

BY-LAWS OF KEYSTONE CENTRAL FOUNDATION

ARTICLE I- PURPOSE

1.1 Mission. The Foundation is incorporated exclusively for charitable, cultural and educational purposes to benefit students of the Keystone Central School District by promoting education, extra curricular activities and such other charitable purposes as will enhance the education and welfare of students of the Keystone Central School District.

1.2 Distributions. No part of the net earnings of the Foundation shall inure to the benefit of, or be distributable to its directors, trustees, officers, or other private persons, except that the Foundation 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 Article 1.1. No substantial part of the Foundation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Foundation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office. Notwithstanding any other provision of these articles, the Foundation shall not carry on any other activities not permitted to be carried on (a) by a Foundation exempt from federal income tax under section 501 (c)(3) of the Internal Revenue Code, or corresponding section of future federal tax code, or (b) by a

Foundation contributions to which are deductible under section 170 (c)(2) of the Internal Revenue Code, or corresponding section of any future federal tax code.

1.3 Dissolution. Upon the dissolution of the Foundation, assets shall be distributed for one or more exempt purposes within the meaning of section 501 (c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code or

shall be distributed to the federal government, or to a state or local government, for public purpose. Any such assets not so disposed of shall be disposed of by the Court of Common Pleas of the county in which the principal office of the Foundation 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 II - BOARD OF DIRECTORS

2.1 General Powers. The affairs of the Foundation shall be managed by its Board of Directors.

2.2 Number, Tenure and Qualifications. The number of Directors on the Board shall be not less than 15 nor more than 25. The number of Directors and their terms shall be fixed from time to time by the Board of Directors and the number so fixed shall comprise the entire Board of Directors. The Board of Directors shall be comprised of not more than 18 representatives of the community, 3 Keystone Central School District

administrators, 3 Keystone Central School District board members and 1 teacher. Directors may be elected at any regular or special meeting of the Board of Directors. If the election of Directors shall not be held at such meeting, such election shall be held as soon thereafter as conveniently possible. Each Director shall hold office until his/her successor shall have been duly elected and shall have qualified or until his/her death or until he/she shall resign.

2.3 Removal. A Director may be removed for cause by a vote of two-thirds (2/3) of all Directors then in office. Such action shall be taken at a regular meeting of the Board of Directors or at a special meeting called for such purpose, and the proposed removal shall be set forth in the notice of any such regular or special meeting, sent at least ten (10) days prior thereto.

2.4 Compensation. Directors shall not receive compensation for their services.

ARTICLE III - MEETINGS

3.1 Annual Meeting. The annual meeting of the Directors of the Foundation shall be held at such place as may from time to time be selected by the Directors for the purpose of electing or appointing Directors or officers for the ensuing year and/or for the transaction of such other business as may properly be brought before the meeting.

3.2 Regular Meetings. Regular meetings of the Board of Directors may be held at such time and at such places as may from time to time be determined by resolution of the Board, which resolution may authorize the President to fix the specific date and place of each of such regular meetings, in which case notice of the time and place of such regular meetings shall be given in the manner hereinafter provided.

3.3 Special Meetings. Special meetings of the Directors may be called by the President and shall be called by the President or Secretary at the direction of not less than two Directors then in office, or as may otherwise be provided by law. Such meetings shall be held at any place to be designated by the President. Any request for such meeting shall state the purpose or purposes of the proposed meeting.

3.4 Notice. Notice of the annual, regular and any special meeting of the Board of Directors shall be given at least ten (10) days previously thereto by written notice to each Director at their address as shown by the records of the Foundation. Notice of any special meeting of the Board of Directors may be waived in writing signed by the person or persons entitled to the notice either before or after the time of the meeting. 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.

3.5 Quorum. One-fourth (1/4) of the Directors then in office shall constitute a

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quorum for the transaction of business and the action of a majority of the Directors present at a meeting at which a quorum is present shall be the action of the Board of Directors, except as action by a majority of the Directors then in office may be specifically required by statute or other sections of the By-Laws.

3.6 Conduct of Meetings. Meetings of the Directors shall be presided over by the President or Vice President. The Secretary or an Assistant Secretary of the Foundation shall act as Secretary of the meeting or in their absence a person chosen at the meeting.

3.7 Telephone Conferences. A Director may participate in a meeting of Directors by a conference telephone or similar communication equipment by which all persons participating in the meeting may hear each other if all participants are advised of the communications equipment and the names of the participants in the conference are divulged to all participants. Participation in a meeting pursuant to this Section constitutes presence in person at the meeting.

3.8 General Powers. The Board of Directors shall, from time to time, prescribe the manner of signature or endorsement of checks, drafts, notes, acceptances, bills of exchange, obligations and other negotiable paper or other instruments for the payment of money and designate the officer or officers, agent or agents, who shall from time to time be authorized to make, sign or endorse the same on behalf of the Foundation.

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3.9 Powers as to Other Documents. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute or deliver any conveyance or other instrument in the name of the Foundation, and such authority may be general or confined to specific instances. When the execution of any contract, conveyance or other instrument has been authorized without specifications of the officers authorized to execute, the same may be executed on behalf of the Foundation by the President or any Vice President, by the Secretary, an Assistant Secretary, the Treasurer or an Assistant Treasurer.

ARTICLE IV- OFFICERS

4.1 Officers. The officers of the Foundation shall be a President, a Vice President, a Secretary, a Treasurer and such Assistant Secretaries or other officers as may be elected by the Board of Directors. Officers whose authority and duties are not prescribed in these By-Laws shall have the authority to perform the duties prescribed, from time to time, by the Board of Directors. Any two or more officers may be held by the same person, except the offices of President and Secretary.

4.2 Term of Office. The term of office of all officers shall commence upon their election or appointment and shall continue until the next annual meeting of the Foundation and thereafter until their respective successors are chosen or until their

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resignation or removal. An officer may resign by written notice to the Foundation. The resignation shall be effective upon its receipt by the Foundation or at a subsequent time specified in the notice of resignation. The Directors shall have power to fill any vacancies in any officers occurring for whatever reason.

4.3 Removal. Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the Foundation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

4.4 President. The President shall be the principal executive officer of the Foundation. Subject to the direction and control of the Board of Directors, he/she shall be in charge of the business and affairs of the Foundation; he/she shall see that the resolutions and directives of the Board of Directors are carried into effect except in those instances in which responsibility is assigned to some other person by the Board of Directors; and, in general, he/she shall discharge all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors. Except in those instances in which the authority to execute is expressly delegated to another office or agent of the Foundation or a different mode of execution is expressly prescribed by the Board of Directors, he/she may execute for the Foundation any contracts, deeds, mortgages, bonds or other instrument which the Board of Directors has authorized to be

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executed, and he/she may accomplish such execution either under or without the seal of the Foundation and either individually or with the Secretary, any Assistant Secretary, or any other officer thereunto authorized by the Board of Directors, according to the requirements of the form of the instrument. He/she may vote all securities which the Foundation is entitled to vote except as and to the extent such authority shall be vested in a difference of fice or agent of the Foundation by the Board of Directors.

4.5 Vice President. The Vice President, shall, in the absence or disability of the President, perform the duties and exercise the powers of the President and shall perform such other duties as the Board of Directors shall prescribe.

4.6 Secretary. The Secretary shall attend all meetings of the Board of Directors and record all votes and the minutes of all proceedings in a book to be kept for that purpose. He/she shall give, or cause to be given, notice of all meetings of the Directors for which notice may be required, and shall perform such other duties as may be prescribed by the

Directors or by the President. He/she shall execute with the President all authorized conveyances, contracts or other obligations in the name of the Foundation except as otherwise directed by the Directors.

4.7 Treasurer. The Treasurer shall have the custody of the funds and securities of the Foundation and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Foundation and shall deposit all monies and other valuable

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effects in the name and to the credit of the Foundation in such depositories as may be designated by the Directors. He/she shall disburse the funds of the Foundation as may be ordered by the Directors, taking proper vouchers for such disbursements, and shall render to the President and Directors, at the regular meetings of the Directors, or whenever they may require it, an account of his/her transactions as Treasurer of the Foundation. If required by the Directors, he/she shall give the Foundation a bond in such sum and with such surety or sureties as shall be satisfactory to the Directors for the faithful performance of the duties of his/her office and for the restoration to the Foundation (in case of his/her death, resignation, or removal from office) of all books, papers, vouchers, money and other property of whatever kind in his/her possession or under his/her control belonging to the Foundation.

4.8 Assistant Secretaries and Assistant Treasurers. The Assistant Secretaries and the Assistant Treasurers respectively (in the order designated by the Directors or, lacking such designation, by the President), in the absence of the Secretary or Treasurer, as the case may be, shall perform the duties and exercise the powers of such Secretary or Treasurer and shall perform such other duties as the Directors shall prescribe.

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ARTICLE V- COMMITTEES

5.1 Committees of Directors. The Board of Directors, by resolution adopted by a majority of the Directors, may designate one or more committees, each of which shall consist of two or more Directors, which committees, to the extent provided in said resolution and not restricted by law, shall have and exercise the authority and act on behalf of the Board of Directors in the management of the Foundation; but the designation of such committees 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/her by law.

5.2 Term of Office. Each member of a committee shall continue as such until his/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.

5.3 Chair. One member of each committee shall be appointed Chair.

5.4 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.

5.5 Quorum. Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a

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quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

ARTICLE VI - INDEMNIFICATION AND INSURANCE

6.1 The Foundation may 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 Foundation) by reason of the fact that he/she is or was a Director, officer, or agent of the Foundation, against expenses (including attorneys fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him/her in connection with such action, suit or proceeding, if he/she acted in good faith and in a manner he/she reasonably believed to be in, or not opposed to the best interests of the Foundation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his 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/she reasonably believed to be in or not opposed to the best interests of the Foundation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his/her conduct was unlawful.

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6.2 The Foundation may 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 Foundation to procure a judgment in its favor by reason of the fact that he is or was a Director, officer, or agent of the Foundation, or is or was serving at the request of the Foundation as a Director, officer, or agent of another Foundation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees) actually and reasonably incurred by him/her in connection with the defense or settlement of such action or suit, if he/she acted in good faith and in a manner he/she reasonably believed to be in, or not opposed to the best interests of the Foundation, and except 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/her duty to the Foundation, 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.

6.3 Any indemnification under this Article (unless ordered by a court) shall be made by the Foundation only as authorized in the specific case, upon a determination that indemnification of the Director, officer, or agent is proper in the circumstances because

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he/she has met the applicable standard of conduct set forth in this Article. Such determination shall be made (i) 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, or (ii) if such a quorum is not obtainable, or, even if obtainable, a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion.

6.4 Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Foundation 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 is entitled to be indemnified by the Foundation as authorized in this Article.

6.5 The Foundation may purchase and maintain insurance on behalf of any person who is or was a Director, officer, or agent of the Foundation.

ARTICLE VII - BOOKS AND RECORDS

The Foundation 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.

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ARTICLE VIII - FISCAL YEAR

The first fiscal year of the Foundation shall be fixed by resolution of the Board of Directors.

ARTICLE IX- SEAL

The corporate seal shall have inscribed thereon the name of the Foundation and the words "Corporate Seal, Keystone Central Foundation".

ARTICLE X - WAIVER OF NOTICE

Whenever any notice is required to be given under the provisions of the Act of the Commonwealth of Pennsylvania or under the provisions of the Articles of Incorporation or the By-Laws of the Foundation, 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 XI - AMENDMENTS

These By-Laws may be amended or repealed and new By-Laws may be adopted by the affirmative vote of a majority of all the of Directors then in office, provided no such amendment shall violate Sections 501 (c)(3) and 170 of the Code and the Treasury Regulations thereunder.

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ARTICLE XII - MISCELLANEOUS

11.1 Parliamentary Procedure. Roberts Rules of Order are hereby designated as the guide for all parliamentary procedure not provided for in these By-Laws.

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