

BY LAWS  
OF  
BISHOP GARCIA DIEGO HIGH SCHOOL, INC.

ARTICLE 1

NAME, PURPOSE, PRINCIPAL OFFICE

- 1.1 Name and Purpose. The name of this Corporation is Bishop Garcia Diego High School, Inc. This Corporation is referred to in these Bylaws as “Corporation.” The purposes for which this Corporation is formed shall be as provided from time to time in its Articles of Incorporation, as amended from time to time (“Articles of Incorporation”).
- 1.2 Principal Office. The principal office for the transaction of the business of this Corporation shall be at 4000 La Colina Road, Santa Barbara, California, or a location determined from time to time by the Chairperson of the Board of Trustees.
- 1.3 Mission. Bishop Garcia Diego High School, Inc., is a Roman Catholic co-educational school that welcomes students of all faiths and provides them with the spiritual, personal and intellectual knowledge to meet the enduring challenge of realizing their God-given potential in a multi-cultural society. Unless otherwise determined by the Board of Trustees pursuant to Article 4.6 of these Bylaws, the school shall operate as a secondary school serving grades 9-12.
- 1.4 Philosophy. Bishop Garcia Diego High School, Inc., is a Roman Catholic co-educational school serving the families of the greater Santa Barbara area. The administration and staff, in partnership with the parents as primary educators and the faculty as facilitators of learning, strive to foster the spiritual, intellectual, emotional, social, physical and cultural development of the students in accordance with the Roman Catholic tradition as directed by the Ordinary of the Archdiocese of Los Angeles.
- 1.5 General Purpose. This Corporation is a nonprofit religious corporation and is not organized for the private gain of any person. This Corporation is organized exclusively for religious purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and Section 23701 of the California Revenue and Taxation Code.
- 1.6 Specific Purpose. This Corporation has been formed for the specific purpose of operating a Roman Catholic co-educational school in the tradition of Roman

Catholic education, in perpetuity within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended.

- 1.7 Permitted Powers. The Corporation shall have all the corporate powers currently permitted in Section 5140 of the California Corporation Code, as further specified and limited in the Articles of Incorporation and Bylaws of the Corporation.
- 1.8. Activities Not Permitted Generally. Notwithstanding any other provisions in the Articles of Incorporation and Bylaws of the Corporation to the contrary, the Corporation shall not carry on any activities not permitted to be carried on by a corporation exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and Section 23701(d) of the California Revenue and Taxation Code.
- 1.9 Specific Prohibitions. In carrying out its activities, the Corporation will observe the following specific prohibitions:
  - (a) 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 in or intervene in (including the publication or distribution of statements) any political campaign on behalf of any candidate for public office.
  - (b) This Corporation is not organized, nor shall it be operated for the pecuniary gain or profits, or dividends thereof, for any private shareholder or individual.
  - (c) The property, assets, profits and net income of this Corporation shall not inure to the benefit of any director, trustee, officer, shareholder or member, or to the benefit of any private person, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered.
  - (d) This Corporation must act at all times (or, as appropriate, refrain from acting) such that the Corporation and any Corporation managers or other disqualified persons (as defined by the Internal Revenue Code of 1986, as amended) with respect to the Corporation shall not be liable for any of the taxes imposed by Sections 4941, 4942, 4943, 4944 and 4945 of the Internal Revenue Code of 1986, as amended, and corresponding provisions of the California Revenue and Taxation Code, as amended, or corresponding sections of any future Federal or California tax statutes.

## ARTICLE 2

### MEMBERSHIP

- 2.1 Non-Member Entity. This Corporation shall have no members. Any action which would otherwise require approval by a majority of all members or approval by the members shall require only approval of the Board of Trustees. All rights which would otherwise vest in the members shall vest in the Trustees.
- 2.2 Associates. Nothing in this Article 2 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 for legal purposes, and no such reference shall constitute anyone a member within the meaning of current Section 5056 of the California Corporations Code. The Corporation may confer by amendment of its Articles of Incorporation or of these Bylaws some or all of the rights of a member, as set forth in the California Corporation Code, upon any person or persons who do not have the right to vote for the election of directors or on a disposition of substantially all of the assets of the Corporation or on a merger or on a dissolution or on changes to the Corporation’s Articles of Incorporation or Bylaws, but no such person shall be a member within the meaning of said Section 5056.

## ARTICLE 3

### BOARD OF TRUSTEES

- 3.1 Powers. Subject to the provisions of the California Nonprofit Corporation Law, and any limitations contained in the Articles of Incorporation and the Bylaws of the Corporation, the activities and affairs of this Corporation shall be conducted and all Corporation powers shall be exercised by or under the direction of its Board of Trustees, which shall constitute its Board of Directors. These powers include but are not limited to the hiring and terminating the Principal and, if applicable, the President of the Corporation.
- 3.2 Number. The Board of Trustees shall consist of not less than thirteen (13) or more than twenty-one (21) Trustees. In collaboration with the Regional Bishop/Episcopal Vicar, the Archdiocesan Leadership Team will appoint one of the three Archdiocesan representatives at-large and the Regional Bishop/Episcopal Vicar will appoint two representatives.
- (a) Any person currently being compensated by the Corporation for services rendered to it within the previous twelve (12) months, whether as a full- or part-time employee, independent contractor or otherwise, excluding any reasonable compensation paid to a member of the Board of Trustees as a Trustee; and

- (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 such person.

3.3 Membership.

Subject to the provisions of Article 3.2, the Board of Trustees shall consist of individuals who represent the constituent communities of the school and of the Santa Barbara community and shall include a balance of men and women who are parents, graduates of the school and community representatives, each of whom has a commitment to the mission of the school and the resources to contribute strategic insights, stewardship and educational perspectives to the proceedings of the Board of Trustees. The Head of the School shall be a non-voting ex-officio member of the Board of Trustees at all times.

3.4 Term of Trustees. Trustees shall be elected and serve for the following terms (“Term” or “Terms”):

- (a) Staggering. In order to provide for continuity of the Board of Trustees, the length of the Term shall be staggered. The initial Trustees shall be designated to serve for a Term of one (1), two (2) or three (3) years, as determined by the Board of Trustees.
- (b) Subsequent Boards. Any Trustee returning to the Board of Trustees after serving for a Term pursuant to paragraph (a) above shall hold office for a Term of three (3) years or until his or her successor has been appointed.
- (c) Board Continuity. Notwithstanding the restrictions in paragraph (b), the Board of Trustees may, at its discretion, lengthen or shorten the Term of any member of the Board of Trustees by a period not to exceed one (1) year, provided such adjustment is deemed necessary to preserve continuity of the Board of Trustees or to better establish the staggering of Terms.
- (d) Limitation on Consecutive Terms. Except as specifically provided herein, no individual may serve as a Trustee for more than two (2) consecutive Terms. For example, if an individual’s first Term as a Trustee is a period of two (2) years, it is possible for such individual to then serve as a Trustee for an additional Term, which will be for a period of three (3) years. When such three (3) year Term expires, such individual may not be reappointed to serve an additional consecutive Term as a Trustee. Notwithstanding anything to the contrary contained in this paragraph (d), the limitation on the number of consecutive Terms for which an individual may serve as a Trustee shall not apply to any Trustee who is the designee of the Ordinary of the Archdiocese of Los Angeles.

- 3.5 Chairperson and Vice Chairperson of Board of Trustees. The Board of Trustees shall elect, at its Annual Meeting, a Chairperson and a Vice Chairperson of the Board of Trustees of the Corporation, neither of whom shall be employed by the school or acting in any other official capacity for the school while they serve as the Chairperson or Vice Chairperson of the Board. The Chairperson of the Board of Trustees shall preside over all meetings of the Board of Trustees and shall have such other powers as the Board of Trustees may delegate from time to time. The Chairperson may exercise a tie-breaking vote. In the absence of the Chairperson or in the event of his or her inability or refusal to act, the Vice Chairperson shall perform the duties of the Chairperson, and when so acting, shall have all the powers of and be subject to all the restrictions upon the Chairperson. The Vice Chairperson also shall perform such other duties as from time to time may be assigned to him or her by the Chairperson or by the Board of Trustees.
- 3.6 Vacancies. Any vacancy occurring on the Board of Trustees may be filled by the affirmative vote of a majority of the remaining Trustees though less than a quorum of the Board of Trustees. A Trustee elected to fill a vacancy shall be elected for the unexpired portion of the Term of his or her predecessor in office.
- 3.7 Removal. Any Trustee who is absent from three consecutive meetings without an explanation satisfactory to the Chairperson of the Board shall be automatically removed and the vacancy shall be filled at or before the next annual meeting.
- 3.8 Compensation. Trustees shall receive no compensation for services as a Trustee, but may be reimbursed for any expenses of attendance of meetings of the Board of Trustees or of any committees thereof. This Section shall not be construed to preclude any Trustee from serving this Corporation in any other capacity and receiving compensation for such services.
- 3.9 Conflict of Interest. No Trustee shall knowingly participate, either directly or indirectly, in any vote wherein the Trustee, or any person intimately connected to him or her, directly or indirectly derives a material advantage, financial or otherwise. Such Trustee may not be counted in order to qualify a quorum. Such Trustee must fully declare the conflict of interest. Such disclosure shall include any relevant and material facts known to such person about the contract or transaction which might reasonably be construed to be adverse to this Corporation's interest. The Minutes of the meeting shall reflect the disclosure made, the vote thereon and, where applicable, the abstention from voting and participation, and whether a quorum was present. For the purpose of this paragraph, a person shall be deemed to have an interest in a contract or other transaction if he or she is the party (or one of the parties, or a spouse or family member of one of the parties) contracting or dealing with this Corporation, or is a Trustee, partner or officer of, or has a significant financial or influential interest in, the entity contracting or dealing with this Corporation.

- 3.10 Powers. The business affairs of the Corporation shall be managed by its Board of Trustees which may exercise all such powers of the Corporation and do all such lawful acts and things, including all such acts and things which are by statute directed or required to be exercised or done by the Corporation.
- 3.11 Books of the Corporation. The Board of Trustees may keep the books of the Corporation, except such as are required by law to be kept within the state, outside the State of California, or at such place or places as it may from time to time determine.
- 3.12 The Board of Trustees shall annually review and approve or modify the budget presented to the Board by the Budget Committee. The school budget should be approved at a regular meeting of the Board, sufficiently in advance of the beginning of the fiscal year, so that adjustments can be made.

#### ARTICLE 4

##### MEETINGS OF BOARD OF TRUSTEES

- 4.1 Annual Meeting. The Annual Meeting of the Board of Trustees shall be held in the month of May or June at such time and place as the Chairperson of the Board of Trustees may determine. The Chairperson of the Board of Trustees shall cause written notice of the date, time and place of the Annual Meeting to be distributed to all Trustees at least fourteen (14) days prior to the meeting by first class or electronic mail. The Board of Trustees, at its Annual Meeting, shall nominate and elect individuals to serve as Trustees, as contemplated by Article 4.3.
- 4.2 Regular Meetings. In addition to the Annual Meeting, the Board of Trustees shall hold at least three (3) meetings a year at such times and places as the Chairperson of the Board of Trustees determines. A schedule of all regular meetings for the next year shall be distributed by mail or electronic mail within thirty (30) days of the Annual Meeting. An agenda for each meeting shall be distributed to the Trustees at least ten (10) days prior to the meeting.
- 4.3 Special Meetings. Special meetings of the Board of Trustees for any purpose whatsoever may be called at any time by three (3) Trustees, or by the Chairperson of the Board of Trustees. Notice of any special meeting of the Board of Trustees shall be sufficient if mailed by first class mail four (4) days prior to the meeting or delivered personally or by telephone or electronic mail, confirmed by telephone, no less than forty-eight (48) hours prior to the meeting. The notice for each Special Meeting shall include the agenda for the Special Meeting and only the matters on the agenda shall be considered at such Special Meeting.

- 4.4 Attendance. Any Trustee who fails to attend at least seventy percent (70%) of the meetings held during a calendar year shall have his or her Term end on December 31 of that year. The Board of Trustees may waive the provisions of this paragraph 4.4 for good cause.
- 4.5 Quorum. A majority of the Board of Trustees then serving shall constitute a quorum for the transaction of business at any meeting of the Board of Trustees.
- 4.6 Voting. The affirmative vote of two-thirds (2/3) of the entire Board of Trustees is necessary for action on any of the following:
- Any matter involving the change in the mission of the school.
  - Any borrowing in excess of Twenty-Five Thousand Dollars (\$25,000)
  - Any naming of a building or facility.
  - Any major construction project at the school in excess of 10% of the current operating budget.
  - Any sale, distribution or transfer of all or substantially all of the assets of the school.
  - The determination to extend the grade levels of the school beyond grades 9 to 12.
- 4.7 Action Without Meeting by Written Consent. Any action required or permitted to be taken by the Board of Trustees may be taken without a meeting, if all Trustees shall individually consent in writing to such action. The written consent shall be filed with the Minutes of the proceedings of the Board of Trustees. Action by written consent shall have the same force and effect as the unanimous vote of the Board of Trustees.
- 4.8 Waiver of Notice. Notice of a meeting need not be given to any Trustees who sign a waiver of notice or a written consent to holding the meeting or an approval of the Minutes thereof, whether before or after the meeting, or who attend the meeting without protesting, prior thereto or at its commencement, the lack of notice to such Trustees. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the Minutes of the meetings.
- 4.9 Telephonic Meetings. Trustees may participate in a meeting through use of a conference telephone or similar communications equipment, so long as all Trustees participating in such meeting can hear one another. Participation in a meeting pursuant to this paragraph constitutes presence in person at such meeting, and meetings so held shall constitute the valid action of the Board of Trustees, provided that the other requirements of this Article 4 of the Bylaws are met with respect to such meeting.
- 4.10 Executive Session. The Board of Trustees may designate a part of any meeting as an Executive Session of the Board of Trustees. Ex-officio members of the Board of Trustees shall participate in an Executive Session only at the specific request of the

person chairing the Session. The Minutes of the proceedings shall be prepared by a member designated by the Chairperson if the Secretary is not participating in the Session.

## ARTICLE 5

### OFFICERS

- 5.1 Officers. The officers of this Corporation shall be the Chairperson, a Vice Chairperson, a Secretary and a Treasurer, and such other officers as the Board of Trustees may from time to time establish. Any number of offices may be held by the same person except the offices of Chairperson and Secretary.
- 5.2 Appointment and Term of Office. The Board of Trustees shall elect for a one (1) year Term at its Annual Meeting the officers of the Corporation. Officers shall serve at the pleasure of the Board of Trustees and shall not be elected members of the Board of Trustees.
- 5.3 Removal. Any officer may be removed by the Board of Trustees whenever in its judgment the best interests of the Corporation will be served thereby, provided, however, removal from a corporate office shall be without prejudice to the contract rights, if any, of the person so removed.
- 5.4 Vacancies. A vacancy in any office, because of death, resignation, removal, disqualification, or any other reason, may be filled by the Board of Trustees for the unexpired portion of the Term.
- 5.5 Chief Executive Officer. The Chairperson of the Board of the Corporation shall, subject to the control of the Board of Trustees, have general supervision, direction and control of the business and the officers of the Corporation. The Chairperson shall have the general powers and duties of management usually vested in the office of a president of a corporation, and shall have such other powers and duties as may be prescribed by the Board of Trustees or these Bylaws.
- 5.6 Treasurer. Except as otherwise determined by the Board of Trustees, the Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the Corporation, including accounts of its assets, liabilities, receipts, disbursements, gains and losses. The books of account shall at all reasonable times be open to inspection by Trustees, such inspection to be coordinated by the Chairperson of the Board of Trustees.
- 5.7 Secretary. The Secretary shall keep, or cause to be kept, at the principal office of the Corporation or such other place as the Board of Trustees may direct, a Book

of Minutes of all meetings and actions of the Board of Trustees, and Committees of the Board of Trustees. The Minutes shall show the time and place of each meeting, whether regular or special (and, if special, how authorized and the notice given), and the names of those present at the Board of Trustees' meetings or committee meetings. The Secretary shall give or cause to be given notice of all meetings of the Board of Trustees required to be given by law or by these Bylaws. He or she shall have such other powers and perform such other duties as may be prescribed by the Board of Trustees or by these Bylaws. The Chairperson may appoint a recording secretary to transcribe the Minutes of meetings of the Board of Trustees, provided that the Secretary thereafter verifies the accuracy of such Minutes.

- 5.8 Compensation. Officers of the Corporation shall serve without compensation.

## ARTICLE 6

### COMMITTEES

- 6.1 Committees of the Board of Trustees. There shall be a standing Audit Committee of the Board, consisting of at least five (5) Trustees, on the Committee to be a Trustee of the Archdiocese. The Treasurer and Vice Chairperson of the Board shall be members of the Committee. The Board of Trustees may, by resolution adopted by a majority of the Board of Trustees, designate one or more other committees ("Committee(s)") to serve at the pleasure of the Board of Trustees. Committees of the Board of Trustees shall have such authority as is given them in the authorizing resolution or these Bylaws. Minutes shall be kept of each meeting of each Committee. Only Trustees shall be members of the Executive Committee but all other Committees shall be encouraged to include parents, school faculty and staff, and prospective Trustees as members of all other Committees.
- 6.2 Appointment. The Chairperson and members of any Committee shall be nominated and appointed by the Chairperson of the Board of Trustees.
- 6.3 Term of Office. The chairperson and each member of a Committee shall serve until the next annual organizational meeting of the Board of Trustees and until his or her successor is appointed, or until such Committee is sooner terminated, or until he or she is removed, resigns or otherwise ceases to qualify as a chairperson or member (as the case may be) of the Committee.
- 6.4 Vacancies. Vacancies on any Committee may be filled for the unexpired portion of the term by the Chairperson of the Board of Trustees.
- 6.5 Removal of Members. The Board of Trustees may remove at any time, with or without cause, a member or members of any Committee.

6.6 Quorum. A majority of the members of a Committee shall constitute a quorum, and any transaction of a Committee shall require a majority vote of the members present at a meeting at which a quorum is present. Except as otherwise provided in these Bylaws, each member of a Committee, including the person presiding at the meeting, shall be entitled to one vote.

## ARTICLE 7

### EXECUTIVE COMMITTEE

With the approval of the Board of Trustees, the Chairperson of the Board of Trustees is authorized to appoint an Executive Committee with its members not to exceed a majority of the Board of Trustees. Such Committee shall be authorized to act at any time the Board of Trustees is not meeting and shall have the same authority as the Board of Trustees relating to the management of the business and affairs of the Corporation except as specifically limited by the Bylaws or by prior action of the Board of Trustees. The actions of the Executive Committee shall be presented to the Board of Trustees at its next meeting. A quorum shall consist of a majority of the Directors of the Executive Committee. Pursuant to current Section 512 of the California Nonprofit Corporation Law, the Executive Committee shall not have the power or authority to authorize or do any of the following:

- (i) Approve any action for which the California Nonprofit Corporation Law requires the approval of the Corporation;
- (ii) Fill vacancies on the Board of Trustees or in any Committee which has the authority of the Board of Trustees;
- (iii) Fix compensation of the Directors for serving on the Board of Trustees or on any Committee;
- (iv) Amend or repeal Bylaws or adoption of new Bylaws;
- (v) Amend or repeal any resolution of the Board of Trustees which by its express Terms is not so amendable or repealable;
- (vi) Appoint Committees of the Board of Trustees or the members thereof;
- (vii) Spend corporate funds to support a nominee for Director after there are more people nominated for Director than can be elected; or

- (viii) Approve any self-dealing transaction, except as may be otherwise permitted by these Bylaws or by the Articles of Incorporation.

## ARTICLE 8

### ADVISORY BOARDS

The Board of Trustees may, by resolution adopted by a majority of the Trustees, designate one or more advisory boards to serve at the pleasure of the Board of Trustees (hereinafter referred to as "Advisory Boards"). Members of Advisory Boards may be members of the Board of Trustees, officers of this Corporation, or other persons appointed by the Board of Trustees. Advisory Boards shall have such authority as is given them in the authorizing resolution.

## ARTICLE 9

### RECORDS AND REPORTS

- 9.1 Maintenance of Articles of Incorporation and Bylaws. This Corporation shall keep at its principal office a copy of its Articles of Incorporation and these Bylaws, as amended to date, and the other corporate records listed in paragraphs 5.7 above and 9.2 below.
- 9.2 Maintenance of Other Corporate Records. This Corporation shall maintain the Minutes of proceedings of the Board of Trustees and Committees, a record of the name and address of the officers and directors, and correct and adequate records of accounts and finances. Corporate records shall be kept in written or typed form or in any other form capable of being converted into written, typed or printed form.
- 9.3 Annual Report. This Corporation shall provide to the Board of Trustees within ninety (90) days after the close of its fiscal year, a report which will include, but not be limited to, the following information in reasonable detail:
  - (a) The assets and liabilities, including the trust funds, of this Corporation as of the end of the fiscal year.
  - (b) The principal changes in assets and liabilities, including trust funds, during the fiscal year.
  - (c) The revenue or receipts of this Corporation, both unrestricted and restricted to particular purposes, for the fiscal year.

- (d) The expenses or disbursements of this Corporation, for both general and restricted purposes, during the fiscal year.
  - (e) Any information required by the California Nonprofit Corporation Law relating to insiders and to indemnification.
- 9.4 Auditor's Report. The financial statement of this Corporation shall be audited or reviewed annually by a firm of independent public accountants selected by the Board of Trustees. The auditors shall report to the Board of Trustees and their scope of work and engagement shall be in compliance with the State and Federal rules related to auditors performing such activities for Federal and State tax-exempt entities and entities organized under the Nonprofit Corporation Law, to the extent the same are applicable to the Corporation
- 9.5 Confidentiality. Except as otherwise publicly disclosed, or in order to appropriately conduct this Corporation's business, the records and reports of this Corporation shall be held in confidence by those persons with access to them.

## ARTICLE 10

### INDEMNIFICATION

- 10.1 Indemnification. Each Trustee, both in his or her capacity as a member of the Board of Trustees and as a member of any Committee, and each officer of this Corporation, who is or who was made or threatened to be made a party to, or is otherwise involved in, any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, legislative or investigative, shall be indemnified by this Corporation to the fullest extent permitted by applicable law as the same exists or may hereafter be in effect, against judgments, fines, amounts paid or to be paid in settlement, penalties, costs, charges and expenses, including attorneys' fees, incurred in connection with such action or proceeding or any appeal thereof. The right to indemnification conferred in this Article shall include the right to be paid the expenses incurred in connection with any such proceeding in advance of the final disposition thereof as authorized by the Board of Trustees consistent to the fullest extent permitted by applicable law.
- 10.2 Annual Statement of Certain Transactions and Indemnifications. Pursuant to current Section 6322 of the California Nonprofit Corporation Law, the Board of Trustees shall cause an annual statement of certain transactions and indemnifications to be prepared not later than one hundred twenty (120) days after the close of the fiscal year of the Corporation. If the Corporation issues an annual report, this requirement shall be satisfied by including the required information as set forth below in said annual report. Said annual statement shall describe:

- (a) The amount of and circumstances of any indemnification or advance aggregating more than Ten Thousand Dollars (\$10,000.00) paid during the fiscal year of the Corporation to any officer or director of the Corporation, provided that no such report need be made in the case of the indemnification approved by the Board of Trustees; and
- (b) Any “covered transaction” (defined below) during the previous fiscal year of the Corporation (1) involving more than Forty Thousand Dollars (\$40,000.00) or (2) which was one of a number of “covered transactions” in which the same “interested person” (defined below) had a direct or indirect material financial interest, and which transactions in the aggregate involved more than Forty Thousand Dollars (\$40,000.00). The statement shall describe the name of any “interested person” involved in such covered transactions, including such “interested person’s” interest in the transaction and where practicable, the amount of such interest; provided that in the case of a transaction with a partnership of which the interested person is a partner, only the interest of the partnership need be stated. For the purposes of this paragraph, a “covered transaction” is a transaction in which the Corporation, or its parent or subsidiary, was a party, and which either of the following had a direct or indirect material financial interest:
  - (i) Any director or officer of the Corporation, or of its parent or subsidiary; or
  - (ii) Any holder of more than ten percent (10%) of the voting power of the Corporation, or of its parent or subsidiary.

For purposes of this Section 10.2, any person described in either subparagraph (i) or (ii) above is an “interested person.”

## ARTICLE 11

### AMENDMENTS

- 11.1 Powers of Directors. By the action of the Board of Trustees, except that the Bylaws affecting the following may be adopted, amended or repealed only by the affirmative vote of a majority of the Board at a duly held meeting of the Board of Trustees at which a quorum is present:
- (i) A Bylaw fixing or changing the number of directors;
  - (ii) A Bylaw increasing the Terms of directors; and
  - (iii) A Bylaw repealing, restricting, creating or expanding proxy rights.

- 11.2 Effective Date of Bylaws. These Bylaws shall become effective immediately upon their adoption. Amendments to these Bylaws shall become effective immediately upon their adoption unless the Board of Trustees is adopting them as hereinafter provided that they are to become effective at a later date.

## ARTICLE 12

### EXEMPT ACTIVITIES

Notwithstanding any other provision of these Bylaws, no director, officer, employee, representative or agent of this Corporation shall take any action or carry on any activity by or on behalf of this Corporation not permitted to be taken or carried on by an organization exempt under Section 501(c)(3) of the Internal Revenue Code and the regulations adopted thereunder or by any organization contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code and the Regulations adopted thereunder.

## ARTICLE 13

### MISCELLANEOUS

- 13.1 Checks, Drafts, Etc. All checks, drafts or other orders for payment of money, notes or other evidence of indebtedness issued in the name of or payable to this Corporation shall be signed or endorsed by such person or persons and in such manner as from time to time shall be determined by resolution of the Board of Trustees.
- 13.2 Deposits. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in a licensed/insured bank, trust company or other depository as the Board of Trustees may select.
- 13.3 Gifts. The Board of Trustees may accept on behalf of the Corporation any contribution, gift, bequest or devise for the charitable or public purpose of this Corporation.
- 13.4 Contracts, Etc., How Executed. The Board of Trustees, except as these Bylaws or Articles of Incorporation otherwise provide, may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of this Corporation, and such authority may be general or confined to specific instances; and, unless so authorized by the Board of Trustees, no officer, agent or employee shall have any power or authority to bind this

Corporation by any contract or agreement or to pledge its credit to render it liable for any purpose or to any amount.

- 13.5 Construction and Definitions. Unless the context otherwise requires, the general provisions, rules of construction and definitions contained in the General Provisions of the California Nonprofit Religious Corporation Law shall govern the construction of these Bylaws.
- 13.6 Waiver of Notice. Whenever any notice is required to be given under the provisions of law or under the provisions of the Articles of Incorporation or the Bylaws of the Corporation, 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.
- 13.7.1 Fiscal Year of the Corporation. The fiscal year of the Corporation shall begin on the first day of July and end on the last day of June in each year.

CERTIFICATE OF SECRETARY

I certify that I am the duly-elected and acting Secretary of Bishop Garcia Diego High School, Inc., a California Nonprofit Religious Corporation, that the above Bylaws consisting of fifteen (15) pages are the Bylaws of this Corporation as adopted by the Board of Trustees on \_\_\_\_\_, and that they have not been amended or modified since that date.

Executed on \_\_\_\_\_, at \_\_\_\_\_,  
California.

\_\_\_\_\_