

*Reavis Cianciolo LLC  
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**BYLAWS  
OF  
MOSES BROWN SCHOOL INCORPORATED**

**DATED: \_\_\_\_\_, 2009**

**BYLAWS**  
**OF**  
**MOSES BROWN SCHOOL INCORPORATED**

**PREAMBLE**

**OUR MISSION**

**Section 1. Our Mission**

Moses Brown School, a Friends School, exists to inspire the inner promise of each student and to instill the utmost care for learning, people, and place. In accordance with the express terms of the Deed of Gift of 1816 from Moses Brown for the benefit of New England Yearly Meeting, Moses Brown School Incorporated is committed to providing a religious, moral and literary education to rising generations for Friends and others.

**Section 2. Our Queries**

We believe that there is a divine presence in each person which influences our decision making, leads us to the truth, and commands our highest respect. This forms the foundation of our philosophy and core practices. We consider the virtues of simplicity, integrity, group wisdom, and the respect for differences paramount to helping students discover their mission in the world. Our philosophy and core practices seek to find answers to the following queries:

**(A) Friends Education**

How do we pursue academic excellence and service to others within a stimulating learning environment that is grounded in the practice of listening with relation to time and eternity? Is there a vigorous curriculum that includes a broad offering of arts and athletics, and seeks to promote a life strongly rooted in the Quaker principles of simplicity, peace, integrity, community, equality, and stewardship?

**(B) Leadership and Character**

Do we foster personal achievement and fulfillment? Do we guide all members of the school community to become informed, compassionate and engaged global citizens, capable of taking responsibility in an ever-changing world?

**(C) Community**

Do we hold at the center of this community the regular experience of meeting for worship? Do we work to build a diverse community that respects all voices, perspectives and cultures? Does our decision making honor the intrinsic value of each person, connect us in essential ways, and merit our full attention?

**(D) Reflection and Discovery**

How do we create an atmosphere that promotes reflection and joy in learning? Does it inspire students to accept challenges, take pride in their accomplishments, and discover their missions in the world?

**(E) Sustainability**

How are we instilling a respect for the right sharing of the earth's resources by demonstrating regard for the environment, both locally and globally?

**(F) Wellness**

Do the individual and collaborative experiences of our students develop their personal, social, and physical well being and promote a healthy community and school culture?

**Section 2. Relationship between New England Yearly Meeting of Friends and Moses Brown School Incorporated**

The acceptance of Moses Brown's deed of gift by New England Yearly Meeting of Friends commits that body in perpetuity to a concern for Friends education. Accordingly, New

England Yearly Meeting of Friends will be engaged with Moses Brown School Incorporated in its effort to fulfill its stated mission.

## **ARTICLE I**

### **NAME; OFFICE**

The non-profit organization shall be named Moses Brown School Incorporated, and shall be known as Moses Brown School. Moses Brown School shall be referred to herein as the “**School**”. The principal office is located at 250 Lloyd Avenue, Providence, Rhode Island 02906.

## **ARTICLE II**

### **BOARD OF OVERSEERS**

#### **Section 1. Purpose and Duties**

The Board of Overseers (the “**Board**”) has the responsibility for overseeing the operation of the School, including setting educational policies and practices, employment of the Head of School, determining the budget, raising and expending funds, managing properties, borrowing, and carrying on other aspects of the operation of the School. The Board shall be governed by the practices of Friends, and shall conduct its business in accordance with Friends business procedure — that is, with sensitivity to the views expressed by each member and recording the approval of actions taken upon reaching a sense of the meeting.

The School shall be operated without discrimination on the basis of race, color, gender, age, creed, disability, and/or national or ethnic origin or sexual orientation.

#### **Section 2. Policy Manual**

A manual of the policies established by the Board shall be maintained and kept current by the Trustees Committee. This document shall be made available at the principal office of the School at any reasonable time for inspection by any person requesting to see it.

#### **Section 3. Number of Directors**

The Board shall consist of not less than 20 and not more than 35 members, the exact number to be determined by the Board from year to year in accordance with these Bylaws. Not

less than one-third of the Board shall consist of Friends chosen from the list of nominees developed by the Nominating Committee of the New England Yearly Meeting of Friends in consultation with the Nominating Committee of the Board.

#### **Section 4. Nomination Procedure**

All members of the Board shall be appointed by the Board, and such members shall be selected in a manner consistent with the practices and philosophy of Friends, solely at the discretion of the Board, from candidates nominated as follows:

The Nominating Committee of the New England Yearly Meeting of Friends shall select, in such manner as shall be in its sole discretion, nominees to the Board. A list containing the names of all such nominees then shall be submitted to the Nominating Committee of the Board for its consideration. It is expected and desired, but not required, that such nominees shall be Friends. The nominees so chosen shall include enough Friends that one-third of the Board may be chosen from their number.

The Nominating Committee of the Board shall, in its sole discretion, select nominees to the Board, making such selection from the list of nominees provided by the Nominating Committee of the New England Yearly Meeting of Friends, as well as from a list of such names that it may develop on its own initiative.

#### **Section 5. Vacancies**

Vacancies on the Board, occurring other than at the completion of a member's term, may be filled for the balance of that member's term by the Executive Committee of the Board. Such appointment shall extend until the end of the unexpired term.

#### **Section 6. Required Members**

The Head of School shall be an *ex-officio* member of the Board; *provided, however*, that the Head of School shall be excused from the executive session portions of meetings of the Board.

It is the policy of the Board that the incumbent Clerk of the Alumni Association of the School and the incumbent Clerk of the Parents' Association of the School shall, immediately

after their election to office, be nominated for appointment as *ex officio* members of the Board commensurate with their term as Clerk of the Alumni Association or Clerk of the Parents' Association. In the event that either of these persons is unable to serve on the Board, the Alumni Association or Parent's Association shall select, from its membership, a person to be nominated for appointment as *ex officio* members of the Board.

In addition to the foregoing, either the clerk of the New England Yearly Meeting or the clerk of the New England Yearly Meeting Permanent Board, as determined by them, shall be an *ex-officio* member of the Board.

#### **Section 7. Terms of Office**

The term of office shall be three years. No person shall serve more than six consecutive years except that (i) an officer of the Board may continue to serve for as long as such person is holding such office, but not to exceed an aggregate of nine consecutive years of service on the Board and (ii) the Clerk of the Board, after the completion of his or her first three-year term as Clerk, may continue to serve as Clerk for as many years, and for any length of term, as approved by the Board and as more particularly described in Section 2 of Article III below.

#### **Section 8. Staggered Terms**

To the extent reasonably possible, the terms shall be staggered so that each year approximately one third of the Board members shall reach the end of their three-year terms.

#### **Section 9. Meetings**

The Board shall hold an annual meeting at such time as the Board or its Executive Committee shall decide, or at such time and place as it shall determine from time to time. There shall also be not less than four regular meetings during the school year, to be held at such time and place as the Board may determine.

Other meetings of the Board may be called by the Clerk or the Recording Clerk or upon the request of five members of the Board, to be held in the State of Rhode Island, and for such purpose as shall be stated in the call and notice of such meeting.

Consistent with Quaker practices, it is the expectation that Members of the Board attend meetings in person in order to allow the spiritual energy created by attendees to lead the decision making process. Notwithstanding the foregoing, the School recognizes that it is impractical to expect all members of the Board to attend all meetings, and further recognizes that situations may arise from time to time in which the Board would benefit from a discussion which included one or more members who were not physically present but who could participate by means of a telephone or video conference or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time. The Clerk of the Board may, therefore, in special, extenuating or emergency situations as determined by the Clerk, allow one or more Board members to so participate in a meeting without being present, it being understood, however, that the member or members who do not attend the meeting in person shall not be included in the final discernment of any decision reached by the Board during such meeting.

#### **Section 10. Quorum**

At all meetings of the Board, 13 members physically present at shall constitute a quorum for the transaction of any business, but any smaller number may postpone a meeting from time to time.

#### **Section 11. Notice**

The Recording Clerk shall cause notice of the time and place of each meeting to be given not less than three business days prior thereto. Notice may be given in person, by facsimile, by e-mail or by mail. Each Board member shall furnish the Recording Clerk with his or her correct contact information for the purpose of receiving notice. Insofar as practical, the notice of the meeting shall contain an agenda and copies of reports or other documents concerning matters to be considered and acted upon at the meeting. Notice of a meeting need not be given to any Board member who submits a signed waiver of notice whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to him or her.

#### **Section 12. Resignation and Removal**

A Board member may resign at any time by giving written notice to the Clerk or to the Recording Clerk. Such resignation shall take effect at the time specified therein or, if no time be specified, then on delivery. A Board member may be removed from office after due consideration and upon consensus of the Board.

**Section 13. Prohibition of Compensation**

The members of the Board shall receive no compensation for their services.

**ARTICLE III**

**OFFICERS**

**Section 1. Enumeration**

There shall be the following officers of the Board: Clerk, Assistant-Clerk, Recording Clerk, Treasurer, Friends Coordinator, and such other officers as the Board may designate, all of whom shall be members of the Board. All such officers shall be appointed annually by the Board, with the exception of (i) the Clerk, whose term shall be as described in Section 2 of this Article III and (ii) the Friends Coordinator, who shall be appointed as described in Section 6 of this Article III. With the exception of the Clerk, the term of office shall be one year. The officers shall perform the usual duties pertaining to their offices and shall serve until their respective successors are duly appointed.

**Section 2. Clerk**

The Clerk, the presiding officer of the Board, shall be responsible for the execution of all procedures and meetings required by these Bylaws, and shall preside at all meetings of the Board and of the Executive Committee. The Clerk shall also perform such other duties and have such other authority as may from time to time be assigned to or conferred by the Board. The Clerk shall serve for an initial term of three years; thereafter, the Clerk may serve for such additional term or terms as approved by the Board, with the length of such additional term(s) to be determined by the Board. It is the expectation that the Clerk will provide the Executive Committee of the Board with not less than 18 months prior notice of his or her desire to step down as Clerk, during which period of time the Board will select a successor Clerk who may serve as Assistant Clerk prior to assuming the responsibilities of Clerk.

**Section 3. Assistant Clerk**

In the absence or disability of the Clerk, the Assistant-Clerk shall have all the powers and perform all the duties of the Clerk, and shall otherwise perform such other duties and have such other authority as may from time to time be assigned to or conferred by the Board.

**Section 4. Treasurer**

The Treasurer shall serve on the Budget and Finance Committee and may serve as Clerk thereof. The Treasurer shall keep or cause to be kept complete and accurate books of account, and shall present to the Board, when requested, a statement showing the condition of the finances over which the Treasurer has jurisdiction. Said books of account, papers and financial documents shall be kept in the custody of the School, as set forth in Section 2 of Article XII of these Bylaws, unless otherwise provided by the Board.

The Treasurer shall also perform such other duties and have such other authority as may from time to time be assigned to or conferred by the Board.

**Section 5. Recording Clerk**

The Recording Clerk shall serve as the Secretary of the Board, shall attend all meetings of the Board and the Executive Committee, and shall keep complete and accurate records of all such meetings. The Recording Clerk shall record all actions taken by the Board at its meetings in a book or books to be kept for such purpose. Said records and books shall be kept in the custody of the School, unless otherwise provided by the Board. The Recording Clerk shall send out or cause to be sent out notices of the meetings as required by these Bylaws.

The Recording Clerk shall perform such other duties and have such other authority as shall from time to time be assigned to or conferred by the Board.

**Section 6. Friends Coordinator**

The Friends Coordinator, selected for a one year term by the members of the Board who are Friends, shall have the following duties:

- (A) to serve as a member of the Executive Committee of the Board;

- (B) to sign all diplomas on behalf of the New England Yearly Meeting of Friends;
- (C) to serve as a Friendly sounding board for the School in matters relating to Friends practices; and
- (D) to perform such other duties as are provided in these Bylaws.

**Section 7. Vacancies**

Vacancies of an officer position other than the Friends Coordinator occurring other than by the completion of an officer's term may be filled for the balance of that officer's term by the Executive Committee of the Board. A vacancy of the position in the Friends Coordinator occurring other than by the completion of the Friend's Coordinator's term may be filled for the balance of the Friend's Coordinator's term by the members of the Board who are Friends. Such appointments shall extend until the end of the unexpired term.

**Section 8. Resignation and Removal**

An officer may resign at any time by giving written notice to the Clerk. Such resignation shall take effect at the time specified therein or, if no time be specified, then on delivery. An officer may be removed from office after due consideration and upon consensus of the Board.

**Section 9. Other Officers**

Such other officers as the Board may from time to time create and appoint shall perform such duties and have such authority as may be assigned or conferred upon them by the Board.

**ARTICLE IV**

**COMMITTEES**

**Section 1. General Provisions**

Unless otherwise indicated in these Bylaws, a current Board member shall chair each standing committee for a term of one year and current or former Board members shall comprise a majority of the members of each standing committee. Members of standing committees are appointed for one-year terms. The Clerk of the Board may, at the Clerk's discretion, call an executive session of the entire Board or of any committee to be attended by only the current Board members.

## **Section 2. Executive Committee**

The Executive Committee of the Board shall consist of the Clerk, Assistant-Clerk, Treasurer, and Recording Clerk of the Board, as well as the Head of School, the Friends Coordinator, and such at-large current Board members approved by the Board on the nomination of a panel consisting of the Clerk, the Head of School, and the Friends Coordinator. At least two members of the Executive Committee shall be Friends. The term of office of any at-large member of the Executive Committee shall be one year. To the extent possible the terms of at-large members shall be staggered, such that in any given year there shall be some continuity in at-large members from the prior year. The officers of the Board shall be the officers of the Executive Committee. The Executive Committee shall, between meetings of the Board, have all the powers and perform all the duties of the Board. All actions taken by the Executive Committee shall be reported to the Board at its next meeting. The Executive Committee, when it becomes necessary to seek a new Head of School for the School, shall appoint a Search-and-Screen Committee. The Search-and-Screen Committee, of which at least 30 percent shall be Friends selected from a list submitted by the New England Yearly Meeting Nominating Committee, shall report its recommendations to the Executive Committee for its action and recommendation to the Board for final approval. In the event that the New England Yearly Meeting Nominating Committee is unable to provide such list within 30 days after request therefor, the Friends Coordinator shall provide the Executive Committee with such list.

## **Section 3. Nominating Committee**

There shall be a Nominating Committee of the Board. The members of the Nominating Committee, a majority of whom shall be Board members, shall be nominated by the Head of School, the Clerk of the Board, and the Friends Coordinator, and approved by the Board. At least two members of the Nominating Committee shall be Friends, one of whom shall also be a member of the Nominating Committee of the New England Yearly Meeting of Friends. Additional members may be added in the same manner, at the discretion of the aforementioned panel.

At the annual meeting of the Board, or at such other time as may be required, the Nominating Committee shall present to the Board the nominations of the Board members,

officers, members of committees and clerks of the same. The Nominating Committee may nominate, and the Board may select, members of committees who are not members of the Board.

#### **Section 4. Committee on Nurturing Friends Education at Moses Brown School**

There shall be a Committee on Nurturing Friends Education at Moses Brown School. This committee shall be the joint responsibility of the Board and New England Yearly Meeting, and shall consist of the Head of School, the Clerk of the Board, the School's Director of Friends Education, *three* members appointed by the Board and six members appointed by New England Yearly Meeting. The Clerk of this committee shall be *recommended* by its members, *with the final approval by New England Yearly Meeting's Permanent Board*. The work of this committee shall center on strengthening the spiritual relationship between New England Yearly Meeting and the School, deepening the educational efforts within New England Yearly Meeting, and helping to ensure that Quaker education at the School and in New England not only continues but thrives.

#### **Section 5. Building and Grounds Committee**

There shall be a Building and Grounds Committee of the Board. This committee shall be concerned with the school's physical plant and grounds including, but not limited to, formulation of long-range plans for the campus and facilities and the regular maintenance, preservation, and renovation of campus property.

#### **Section 6. Development Committee**

There shall be a Development Committee of the Board. This committee shall plan, support and guide the School's development and fundraising efforts including, but not limited to, publications, annual fund, capital giving, and activities of the Alumni and Parents' Associations.

#### **Section 7. Budget and Finance Committee**

There shall be a Budget and Finance Committee of the Board. This committee shall make financial recommendations to the Board, as it deems appropriate, including recommendations as to insurance matters. In particular, it is responsible for the creation of the annual budget, for submitting it to the Board for approval, and for monitoring actual income and

expenses. It shall also select an independent auditor and presents an annual audit to the Board. This committee may, but need not be, be clerked by the Treasurer of the Board.

**Section 8. Investment Committee**

There shall be an Investment Committee of the Board. This committee shall oversee the management and investment of endowments and other invested funds owned by or operated for the benefit of the School and shall meet at least twice a year and present a report to the Board annually. This committee shall be composed of at least three members, at least one of whom shall be a Friend with knowledge of Friends' investment policies and practices. The Clerk of the Investment Committee shall be a member of the Board's Budget and Finance Committee.

This committee's investment practices shall be guided generally by a philosophy of social responsibility, and specifically by the investment policy approved by the Board on April 15, 1986 and New England Yearly Meeting of Friends of August 18, 1986, as the same may be amended, modified or restated from time to time. Please see the document Social Responsibility.

**Section 9. Education Committee**

There may, from time to time, at the discretion of the Board, be an Education Committee of the Board. This committee shall have the duties assigned to it by the Board.

**Section 10. Trustees Committee**

There shall be a Trustees Committee of the Board. This committee shall foster individual and whole Board growth by providing education, information, and enrichment opportunities, and shall assist the Clerk of the Board on such special projects as assigned. This committee will be responsible for the orientation of new Board members, evaluation of the Board, review of the Bylaws, policies, and other such duties as assigned.

**Section 11. Ad Hoc Committees**

Ad Hoc committees may be formed by the Clerk or the Head of School.

**Section 12. Committee Meetings**

The Executive Committee shall meet at least four times a year, and may meet more often, as shall be determined by the Clerk of the Board or by consensus of the members of the committee, at such time and place as it shall determine. No notice shall be necessary for Executive Committee meetings. Meetings of all other committees, of which no notice shall be necessary, shall be held at such time and place as shall be fixed by the Clerk of the Board or the Clerk of the committee or by consensus of the members of the committee. Committee members may participate in any meeting by means of a telephone or video conference or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time, and participation by such means shall constitute presence in person at such meeting.

**Section 13. Alternate Members**

Subject to the provisions of these Bylaws which impose requirements for the composition of a particular committee, the Board may designate one or more Board members as alternate members of the Executive Committee or of any standing committee of the Board, who may replace any absent member or members at any meeting of such committee.

**ARTICLE V**

**HEAD OF SCHOOL**

The Head of School will be responsible for the overall operation of the School in a manner consistent with the School's mission, its long-range plan and the policies of the Board, all as the same may be in effect from time to time. The Head of School will be responsible for all programs, academic and other; personnel (including selection, assignment, transfer, promotion, and termination of all other Moses Brown School employees); fiscal and business management. The Head of School will report to the Board.

**ARTICLE VI**

**FISCAL YEAR**

The fiscal year of the School begins July 1 and ends June 30.

## **ARTICLE VII**

### **AUTHORIZED SIGNATURES**

The Clerk of the Board and the Treasurer are responsible for determining the Board members and staff who will be authorized to sign all checks, drafts, or evidence of indebtedness issued in the name of the School, and for determining which Board members and staff will be authorized to sign any and all documents, instruments and other agreements necessary for particular real estate or other transactions, provided that such determination shall be made on a transaction by transaction basis, with no blanket authority being given to any Board member or staff to sign such documents, instruments or other agreements. Two signatures are required on all such instruments greater than five hundred dollars.

All determinations of authorized signatures shall be reported at the next Finance Committee meeting and subsequently to the Board.

## **ARTICLE VIII**

### **INDEMNIFICATION**

#### **Section 1. Agreement of School**

In order to induce the Board members and officers of the School to serve as such, the School adopts this Article VIII and agrees to provide the Board members and officers of the School with the benefits contemplated hereby.

#### **Section 2. Acceptance**

This Article VIII will apply, and the benefits hereof will be available, to each Board member and officer of the School who, by accepting his or her respective position and serving on behalf of the School, will be deemed to have accepted the provisions of this Article VIII and agreed to abide by the terms contained herein.

#### **Section 3. Definitions**

As used herein, the following terms will have the following respective meanings:

“**Covered Act**” means any act or omission by the Indemnified Person in the Indemnified Person’s official capacity with the School and while serving as such or while serving at the request of the School as a member of the governing body or officer of another school, partnership, joint venture, trust, or other enterprise.

“**Disinterested Board Member**” means a Board member without a personal interest in the outcome of the Proceeding, or who is a party to such Proceeding concerning which indemnification is sought.

“**Duty of Care**” means that the Indemnified Person discharges his or her duties in good faith, in a manner he or she reasonably believes to be in the best interests of the School, and with the care an ordinarily prudent person in a like position would exercise under similar circumstances.

“**Duty of Loyalty**” means that the Indemnified Person, when making a decision or acting on behalf of the School, shall be faithful and dedicated to the School’s mission as set forth in the Preamble to these Bylaws, shall place the interests of the School above personal or conflicting interests and shall act solely in the best interest of the School.

“**Excluded Claim**” has the meaning set forth in Section 6 of this Article VIII.

“**Expenses**” means any reasonable expenses incurred by the Indemnified Person in connection with the defense of any claim made against the Indemnified Person by a third party (i.e., a party other than the School) for Covered Acts including, without being limited to, legal, accounting or investigative fees and expenses (including the expense of bonds necessary to pursue an appeal of an adverse judgment).

“**Indemnified Person**” means any Board member or officer of the School who accepts election or appointment as a Board member or officer and agrees to serve as such in the manner provided in Section 2 of this Article VIII.

“**Loss**” means any amount which the Indemnified Person is legally obligated to pay as a result of any claim made against the Indemnified Person by a third party (i.e., a party other than the School) for Covered Acts including, without being limited to, judgments for, and awards of,

damages, amounts paid in settlement of any claim, any fine or penalty or, with respect to an employee benefit plan, any excise tax or penalty.

“**Proceeding**” means any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative.

#### **Section 4. Indemnification**

Subject to the exclusions hereinafter set forth, the School will indemnify the Indemnified Person against and hold the Indemnified Person harmless from any Loss or Expenses incurred by the Indemnified Person in the defense of any proceeding involving a Covered Act (excluding any Excluded Claims) to the full extent permitted by the laws of the State of Rhode Island now or hereafter in force.

#### **Section 5. Advance Payment of Expenses**

The School will pay the Expenses of the Indemnified Person in advance of the final disposition of any Proceeding except to the extent that the defense of a claim against the Indemnified Person is undertaken pursuant to any Board members’ and officers’ liability insurance (or equivalent insurance known by another terms) maintained by the School. The advance payment of Expenses will be subject to the Indemnified Person’s first agreeing in writing with the School to repay the sums paid by it hereunder if it is thereafter determined that the proceeding involved an Excluded Claim or that the Indemnified Person was otherwise not entitled to indemnity under these Bylaws.

#### **Section 6. Exclusions**

The School will not be liable to pay any Loss or Expenses under the following circumstances (each, an “**Excluded Claim**”):

(A) if a final non-appealable judgment or other adjudication by a court of competent jurisdiction determines that the Indemnified Person is liable to the School (as distinguished from being liable to a third party) for: (i) any breach of the Indemnified Person’s Duty of Care or Duty of Loyalty to the School; (ii) acts or omissions which involve intentional misconduct or knowing violation of law; or (iii) any transaction from which the Indemnified Person derived an improper personal benefit; or

(B) if a final, non-appealable judgment or other adjudication by a court of competent jurisdiction determines that such payment is unlawful.

**Section 7. Notice to the School; Insurance**

Promptly after receipt by the Indemnified Person of notice of the commencement of or the threat of commencement of any Proceeding, the Indemnified Person will, if indemnification with respect thereto may be sought from the School under these Bylaws, notify the Clerk thereof. Failure to promptly notify the School will not adversely affect the Indemnified Person's right to indemnification hereunder unless, and only to the extent that, the School is materially prejudiced in its ability to defend against the Proceeding by reason of such failure. If, at the time of the receipt of such notice, the School has any Board members' and officers' liability insurance in effect, the School will give prompt notice of the commencement of such Proceeding to the insurer in accordance with the procedures set forth in the policy or policies in favor of the Indemnified Person. The School will thereafter take all the necessary or desirable action to cause such insurer to pay, on behalf of the Indemnified Person, all Loss and Expenses payable as a result of such proceeding in accordance with the terms of such policies.

**Section 8. Indemnification Procedures**

(A) Payments on account of the School's indemnity against Loss will be made by the Treasurer of the School except if, in the specific case, a determination is made that the indemnification of the Indemnified Person is not proper in the circumstances because such Loss results from a claim which is an Excluded Claim. If the School so determines that the Loss results from an Excluded Claim (although no such determination is required by the School hereunder prior to payment of a Loss by the Treasurer), the determination shall be made:

(I) by the Board by a consensus of a quorum consisting of Disinterested Board Members; or

(II) if a quorum cannot be obtained for purposes of clause (I) of this Subsection (A), then by consensus of a committee of the Board duly designated to act in the matter by a consensus of the Board (in which designation overseers who are parties to the Proceeding may participate) consisting solely of three or more Disinterested Board Members; or

**(III)** by independent legal counsel designated: (a) by the Board in the manner described in clause (I) of this Subsection (A), or by a committee of the Board established in the manner described in clause (II) of this Subsection (A), or (b) if the requisite quorum of the Board cannot be obtained therefore and a committee cannot be so established, by a consensus of the Board (in which designation Board members who are parties to the Proceeding may participate). If made, any such determination permitted to be made by this Subsection (A) will be made within 60 days of the Indemnified Person's written request for payment of a Loss.

**(B)** Payment of an Indemnified Person's Expenses in advance of the final disposition of any Proceeding will be made by the Treasurer of the School except if, in the specific case, a determination is made pursuant of Section 8(A) of this Article VIII above that indemnification of the Indemnified Person is not proper in the circumstances because the Proceeding involved an Excluded Claim.

**(C)** The School will have the power to purchase and maintain insurance on behalf of any Indemnified Person against liability asserted against him or her with respect to any Covered Act, whether or not the School would have the power to indemnify such Indemnified Person against such liability under the provisions of this Article VIII. The School will be subrogated to the rights of such Indemnified Person to the extent that the School has made any payments to such Indemnified Person in respect to any Loss or Expense as provided herein.

## **Section 9. Settlement**

The School will have no obligation to indemnify the Indemnified Person under this Article VIII for any amounts paid in settlement of any Proceeding affected without the School's prior written consent. The School will not unreasonably withhold or delay its consent to any proposed settlement. If the School so consents to the settlement of any Proceeding, or unreasonably withholds or delays such consent, it will be conclusively and irrebuttably presumed for all purposes that the Loss or Expense does not constitute an Excluded Claim. If the School reasonably withholds its consent solely on the ground that the Proceeding constitutes an Excluded Claim, the Indemnified Person may accept the settlement without the consent of the School, without prejudice to the Indemnified Person's rights to indemnification in the event the

School does not ultimately prevail on the issue of whether the Proceeding constitutes an Excluded Claim.

**Section 10. Rights Not Exclusive**

The rights provided hereunder will not be deemed exclusive of any other rights to which the Indemnified Person may be entitled under any agreement, vote of Disinterested Board Members or otherwise, both as to action in the Indemnified Person's official capacity and as to action in any other capacity while holding such office, and will continue after the Indemnified Person ceases to serve the School as an Indemnified Person.

**Section 11. Enforcement**

The Indemnified Person's right to indemnification hereunder will be enforceable by the Indemnified Person in any court of competent jurisdiction and will be enforceable notwithstanding that an adverse determination has been made as provided in Section 8 of this Article VIII.

In the event that any action is instituted by the Indemnified Person under these Bylaws, the Indemnified Person will be entitled to be paid all court costs and Expenses, including reasonable attorneys' fees, incurred by the Indemnified Person with respect to such action, unless the court determines that each of the material assertions made by the Indemnified Person as a basis for such action was not made in good faith or was frivolous.

**Section 12. Successor and Assigns**

The provisions of this Article VIII will be (i) binding upon all successors and assigns of the School (including any transferee of all or substantially all of its assets) and (ii) binding on and inure to the benefit of the heirs, executors, administrators, and other personal representatives of the Indemnified Person.

**Section 13. Amendment**

No amendment or termination of this Article VIII will be effective as to an Indemnified Person without prior written consent of that Indemnified Person and, in any event, will not be

effective as to any Covered Act of the Indemnified Person occurring prior to the amendment or termination.

## **ARTICLE IX**

### **DISSOLUTION**

Upon dissolution of the School the officers shall, after paying or making provision for payment of all liabilities of the School, dispose of all of the assets of the School exclusively to such organization or organizations organized and operated as shall at the time qualify as an exempt organization or organizations under Sec. 501 (c) (3) of the Internal Revenue Code 1954, as amended by the Tax Reform Act of 1976 (or the corresponding provisions of any future United States Internal Revenue Law), as the Board shall determine in consultation with the Permanent Board of New England Yearly Meeting or its successor. Any such assets not so disposed of shall be disposed of by the Superior Court of the County in which the principal office of the School is then located, exclusively for such purposes or to such organization or organizations as said court shall determine, which are organized and operated for such purposes.

## **ARTICLE X**

### **CONFLICTS OF INTEREST**

#### **Section 1. Definition of Conflict of Interest**

A conflict of interest will be deemed to exist whenever an individual is in the position to approve or influence School actions which involve or could ultimately harm or benefit financially: (a) the individual; (b) any member of his immediate family (spouse, parents, children, brothers or sisters, and spouses of these individuals); or (c) any organization in which he or an immediate family member is a director, trustee, officer, or member, partner or shareholder with an ownership interests of more than 10 percent. Service as a director, trustee or officer of another not-for-profit entity with an exclusively charitable, educational or governmental purpose and exempt from taxation will not, in and of itself, create a conflict of interest; however, there may be situations when a conflict nevertheless arises because of such service and such conflict must be disclosed as required under these Bylaws.

#### **Section 2. Required Disclosures**

(A) Board members and officers, upon assuming office and at least annually thereafter, shall disclose to the Trustees Committee all significant affiliations (as director, trustee, officer, owner (with an interest of more than 10 percent) of any entity with which the School has done business within the past two years, is currently doing business, or may reasonably be expected to do business within the next one year. A Board member or officer shall also disclose to the Trustees Committee any such affiliation as soon as possible after learning of it.

(B) Employees of the School with a potential conflict of interest in a particular matter shall promptly and fully disclose the conflict to his or her supervisor.

### **Section 3. No Participation on Behalf of the School**

No individual shall participate in any act or process to approve or enter into any transaction presenting a conflict of interest involving that individual. This includes, but is not limited to, engaging in any debate, decision, vote or document execution at, for, or on behalf of the School; provided, however, debating issues is expressly permitted notwithstanding the existence of a conflict of interest so long as such conflict is verbally disclosed to the applicable meeting prior to engaging in such debate.

### **Section 4. Approval of Contracts and Transactions Involving Potential Conflicts of Interest**

No officer or other individual who is otherwise authorized to execute any contract or enter into any transaction on behalf of the School shall do so with knowledge that it presents a conflict of interest not yet resolved by application of the procedures set forth below.

(A) If a proposed contract or transaction presents an actual or potential conflict of interest involving a Board member or officer, then that proposed contract or transaction must be submitted to the Executive Committee, which shall review its terms and determine if they are fair and reasonable to the School and otherwise consistent with the best interests of the School. Fairness includes, but is not limited to, that the School pay no more than fair market value for any goods or services which the School receives and the School receive no less than fair market value for any goods or services that it provides. Such determinations shall be made on the basis of appropriate data as to comparability. No contract or transaction presenting a conflict of

interest shall be entered into unless and until the Executive Committee has approved it as being fair to the School and in the School's best interests.

The Executive Committee shall document and contemporaneously record in its minutes the basis for its decision to approve any contract or transaction involving a conflicts of interest. The Executive Committee may set conditions as part of its approval of contracts or transactions.

**(B)** If a proposed contract or transaction presents an actual or potential conflict of interest involving any employee who is not also a Board member or officer, then any supervisor or other person who is aware of the potential conflict shall bring the conflict to the attention of the Clerk, who in turn shall determine, in consultation with School's legal counsel as needed, whether the application of Section 3 of this Article X is sufficient to resolve the conflict of interest or whether it should be submitted to the Executive Committee for review in the manner provided for conflicts involving Board members and officers. The Executive Committee will make this determination on the basis of whether the degree of influence the employee has over the affairs of the School, or a discrete portion of it, is sufficient to merit such a review.

#### **Section 5. Report to Full Board**

The Clerk shall report to the full Board at least annually concerning conflicts of interest that have been disclosed and contracts and transactions involving conflicts that have been approved.

### **ARTICLE XI**

#### **AMENDMENT OF BYLAWS**

These Bylaws may be altered or amended by the affirmative action of the Board, a quorum being present, at a regular, special, or annual meeting of the Board, provided that the notice of such meeting shall contain a statement of the proposed alteration or amendment, and provided further that any amendment affecting any provision in Article I or any provision affecting the number, proportion, or manner of selection of Friends required in the composition of the Board, the Executive Committee, or the Nominating Committee, or affecting the manner of selection or the duties and prerogatives of the Friends Coordinator, or affecting the manner in which meetings shall be conducted as set forth in the first paragraph of Section 1 of Article II and

in the third paragraph of Section 9 of Article II hereof, shall become effective only after approval by the New England Yearly Meeting of Friends at Sessions or through its Permanent Board.

## **ARTICLE XII**

### **MISCELLANEOUS**

#### **Section 1. Effective Date**

These Bylaws shall go into effect immediately upon their adoption by the Board and the approval by the New England Yearly Meeting of Friends at Sessions or through its Permanent Board.

#### **Section 2. Books and Records**

Except as otherwise provided by Section 2 of Article II of these Bylaws, there shall be kept at the principal office of the School: (1) correct and complete books and records of account; (2) minutes of the proceedings of the Board and the Executive Committee; (3) a current list of the Board members and officers of the School and their residence addresses; (4) a copy of these Bylaws; (5) a copy of the Policy Manual; (6) a copy of the School's application for recognition of exemption with the Internal Revenue Service; and (7) copies of the past three years' information returns to the Internal Revenue Service.

#### **Section 3. Severability**

If any one or more of the provisions of these Bylaws is determined by a court to require the School to perform an act which is in violation of applicable law, or to fail to perform an act in order to avoid a violation of law, such provision(s) shall not affect any other provision of these Bylaws and these Bylaws shall be construed and enforced as if such provision(s) had not been contained therein.

## RECORDING CLERK'S CERTIFICATE

I, \_\_\_\_\_, hereby certify that the above Bylaws were duly adopted at the regular meeting of the Board of Overseers of Moses Brown School held on \_\_\_\_\_, 2009.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: Recording Clerk

I, Habib Y. Gorgi, as the Clerk of the Board of Overseers, do hereby certify, on behalf of Moses Brown School that \_\_\_\_\_ is on the date hereof the duly elected or appointed, qualified and acting Recording Clerk of Moses Brown School and that the signature set forth above is the genuine signature of such officer.

By: \_\_\_\_\_  
Name: Habib Y. Gorgi  
Title: Clerk