

**By-Laws
of
The Village School of North Bennington, Incorporated**

ARTICLE I - GENERAL

Section 1. NAME: The name of the Corporation is The Village School of North Bennington, Incorporated. (hereinafter the "Corporation," or the "School").

Section 2. PLACE OF BUSINESS: The principal office and place of business of the Corporation shall be in North Bennington in the County of Bennington and the State of Vermont.

Section 3. FISCAL YEAR: The fiscal year of the Corporation shall begin on July 1 and end on June 30 of the succeeding year.

ARTICLE II - PURPOSE AND OBJECTIVES

The Corporation will be established as a Vermont public benefit non-profit corporation. The Corporation is constituted for the purpose of maintaining and operating a secular, independent, Pre- K through 6th grade school, which will serve qualified students from the Village of North Bennington and Shaftsbury ID 1. Additionally, students from other area towns may be admitted pursuant to the school's admission policy. The School complies with the nondiscrimination requirements of Chapter 139 of Title 9, Vermont Statutes Annotated.

ARTICLE III-AUTHORITY AND GOVERNMENT

The Corporation shall be under the authority and governed by the Board of Trustees (the "Board"). The Board shall have the sole power to appoint and remove the Head of School and shall also have the power to retain professional services and make administrative appointments, as it deems appropriate. The Board of Trustees shall have final approval over the School budget.

ARTICLE IV-BOARD OF TRUSTEES

The Board shall consist of not fewer than five (5) nor more than fifteen (15) members. The Board should be diverse in skills, experience and talents, and they must share a common commitment to enhancing the quality and financial strength of the School and to fostering a superior education for its students. The Board shall support and encourage the School's teaching, administrative and other staff, and the School's parents' organization.

It is the expressed goal of the Corporation, to have a majority of the Board be full or part-time residents of either North Bennington or Shaftsbury ID 1; however, qualified candidates from other communities are likely to be recruited and may serve. At all times the Board will have one

member from or affiliated with the Village of North Bennington and one member from or affiliated with Shaftsbury ID.

Each member of the Board shall serve a three-year term. A Trustee may be elected for a second consecutive term; however, at the end of two full terms of office, the Trustee shall retire from the Board for a minimum of one year before being reelected to the Board. A member who serves out the unexpired term of a member, for two years or less, shall be eligible to serve two full terms at the conclusion of such unexpired term. Former Trustees may be appointed to any Board committee in an advisory, non-voting capacity.

All members of the Board shall be elected by the Board at its annual meeting, by ballot, by a plurality vote of the members voting with a quorum present. Members of the Board may also be elected at any time during the year, by ballot, by a plurality of the voting members, with a quorum present. Trustees not elected at the annual meeting shall serve until the third annual meeting following the Trustee's election. Employees of the Corporation other than the Head of School are ineligible to serve on the Board.

A Trustee shall avoid conflicts of interest whether personal or business related, except as may be allowed under this Section. "Conflict of Interest" does not include any interest that (i) is no greater than that of other persons generally affected by the outcome of the matter, or (ii) has been disclosed to the Board and found not to be significant or not to be material.

A Trustee shall maintain a separation between the interest of the School and the specific needs of any other person or organization. A Trustee shall not seek privileged treatment by using his/her status as a Trustee for personal or professional advancement or advantage. Without limiting the generality of the preceding sentence, this prohibition shall apply to Trustees who are the parent or family member of a student at the School. Full disclosure of any conflict of interest shall be made to the Board Chair and the Head of School.

Business related conflict of interest. A business related conflict of interest is one in which a Trustee has a direct or indirect interest in a transaction involving the School. An indirect interest is one involving an entity, such as a partnership or corporation, in which the Trustee has a material interest. Notwithstanding, a transaction involving a conflict of interest may be approved at a Board meeting as follows:

1. The Trustee makes full and fair disclosure to the Board of the material facts of the transaction and the Trustee's interest.
2. A majority of the Trustees attending the meeting, who have no direct or indirect interest in the transaction, conclude that the transaction is fair to the School.

When immediate Board action is essential to the best interests and wellbeing of the School and it is not practical to convene a special Board meeting, the Board Chair, acting with the affirmative vote of any two other Board officers, acting as the Executive Committee of the Board as

provided in Article VII, Section 2 of these Bylaws, may take such action as deemed necessary. A report of any such action shall be made to the Board at its next meeting.

The Board of Trustees shall have the power to remove a Trustee and declare that seat vacant, with or without cause, by a two-thirds majority vote at a Board meeting where the notice of the meeting specifically describes the proposed removal.

ARTICLE V-MEETINGS

All meetings held under these Bylaws shall be conducted pursuant to the most recent edition of Robert's Rules of Order, except as otherwise set forth in these Bylaws.

Meetings of the Board shall be held at the School or at such other place as may be designated by the Board,

The annual meeting of the Board shall be held during the month of June. The purpose of the annual meeting shall be to elect Board Trustees and Officers and for the transaction of other business as may come before the meeting. Failure to hold the annual meeting at the designated time shall not result in a forfeiture or dissolution of the Corporation.

Regular meetings of the Board shall be held at least six (6) times a year. The Board shall adopt a schedule of meetings for the ensuing year at the first meeting of the new fiscal year.

Special meetings may be called at any time by any officer or upon written request of any three Trustees. The call for special meetings shall contain a statement of the purpose for which such meeting is to be held.

Notice of annual and special meetings shall be provided electronically to each Trustee at the address provided by such Trustee to the Board, at least five days prior to such meeting; the time and place of, and agenda for such meeting shall be stated in the notice.

Notice of the date, time, place and/or purpose of any meeting of the Board may be waived upon the written consent of all members of the Board, whether or not they are present at the meeting, or they signed the consent before, at or after the meeting.

Every member of the Board shall be entitled to cast one vote in person at any meeting of the Board. Proxy voting shall not be allowed. Action taken by the Board, may be taken without a meeting if the action is positively voted electronically, and unanimously by all members of the Board. Each action must be evidenced by one or more written consents describing the action taken, signed by each Trustee, and included in the minutes filed with the corporate records reflecting the action taken. Action taken under this section is effective when the last Trustee signs the consent, unless the consent specifies a different effective date. A consent signed under this section has the effect of a meeting vote and may be described as such in any document.

Except where these Bylaws require otherwise, a majority of the Trustees then in office shall be a quorum to act on all matters, and a majority of those present shall be sufficient to carry any vote.

Any or all Trustees may participate in a meeting by means of a conference telephone call or other means of communication including email by which all Trustees participating in the meeting may simultaneously hear each other during the meeting. A Trustee participating in a meeting by this means is deemed to be present in person at the meeting.

A Trustee who is present at a meeting of the Board at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his or her dissent is entered in the minutes of the meeting or unless the Trustee files a written dissent with the Secretary or acting Secretary before the adjournment of the meeting. Such right to a dissent shall not apply to a Trustee who voted in favor of the corresponding action.

ARTICLE VI-OFFICERS

Officers of the Board shall be the Chair, Vice Chair, Secretary, and Treasurer, and such other officers as the Board may from time to time determine proper.

The officers of the Board shall be elected from among the members of the Board by a majority vote of the Board at the annual meeting. Each officer shall hold office for a term of one year or until his or her successor is duly elected and has qualified or until the Trustee's death, resignation or removal in accordance with these Bylaws. Officers may be elected for a number of consecutive terms. Vacancies occurring during a term of office may be filled for the unexpired term at any meeting of the Board upon a vote duly taken for that purpose.

The Chair shall be the President of the Corporation. The Chair shall preside at all meetings of the Board and Executive Committee at which he or she is present. The Chair shall, with the approval of the Board, sign with the proper officers of the Corporation all contracts, securities and other obligations of the Corporation in the name of the Corporation. The Chair shall do and perform such other duties as may from time to time be assigned to the Chair by the Board and shall be the person to whom the Head of School reports. The Chair shall be an ex-officio member of all committees. The Chair may appoint special committees for particular purposes of limited duration, subject to the review and confirmation by the Board, and name chairs for such committees. The Chair, or his/her designee, shall, at the request of the Head of School and or the Board of Trustees as a whole or in Executive Committee, act as the Chief Executive Officer of the School (Superintendent) for the purpose of accomplishing such tasks or meeting such responsibilities as the Board or Executive Committee feel necessary and proper. These tasks and/or responsibilities may include, but will not be limited to acting as the Hearing Officer in cases of long-term suspension and serving as temporary or interim Head of School among others. At such times as the Chair or his/her designee serves as Chief Executive Officer (Superintendent) all pertinent Federal and State laws governing such actions will be in effect. All laws governing confidentiality such as Family Educational Rights and Privacy Act and other rules will also be in effect.

The Vice Chair shall be the Vice President of the Corporation. The Vice Chair shall act in the absence of the Chair or upon delegation of the Chair's duties as prescribed by the Chair. The Vice Chair shall perform such other duties as the Board shall from time to time designate.

The Secretary shall be the Secretary of the Corporation. The Secretary shall keep accurate minutes of all meetings of the Board. The Secretary shall attend to the giving and service of all notices for the Corporation. The Secretary shall attest the signatures of the proper officers to all contracts, securities and other obligations of the Corporation in the name of the Corporation and shall affix the seal of the Corporation thereto. The Secretary shall perform all duties assigned to the office of the secretary, subject to the control of the Board, and such other duties as may from time to time be required by the Board or the Chair.

The Treasurer shall be the Treasurer of the Corporation. The Treasurer shall have the custody of the funds and securities of the Corporation. The Treasurer, on behalf of the Board, shall work with and receive reports from the School's bookkeeper in formulating and overseeing the budget. The Treasurer also shall work with the bookkeeper in managing and overseeing the disbursement of funds of the Corporation and in the management and overseeing the assets of the School. The Treasurer shall also prepare or cause to be prepared and shall present to the Board at the annual meeting or upon request of the Board a complete financial report, including a full account of all transactions. On a quarterly basis the Treasurer shall prepare or cause to be prepared and shall present to the Board a summary financial report.

ARTICLE VII-COMMITTEES

The Chair of the Board shall appoint the members, Chairs and administrative support required for each Board standing committee established in Section 3 of this Article VII and any special or ad hoc Committees of the Board, subject to Board confirmation. All members of the Board shall serve on at least one committee. The Chair of the Board shall be an ex-officio member of all committees. Non-Board members may serve on Committees in an advisory, nonvoting capacity.

The following standing committees of the Board are established:

A. EXECUTIVE COMMITTEE: The Board may delegate certain of their powers, rights or privileges to an Executive Committee or other committees of the Board for the purpose of carrying on the business of the Corporation. The Executive Committee of The Village School of North Bennington Board of Trustees shall be responsible for leadership of the Board and management of Board responsibilities and actions. *The Executive Committee shall be comprised of the Chair of the Board, Vice-Chair, Secretary, Treasurer; The VSNB Head of School will be an ex-officio member of the Executive Committee. The Executive Committee shall have authority to act for the Board in the intervals between Board meetings, under the conditions described in Article IV, Section 6 of these Bylaws, and consistent with Chapter 8 of Title 1113, Vermont Statutes Annotated.

*(The Executive Committee shall be comprised of the Chair of the Board, Vice-Chair, Secretary, Treasurer, the VSNB Head of School will be ex-officio member of the Executive Committee.)

B. GOVERNANCE COMMITTEE: The Committee shall be responsible for the recruitment, nomination and orientation of Trustees, the annual evaluation and contract/compensation negotiation with the Head of School, the evaluation of the Board of Trustees, oversight of the bylaws and long-range planning. The Committee may serve as a sounding board for the Head regarding personnel and governance issues, relationships with public bodies, public relations issues, etc. The Committee shall confer annually with the Head as to his or her professional development plan, conduct an annual evaluation of the Head, and report on the same to the Board. The Committee shall, prior to the Annual Meeting, solicit a list of suggested officers from the members of the Board. The Committee shall ascertain which of those members are willing to serve for the office suggested, and present the list to the Annual Meeting for the consideration of the Board. The proposals shall be presented in writing to all Trustees at least five (5) days prior to the Annual Meeting, and nothing contained herein shall be construed to prohibit nominations from the floor of said meeting.

C. DEVELOPMENT COMMITTEE: The committee shall be responsible for overseeing fundraising, including the annual giving campaign, planned giving and any capital campaigns as well as marketing and public relations.

D. FINANCE COMMITTEE: The committee shall review and recommend action by the Board on all financial reports or estimates of the School's resources and expenditures, required by law or otherwise, and shall work with the Head of School recommending tuition levels, preparing the annual budget and overseeing its execution, and overseeing and reviewing the annual audit. The Committee shall be responsible for managing the endowment fund and, in consultation with the Board, establishing and complying with an investment policy.

The Board Chair may replace any committee member who has left the Board, subject to Board ratification.

ARTICLE VIII-HEAD OF SCHOOL

The Head of School shall be the chief administrative officer of the School and shall carry out the policies established by the Board.

The Head of School shall be a member of the Board of Trustees. The Head of School must be present at all meetings of the Board of Trustees.

The Head of School shall have authority over the conduct and operation of the School. The Head of School shall be appointed by the Board, who may enter into a contract of employment with the Head of School for a period of years at such salary and on such conditions as may be agreed upon. The Head of School shall maintain executive authority, general supervision, management, and control of the business and activities of the School, subject to the oversight of the Board Chair, and to the authority of the Board, including the power of removal vested in the Board and

to such budgetary restrictions as the Board may from time to time impose. The Head of School shall also perform such other duties as the Board shall from time to time designate.

ARTICLE IX-AMENDMENTS

These Bylaws may be amended or replaced by a vote of a two-thirds majority of the total membership of the Board, provided that the notice of the meeting contains a clear and accurate description of the purpose of the proposed amendment(s).

ARTICLE X-CONTRACTS AND LOANS

The Board may authorize any officer or officers, or agent or agents, to enter into any contract or execute and deliver any instrument including but not limited to, warranty deeds, mortgage deeds, and promissory notes, in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances. The Corporation may not buy, sell, mortgage, encumber or transfer any real property without the approval of two-thirds of the Trustees present and voting at a meeting duly called and noticed for that purpose.

No loans shall be contracted on behalf of the Corporation 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.

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

All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board may select. All such deposits shall be covered by sufficient collateral arrangements with the depository institution.

ARTICLE XI-DISSOLUTION

The Corporation is an educational corporation not operated for profit and not to be operated for profit. It is organized exclusively for educational purposes, and its property is to be used exclusively for carrying out such purpose. No Officer, Trustee or employee of this Corporation shall receive or may be lawfully entitled to receive any pecuniary profit from the operations of the Corporation, except reasonable compensation for services in effecting its purposes.

In the event of the dissolution of the Corporation all remaining assets shall be faithfully and exclusively used for the purposes set forth in the Articles of Association of the Corporation

ARTICLE XII-INDEMNIFICATION

To the extent permitted by, and in accordance with the requirements of, Chapter 8 of Title I I B, every person who is or shall be or shall have been a Trustee or Officer and his or her personal representative shall be indemnified by the Corporation against all costs and expenses reasonably incurred or imposed upon him or her in connection with or resulting from any action, suit, or proceeding to which he or she may be a party by reason of his or her being or having been a Trustee or Officer, except in relation to such matters as to which he or she shall finally be adjudicated in such action, suit, or proceeding to have acted in bad faith and to have been liable by reason of willful misconduct or willful negligence in the performance of his or her duty as Trustee or Officer. Costs and expenses of proceedings for which this Article provides indemnification shall include among other things, reasonable costs incurred in connection with the proceeding, including reasonable attorney's fees, and the obligation to pay a judgment or settlement.

Duly adopted as of _____

Confirmed

Secretary