Timothy Christian Schools (a) upholds the Bible as the divinely inspired Word of God and the final authority on Christian beliefs and as a guide to living; (b) adheres to the belief and practice of the Apostles Creed; (c) is approved as a Supporting Church by a 2/3 vote of the Board of Directors; and (d) pledges through its governing body the following:

1. To actively and prayerfully support the cause of Christian education at Timothy Christian Schools.
2. To actively encourage parents from their congregation to enroll their children in Timothy Christian Schools.
3. To accept responsibilities in helping parents from their congregation meet the actual costs of educating their children at Timothy Christian Schools.

Section 6.2. Review of Financial Commitment. So that the quality of Christian education may be maintained at Timothy, it is imperative that the actual costs of education of children enrolled from a Supporting Church be met within the Supporting Church on an annual basis. Status as a Supporting Church will be reviewed and be subject to revocation by the Board of Directors if a Supporting Church fails to fulfill its financial or other commitments to the schools.

Article 7: Committees

Section 7.1. Committees of the Board of Directors. A majority of the Board of Directors, by resolution, may create one or more committees of the Board of Directors and appoint Directors or others to serve on the committee or committees. Each committee may exercise the authority of the Board of Directors to the extent permitted by law and as specified by the Board of Directors or in the Articles of Incorporation or these Bylaws, but the designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed upon it

or him or her by law. Unless otherwise provided for in the Bylaws, each committee shall have two (2) or more Directors as members, at least a majority of its members shall be Directors, and all committee members shall serve at the pleasure of the Board.

Section 7.2. Action of Committees of the Board. A majority of the members of a committee of the Board of Directors shall constitute a quorum. The act of a majority of committee members present and voting at a meeting at which a quorum is present shall be the act of the committee. A committee may act by unanimous consent in writing without a meeting or may participate in and act at any meeting through the use of a conference telephone or other similar communications equipment in the manner provided by these Bylaws for written consents and for meetings of the Board of Directors. Committee meetings may take place entirely by telephone or videoconferencing or other simultaneous interactive electronic means. No member of a committee of the Board of Directors may act by proxy. Subject to these Bylaws and to action by the Board of Directors, a majority of the members of a committee of the Board shall determine the time and place of meetings and the notice required for meetings.

Section 7.3. Advisory Committees. The Board of Directors may create one or more advisory committees or other advisory bodies and appoint persons to such advisory committees or bodies who need not be Directors. Such advisory committees or bodies may not act on behalf of Timothy or bind it to any action but may make recommendations to the Board of Directors or any committee of the Board.

Section 7.4. Minutes. All committees shall keep minutes of their meetings, which shall be distributed to the Board of Directors.

Section 7.5. Education Committee.

A. The Education Committee shall be a committee under the direction of the Board of Directors to establish principles of instruction and curriculum. The Education Committee takes action in the following areas:

1. To review the general conditions of employment, such as teaching assignment and pupil load.
2. To investigate and interpret the Schools' curriculum. The Education Committee, in the areas of instruction and curriculum, shall determine whether the requirements of state law are fulfilled; the requirements of the Schools' philosophy are satisfied in the course of study, and the will of the association is recognized. The Education Committee will report its findings in this regard to the Board of Directors and make such recommendations as are deemed appropriate.
3. To keep itself informed in regard to the quality and Christian character of the instruction and to evaluate all educational activities and equipment which are essential factors in meeting the Mission and Vision of the Schools.

4. To carry out any mandate given by the Board of Directors which deals with matters of educational policy or curriculum.

5. To review the educational performance of the Schools and to propose plans to improve the Schools' performance relative to their Mission and Vision.

B. All recommendations and actions of the Education Committee shall be subject to the approval and direction of the Board of Directors, unless unanimous approval is received both from the Education Committee and the Executive Committee.

C. The Education Committee shall be appointed by the Board of Directors annually. At least three members shall be appointed from the members of the Board and at least two but no more than three shall be non-Board members. Members are eligible for reappointment.

D. Advisory (non-voting) members may be appointed to the Committee from the faculty subject to approval of the Chair.

E. The Board of Directors may, in its discretion, remove a member of the Committee at any time and may fill any vacancy for the balance of any unexpired term.

F. An officer of the Board of Directors shall be the Chair of the Education Committee.

Section 7.6. Committee on Finance. Timothy shall have a committee on finance (herein referred to as the "Finance & Operations Committee," though its title may change from time to time to reflect its scope of duties) to review Timothy's finances and budget and to make recommendations to the Board of Directors and Executive Committee concerning the same.

Section 7.7. Executive Committee. The officers of the Board of Directors shall constitute the Executive Committee. The Executive Committee may take action on behalf of the Board of Directors between Board of Directors meetings that may be necessary for the operation of the schools. The Executive Committee may perform other duties that are necessary to carry out the duties of the officers or which are not prohibited by the Board of Directors or otherwise expressly required to be approved by the Board of Directors by these Bylaws or applicable law. The Board of Directors may delegate any of its powers under these Bylaws to the Executive Committee in the event of an emergency. The outgoing Executive Committee annually recommends or nominates the following year's Executive Committee members to the Board of Directors.

Section 7.8. Limitations on Committee Authority. A committee may not: (1) adopt a plan for the distribution of the assets of Timothy, or for dissolution; (2) fill vacancies on the Board of Directors or on any of its committees; (3) elect, appoint or remove any officer or Director or member of any committee, or fix the compensation of any member of a committee; (4) adopt, amend, or repeal the Bylaws or the Articles of Incorporation; (5) adopt a plan of merger or adopt a plan of consolidation with another corporation, or authorize the sale, lease, exchange or mortgage of any real property or of all or substantially all of the property or assets of Timothy; or

(6) amend, alter, repeal or take action inconsistent with any resolution or action of the Board of Directors when the resolution or action of the Board of Directors provides by its terms that it shall not be amended, altered or repealed by action of a committee.

Article 8: Officers of the Board of Directors

Section 8.1. Enumeration. The officers of the Board of Directors shall consist of the President, Vice President, Assistant Vice President(s), Secretary, and Treasurer. The officers shall be elected by the Board of Directors from among their number. The term of office shall be one year. Officers may be reelected to their offices and may be removed by the Board of Directors.

Section 8.2. The President. The President, or in his/her absence, the Vice President, shall preside at all meetings of Directors and shall be the chief elected executive Officer of Timothy, and in general supervise and control all business and affairs of Timothy, perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time. The President is an ex-officio member of all committees and shall be notified of all meetings of standing committees.

Section 8.3. The Vice President. The Vice President shall assist the President and shall act and have the power of the President in the absence or inability of the President.

Section 8.4. The Assistant Vice President(s). One (1) or two (2) Assistant Vice Presidents shall assist the Vice President. If two Assistant Vice Presidents are elected, one shall be First Assistant Vice President, and the other shall be Second Vice President. In the absence or inability of the Vice President, the Assistant Vice President or First Assistant Vice President shall act and have the power of the Vice President. In the absence or inability of the First Assistant Vice President, the Second Vice President shall act and have the power of the Vice President.

Section 8.5. The Secretary. The Secretary shall record the proceedings of all Board of Directors meetings, take charge of correspondence for the Board of Directors, act as custodian of all official records and legal papers of Timothy and cause notice of Board of Directors meetings to be issued. The Secretary may attest to or certify documents and actions of the Board of Directors. The Secretary shall (a) keep the minutes of meetings of the Board of Directors and committees of the Board of Directors 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; and (c) in general perform 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 President or the Board of Directors.

Section 8.6. The Treasurer. The Treasurer shall chair the Finance & Operations Committee. The Treasurer shall work with the Finance & Operations Committee, Superintendent and Director of Finance in regards to developing and managing the budget and operations and shall in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors.

Article 9: Contracts and Financial Transactions

Section 9.1. Contracts. The Board of Directors, Executive Committee or Superintendent may authorize any officer or officers, agent or agents of Timothy to enter into any contract or execute and deliver any instrument in the name of and on behalf of Timothy, and such authority may be general or confined to specific instances. However, any contracts for the purchase or sale of real estate must be approved by a two-thirds vote of the Board of Directors.

Section 9.2. Loans. No loans shall be contracted on behalf of Timothy and no evidences of indebtedness shall be issued in the name of Timothy unless authorized by a resolution of the Board of Directors. Such authority to make loans may be general or confined to specified instances. No loan shall be made by Timothy to a Director or officer.

Section 9.3. 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 Timothy or the Schools, shall be signed by the Treasurer, the Superintendent or designee or such other officer as authorized by resolution of the Board of Directors or Executive Committee.

Section 9.4. Deposits. All funds of Timothy shall be deposited to the credit of Timothy in such banks, trust companies or other depositories as the Board of Directors, Executive Committee or Superintendent may select.

Section 9.5. Gifts. The Board of Directors, Executive Committee or Superintendent may accept on behalf of Timothy any contribution, gift, bequest or devise for the general purposes or for any special purpose of Timothy subject to any policies adopted by the Board of Directors.

Section 9.6. Policies and Procedures. The Board of Directors, Executive Committee and Superintendent shall adopt such financial policies and procedures as may be needed from time-to-time.

Section 9.7. Fiscal Year. The fiscal year of Timothy shall be from July 1 to June 30.

Section 9.8. Audit. The accounts of Timothy shall be audited periodically, as of the close of the Fiscal Year, by either an internal audit committee or a certified accountant to be decided by the Board of Directors, Executive Committee or Superintendent.

Article 10: Records

Timothy shall keep correct and complete books and records of account, minutes of the proceedings of its Board of Directors and committees having any authority of the Board of Directors and shall keep at its registered office or principal office a record giving the names and addresses of the members, Directors and committee members. Except as prohibited by law, all books and records of Timothy may be inspected by any Director or any Director's agent or attorney for any proper purpose at any reasonable time.

Article 11: Notices

Section 11.1. Manner of Notice. Whenever under the provisions of law, the Articles of Incorporation or these Bylaws, notice is required to be given to any Director or member of any committee designated by the Board of Directors, it shall not be construed to require personal delivery. Notice may be given in writing by depositing it in a sealed envelope in the United States mail, and such notice shall be deemed to be given at the time when it is thus deposited in the United States mail; or notice may be given in writing by any other means and if given by other means, shall be deemed given when received. The requirement for notice shall be deemed satisfied, except in case of meetings of Directors or committees of the Board of Directors with respect to which written notice is required by law, if actual notice is received orally or in writing by the person entitled thereto as far in advance of the event as the minimum notice period required by law, the Articles of Incorporation or these Bylaws.

Section 11.2. Waiver of Notice. Whenever any notice is required to be given by law, by the Articles of Incorporation or by these Bylaws, 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.

Article 12: Indemnification and Insurance

Each person who at any time is or shall have been a Director, officer, employee or agent of Timothy or is or shall have been serving at the request of Timothy as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by Timothy in accordance with and to the full extent permitted by the Act as in effect at the time of adoption of this Bylaw or as amended from time to time, and by any subsequent Illinois not for profit corporation law. The foregoing right of indemnification shall not be deemed exclusive of any other rights to which a person seeking indemnification may be entitled under any Bylaw, agreement, vote of disinterested Directors or otherwise. If authorized by the Board of Directors, Timothy may purchase and maintain insurance on behalf of any person to the full extent permitted by the Act as in effect at the time of the adoption of this Bylaw or as amended from time to time, and by any subsequent Illinois not for profit corporation law.

Article 13: Dissolution

Timothy may be dissolved upon approval of two-thirds of the full membership of the Board of Directors. Upon dissolution, the Board of Directors shall consider whether to adopt a plan for the distribution of Timothy's assets in accordance with Article 12 of Act, as amended from time-to-time, and shall comply with the following limitations:

Upon the dissolution of Timothy, the Board of Directors shall pay, satisfy, and discharge, or make provision for the payment, satisfaction, and discharge of, all of the liabilities and obligations of Timothy, and shall return, transfer, or convey any assets held by Timothy upon a condition requiring return, transfer, or conveyance by reason of the dissolution. Thereafter, the Board shall transfer or convey the remaining assets of Timothy to one or more institutions of

education whose Mission and Vision are consistent with those expressed in the Bylaws and which at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (or corresponding provisions of any future United States internal revenue laws), in such manner as the Board of Directors shall determine pursuant to a plan of distribution adopted by the Board.

Any such assets not so disposed of shall be disposed of by the court of general jurisdiction of the county in which the principal office of Timothy 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 such purposes.

Article 14: Amendment

These Bylaws may be altered, amended or repealed by the affirmative vote of two-thirds of the full membership of the Board of Directors, when taken at a meeting at which a quorum is present, of which written notice setting forth the proposed alteration, amendment or repeal shall be given to each Director in accordance with these Bylaws.

ADOPTED: _____

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