

**AMENDED AND RESTATED BYLAWS
OF
PENCIL FOUNDATION**

These Bylaws shall regulate the business and affairs of PENCIL Foundation (the “Company”), subject to the provisions of the Charter of the Company (as amended or restated from time to time, the “Charter”) and any applicable provisions of the Tennessee Nonprofit Corporation Act (as amended, the “Act”). These Amended and Restated Bylaws amend and restate in their entirety the By-Laws of the Company dated March 2009.

ARTICLE I. OFFICES

1.1 Principal Office. The principal office of the Company shall be located at 4805 Park Avenue, Suite 101, Nashville, TN 37209, or such other address listed in the Company’s Charter. The Company may have such other offices, either within or without the State of Tennessee, as its Board of Directors may designate or as the business of the Company may require from time to time.

1.2 Registered Office. The registered office of the Company required by the Act to be maintained in the State of Tennessee may, but need not, be identical to the principal office in the State of Tennessee; and the address of the registered office may be changed from time to time by its Board of Directors.

ARTICLE II. CHARITABLE PURPOSES

2.1 Purposes. The purpose of the Company shall be to link community resources with Nashville Public Schools to help young people achieve academic success and prepare for life. In order fully to effectuate the provisions of this section, the Corporation shall adopt such procedures, and shall otherwise adhere to such administrative requirements as may from time to time be necessary, in order fully to comply with all applicable federal tax laws and regulations.

2.2 Prohibitions on Private Inurement. The Company is not formed for financial or pecuniary gain; and no part of the assets, income, or profits of the Company shall be distributable to, or inure to, the benefit of its directors, officers or any other private person, except that the Company may provide reimbursements for reasonable expenses incurred on behalf of the Company, and may also make payments and distributions in furtherance of the charitable purposes of the Company, as set forth in the Charter.

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

2.4 Private Foundation Limitations. If the Company is a private foundation within the meaning of § 509 of the Internal Revenue Code of 1986, as amended (the “Code”), for a taxable year, the Company:

(a) Shall not engage in any act of self-dealing, as defined in § 4941(d) of the Code;

(b) Shall not retain any excess business holdings, as defined in § 4943(c) of the Code, which would subject the Company to tax under § 4943 of the Code;

(c) Shall not make any investments that would subject the Company to tax under § 4944 of the Code;

(d) Shall not make any taxable expenditures, as defined in § 4945(d) of the Code; and

(e) Shall distribute the income of the Company for each taxable year at such times and in such manner as not to become subject to the tax on undistributed income imposed by § 4942 of the Code.

2.5 Termination of the Company. The Board of Directors of the Company shall have the authority to dissolve the Company at any time that, by an affirmative vote of a majority of the Board of Directors, it deems such dissolution appropriate or advisable. Upon the dissolution of the Company, after paying or making provision for payment of all liabilities of the Company then outstanding and unpaid, the Board of Directors shall distribute the assets of the Company to one or more organizations then described in §§ 501(c)(3) and 170(c) of the Code, or any corresponding provisions of any future federal tax laws, as the Board of Directors shall determine. Any assets not so disposed of by the Board of Directors shall be disposed of by a court having equity jurisdiction in the county in which the principal office of the Company is then located, with the distribution of assets to be made to such organization or organizations which are organized and operated exclusively for charitable purposes within the meaning of §§ 501(c)(3) and 170(c) of the Code, or any corresponding provisions of any future federal tax laws, as such court shall determine.

ARTICLE III. MEMBERSHIP

The Company shall not have members.

ARTICLE IV. DIRECTORS

4.1 General Powers. The business and affairs of the Company shall be supervised by its Board of Directors (the “Board”), which shall exercise in the name of and on behalf of the Company all of the rights and privileges legally exercisable by the Company as a corporate entity, except as may otherwise be provided by law, the Charter, or these Bylaws. In addition, without limiting the foregoing, the Board shall be authorized and empowered:

(a) To employ such persons as in its opinion are needed for the administration of the Company and to pay reasonable compensation for services and expenses thereof;

(b) To receive, accept, administer, invest and distribute on behalf of the Company property gifted or bequeathed to the Company; and

(c) To make distributions of income and principal in furtherance of the Company's charitable purposes in such amounts and proportions as the Board, in its discretion, shall determine from time to time.

4.2 Number and Tenure. There shall be at least twelve (12) Directors of the Company and no more than sixty (60) Directors. Each elected Director shall hold office for a term of three (3) years, or until such director's earlier resignation, removal from office, or death. Each elected Director may serve a maximum of two (2) consecutive three (3) year terms, except when a Director is elected to an officer position with a term that goes beyond the expiration of such Director's second (2nd) three (3) year term, in which case such Director's term shall expire contemporaneously with the expiration of such Director's term as an officer. Notwithstanding the foregoing, Directors having served two (2) consecutive three (3) year terms may serve for additional consecutive three (3) year terms upon request to, and approval by, the Executive Committee. Former Directors having served two (2) consecutive three (3) year terms may be re-elected to the Board, so long as one (1) year has lapsed since the date the Director last served as Director. Any vacancies on the Board shall be filled by the affirmative vote of a majority of the Directors then in office as provided in Section 4.10. Any Director's term may be extended by the affirmative vote of a majority of the Directors. Notwithstanding the limitation on each Director's duration of service as a Director, the Directors hereby confer ex-officio, non-voting Lifetime Director status to Sue Spickard, in recognition and honor of the dedication she committed to the establishment and perpetuation of the Company.

4.3 Limited Personal Liability. No person who is or was a Director of the Company, nor such person's heirs, executors or administrators (hereinafter collectively referred to for purposes of this Section as a "Director"), shall be personally liable to the Company for monetary damages for breach of fiduciary duty as a Director. However, this provision shall not eliminate or limit the liability of a Director:

(a) for any breach of a Director's duty of loyalty to the Company;

(b) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; or

(c) under § 48-58-304 of the Act.

If the Act hereafter is amended to authorize the further elimination or limitation of the liability of directors, then the liability of a Director of the Company, in addition to the limitation on personal liability provided herein, shall be limited to the full extent permitted by the amended Act. No repeal or modification of the provisions of this Section, either directly or by the adoption of a

provision inconsistent with the provisions of this Section, shall adversely affect any right or protection, as set forth herein, existing in favor of a particular individual at the time of such repeal or modification.

4.4 Annual Meeting. The annual meeting of the Board shall be held within or without the State of Tennessee at such time and date as shall be determined by the Board. The purpose of the annual meeting shall be to elect officers and transact such other business as may properly be brought before the meeting in accordance with the Act. If the Directors and officers are not elected on the day herein designated for any annual meeting of the Board, or at any adjournment thereof, the Board shall cause a special meeting of the Board to be held as soon thereafter as may be convenient for such purpose.

4.5 Special Meetings. Special meetings of the Board may be called by the Chair or at the request of any two (2) members of the Board.

4.6 Notices. Notice of the time and place of each annual or special meeting shall be given to each Director by the Chair or by the person or persons calling such meeting. Notice of each annual and special meeting shall be given at least two (2) days prior thereto. The attendance of a Director at a 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 was not lawfully called or convened. Notices may be sent by electronic transmission or any technological evolution thereof.

4.7 Quorum and Participation. A majority of the total number of Directors in office shall constitute a quorum for the transaction of business at any meeting of the Board. The members of the Board, or any committee designated by the Board, may participate in a meeting of the Board, or of such committee, by means of conference telephone or similar remote communications equipment by means of which all persons participating in the meeting can hear one another; and participation in a meeting pursuant to this provision shall constitute presence in person at such meeting. The Board shall be promptly furnished a copy of the minutes of the meetings of the Board. At the invitation of the Chair or Board of Directors, the Board of Directors may include ex-officio, non-voting, members.

4.8 Manner of Acting. Each Director shall be entitled to one (1) vote upon any matter properly submitted for a vote to the Board. The act of a majority of the Directors present at a meeting at which a quorum is present (including present by means of remote communication) shall be the act of the Board, except as may otherwise be specifically provided by law, by the Charter, or by these Bylaws. Members of the Board absent from any meeting shall not be permitted to vote at such meeting by written proxies. The Chair shall preside over all meetings of the Board. If the Chair is not able to attend a meeting of the Board, then he or she shall appoint another Board member to preside over such meeting.

4.9 Action Without a Meeting. Any action required or permitted to be taken at a meeting by the Board, or by any committee thereof, may be taken without a meeting if all voting members of

the Board or committee thereof as the case may be, consent in writing to taking such action without a meeting. If all members entitled to vote on the action shall consent in writing to taking such action without a meeting, the affirmative vote of the number of votes that would be necessary to authorize or take such action at a meeting shall be the act of the Board or committee thereof as the case may be. The action must be evidenced by one (1) or more written consents describing the action taken, signed in one (1) or more counterparts by each member entitled to vote on the action, indicating each signing member's vote or abstention on the action taken. All such written consents and actions shall be filed with the minutes of the proceedings of the Board, or committee thereof. A consent signed under this Section shall have the same force and effect as a meeting vote of the Board, or any committee thereof, and may be described as such in any document.

4.10 Vacancies. Any vacancy occurring in the Board shall be filled by the affirmative vote of a majority of the Directors then in office. If a vacancy is not filled within ninety (90) days after the event which resulted in there being fewer directors than required by the Bylaws or Charter, any Director may apply to a court having equity jurisdiction in the county in which the Company has its principal office to have such court appoint a sufficient number of directors so that the Company will have the number of directors required by its Bylaws or Charter, whichever number is greater.

4.11 Presumption of Assent. A Director of the Company who is present at a meeting of the Board at which action on any Company matter is taken shall be presumed to have assented to the action taken, unless such Director's dissent shall be entered in the minutes of the meeting, or unless he or she shall forward such dissent by certified mail to the Chair immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

4.12 Removal. Any Director may be removed, with or without cause, by the unanimous vote of the other Directors.

4.13 Resignation. A Director may resign his or her membership at any time by tendering his or her resignation in writing to the Chair or, in the case of the resignation of the Chair, to the Chief Executive Officer. A resignation shall become effective upon the date specified in such notice or, if no date is specified, upon receipt of the resignation by the Company at its principal place of business.

ARTICLE V. OFFICERS

5.1 Number. The Company shall have a President and Secretary, each of whom shall be elected in accordance with the provisions of this Article. The Board may also elect such other officers and assistant officers as the Board may from time to time deem necessary or appropriate, including Chair, Vice Chair, Immediate Past Chair, Vice President and Treasurer. Any two or more offices may be held simultaneously by the same person, except for the office of President and Secretary.

5.2 Election and Term of Office. The officers of the Company shall be elected annually by the Board at its annual meeting. Each officer shall hold office for a term of one (1) year or until

his or her earlier death, resignation or removal from office in the manner hereinafter provided. A retiring officer may succeed himself or herself.

5.3 Chief Executive Officer. Chief Executive Officer (the “Chief Executive Officer”) shall be the principal executive officer of the Company, and shall have the same powers bestowed upon a president under the Act and all of the authority incident to the office of the chief executive officer of a corporation, as well as such other duties as may from time to time be prescribed by the Board. The Chief Executive Officer may sign or any other proper officer thereunto authorized by the Board: deeds, mortgages, bonds, contracts or other instruments which the Board has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board or these Bylaws to some other officer or agent of the Company or shall be required by law to be otherwise signed or executed.

5.4 Chair. The Chair shall be the President of the Company and shall, when present, preside at all meetings of the Board. The Chair may sign, with the Chief Executive Officer or any other proper officer thereunto authorized by the Board: deeds, mortgages, bonds, contracts or other instruments which the Board has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board or these Bylaws to some other officer or agent of the Company or shall be required by law to be otherwise signed or executed.

5.5 Secretary. The Secretary shall keep the minutes of the proceedings of the Board in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; be custodian of the corporate records and of the seal, if any, of the Company; see that the seal is affixed to all documents, the execution of which is duly authorized on behalf of the Company under its seal; keep a register of the post office address of each member of the Board, which address shall be furnished to the Secretary by each director; and in general, perform all duties incident to the office of Secretary and such other duties as may from time to time be assigned to him or her by the Chief Executive Officer, the Chair or by the Board.

5.6 Removal. The Board may remove any officer when, in its judgment, the best interests of the Company will be served thereby. Such removal may be with or without cause by an affirmative vote of the majority of the Board.

5.7 Vacancies. A vacancy in any office held by an officer, because of death, resignation, removal, disqualification or otherwise, may be filled by the Board.

5.8 Resignation. An officer may resign such officer’s position at any time by tendering such resignation in writing to the Chair or, in the case of the resignation of the Chair, to the Chief Executive Officer. A resignation shall become effective upon the date specified in such notice, or, if no date is specified, upon receipt of the resignation by the Company at its principal place of business.

5.9 Voting Securities. Unless otherwise ordered by the Board, the Chief Executive Officer shall have full power and authority on behalf of the Company to attend and to act and vote at any meetings of security holders, partnerships or corporations in which the Company may hold

securities, and at such meetings shall possess and may execute any and all rights and powers incident to the ownership of such securities which the Company might have possessed and exercised if it had been present. The Board may from time to time by a resolution confer like powers upon any other person or persons.

ARTICLE VI. COMMITTEES

6.1 Standing Committees. The Board of Directors may maintain such standing committees as it may determine from time to time to be necessary or desirable for its proper functioning. Such committees shall consist of two (2) or more members, shall be under the control and serve at the pleasure of the Board of Directors, shall have charge of such duties as may be assigned to them by the Board of Directors or these Bylaws, shall maintain a permanent record of their actions and proceedings, and shall regularly submit a report of their actions to the Board of Directors. The Chief Executive Officer, and, at his or her election, the Chair, shall serve on each committee as an ex-officio, non-voting, member. Such standing committees shall have such authority as may be stipulated by the Board of Directors. The Nominating and Governance Committee shall be a standing committee.

6.2 Ad Hoc Committees. The Chief Executive Officer, with the approval of the Board of Directors as evidenced by resolution, or the Chair, may from time to time create such ad hoc committees as he or she believes necessary or desirable to investigate matters or advise the Board of Directors. Ad hoc committees shall limit their activities to the accomplishment of the tasks for which created and shall have no power to act except as specifically conferred by resolution of the Board of Directors. Such committees shall operate until their tasks have been accomplished or until earlier discharged by the Board of Directors. Ad Hoc Committees may include individuals other than members of the Board of Directors, and members of the Board of Directors invited by the committee chair, the Chief Executive Officer or the Chair.

6.3 Executive Committee. The Executive Committee shall consist of the Officers of the Company, the Immediate Past Chair, the Chair, the Vice Chair, the Chief Executive Officer, the chairs of any then existing committees and up to three (3) Directors appointed by the Chair. Such committee will meet at such time and place as determined by the Chair. The terms of Sections 4.7, 4.8 and 4.9 shall govern the meetings of the Executive Committee, to the extent applicable. Any action taken by the Executive Committee shall be reported to the Board of Directors at its next meeting. Except as expressly limited by the Act or the Charter, the Executive Committee shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the Company between the meetings of the Board of Directors. The Executive Committee shall keep a record of its acts and proceedings, which shall form a part of the records of the Company in the custody of the Chair, and all actions of the Executive Committee shall be reported to the Board of Directors at the next meeting of the Board of Directors. Except as expressly provided in this Section, the Executive Committee shall fix its own rules of procedure.

ARTICLE VII. CONTRACTS, LOANS, CHECKS, DEPOSITS, INVESTMENTS

7.1 Contracts and Employment of Agents. The Board may authorize any officer or agent to enter into any contract, or execute and deliver any instrument, in the name of and on behalf of the Company. The Board shall be specifically authorized, in its sole discretion, to employ and to pay the compensation of such agents, accountants, custodians, experts, consultants and other counsel, legal, investment or otherwise, as the Board shall deem advisable, and to delegate discretionary powers to, and rely upon information furnished by, such individuals or entities. Such authority may be general or confined to specific instances. The Chief Executive Officer is authorized to enter into contracts, and execute instruments, on behalf of the Company, in amounts up to \$50,000.

7.2 Loans. No loans shall be contracted on behalf of the Company, and no evidences of indebtedness shall be issued in its name, unless authorized by a resolution of the Board. Such authority may be general or confined to specific instances.

7.3 Checks. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Company shall be signed by such officer or officers, agent or agents of the Company and in such manner as shall from time to time be determined by resolution of the Board.

7.4 Deposits. All funds of the Company not otherwise employed shall be deposited from time to time to the credit of the Company with such banks, trust companies, brokerage accounts, investment managers, or other depositories as the Board may from time to time select.

7.5 Investment Authority. The Board shall be authorized to retain assets distributed to it, even though such assets may constitute an over-concentration in one or more similar investments. Further, the Board shall have the authority to make investments in unproductive property or to hold unproductive property to the extent necessary until it can be converted into productive property at an appropriate time, provided the retention of such property is in the best interest of the Company and does not jeopardize the tax-exempt status of the Company.

ARTICLE VIII. STANDARDS OF CONDUCT

8.1 Standards of Conduct. A Director or an officer of the Company shall discharge his or her duties as a Director or as an officer, including duties as a member of a committee:

- (a) in good faith;
- (b) with the care an ordinarily prudent person in a like position would exercise under similar circumstances; and
- (c) in a manner he or she reasonably believes to be in the best interest of the Company.

8.2 Reliance on Third Parties. In discharging his or her duties, a Director or officer is entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, if prepared or presented by:

- (a) one or more officers or employees of the Company whom the Director or officer reasonably believes to be reliable and competent in the matters presented;
- (b) legal counsel, public accountants, or other persons as to matters the Director or officer reasonably believes are within the person's professional or expert competence; or
- (c) with respect to a Director, a committee of the Board of which the Director is not a member, as to matters within its jurisdiction, if the Director or officer reasonably believes the committee merits confidence.

8.3 Bad Faith. A Director or officer is not acting in good faith if he or she has knowledge concerning the matter in question that makes reliance otherwise permitted by Section 8.2 unwarranted.

8.4 No Liability. A Director or officer is not liable for any action taken, or any failure to take action, as a Director or officer, if such Director or officer performs the duties of his or her office in compliance with the provisions of this Article, or if such Director or officer is immune from suit under the provisions of § 48-58-601 of the Act or any successor statutory provision.

8.5 No Fiduciary Duty. No Director or officer shall be deemed to be a fiduciary with respect to the Company or with respect to any property held or administered by the Company, including, without limitation, property that may be subject to restrictions imposed by the donor or transferor of such property.

8.6 Prohibition on Loans. No loans or guarantees shall be made by the Company to its Directors or officers. Any Director who assents to or participates in the making of any such loan shall be liable to the Company for the amount of such loan until the repayment thereof.

ARTICLE IX. CONFLICTS OF INTEREST

9.1 Purpose. The Company shall have a Conflict of Interest Policy as provided in this Article. The purpose of this Conflict of Interest Policy is to protect the Company's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Company or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflicts of interest applicable to nonprofit and charitable organizations.

9.2 Definitions.

(a) Interested Person. Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

(b) Financial Interest. A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

(i) An ownership or investment interest in any entity with which the Company has a transaction or arrangement,

(ii) A compensation arrangement with the Company or with any entity or individual with which the Company has a transaction or arrangement, or

(iii) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Company is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest. Under Subsection 9.3(b) below, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

9.3 Procedures.

(a) Duty to Disclose. In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

(b) Determining Whether a Conflict of Interest Exists. After disclosure of the financial interest and all material facts, and after any discussion with the interested person, the interested person shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

(c) Procedures for Addressing the Conflict of Interest.

(i) An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

(ii) The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

(iii) After exercising due diligence, the governing board or committee shall determine whether the Company can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

(iv) If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Company's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

(d) Violations of the Conflict of Interest Policy.

(i) If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

(ii) If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

9.4 Records of Proceedings. The minutes of the governing board and all committees with board delegated powers shall contain:

(a) The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.

(b) The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

9.5 Compensation.

(a) A voting member of the governing board who receives compensation, directly or indirectly, from the Company for services is precluded from voting on matters pertaining to that member's compensation.

(b) A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Company for services is precluded from voting on matters pertaining to that member's compensation.

(c) No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Company, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

9.6 Annual Statements. Each director, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

(a) Has received a copy of the conflicts of interest policy,

(b) Has read and understands the policy,

(c) Has agreed to comply with the policy, and

(d) Understands the Company is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

9.7 Periodic Reviews. To ensure the Company operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

(a) Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.

(b) Whether partnerships, joint ventures, and arrangements with management organizations conform to the Company's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

9.8 Use of Outside Experts. When conducting the periodic reviews as provided for in Section 9.7, the Company may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

ARTICLE X. INDEMNIFICATION

10.1 Mandatory Indemnification. To the maximum extent permitted by the provisions of §§ 48-58-501, et seq., of the Act, as amended from time to time (provided, however, that if an amendment to the Act in any way limits or restricts the indemnification rights permitted by law as of the date hereof, such amendment shall apply only to the extent mandated by law and only to activities of persons subject to indemnification under this Section 10.1 which occur subsequent to the effective date of such amendment), the Company shall indemnify and advance expenses to any person who is or was a Director or officer of the Company, or to such person's heirs, executors, administrators and legal representatives, for the defense of any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative, and whether formal or informal (any such action, suit or proceeding being hereinafter referred to for purposes of this Article as the "Proceeding"), to which such person was, is or is threatened to be made, a named defendant or respondent, which indemnification and advancement of expenses shall include counsel fees actually incurred as a result of the Proceeding or any appeal thereof, reasonable expenses actually incurred with respect to the Proceeding, and all fines, judgments, penalties and amounts paid in settlement thereof, subject to the following conditions:

(a) the Proceeding was instituted by reason of the fact that such person is or was a Director or officer of the Company; and

(b) the Director or officer conducted himself or herself in good faith, and he or she reasonably believed: (i) in the case of conduct in his or her official capacity with the Company, that his or her conduct was in its best interest; (ii) in all other cases, that his or her conduct was at least not opposed to the best interests of the Company; and (iii) in the case of any criminal proceeding, that he or she had no reasonable cause to believe his or her conduct was unlawful.

The termination of a Proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent is not, of itself, determinative that the Director or officer did not meet the standard of conduct herein described.

10.2 Permissive Indemnification. The Company may, to the maximum extent permitted by the provisions of § 48-58-501, et seq., of the Act, as amended from time to time (provided, however, that if an amendment to the Act in any way limits or restricts the indemnification rights permitted by law as of the date hereof, such amendment shall apply only to the extent mandated by law and only to activities of persons subject to indemnification under this Section which occur subsequent to the effective date of such amendment), indemnify and advance expenses in a Proceeding to any person who is or was an employee or agent of the Company, or to such person's heirs, executors, administrators and legal representatives, to the same extent as set forth in Section 10.1 above, provided that the Proceeding was instituted by reason of the fact that such person is or was an employee or agent of the Company and met the standards of conduct set forth in Subsection 10.1(b) above. The Company also may indemnify and advance expenses in a Proceeding to any person who is or was an employee or agent of the Company to the extent, consistent with public policy, as may

be provided by the Charter, by these Bylaws, by contract, or by general or specific action of the Board.

10.3 Non-Exclusive Application. The rights to indemnification and advancement of expenses set forth in Sections 10.1 and 10.2 above are contractual between the Company and the person being indemnified, as well as such person's heirs, executors, administrators and legal representatives, and are not exclusive of other similar rights of indemnification or advancement of expenses to which such person may be entitled, whether by contract, by law, by the Charter, by a resolution of the Board, by these Bylaws, by the purchase and maintenance by the Company of insurance on behalf of a Director, officer, employee or agent of the Company, or by an agreement with the Company providing for such indemnification, all of which means of indemnification and advancement of expenses are hereby specifically authorized.

10.4 Non-Limiting Application. The provisions of this Article 10 shall not limit the power of the Company to pay or reimburse expenses incurred by a Director, officer, employee or agent of the Company in connection with such person's appearing as a witness in a Proceeding at a time when such person has not been made a named defendant or respondent to the Proceeding.

10.5 Prohibited Indemnification. Notwithstanding any other provision of this Article 9, the Company shall not indemnify or advance expenses to or on behalf of any Director, officer, employee or agent of the Company, or such person's heirs, executors, administrators or legal representatives:

(a) if a judgment or other final adjudication adverse to such person establishes such person's liability for any breach of the duty of loyalty to the Company, for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, or under § 48-58-304 of the Act;

(b) in connection with a Proceeding by or in the right of the Company in which such person was adjudged liable to the Company; or

(c) in connection with any other Proceeding charging improper personal benefit to such person, whether or not involving action in his or her official capacity, in which such person was adjudged liable on the basis that personal benefit was improperly received by him or her.

10.6 Repeal or Modification Not Retroactive. No repeal or modification of the provisions of this Article 10, either directly or by the adoption of a provision inconsistent with the provisions of this Article, shall adversely affect any right or protection, as set forth herein, existing in favor of a particular individual at the time of such repeal or modification.

ARTICLE XI. NOTICES AND WAIVER OF NOTICE

The notices provided for in these Bylaws shall be communicated in person, by telephone, facsimile, telegraph, teletype, or e-mail, or by mail or private carrier. Written notice is effective at the earliest of:

- (a) receipt;
- (b) five (5) days after its deposit in the United States mail, if mailed correctly addressed and with first-class postage affixed thereon;
- (c) on the date shown on the return receipt, if sent by registered or certified mail, return receipt requested, and the receipt is signed by or on behalf of the addressee.

Whenever any notice is required to be given to any Director, officer or committee member of the Company under the provisions of these Bylaws, the Charter, or the Act, 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 XII. AMENDMENTS

12.1 By The Board. These Bylaws and the Charter may be altered, amended or repealed, and a new Charter or new Bylaws adopted by a majority of the Board at any annual or special meeting of the Board, provided that the notice of such meeting shall state that the purpose, or one (1) of the purposes, of the meeting is to amend the Bylaws and/or the Charter and shall also contain a description of the amendment to be considered.

12.2 Limitation on Amendment. No alteration, amendment or repeal shall be made to the extent that such alteration, amendment or repeal is inconsistent with the charitable purposes of the Company as set forth in the Charter. No amendment shall authorize the Board to conduct the affairs of the Company in any manner or for any purpose contrary to the provisions of § 501(c)(3) and of the Code, as now in force or hereafter amended.

ARTICLE XIII. EXEMPT STATUS

The Company has been organized and will be operated exclusively for exempt purposes within the meaning of § 501(c)(3) of the Code and, as such, will be exempt from taxation under § 501(a) of the Code. Any provision of these Bylaws or of the Charter which would in any manner adversely affect the Company's tax exempt status shall be void and shall be deleted or modified as necessary to comply with all applicable federal and state requirements for the maintenance of the Company's tax exempt status.

Effective: 2/16, 2017