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For more information regarding the content of this material, please contact the Charter Schools Division by phone at 916-322-6029 or by e-mail at charters@cde.ca.gov.

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FILED
Secretary of State
State of California
JUN 19 2013

ARTICLES OF INCORPORATION
OF
THRIVE PUBLIC SCHOOLS

ICC

I.

The name of this corporation is Thrive Public Schools.

II.

A. This corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for charitable purposes.

B. The specific purposes of this corporation are to:

(1) oversee, manage, operate, advise, guide, direct, promote, support and hold charters or contracts for one or more public charter schools;

(2) promote, support, benefit, replicate, develop and carry out the purposes of public charter schools or other schools, youth or community programs, or other activities that educate or serve students, children, families or communities; and

(3) perform and undertake any and all activities and functions, including soliciting contributions from the general public, as may be proper in connection with this corporation's general and specific purposes.

III.

The name and address in the State of California of this corporation's initial agent for service of process is:

Gregory V. Moser
525 B Street, Suite 2200
San Diego, CA 92101

IV.

The street and mailing address of this corporation is:

301 West G Street, #118
San Diego, CA 92101

V.

A. This corporation is organized and operated exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended.

B. No substantial part of the activities of this corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and this corporation shall not participate or intervene in any political campaign (including publishing or distribution of statements) on behalf of any candidate for public office.

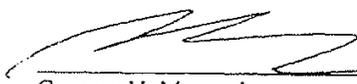
C. Notwithstanding any other provision of these Articles, the corporation shall not carry on any other activities not permitted to be carried on by (a) a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, as amended; or (b) a corporation contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code, as amended.

VI.

A. The property of this corporation is irrevocably dedicated to charitable purposes and no part of the net income or assets of this corporation shall ever inure to the benefit of any director, officer or member hereof or to the benefit of any private person.

B. Upon dissolution or winding up of this corporation, after paying or adequately providing for the corporation's debts and obligations, its remaining assets shall be distributed to a California public entity engaged in education and/or to a nonprofit fund, foundation or corporation which is organized and operated exclusively for charitable purposes, and which has established its tax-exempt status under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and under Section 23701d of the California Revenue and Taxation Code, as amended.

Dated: June 19, 2013



Gregory V. Moser, Incorporator



I hereby certify that the foregoing transcript of 2 page(s) is a full, true and correct copy of the original record in the custody of the California Secretary of State's office.

JUN 20 2013

Handwritten initials, possibly "DB", in black ink.

Date: _____

Debra Bowen
DEBRA BOWEN, Secretary of State

**BYLAWS
OF
THRIVE PUBLIC SCHOOLS**
(A California Nonprofit Public Benefit Corporation)

**ARTICLE I
NAME**

The name of this corporation is Thrive Public Schools.

**ARTICLE II
OFFICES**

Section 1. **PRINCIPAL OFFICE OF THE CORPORATION.** The principal office for this corporation shall be located at *[tbd prior to adopting]*. The Board of Directors ("Board") is granted full power and authority to change such principal office from one location to another within California.

Section 2. **OTHER OFFICES OF THE CORPORATION.** The Board may at any time establish branch or subordinate offices at any place or places where this corporation is qualified to conduct its activities.

**ARTICLE III
PURPOSES**

The corporation is organized for the public and educational purposes as specified in its Articles of Incorporation. Notwithstanding any other provision in these articles, the corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that do not further the purposes of this corporation, and the corporation shall not carry on any other activities not permitted to be carried on by (a) a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (or the corresponding section of any future federal tax code), or (b) a corporation to which contributions are deductible under Section 170(c)(2) of the Internal Revenue Code (or the corresponding section of any future federal tax code). No substantial part of the activities of this corporation shall consist of the carrying on of propaganda, or otherwise attempting to influence legislation, and this corporation shall not directly or indirectly participate or intervene in (including the publishing or distributing of statements) any political campaign on behalf of any candidate for public office.

**ARTICLE IV
DEDICATION OF ASSETS**

This corporation's assets are irrevocably dedicated to public benefit purposes. No part of the net earnings, properties, or assets of the corporation, on dissolution or otherwise, shall inure to the benefit of any private person or individual, or to any director or officer of the corporation. On liquidation or dissolution, all properties and assets remaining after payment, or provision for payment, of all debts and liabilities of the corporation shall be distributed to a nonprofit fund, foundation, or corporation that is organized and operated exclusively for charitable purposes and that has established its exempt status under Internal Revenue Code section 501(c)(3).

**ARTICLE V
MEMBERSHIP**

Section 1. NO MEMBERS. The corporation shall not have any members.

Section 2. ASSOCIATES. Nothing in this Article 5 shall be construed as limiting the right of the corporation to refer to persons associated with it as “members” even though such persons are not members of the corporation, and no such reference shall make anyone a member within the meaning of Section 5056 of the California Nonprofit Corporation Law, including honorary or donor members. Such individuals may originate and take part in the discussion of any subject that may properly come before any meeting of the Board, but may not vote. The corporation may confer by amendment of its articles of incorporation or these bylaws some or all of the rights of a member, as set forth in the Nonprofit Corporation Law of California, upon any person who does not have the right to vote for the election of directors, on a disposition of substantially all of the corporation’s assets, on the merger or dissolution of it, or on changes to its articles of incorporation or bylaws, but no such person shall be a member within the meaning of Section 5056. The Board may also, in its discretion, without establishing memberships, establish an advisory council or honorary board or such other auxiliary groups as it deems appropriate to advise and support the corporation.

**ARTICLE VI
BOARD OF DIRECTORS**

Section 1. GENERAL POWERS Subject to the provisions and limitations of the California Nonprofit Public Benefit Corporation Law and any other applicable laws, and subject to any limitations of the articles of incorporation or bylaws, the corporation’s activities and affairs shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board of Directors. The Board may delegate the management of the corporation’s activities to any person(s), management company or committees, however composed, provided that the activities and affairs of the corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board.

Section 2. SPECIFIC POWERS. Without prejudice to the general powers set forth in Section 1 of these bylaws, but subject to the same limitations, the Board shall have the power to:

- a. Appoint and remove, at the pleasure of the Board, all corporate officers, agents, and employees; prescribe powers and duties for them as are consistent with the law, the articles of incorporation, and these bylaws; and fix their compensation.
- b. Conduct, manage and control the affairs and activities of the corporation and to make such rules and regulations therefor which are not inconsistent with law, the corporation’s articles of incorporation or these bylaws;
- c. Change the principal office or the principal business office in California from one location to another; cause the corporation to be qualified to conduct its activities in any other state, territory, dependency, or country; conduct its activities in or outside California; and designate a place in California for holding any meeting of Board members.
- d. Borrow money and incur indebtedness on the corporation’s behalf and cause to be executed and delivered for the corporation’s purposes, in the corporate name,

- promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, and other evidences of debt and securities.
- e. Adopt and use a corporate seal and alter the form of the seal.
 - f. Carry on a business and apply any revenues in excess of expenses that result from the business activity to any activity in which it may lawfully engage.
 - g. Acquire by purchase, exchange, lease, gift, devise, bequest, or otherwise, and to hold, improve, lease, sublease, mortgage, transfer in trust, encumber, convey, or otherwise dispose of real and personal property.
 - h. Act as trustee under any trust incidental to the principal object of the corporation, and to receive, hold, administer, exchange, and expend funds and property subject to such trust.

Section 3. DESIGNATED DIRECTORS AND TERMS. The number of directors shall be no less than five (5) and no more than eleven (11) voting members. With the exception of the initial directors, which will be named by the Incorporator, all directors shall be nominated and elected by the existing Board of Directors, except that the following seat will be reserved:

So long as the corporation holds a charter for a California public charter school, one (1) director may be appointed by the governing board of a charter authorizer, at the authorizer's discretion. In the event that the authorizer fails to appoint an authorizer director, in any year, on or before October 15 of such year, then the Board may nominate and elect an additional director to fill that seat for that year;

Except for a director appointed by the charter authorizer, which shall have a term of one (1) year, directors shall hold office for two (2) years and until a successor director has been designated and qualified, and may be reelected for unlimited terms. Terms for the initial Board members shall be staggered to establish continuity and sustainability.

Section 4. PROCESS FOR NOMINATION AND ELECTION OF BOARD MEMBERS. Other than an authorizer director, which is appointed as set forth in Section 3, when a position on the Board is vacated either by a Board member finishing their term or a Board member resigning, the Board will strive to fill that position as expeditiously as possible with a qualified and committed individual.

Section 5. INTERESTED PERSONS. No more than forty-nine percent (49%) of the directors serving at any one time may be "interested persons." For purposes of this section, an "interested person" is: (a) any person currently being compensated by the corporation for services rendered to it within the previous twelve (12) months, whether as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation, if any, paid to a director as a director; or (b) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of any person listed in (a) above. Any violation of the provisions of this section shall not affect the validity or enforceability of any transaction entered into by the corporation.

Section 6. EVENTS CAUSING VACANCIES ON BOARD. A vacancy or vacancies on the Board shall occur in the event of (a) the death or resignation of any director; (b) the declaration by resolution of the Board of a vacancy in the office of a director who has been convicted of a felony, declared of unsound

mind by a court order, or found by final order or judgment of any court to have breached a duty under California Nonprofit Public Benefit Corporation Law, Chapter 2, Article 3; (c) the increase of the authorized number of directors; or (d) the failure of the Board to elect the number of directors required to be elected. If a vacancy of a director is created by any event, a new director will be nominated, elected and approved as set forth in Section 4. Any director elected to fill a vacancy not resulting from an increase in the number of directors shall have the same remaining term as that of his or her predecessor.

Section 7. REMOVAL. Other than a director appointed by a charter authorizer pursuant to Education Code Section 47604(b), any director may be removed at any time by a majority vote of the Board due to excessive absences from regularly scheduled board meetings or because of unsatisfactory discharge of duties.

Section 8. RESIGNATION OF DIRECTORS. Except as provided below, any director may resign by giving written notice to the Chairperson of the Board, if any, or to the President or the Secretary, or the Board. The resignation shall be effective when the notice is given unless the notice specifies a later time for the resignation to become effective. If a director's resignation is effective at a later time, the Board may nominate and elect a successor to take office as of the date when the resignation becomes effective.

Section 9. DIRECTOR MAY NOT RESIGN IF NO DIRECTOR REMAINS. Except on notice to the California Attorney General, no director may resign if the corporation would be left without a duly elected director.

Section 10. NO VACANCY ON REDUCTION OF NUMBER OF DIRECTORS. Any reduction of the authorized number of directors shall not result in any director being removed before his or her term of office expires.

Section 11. PLACE AND CONDUCT OF BOARD MEETINGS. Board meetings shall be held at the principal office of the Corporation, or at any other place within or without the State of California that has been designated in the notice of the meeting, or if there is no notice, at such place as has been designated from time to time by resolution of the Board. For so long as the Corporation holds a charter for California public charter schools, and to the extent a meeting is related to a charter held by the corporation, meetings of the Board shall be called, held and conducted in accordance with the terms and provisions of the Ralph M. Brown Act (California Government Code Sections 54950, *et seq.*, as the same may be modified from time to time ("Brown Act")).

Section 12. MEETINGS BY TELEPHONE OR OTHER TELECOMMUNICATIONS EQUIPMENT. Subject to the requirements of the California Nonprofit Public Benefit Corporation Law, members of the Board may participate in a meeting through the use of conference telephone or similar communications equipment, so long as all directors participating in such meeting can hear one another. For so long as the Corporation holds a charter for California public charter schools, and to the extent a meeting is related to a charter held by the corporation, such teleconferenced meetings of the Board shall comply with the requirements set forth in Government Code Section 54953. To count toward a quorum, such teleconferenced Board members must timely post the meeting agenda in plain sight to the public at their teleconference location, make the location open to members of the public, and the location must be within the jurisdiction of the charter school. Nothing precludes a Board member at such meeting from otherwise attending by telephone, provided that a quorum of members is participating in the meeting either in person or at a teleconference location that may be counted toward a quorum.

Section 13. ANNUAL AND REGULAR MEETINGS. The Board shall meet annually for the purpose of organization, appointment of officers, and the transaction of such other business as may properly

be brought before the meeting. This meeting shall be held at a time, date, and place as may be specified and noticed by resolution of the Board. Regular meetings of the Board, including annual meetings, shall be held at such times and places as may from time to time be fixed by the Board. Regular meetings of the Board related to a charter held by the corporation will be called, held and conducted in accordance with the Brown Act, and agendas for such meetings will be posted seventy-two hours previous to the meeting.

Section 14. SPECIAL MEETINGS. Special and emergency meetings of the Board for any purpose may be called at any time by the Chairperson of the Board, or the President, or any vice president, or the Secretary, or any two directors. The party calling such special meeting shall determine the place, date and time thereof. Special meetings of the Board may be held only after each director has received twenty-four (24) hours' notice delivered personally or by any other means. Any such notice shall be addressed or delivered to each director at the director's address (or telephone or facsimile number, or electronic mail address, as applicable) as it is shown on the records of the corporation or as may have been given to the corporation by the director for purposes of notice. Notice by mail shall be deemed received at the time a properly addressed written notice is deposited in the United States mail, postage prepaid. Any other written notice shall be deemed received at the time it is personally delivered to the recipient or is delivered to a common carrier for transmission, or is actually transmitted by the person giving the notice by electronic means to the recipient. Oral notice shall be deemed received at the time it is communicated, in person or by telephone or wireless, to the recipient or to a person at the office of the recipient whom the person giving the notice has reason to believe will promptly communicate it to the receiver. Notice will be deemed waived by any Board member who is actually present at the meeting or at or prior to the meeting files a written waiver of notice with the Secretary of the Board. Special meetings of the Board related to a charter held by the corporation will be called, held and conducted in accordance with the Brown Act, and agendas for such special meetings will be posted twenty-four (24) hours prior to the meeting in a location accessible to the public. Emergency meetings of the Board related to a charter held by the corporation will be called, held and conducted in accordance with Government Code section 54956.5.

Section 15. QUORUM. A majority of the authorized number of directors shall constitute a quorum. Every action taken or decision made by a majority of the directors present at a duly held meeting at which a quorum is present shall be an act of the Board, subject to the more stringent provisions of the California Nonprofit Public Benefit Corporation Law, including, without limitation, those provisions relating to (a) approval of contracts or transactions in which a director has a direct or indirect material financial interest, (b) approval of certain transactions between corporations having common directorships, (c) creation of and appointments to committees of the board, and (d) indemnification of directors, except as may be otherwise provided under the Political Reform Act, if applicable. A meeting at which a quorum is initially present may continue to transact business, despite the withdrawal of some directors, if any action taken or decision made is approved by at least a majority of the required quorum for that meeting.

Section 16. ADJOURNMENT. A majority of the directors present, whether or not a quorum is present, may adjourn any meeting to another time and place.

Section 17. CONDUCT OF MEETINGS. Meetings of the Board shall be presided over by the Chairperson, if appointed, or if not, by the President, or, in the absence of each of these persons, by a Chairperson chosen by a majority of the directors present at the meeting. The Secretary shall act as Secretary of all meetings of the Board, provided that, in his or her absence, the presiding officer shall appoint another person to act as Secretary of the meeting.

Section 18. FEES AND COMPENSATION. Directors will serve without compensation for their service. The Board may approve the reimbursement of a director's actual and necessary expenses

incurred when conducting the corporation's business. The corporation may carry liability insurance respecting the conduct of the corporation's business by the directors.

Section 19. STANDARD OF CARE. Pursuant to Section 5231 of the California Nonprofit Public Benefit Corporation Law, a director shall perform the duties of a director, including duties as a member of any committee upon which the director may serve, in good faith, in a manner such director believes to be in the best interests of the Corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. In performing the duties of a director, a director shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by:

- a. One or more officers or employees of the Corporation whom the director believes to be reliable and competent in the matters presented;
- b. Counsel, independent accountants, or other persons as to matters that the director believes to be within such person's professional or expert competence; or
- c. A committee upon which the director does not serve as to matters within its designated authority, which committee the director believes to merit confidence; provided, that in any such case, the director acts in good faith, after reasonable inquiry when the need therefor is indicated by the circumstances, and without knowledge that would cause such reliance to be unwarranted.

Section 20. CREATION OF POWERS OF COMMITTEES. The Board, by resolution adopted by a majority of the directors then in office, may create one or more committees, each consisting of two (2) or more directors, to serve at the pleasure of the board. Committees may be structured so that they report to the President or Chairperson. Appointments to committees of the Board shall be by majority vote of the authorized number of directors. The Board may appoint one or more directors as alternate members of any such committee, who may replace any absent member at any meeting. To the extent required by law, meetings of committees will be called, held and conducted in accordance with the Brown Act. Any committee shall have all the authority of the Board to the extent provided in the Board resolution, except that no committee may:

- (a) Take any final action on any matter that, under the California Nonprofit Public Benefit Corporation Law, also requires approval of a majority of all members of the Board;
- (c) Fill vacancies on the Board or any committee of the Board;
- (d) Fix compensation of the directors for serving on the Board or on any committee;
- (e) Amend or repeal bylaws or adopt new bylaws;
- (f) Amend or repeal any resolution of the Board that by its express terms is not so amendable or subject to repeal; and
- (g) Create any other committees of the Board or appoint the members of committees of the Board.

Section 21. REVOCATION OF DELEGATED AUTHORITY. The Board may, at any time, revoke or modify any or all of the authority so delegated to a committee, increase or decrease but not below two (2) the number of its members, and fill vacancies therein from the members of the Board.

Section 22. NON-LIABILITY OF DIRECTORS. No director shall be personally liable for the debts, liabilities, or other obligations of this corporation.

ARTICLE VII OFFICERS OF THE CORPORATION

Section 1. REQUIRED OFFICERS. The officers of this corporation shall be a President, a Secretary, and a Treasurer/ Chief Financial Officer, each of whom shall be chosen by and hold office at the pleasure of the Board.

Section 2. PERMITTED OFFICERS. The corporation, at the Board's direction, may also have a Chairperson of the board, one or more Vice-Presidents, and such other officers as the business of the corporation may require, each of whom shall hold office for such period, have such authority and perform such duties as the Board at its pleasure may from time to time determine.

Section 3. DUPLICATION OF OFFICE HOLDERS. Any number of offices may be held by the same person, except that neither the Secretary nor the Treasurer/ Chief Financial Officer may serve concurrently as either the President or the Chairperson of the Board.

Section 4. ELECTION OF OFFICERS. The officers of this corporation shall be chosen by the Board and shall serve at the pleasure of the Board, and shall hold their respective offices for a renewable term of two (2) years or until their resignation, removal, or other disqualification from service, until their respective successors are elected and qualified, subject to the rights of an officer, if any, under any employment contract.

Section 5. SUBORDINATE OFFICERS. The Board may appoint and may empower the Chairperson of the Board or the President to appoint such other officers as the business of the corporation may require, each of whom shall hold office for such period, have such authority, and perform such duties as are provided in the bylaws or as the Board may from time to time determine.

Section 6. REMOVAL OF OFFICERS. Subject to the rights, if any, of an officer under any contract of employment, any officer may be removed, with or without cause, by the Board. An officer who was not chosen by the Board may be removed by any other officer on whom the Board confers the power of removal.

Section 7. RESIGNATION OF OFFICERS. Any officer may resign at any time by giving written notice to the chairperson of the Board, Secretary or President. The resignation shall take effect on the date the notice is received or at any later time specified in the notice. Unless otherwise specified in the notice, the resignation need not be accepted to be effective. Any resignation shall be without prejudice to any rights of the corporation under any contract to which the officer is a party.

Section 8. VACANCIES IN OFFICE. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these bylaws for normal appointment to that office, provided, however, that vacancies need not be filled on an annual basis.

Section 9. RESPONSIBILITIES OF OFFICERS.

a. **PRESIDENT.** The President is the chief executive officer of the corporation and has general supervision, direction and control of the business and affairs of the corporation. The President shall supervise, direct, and control the corporation's activities, affairs, and officers as fully described in any applicable employment contract, agreement, or job specification. In the absence of the chairperson of the Board, or if none, the President shall preside at all Board meetings. The President shall have such other powers and duties as the Board or the bylaws may require.

b. **VICE-PRESIDENTS.** In the absence or disability of the President, Vice President (or if more than one (1) Vice President is appointed, in order of their rank as fixed by the Board or if not ranked, the Vice President designated by the Board) shall perform all the duties of the President and when so acting shall have all the powers of, and be subject to all of the restrictions upon, the President. The Vice Presidents shall have such other powers and perform such other duties as the Board may prescribe from time to time.

c. **CHAIRPERSON OF THE BOARD.** If a Chairperson of the Board is elected, he or she shall preside at Board meetings and shall exercise and perform such other powers and duties as the Board may assign from time to time.

d. **SECRETARY.** The Secretary shall keep or cause to be kept, at the principal office of the corporation the State of California, the original or a copy of the corporation's articles of incorporation and bylaws, as amended to date, and a register showing the names of all directors and their respective addresses. The Secretary shall keep the seal of the corporation and shall affix the same on such papers and instruments as may be required in the regular course of business, but failure to affix it shall not affect the validity of any instrument. The Secretary also shall keep or cause to be kept at the principal office, or at such other place as the Board may order, a book of minutes of all meetings of the Board and its committees, with the time and place of holding; whether regular or special; if special how authorized; the notice thereof given; the names of those present and absent; and the proceedings thereof. The Secretary shall give or cause to be given notice of all the meetings of the Board required by these bylaws or by law to be given; shall keep the seal of the corporation in safe custody; shall see that all reports, statements and other documents required by law are properly kept or filed, except to the extent the same are to be kept or filed by the treasurer; and shall have such other powers and perform such other duties as may be prescribed from time to time by the Board.

e. **TREASURER/ CHIEF FINANCIAL OFFICER.** The Treasurer/ Chief Financial Officer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the corporation's properties and transactions. The Treasurer/ Chief Financial Officer shall send or cause to be given to the directors such financial statements and reports as are required to be given by law, by these bylaws, or by the Board. The books of account shall be open to inspection by any Board at all reasonable times. The Treasurer/ Chief Financial Officer shall (i) deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the corporation with such depositories as the Board may designate; (ii) disburse the corporation's funds as the Board may order; (iii) render to the President, chairman of the Board, if any, and the Board, when requested, an account of all transactions as Treasurer/ Chief Financial Officer and of the financial condition of the corporation; and (iv) have such other powers and perform such other duties as the Board, contract, job specification, or the bylaws may require.

ARTICLE VIII
TRANSACTIONS BETWEEN CORPORATION AND DIRECTORS OR OFFICERS

Section 1. **SELF-DEALING TRANSACTIONS.** Pursuant to Section 5233 of the California Nonprofit Public Benefit Corporation Law, the Corporation shall not be a party to a transaction in which one or more of its directors has a material financial interest ("Interested Director") unless:

- a. The Attorney General, or the court in an action in which the Attorney General is an indispensable party, has approved the transaction either before or after it was consummated; or
- b. Prior to entering into the transaction, after full disclosure to the Board of all material facts as to the proposed transaction and Interested Director's interest and investigation and report to the Board as to alternative arrangements for the proposed transaction, if any, the Board in good faith and by a vote of a majority of the directors then in office (without including the vote of the Interested Director)
 1. Resolves and finds that (1) the transaction is in the corporation's best interests and is entered into for the Corporation's own benefit, (2) the transaction is fair and reasonable as to the corporation, and (3) after reasonable investigation under the circumstances as to the alternatives, the corporation could not have obtained a more advantageous arrangement with reasonable efforts under the circumstances, and
 2. approves the entire transaction; or
- c. If it is not reasonably practicable to obtain approval of the Board prior to entering into such transaction, and, prior to entering into said transaction, a committee or person authorized by the Board approves the transaction in a manner consistent with the procedure set forth in subsection b. of this section; and the Board, after determining in good faith that the corporation entered into the transaction for its own benefit and that the transaction was fair and reasonable as to the corporation at the time it was entered into, ratifies the transaction at its next meeting by a vote of the majority of the directors then in office, without counting the vote of the Interested Director. However, the Interested Director may be counted in determining the presence of a quorum at the meeting of the Board which authorizes, approves or ratifies a contract or transaction.

Section 2. **INTERESTED DIRECTOR'S VOTE.** In determining whether the Board validly met to authorize or approve a self-dealing transaction, an Interested Director may be counted to determine the presence of a quorum, but an Interested Director's vote may not be counted toward the required majority for such authorization, approval, or ratification.

Section 3. **PERSONS LIABLE AND EXTENT OF LIABILITY.** If a self-dealing transaction has not been approved as provided in Section 24 of this Article, the interested director(s) may be required to do such things and pay such damages as a court may provide as an equitable and fair remedy to the Corporation, considering any benefit received by it and whether or not the interested director(s) acted in good faith and with the intent to further the best interests of the Corporation.

Section 4. **CONTRACTS OR TRANSACTIONS WITH MUTUAL DIRECTORS.** No contract or other transaction between the corporation and any domestic or foreign corporation, firm, or association of which one or more of the corporation's directors is a director is either void or void-able

because such director is present at the meeting of the Board or committee thereof which authorizes, approves, or ratifies the contract or transaction if:

- a. The material facts as to the transaction and as to such director's other directorship are fully disclosed or known to the Board or committee, and the Board or committee authorizes, approves, or ratifies the contract or transaction in good faith by a vote sufficient without counting the vote of the common director; or
- b. As to contracts or transactions not approved as provided in subsection a. of this Section, the contract or transaction is just and reasonable as to the corporation at the time it is authorized, approved, or ratified.

Notwithstanding the foregoing, this Section shall not apply to self-dealing transactions described in Section 1 of this Article above.

Section 5. CORPORATE LOANS AND ADVANCES. The corporation shall not make any loan of money or property to or guarantee the obligation of any director or officer, except as is expressly allowed under Section 5236 of the California Nonprofit Public Benefit corporation law; provided, however, the corporation may advance money to a director or officer of the corporation for expenses reasonably anticipated to be incurred in the performance of duties of such director or officer, provided that in the absence of such advance, such director or officer would be entitled to be reimbursed for such expenses by the corporation.

Section 6. GENERAL PUBLIC AGENCY PROHIBITIONS GOVERNING CERTAIN TRANSACTIONS. Notwithstanding the foregoing Sections, nothing in this Article VIII shall be construed to authorize any transaction otherwise prohibited by California Government Code Section 81000 et seq., or other applicable laws.

ARTICLE IX INDEMNIFICATION

Section 1. INDEMNIFICATION. To the fullest extent permitted by law, this corporation shall indemnify its directors, officers, employees, and other persons described in Corporations Code section 5238(a), including persons formerly occupying any such positions, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any "proceeding," as that term is used in that section, and including an action by or in the right of the corporation by reason of the fact that the person is or was a person described in that section. "Expenses," as used in this bylaw, shall have the same meaning as in that section of the Corporations Code.

On written request to the Board of Directors by any person seeking indemnification under Corporations Code section 5238(b) or section 5238(c), the Board of Directors shall promptly decide under Corporations Code section 5238(e) whether the applicable standard of conduct set forth in Corporations Code section 5238(b) or section 5238(c) has been met and, if so, the Board of Directors shall authorize indemnification.

Section 2. OTHER INDEMNIFICATION. No provision made by this corporation to indemnify its directors or officers for the defense of any proceeding, whether contained in the articles of incorporation, bylaws, a resolution of members or directors, an agreement, or otherwise, shall be valid unless consistent with this Article. Nothing contained in this Article shall affect any right to

indemnification to which: (i) persons other than such directors and officers may be entitled by contract or under the provisions of the California Tort Claims Act; or (ii) such directors may be entitled under the provisions of the California Tort Claims Act; or (iii) either may otherwise be entitled.

ARTICLE X INSURANCE

This corporation shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its officers, directors, employees, and other agents, to cover any liability asserted against or incurred by any officer, director, employee, or agent in such capacity or arising from the officer's, director's, employee's, or agent's status as such.

ARTICLE XI MAINTENANCE OF CORPORATE RECORDS

This corporation shall keep:

- (a) Adequate and correct books and records of account;
- (b) Written minutes of the proceedings of its members, board, and committees of the board; and
- (c) Such reports and records as required by law.

ARTICLE XII INSPECTION RIGHTS

Section 1. **DIRECTORS' RIGHT TO INSPECT.** Every director shall have the right at any reasonable time to inspect the corporation's books, records, documents of every kind, physical properties, and the records of each subsidiary as permitted by California and federal law. The inspection may be made in person or by the director's agent or attorney. The right of inspection includes the right to copy and make extracts of documents as permitted by California and federal law. This right to inspect may be circumscribed in instances where the right to inspect conflicts with California or federal law (e.g., restrictions on the release of educational records under FERPA) pertaining to access to books, records, and documents.

ARTICLE XIII REQUIRED REPORTS

The Board shall cause an annual report to be sent to the Board. That report shall contain the following information, in reasonable detail:

- (a) The assets and liabilities, including the trust funds, or the corporation as of the end of the preceding fiscal year;
- (b) The principal changes in assets and liabilities, including trust funds, during the preceding fiscal year;

- (c) The corporation's revenue or receipts, both unrestricted and restricted to particular purposes, for the preceding fiscal year;
- (d) The corporation's expenses or disbursement for both general and restricted purposes during the preceding fiscal year;
- (e) Any information required by Section 6322 of the California Nonprofit Public Benefit Corporation Law, with respect to the preceding fiscal year.

The report required by this Article shall be accompanied by an independent accountant's report or if none, the certificate of an authorized officer of the corporation that such statements were prepared without audit from the corporation's books and records.

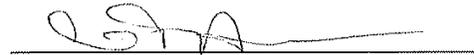
**ARTICLE XIV
AMENDMENT OF BYLAWS**

The Board may adopt, amend, or repeal bylaws unless doing so would be a prohibited amendment under the California Corporations Code. Any amendment to these bylaws will require a majority vote of the authorized number of directors.

CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting secretary of Thrive Public Schools, a California nonprofit public benefit corporation; that these bylaws, consisting of 12 pages, are the bylaws of this corporation as adopted by the Board of Directors on June 8, 2013.

Executed at San Diego, California.



Printed Name Dr. Nicole Tempel Assisi
Title: Secretary

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**THRIVE PUBLIC SCHOOLS
CONFLICT-OF-INTEREST CODE**

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict-of-interest codes. The Fair Political Practices Commission has adopted a regulation (2 California Code of Regulations §18730) that contains the terms of a standard conflict-of-interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. A copy of the current language of this regulation is attached hereto as Exhibit 1. This regulation and the attached Appendices, designating positions and establishing disclosure categories, shall constitute the conflict-of-interest code for Thrive Public Schools. ("Corporation"). This Code shall take effect when approved by the Corporation's code-reviewing body.

Individuals holding designated positions shall file statements of economic interests with the Secretary of the Corporation, which will make the statements available for public inspection and reproduction. (Government Code § 81008). Upon receipt of the statements of the members of the Board of Directors, the Secretary shall make and retain copies and forward the originals of these statements to the Corporation's code-reviewing body. Statements for all other designated employees shall be retained by the Secretary.

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APPENDIX A
DESIGNATED POSITIONS

<u>Designated Positions</u>	<u>Disclosure Category</u>
President/ Executive Director	1, 2
Chief Financial Officer/ Business Manager	1, 2
Members of the Board of Directors	1, 2
Legal Counsel	1, 2
Principal	3
Consultants/New positions	*

*Consultants/New Positions shall be included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code, subject to the following limitation:

The Chairperson of the Board of Directors, President/ Executive Director or their designee may determine in writing that a particular consultant/new position, although a “designated position,” is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements in this section. Such written determination shall include a description of the consultant’s/new position’s duties and, based upon that description, a statement of the extent of disclosure requirements. The Chairperson of the Board of Directors, President/ Executive Director or their designee’s determination is a public record and shall be retained for public inspection in the same manner and location as this conflict-of-interest code. (Government Code § 81008)

An individual holding one of the above listed positions or who is unsure of any right or obligation arising under this Code may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by Government Code Section § 87200.

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APPENDIX B
DISCLOSURE CATEGORIES

Category 1

Designated positions assigned to this category must report:

- a. Interests in real property which are located in whole or in part within two (2) miles of any facility utilized by a charter school operated by the Corporation, including any leasehold, beneficial or ownership interest or option to acquire such interest in real property.
- b. Investments and business positions in business entities or income (including gifts, loans, and travel payments) from sources which engage in the acquisition or disposal of real property or are engaged in building construction or design.

Category 2

Designated positions assigned to this category must report:

- a. Investments and business positions in business entities or income (including gifts, loans, and travel payments) from sources which are contractors engaged in the performance of work or services or sources which manufacture, sale, repair, rental or distribution of school supplies, books, materials, school furnishings or equipment of the type to be utilized by the Corporation's charter schools.

Category 3

Designated positions assigned to this category must report:

- a. Investments and business positions in business entities or income (including gifts, loans, and travel payments) from sources which are contractors engaged in the performance of work or services or sources with manufacture, sale, repair, rental or distribution of school supplies, books, materials, school furnishings or equipment of the type to be utilized by the designated position's department.

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EXHIBIT 1

Current Language of California Code of Regulations, Title 2, Section 18730

Thrive Public School Articles of Incorporation,
Bylaws, and Conflict of Interest Code

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APPROVED AND ADOPTED this February 23, 2015.

AYES: Davis, Elder, Flanagan, Heyman
NOES: NONE
ABSENT: Boyce
ABSTAIN: NONE



Chairperson, Board of Directors
Thrive Public Schools

ATTEST:



Secretary, Board of Directors
Thrive Public Schools