

**BY-LAWS  
OF  
MERCURY ONLINE CHARTER SCHOOL OF PENNSYLVANIA, INC.**

**ARTICLE I  
OFFICES**

The principal office of the Corporation in the State of Pennsylvania shall be located at 920 North Third St, Harrisburg, PA 17102, County of Dauphin.

The Corporation shall have and continuously maintain in the State of Pennsylvania a registered office, and a registered agent whose office is identical with such registered office, as required by the relevant state Nonprofit Corporation Act.

**ARTICLE I  
BOARD OF DIRECTORS**

**Section 1. General Powers.** The affairs of the Corporation shall be managed by its Board of Directors. The Board shall be charged with the management of the affairs of the Corporation, and shall pursue such policies and principles as shall be in accordance with law, the provisions of the Articles of Incorporation, these By-Laws, and any written charter entered into by the Board. The Board shall be considered as having the powers of a Board of Directors and shall be deemed to be acting as the Board of Directors for all purposes of the Nonprofit Corporation Law. By way of elucidation, and not in limitation, the Board shall be responsible to carry out the following duties and obligations:

- a. The Board shall uphold the school's mission and vision and ensure effective organizational planning on the part of the school through an annual strategic planning and review process that will review and update the school's short-term, mid-term, and long-range goals, and evaluate the effectiveness of the implementation of the school's mission and plans;
- b. The Board shall either directly or through a personnel committee provide for the annual appraisal of the performance of the school's management company;
- c. The Board shall ensure the financial stability of the Corporation through regular monthly review of financial statements and reports, an annual independent audit, and direct oversight of major financial commitments and decisions;
- d. The Board shall take an active role, either directly or through a Board committee, in resolving grievances and conflicts which may arise within the school community involving, students, parents, staff, administration, and Board members.

To the extent permitted by law, the Board may, by general resolution, delegate to officers of the Corporation or to committees of the Board such powers as it deems necessary or appropriate to carry out its duties and obligations.

**Section 2. Number, Election, Tenure and Qualifications.**

- a. The number of Directors shall be between five (5) and seven (7) members. They shall be elected in accordance with the provisions of paragraph b.

b. The initial Directors of the Corporation shall be appointed by the Incorporator(s) of the Corporation. Upon formation of the Board, the Directors shall be divided as equally as possible into three (3) classes follows: i) Class A –whose terms shall expire at the first annual meeting thereafter, but no sooner than six (6) months after the division shall first occur; ii) Class B - whose terms shall expire at the second annual meeting thereafter, but no sooner than eighteen (18) months after the division shall first occur; and iii) Class C - whose terms shall expire at the third annual meeting thereafter, but no sooner than thirty (30) months after the division shall first occur. Upon any expansion or reconfiguration of the Board, the director positions shall be re-allocated among the Classes so as to create as equal a division as possible, provided that no director’s term shall thereby be cut short without his or her written consent, and no director’s term shall be extended without such director first standing for re-election in accordance with the term schedule in existence at the time of his or her immediately preceding election to the Board. After the initial term of each Class of directors, directors shall be elected to three year terms. Each director shall hold office until the annual meeting of the Board at which his or her term expires or until his or her successor shall have been elected and qualified.

c. Directors need not be residents of the State of Pennsylvania.

d. No Director shall as a private person engage in any business transaction with the Corporation or the school, be employed in any capacity by the Corporation or the school or receive from Corporation or the school any pay for services rendered to the Corporation or the school. No Director shall be a relative of a paid employee of the Corporation or the school.

**Section 3. Annual Meeting.** An annual meeting of the Board of Directors shall be held on the first Wednesday of July in each year, beginning with the year of the incorporation of the Corporation, at the hour of 6:30 pm, for the purpose of electing Directors and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday in the State of Pennsylvania, such meeting shall be held on the next succeeding business day. If the election of Directors shall not be held on the day designated herein for any annual meeting, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the Board as soon thereafter as conveniently may be arranged.

**Section 3. Regular Meetings.** The Board of Directors may provide by resolution the time and place, within the State of Pennsylvania, for the holding of additional regular meetings of the Board. There shall be a notice posted in a public place, at least a 24-hour prior to the meeting.

**Section 4. Special Meetings.** Special meetings of the Board of Directors may be called by or at the request of the President or any two Directors. The person or persons authorized to call special meetings of the Board may fix any place, within the State of Pennsylvania, as the place for holding any special meeting of the Board called by them.

**Section 5. Notice.** Notice of any special meeting of the Board of Directors shall be given at least twenty four hours previously thereto by written notice delivered personally or sent by mail, email or telegram to each Director at his or her address as shown by the records of the Corporation, and by posting a public notice twenty four hours prior to the meeting. 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. If emailed, such notice shall be deemed to be delivered when sent. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any Director may waive notice of any 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 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 need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these by-laws.

**Section 6. Quorum.** A majority of the Board of Directors either attending or participating in the meeting telephonically shall constitute a quorum for the transaction of business at any meeting of the Board; but if less than a majority of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

**Section 7. Manner of Acting.** The act of a majority of the Directors present at a meeting or participating in the meeting telephonically 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 or by these by-laws.

**Section 8. Vacancies.** Any vacancy occurring in the Board of Directors and any directorship to be filled by reason of an increase in the number of directors may be filled by the affirmative vote of a majority of the remaining directors, even though less than a quorum of the Board of Directors. A Director elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office.

**Section 9. Compensation.** Directors shall not receive any compensation for their services.

**Section 10. Informal Action by Directors.** Any action required by law to be taken at a meeting of directors, or any action which may be taken at a meeting of directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Directors.

**Section 11. Removal of a Director.** Any Director may be removed as a Director of the Corporation by the vote of two-thirds of the other Directors present at a meeting at which a quorum is present for violating these By-Laws, neglect of duty of office, or behavior injurious to the Corporation. No such action shall be taken until the Director has been advised of specific charges, given a reasonable time to prepare a response, and afforded a full hearing before the Board of Directors.

## ARTICLE II OFFICERS

**Section 1. Officers.** The officers of the Corporation shall be a President, one or more Vice Presidents (the number thereof to be determined by the Board of Directors), a Secretary, a Treasurer and such other officers as may be elected in accordance with the provisions of this

Article. The Board of Directors may elect or appoint such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed, from time to time, by the Board of directors. Any two or more offices may be held by the same person, except the offices of President and Secretary.

**Section 2. Election and Term of Office.** The officers of the Corporation shall be elected annually by the Board of Directors at the regular 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. New offices may be created and filled at any meeting of the Board of Directors. Each officer shall hold office until his or her successor shall have been duly elected and shall have qualified.

**Section 3. Removal.** Any officer elected or employee appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the Corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the officer or employee so removed. Any board member who misses two consecutive meetings with no prior written notice will also be removed.

**Section 4. Vacancies.** A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

**Section 5. President.** The President shall be the principal executive officer of the Corporation and shall in general supervise and control all of the business and affairs of the Corporation. He or she shall preside at all meetings of the members and of the Board of Directors. He or she may sign, with the Secretary or any other proper officer of the Corporation authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these by-laws or by statute to some other officer or agent of the Corporation; and in general he or she shall 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.

**Section 6. Vice President.** In the absence of the President or in event of his or her inability or refusal to act, the Vice President (or in the event there be more than one Vice President, the Vice Presidents in the order of their election) shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. Any Vice President shall perform such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors.

**Section 7. Treasurer.** If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the Board of Directors shall determine. He or she shall have charge and custody of and be responsible for all funds and securities of the Corporation; receive and give receipts for moneys due and payable to the Corporation from any source whatsoever, and deposit all such moneys in the name of the Corporation in such banks, trust companies or other depositaries as shall be selected in accordance with the provisions in Article VII of these by-laws; and 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.

**Section 8. Secretary.** The Secretary shall keep the minutes of the meetings of the members and of the Board of Directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these by-laws or as required by law; be custodian of the corporate records and of the seal of the Corporation and see that the seal of the Corporation is affixed to all documents, the execution of which on behalf of the Corporation under its seal is duly authorized in accordance with the provisions of these by-laws; keep a register of the post-office address of each member which shall be furnished to the Secretary by such member; and 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 by the Board of Directors.

**Section 9. Assistant Treasurers and Assistant Secretaries.** 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. The Assistant Treasurers and Assistant Secretaries, in general, shall perform such duties as shall be assigned to them by the Treasurer or the Secretary or by the President or the Board of Directors.

### ARTICLE III COMMITTEES

**Section 1. Committees of Directors.** The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate and appoint one or more committees, each of which shall consist of two or more Directors, which committees, to the extent provided in said resolution, shall have and exercise the authority of the Board of Directors in the management of the Corporation, except that no such committee shall have the authority of the Board of Directors in reference to amending, altering or repealing the by-laws; electing, appointing or removing any member of any such committee or any Director or office of the Corporation; amending the articles of incorporation, restating articles of incorporation; adopting a plan of merger or adopting a plan of consolidation with another corporation; authorizing the sale, lease, exchange or mortgage of all or substantially all of the property and assets of the Corporation; authorizing the voluntary dissolution of the Corporation or revoking proceedings therefor; adopting a plan for the distribution of the assets of the Corporation; or amending, altering or repealing any resolution of the Board of Directors which by its terms provides that it shall not be amended, altered or repealed by such committee. 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.

**Section 2. Nominating Committee.** There shall be a Nominating Committee which shall be appointed and operate as follows:

- a. **Chair.** The President of the Board of Directors shall appoint a Chair of the Nominating Committee to serve a five year term. Upon the expiration of the Chair's

- term or upon a vacancy in the position, the President shall appoint a successor to a new five year term.
- b. **Members.** The Chair shall appoint two additional members to the Committee. In order to stagger the terms of the committee members, one of the appointed members shall serve an initial three year term, and the other shall serve an initial four year term. Upon the expiration of the initial terms and of any succeeding terms, subsequent members shall be appointed to five year terms. Upon any vacancy in either of the members' positions, the Chair shall appoint a new member to fill the unexpired term.
- c. **Duties.** The Nominating Committee shall be charged with reviewing all applications and interviewing all applicants for member on the Board of Directors. Any person nominated or wishing to be considered for a position on the Board shall submit an application together with all supplemental information which shall be prescribed by the Nominating Committee from time to time. Applications and supplemental information shall be submitted no less than 30 days nor more than 90 days prior to the date on which the vacancy is to be filled except in cases where through death, resignation or otherwise a vacancy on the Board must be filled more quickly, in which case the Nominating Committee, acting unanimously, may prescribe a different submission schedule. No person may be placed in nomination for a position on the Board without having first been screened by the Nominating Committee in accordance with the procedures set forth in this paragraph c.

**Section 3. Other Committees.** Other committees not having and exercising the authority of the Board of Directors in the management of the Corporation may be appointed in such manner as may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, all such committees shall include at least one Board member and the President of the Corporation shall appoint the members thereof. Any member thereof may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the Corporation shall be served by such removal.

**Section 4. Term of Office.** Each member of a committee shall continue as such until the next annual meeting of the Board of the Corporation and until his or her successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof.

**Section 5. Chair.** One member of each committee shall be appointed Chair by the person or persons authorized to appoint the members thereof.

**Section 6. Vacancies.** Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

**Section 7. Quorum.** Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting or participating in the meeting telephonically at which a quorum is present shall be the act of the committee.

**Section 8. Rules.** Each committee may adopt rules for its own government not inconsistent with these by-laws or with rules adopted by the Board of Directors.

#### **ARTICLE IV CONTRACTS, CHECKS, DEPOSITS AND FUNDS**

**Section 1. Contracts.** The Board of Directors may authorize any officer or officers, agent or agents of the Corporation, in addition to the officers so authorized by these by-laws, to enter into any contract 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 2. Checks, Drafts, etc.** All checks, drafts or orders for the payment of money, notes or other evidences 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 of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer, Assistant Treasurer, the President or a Vice President of the Corporation. Any amounts in excess of \$50,000 shall first require an affirmative vote of a majority of the Directors present at a meeting at which a quorum is present.

**Section 3. Deposits.** All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select.

**Section 4. Gifts.** The Board of Directors 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 V BOOKS AND RECORDS**

The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors and committees having any of the authority of the Board of Directors.

#### **ARTICLE VI FISCAL YEAR**

The fiscal year of the Corporation shall begin on the first day of July and end on the last day of June in each year.

**ARTICLE VII  
SEAL**

The Board of Directors shall provide a corporate seal, which shall be in the form of a circle and inscribed thereon shall be the name of the Corporation and the words "Corporation Seal of Mercury Online Charter School of Pennsylvania".

**ARTICLE VIII  
WAIVER OF NOTICE**

Whenever any notice is required to be given under the provisions of the state's Non-Profit Corporation Act or under the provisions of the articles of incorporation or the by-laws of the Corporation, 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 IX  
AMENDMENTS TO BY-LAWS**

These by-laws may be altered, amended or repealed and new by-laws may be adopted by a majority of the Directors present at any regular meeting or at any special meeting, if at least two days' written notice is given of intention to alter, amend or repeal or to adopt new by-laws at such meeting.

Adopted this \_\_\_\_\_<sup>th</sup> day of \_\_\_\_\_, 20\_\_.

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Its: