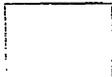
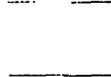


State of Delaware - Division of Corporations
DOCUMENT FILING SHEET - Fax# 302/739-3812

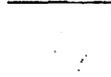
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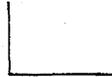
Priority 1
(One hr)



Priority 2
(Two Hr.)



Priority 3
(Same Day)



Priority 4
(24 Hour)



Priority 7
(Reg. Work)

SUBMITTER'S INFORMATION

Company/Firm or Individual's Name First State Military Academy

Return Address 3 Shinnecock Road

City - State - Zip Dover, DE 19904

Attention: C. Scott Kidner

Phone# 302-734-4486 Fax# 302-734-1190

E-mail address csk@kidner.com

Account Number 9203439 CMD

DO NOT WRITE IN THIS SPACE

SEP 13 09 11 49

DOCUMENT FILING REQUEST INFORMATION

Name of Company/Entity First State Military Academy

File Number _____ Reservation Number 4955900

Type of Document Certificate of Incorporation for Exempt Corporation

Check if document is:
 Changing Name _____ Changing Registered Agent _____ Changing Stock _____

OTHER DOCUMENT FILING INFORMATION

of Certified Copies returned _____

Other requests _____

Check # 247 Total \$ enclosed \$116.00

METHOD OF RETURN

____ Messenger/Pick up Select Express Type

____ Express Service Delivery

____ Acct# _____

Regular Mail

Other _____

Fax or e-mail is not available.

CREDIT CARD INFORMATION Discover
 (Visa, MasterCard or Discover Card Only)

_____-_____-_____-

Expiration Date - ____/____/____ Sec. Code _____

COMMENTS/FILING INSTRUCTIONS

INSTRUCTIONS

1. Visit corp.delaware.gov/evmemo.shtml for complete instructions on how to properly complete this memo.
2. Fully shade in the required Priority Square using a dark pencil or marker, staying within the square.
3. Each request must be submitted as a separate item, with its own Filing Sheet as the FIRST PAGE.



State of Delaware

SECRETARY OF STATE
DIVISION OF CORPORATIONS
P.O. BOX 898
DOVER, DELAWARE 19903

110318959

9203439
C. SCOTT KIDNER
3 SHINNECOCK ROAD
DOVER

DE 19904

06-03-2011

ATTN: C SCOTT KIDNER

DESCRIPTION	AMOUNT
FIRST STATE MILITARY ACADEMY	
4955900 0102 Incorp Delaware Non-Stock	
Incorporation Fee	15.00
Receiving/Indexing	25.00
Data Entry Fee	5.00
Court Municipality Fee, Dover	20.00
Surcharge Assessment-Kent County	6.00
Page Assessment-Kent County	45.00
FILING TOTAL	116.00
TOTAL PAYMENTS	116.00
SERVICE REQUEST BALANCE	.00

CERTIFICATE OF INCORPORATION
OF
FIRST STATE MILITARY ACADEMY

The First State Military Academy, a Corporation organized and existing under the laws of the State of Delaware, hereby certifies as follows:

ARTICLE I

The name of this Corporation is the First State Military Academy.

ARTICLE II

The registered office of the Corporation in the State of Delaware is to be located at 3 Shinnecock Road, Dover, Delaware 19904 and the registered agent at such address shall be C. Scott Kidner.

ARTICLE III

This Corporation is organized exclusively for religious, charitable, scientific, or educational purposes within the meaning of Section 501(c) (3) of the Internal Revenue Code of 1986, as amended (the "Code"), or in the corresponding provision of any subsequent law.

This Corporation shall be a not for profit Corporation operating a Charter School as permitted under 14 Del. C. §5000 et. seq.

ARTICLE IV

In furtherance of its exempt purposes and not in limitation of those general powers conferred on Corporations by the laws of the State of Delaware, it is hereby expressly provided that this Corporation shall also have the power and right to preserve, purchase, acquire, take, or hold in fee or otherwise the title to any and every kind of property (real, personal, or mixed), wherever situated, that may be either purchased by this Corporation or granted, bequeathed, or devised to it for the exempt purposes within the meaning of Section 501(c)(3) of the Code, or the corresponding provision of any subsequent law, for which it is incorporated, without any limitation to the value of such property (either real, personal, or mixed) so acquired; and this Corporation further shall have the power and right, if for an exempt purpose within the meaning of Section 501(c)(3) of the Code, or the corresponding provision of any subsequent law, to grant, bargain, deal in, sell, lease, mortgage, exchange, transfer, subject to a lien, or in any other manner whatever dispose of property (real, personal, or mixed) or of any interest in property (real, personal, or mixed) within or without the State of Delaware, of which it may become seized and possessed; and this Corporation shall further have the power and the right, if for an

exempt purpose within the meaning of Section 501(c)(3) of the Code, or the corresponding provision of any subsequent law, to enter into, make, and perform contracts of every kind and description and do any or all of the things herein set forth as fully and to the same extent as natural persons might or could do; and the Corporation further has the power and right, if for an exempt purpose within the meaning of Section 501(c)(3) of the Code, or the corresponding provision of any subsequent law, to carry on any business in connection therewith that is not forbidden by the laws of the State of Delaware.

ARTICLE V

This Corporation shall not issue capital stock, shall not be organized for profit, and no part of the net earnings, if any, of this Corporation shall inure to the benefit of any member of the Board of Directors, officer, or any other private individual, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and reimburse reasonable expenses incurred on its behalf and to make payments and distributions in furtherance of the purposes set forth in Article Three.

This Corporation shall engage in no activity which, under the Code or the laws of Delaware, as now existing and as amended in the future, will either (1) deprive it of tax-exempt status, or (2) prevent those who contribute to the Corporation from obtaining tax deductions for said contributions.

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

ARTICLE VI

The business and affairs of this Corporation shall be governed and managed by the Board of Directors in such manner as the Bylaws of the Corporation shall provide.

ARTICLE VII

The Corporation shall have perpetual existence.

ARTICLE VIII

In the event of the dissolution of the Corporation, all assets remaining after all debts and obligations of the Corporation have been discharged shall be distributed by the Corporation to another nonprofit Corporation whose primary purpose is education or other charitable purpose.

ARTICLE IX

The private property of the incorporator, members, members of the Board of Directors, and officers of this Corporation shall not be subject to the payment of any corporate debts or any assessments whatsoever.

ARTICLE X

In the event that the Internal Revenue Service determines that the Corporation is a private foundation under the Code, the following provisions shall apply while the Corporation is such a private foundation:

- (1) The Corporation shall distribute its income for each taxable year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Code, or the corresponding provision of any subsequent law.
- (2) The Corporation shall not engage in any act of self-dealing as defined in Section 4941 of the Code, or the corresponding provision of any subsequent law.
- (3) The Corporation shall not retain any excess business holdings as defined in Section 4943 of the Code, or the corresponding provision of any subsequent law.
- (4) The Corporation shall not make any investments in such manner as to subject it to tax under Section 4944 of the Code, or the corresponding provision of any subsequent law.
- (5) The Corporation shall not make any taxable expenditure as defined in Section 4945 of the Code, or the corresponding provision of any subsequent law.

ARTICLE XI

The Corporation shall, to the extent legally permissible, indemnify each person who may serve or who has served at any time as an officer, director, agent, or employee of the Corporation against all expenses and liabilities including but not limited to counsel fees, judgments, fines, excise taxes, penalties and settlement payments that were reasonably incurred by or imposed upon such person in connection with any threatened, pending or completed action, suit or proceeding in which he or she may become involved by reason of his or her service in such capacity; provided that no indemnification shall be provided for any such person with respect to any matter as to which he or she shall have been finally adjudicated in any proceeding not to have acted in good faith in the reasonable belief that such action was in the best interests of the Corporation, and further provided that any compromise or settlement payment shall be approved by a majority vote of a quorum of directors who are not at that time parties to the proceeding. Notwithstanding the above, there shall be no indemnification for: (i) any breach of the director's duty of loyalty to the Corporation or its members; (ii) acts or omission not in good faith or which involve misconduct or a knowing violation of law; or (iii) any transaction from which the director derived any improper personal benefit. If the Delaware General Corporation Law is hereafter amended to authorize corporate action further eliminating or limiting the personal

liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the Delaware General Corporation Law, as so amended.

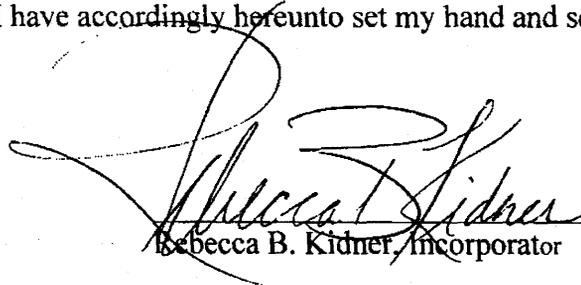
ARTICLE XII

The Corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation in the manner now or hereafter prescribed by law and all rights conferred on officers, directors, and members herein are granted subject to this reservation.

ARTICLE XIII

The name and mailing address of the incorporator is Rebecca B. Kidner, 9 E. Loockerman St., Suite 309, Dover, Delaware 19901.

IN WITNESS WHEREOF, I, the undersigned, for the purpose of forming a Corporation under the laws of the State of Delaware, do make, file, and record this Certificate, and do certify that the facts herein stated are true, and I have accordingly hereunto set my hand and seal this 17th day of March, 2011.

 (SEAL)
Rebecca B. Kidner, Incorporator

Article I

Title

Section 1. Name. The name of the corporation shall be First State Military Academy, hereinafter referred to as the "Corporation."

Article II

Purpose

Section 1. Purpose. The purpose for which the Corporation is established is as stated in its Certificate of Incorporation, to wit:

The Corporation is organized and shall be operated exclusively for educational purposes. No part of its earnings shall inure to the benefit of any member or officer. Charter schools, as public schools, cannot participate in 501c3h.

Section 2. Mission Statement. The Mission of the First State Military Academy is to provide an educational experience that focuses on developing the intellectual, physical and emotional growth of our Cadets. Through an environment of academic rigor, military discipline, citizenship, leadership and the application of strong moral values, Graduates will develop respect for themselves, those on whom they depend, and those that depend on them, ensuring successful entry into adult life.

Section 3. Business. The business of the Corporation is restricted to the operation of charter schools, including, without limitation, the charter school to be named First State Military Academy and known collectively as the "School". The Corporation will conduct before school programs, after school programs, and educationally related programs related to the School that are offered outside the traditional school year. I would not include this – by-laws can be amended at a later date if this would become necessary.

Section 4. Non-Discrimination. The Corporation shall not discriminate on the basis of race, religion, national origin, gender or age in either the hiring or other employment practices of the school or in its admission policies for students. Further, the corporation shall be open to all students in Delaware (unless you are seeking a preference based on location, which means you would have to identify site) on a space available basis and shall not discriminate in its admission policies or practices. The Corporation shall conduct all of its activities in accordance with all applicable local, state, and federal anti-discrimination laws, as well as in accordance with all other laws and regulations applicable to the operation of charter public schools in the State of Delaware.

Article III

Offices

Section 1. Registered Office. The registered office of the corporation shall be 9 East Lookerman Street, Suite # 309, Dover, Kent County, Delaware 19901, and the registered agent at such address shall be C. Scott Kidner. The corporation shall have and continuously maintain its principal office in Kent County, Delaware.

Section 2. Other Offices. The Corporation may also have office or offices at any other place or places that its business may require.

**Article IV
Members**

Section 1. Non-membership corporation. The Corporation shall have no members. The Directors shall have all powers and duties for the conduct of the activities of the Corporation.

**Article V
Board of Directors**

Section 1. Founding Board; Operating Board; Number. Prior to the School's First Instructional Day, as such term is defined in Chapter 5 of Title 14 of the Delaware Code and the regulations promulgated there under (the "First Instructional Day"), or such earlier time as the Board may decide in its sole discretion, the Board shall be designated the "Founding Board" and shall consist of no more than thirteen (13) members; however, the Founding Board shall be an odd number. Upon the School's First Instructional Day, or such earlier time as the Founding Board may decide in its sole discretion, the Founding Board shall create the Operating Board of the School. At the time of its creation, the Operating Board shall consist of no less than seven (7) and no more than eleven (11) members; however, the Operating Board shall be an odd number. The number of Directors constituting the Board at any time may be reduced or increased upon the majority vote of the Directors.

Section 2. Qualifications.

A) Persons should possess talents and abilities necessary to govern a charter school and consistent with the mission of the Corporation and who, at the discretion of the Board of Directors, will serve the long term interests of the school faithfully and effectively.

B) The board shall maintain a parent representative and teacher representative at all times. The first parent and teacher representatives will be appointed by the school superintendent, vetted by the board nominating committee, and appointed to the board for one year service prior to the first instructional day of school. Prior to the operating board's first annual meeting, a teacher representative will be nominated by the faculty and approved by the board for a two year term at the annual meeting. Prior to the operating board's first annual meeting, a parent representative will be nominated for a two year term by a committee comprised of the president of the parent-teacher organization, the school superintendent, a faculty member, and the chairman of the nominating committee. At that time, full governing board will approve those appointments.

Section 3. Voting Rights. Except as otherwise provided in section 2, paragraph B, each director shall have one vote.

Section 4. Liability. No director shall be personally liable for the debts, liabilities, or obligations of the Corporation.

Section 5. Term(s). The Founding Board of Directors. The Operating Board of Directors. The Founding Board of Directors of the Corporation shall be selected by the Incorporator pursuant to a written action. At the first meeting of the Directors, their terms shall be one (1) year, each expiring upon a Director's resignation or the election of his or her successor at the first annual meeting of the Board following his or her election. Founding Board of Director members may serve successive terms with a majority vote of

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the Board, such that no terms shall exceed six (6) years. At the first annual meeting of the Board, half of the current Directors, as determined by the Chairman, with the concurrence of that Director, shall run for two (2) year terms. At the second annual meeting of the Board, the current remaining members of the Board, shall run for two (2) year terms. All Directors shall then serve two (2) years henceforth, again such that no Director, including Officers of the Board, will serve more than six (6) years.

Upon the institution of the Operating Board of Directors, which institution must take place prior to the First Instructional Day, the Board shall consist of no less than seven (7) and no more than eleven (11) members. Each member shall serve one (1) year terms, each expiring upon resignation or the election of his or her successor at the first annual meeting of the Members following his or her election. At the first annual meeting of the Board, six (6) members shall run for two (2) year terms, including one Teacher Director and one Parent Director, expiring at the resignation or the election of his or her successor at the third annual meeting of the Board. At the second annual meeting of the Operating Board the remaining Directors shall run for two (2) year terms, expiring at their resignation and or election of his or her successor at the fourth annual meeting of the Board following his or her election. However, no Directors including Officers shall serve more than six (6) total years on the Board.

Section 6. Vacancies. Any vacancies created by the removal or resignation of any Director shall be filled by election of those currently serving Board Members. The Directors may, in their discretion, fill any vacancy created by the removal or resignation of a member by an affirmative vote of three-quarters of the Directors then serving; provided, however, that any vacancy that leaves the Board with no Parent Directors must be filled by a parent or legal guardian of a student enrolled in the School, and any vacancy that leaves the Board with no Teacher Directors must be filled by a certified teacher employed as a teacher at the School.

Section 7. Removal.

The Board of Directors may remove a Director at any time by a three quarters (3/4) vote of the remaining Board without cause as provided by the Delaware General Corporation Law (DGCL). Further, the Board may remove any Board member by a simple majority vote of the remaining Board who:

- A) has failed to attend more than 2 of the regular Board meetings in any calendar year without excuse.
- B) has been convicted of a felony.
- C) has been found by final order or judgment of any court to have breached any duty imposed by the DGCL.
- D) has failed to meet the required standards as outlined in the Powers and Duties section of these By-laws.
- E) for such other causes as the Board of Directors may determine. Voting to remove a Board member may occur at any regular meeting or a special meeting called for that purpose and that Board member being considered for removal shall be given at least two weeks notice of such meeting and proposed action and shall be given the opportunity to address the Board regarding such action prior to any vote on such removal. Upon final action, said Board member shall be notified in writing.

Section 8. Compensation. Board members shall serve without compensation. However, the Board of Directors may approve reimbursement of a Board member's actual and necessary out-of-pocket

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expenses while a Board member is conducting approved Board business. Directors must present receipts for all such expenses, which shall be for the Director only, and shall be itemized and documented. Such expenses must be approved by a motion of the Board prior to the expenditure being incurred or, if not possible, within two months (or at the next regularly scheduled Board meeting if more than two months elapse between Board meetings) after such expenditure is incurred.

Section 9. Resignations. Any Director may resign from a committee of the Board, an office of the board, or the Board itself by giving written notice to the Chair or the Secretary. Any such resignation shall take effect on the date of receipt of such notice or at any later time therein specified, and, unless otherwise specified, the acceptance of such resignation shall not be necessary to make it effective.

Section 10. Fiduciary Duties. Directors of the Corporation shall stand in fiduciary relation to the Corporation and shall perform his or her duties as a director, including his or her duties as an officer or a member of any committee of the Board upon which he or she may serve, in good faith, in a manner he or she reasonably believes to be in the best interest of the Corporation, and with such care, including reasonable inquiry, skill, and diligence as a person of ordinary prudence would use under similar circumstances. A director of the Corporation shall have no personal liability to the Corporation or its members for monetary damages for breach of fiduciary duty as a director, provided that this provision shall not eliminate the liability of a director (i) for any breach of the director's duty of loyalty to the Corporation or its members, (ii) for acts or omissions not in good faith or involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the Delaware General Corporation Law, or (iv) for any transaction from which the director derived an improper personal benefit.

Section 11. Duties. Board Members shall have the following duties:

- A) To set a vision, mission, and annual goals that align Board work with the school and assess annually and realign as needed.
- B) To ensure that the conditions exist under which excellent teaching and student performance will take place and align the organization by harnessing the system's resources to the achievement of the system's standards and priorities.
- C) To require outstanding student performance based on clearly delineated standards and to work with the Superintendent to raise student achievement and to also involve the community in the attainment of that goal.
- D) Continually envision the community's educational future and formulate the goals, define the outcomes, and set the course for the school's success, reviewing and realigning as necessary.
- E) The Board demands the continuous assessment and reporting to the Board of all conditions affecting education and ensures that the corporation's Superintendent is accountable for results in student learning.
- F) Directors are required to attend a minimum of one of the corporation's school sponsored events annually and are strongly encouraged to make every effort to attend all of the major functions in order to be an informed Member of the Board and able to represent the corporation in the community.

G) To help the corporation increase its presence and connection in the community it is required that Members invite at least one (1) community leader to visit the campus to observe or take part in a school sponsored event that is in conjunction with the Superintendent's activities and the goals of the school's outreach.

Article VI

Powers and Functions of Directors

Section 1. Powers. Subject to limitations imposed by law, the Certificate of Incorporation, or these Bylaws, all corporate powers shall be exercised by or under the authority of the Board of Directors (the "Board"). The Board has the power to manage the property of the corporation and the business of the Corporation, as described in Article II, Section 3, of these bylaws. The Directors shall have no voting rights, other than as provided by the General Corporation Law of the State of Delaware and the provisions of these Bylaws.

Without limiting the foregoing, the Board shall conduct the business of the Corporation, including:

- A) Adopting the Bylaws of the Corporation, subject to the consent of a majority of the Directors;
- B) Determining the general policies and strategic planning of the Corporation;
- C) Establishing the annual budget and approving major expenditures;
- D) Selecting projects and approving the overall budget of said projects;
- E) Approving the administrative budget of the Corporation;
- F) Approving the annual reports of the Corporation;
- G) Approving the annual financial statements of the Corporation; and
- H) Electing officers and filling vacancies in said offices as may occur from time to time during the year.
- I) Selecting and approving the senior administrative officer of the Corporation (Head of School/Chief Executive Officer/Superintendent.)

Article VII

Meetings of the Board

Section 1. Compliance with the Provisions of the Freedom of Information Act. The Board shall conduct its meetings as if it were a "public body" as defined in 29 Del. C. § 10002(a) and according to the requirements of Chapter 100 of said title 29 (the "Act"). In addition to the published notices required by the Act, notices of each meeting of the Board shall be forwarded to its members by any method which preserves proof of such notices.

Section 2. Meetings. An annual meeting of the Board shall be held once a year, on such date and time as notified by the Secretary and according to the Bylaws of the Corporation. The schedule of regular meetings for the coming year, which schedule shall contain at least 6 meetings in addition to the annual meeting, will be established at the annual meeting of the Board. Special meetings of the Board may be held at the call of any three Directors, for any purpose or purposes. Such request shall be given to the Chair and state the purpose or purposes of the proposed meeting.

Section 3. Notice. A notice of any annual or special meeting, setting forth the time, date, and place of the meeting, shall be given by the Secretary in person, by mail, by telephone, by facsimile, or by electronic mail not less than seven (7) days in advance of the meeting to each director at the address last

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shown on the records of the Corporation. Unless otherwise indicated in the notice thereof, any and all business may be transacted at any annual or special meeting.

Section 4. Quorum. A quorum for the transaction of business at any meeting of the Board shall consist of the majority of the voting directors then serving, except as may otherwise be required by law. An act of the majority of Directors present and voting at a duly called meeting shall be the act of the Board, except as may otherwise be provided elsewhere by these Bylaws.

Section 5. Meeting Attendance. Directors are expected to attend all Board meetings. It shall be the duty of the Secretary of the Board to communicate with any Director after such Director's two (2) unexcused, consecutive absences to ascertain the Director's interest in retaining Board membership. Failure to provide an adequate response may qualify as sufficient cause for removal from the Board of Directors.

Section 7. Reliance. A member of the Board, or of any committee or office thereof, shall in the performance of his or her duties, be fully protected in relying in good faith upon the records of the Corporation and upon such information, opinions, reports, or statements presented to the Corporation by any of its officers, employees, or committees of the Board, or by any other person as to matters the member reasonably believes are within such other person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Corporation.

Section 8. Corporate Compensation Voting. Only Directors of the Board who are not employees of the Corporation or related to employees of the Corporation may vote on matters related to the compensation of employees of the Corporation, or concerning any personnel matter relating to employees of the Corporation. Directors who are employees of the Corporation, the Superintendent, and other employees of the Corporation may not attend those portions of the Board Meeting on matters related to the compensation of employees of the Corporation or any personnel matter relating to employees of the Corporation, without the approval of the Board Chair.

Article VIII
Committees of the Board

Section 1. Establishment by Board. The Board may appoint, or may provide for the appointment of, committees consisting of Directors with such duties and powers as the Board may, from time to time, designate and prescribe. In the absence or disqualification of any member of any committee and any alternate member in his or her place, the Board may appoint another director to act at the meeting in the place of any such absent or disqualified member. The Board may, from time to time, suspend, alter, continue, or terminate any of such committees or the powers and functions thereof.

Section 2. Action. Unless otherwise provided in the resolution of the Board designating a committee, a majority of the members of the whole committee shall constitute a quorum unless the committee shall consist of one or two members, in which case one member shall constitute a quorum. All matters properly brought before the committee shall be determined by a majority vote of the members present.

Section 3. Action Without Formal Meeting. Any action that may be taken by a committee at a meeting may be taken without a meeting if all members thereof consent thereto in writing, and such writing is filed with the minutes of the proceedings of such committee; provided, however, that no such action without a meeting may be taken if such action were to be regarded as the sort of action that may only be taken at a public meeting as required by the Act.

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Section 4. Procedures. Each committee may determine the procedural rules for meeting and conducting its business and shall act in accordance therewith, except as otherwise provided by law. Adequate provision shall be made for notice to all members of any committee of all meetings of that committee.

Section 5. The Executive Committee. This Committee shall not have any power or authority with respect to Board actions specifically set forth in the Certificate of Incorporation. Subject to the foregoing, and subject to the Delaware General Corporation Law (DGCL), the Executive Committee shall exercise all other powers of the Board between the meetings of the Board, except the power to fill vacancies in its own membership, which vacancies shall be filled by the Board.

Section 6. Executive Committee Members. The members of the Executive Committee shall be the Chair of the Board, the Vice Chair of the Board, the Treasurer, and Secretary. The Executive Committee has the responsibility of meeting with the Standing Committee chairs at least every six months to oversee the Standing Committees' direction, focus, and progress.

Section 7. Standing Committees. The responsibilities of the Standing Committees may include, but shall not be limited to the following:

A) Strategic Planning and Development. This Committee is commissioned by and responsible to the Board to assume the primary responsibility for raising non-grant funds for the corporation. Further, this Committee shall develop a strategic plan for the corporation, communicate said plan and be responsible for measuring achievement and implementation of that plan. The Board, in consultation with the Strategic Planning and Development Committee, the Finance and Compensation Committee, and the Superintendent of the Corporation, will determine the fundraising goal for the Strategic Planning and Development Committee, as well as for corporation-based committees and grants.

B) Finance and Compensation. This Committee is commissioned by and responsible to the Board for working with the Superintendent of the corporation or his or her designate to create the upcoming fiscal year budget; presenting budget recommendations to the Board; monitoring implementation of the approved budget on a regular basis and recommending proposed budget revisions; recommending to the Board appropriate policies for the management of the corporation's assets, and making recommendations to the full Board with respect to compensation of all employees of the corporation. Further, this Committee has primary responsibility for interacting with the auditors of the corporation, and implementing or proposing for implementation any changes to policies and procedures recommended by the auditors.

C) Citizen Budget Oversight Committee (CBOC). This Committee is required pursuant to 14 Del.C. §1508 and solely established to oversee the financial position of the corporation. The Board shall retain all policy and decision-making authorities granted pursuant to Delaware Code. The corporation may establish its own policy for its CBOC.

The Committee shall have access either electronically or in hard copy format to financial documents and financial information the corporation has in its possession and that are relevant to the financial position of the district, with redactions permitted only to protect confidential personal information regarding students or employees.

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Each member of the CBOC is required to attend and receive a Certificate of Completion for the CBOC Training developed by the Department of Education. The training must be completed within three (3) months of a member's appointment to the CBOC.

D) Academic Excellence and Leadership Achievement. This Committee is commissioned by and responsible to the Board to assume the primary responsibility for working with the Superintendent of the corporation to define academic excellence and leadership achievement, ensure that all Directors know the charter promises that were made to the community, the parents, and the Delaware Department of Education, and to devise clear and consistent measures to monitor progress on these goals and communicate progress to the individuals mentioned above.

E) Board Governance Committee. This Committee is commissioned by and responsible to the Board to assume the primary responsibility for matters pertaining to Board recruitment, nominations, orientation, training, and evaluation in accordance with these By-laws as well as established policies and practices approved by the Board. Prior to the annual meeting each year this committee is also charged with evaluating the Board composition and terms to ensure the needed skill sets are present and that the appropriate number of Board members are elected, as noted in Article V above. This Committee is also responsible for developing a Board handbook and revising such handbook as needed.

Section 8. Standing Committee Chairs. In addition to the foregoing responsibilities of each Standing Committee, each chair shall submit in writing the proposed role and responsibilities of his or her Standing Committee at each Annual Meeting of the Board for the Board's approval. In addition, each chair shall submit such other reports as the Board or the Executive Committee may request from time to time.

Section 9. Standing Committee Membership. Except for the Citizen Budget Oversight Committee (CBOC), the Membership for each standing Committee shall incorporate the following:

A) Each standing committee will be headed by a Member of the Board of Directors, excluding the Chair and Vice Chair.

B) There will be a minimum of 3 members on each committee but no more than 5, unless deemed necessary by the Committee Chair and approved by the Executive Committee.

C) All Members of the Board of Directors are required to be on at least one Committee.

D) Additional members for each Committee can be selected by the existing Members from the school, local, and/or extended professional community and admitted to the Committee by the existing members of the Committee by a majority vote.

E) Terms of Office for each non-Board member are one year from the start date with the opportunity to serve up to two full years and the option to extend the term an additional two (2) years for a total of four (4) full years.

F) A Committee Member may terminate his or her position upon written notice to the Chairperson.

Section 10. CBOC Membership. This Committee shall incorporate the following:

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A) The CBOC Committee, as dictated by the State of Delaware, shall have at least five (5) members with representation from educators and parents of students in the school and representation from the Department of Education. In addition, where possible, the Committee shall have at least two members with formal educational or vocational backgrounds amenable to oversight of school district financial statements.

B) Terms of Office for each Member will be two (2) years with the option to extend to no more than three (3) additional terms based on a majority vote of the existing members of the Committee. A person may terminate his or her position upon written notice to the Chairperson.

C) Selection of Committee members must follow the process for posting and selection as outlined in the Title 14 Delaware Administrative Code.

Section 11. Advisory Panel. In addition to the Committees set forth above, the Board may establish a number of Community Advisory Panel of Experts ("CAPE") to assist and advise the Board, as needed, in planning and conducting the affairs of the Corporation by studying and making recommendations about issues, questions, and concerns that may affect the Board's decision making regarding governance and stewardship issues. The CAPE members shall be appointed and removed by a majority vote of the Board. The Board shall reserve the right to select third party advice on the selection or removal of CAPE members, and the CAPE itself shall form its own rules of operation for the abovementioned purposes. The Superintendent of the Corporation will be an Ex-Officio member of this Panel.

Section 12. Ad Hoc Committees. Each ad hoc committee shall have a charge specific to its permitted activities and that charge shall include the date on which the committee is to present its final report to the Board of Directors and be dissolved. Members of ad hoc committees shall be drawn from those that may be deemed appropriate by the Board of Directors.

Section 13. Committee Meetings. The Executive Committee and the Standing Committees shall meet at stated times or on notice to all by any of their own number, however, each committee is required to meet at least once each quarter. They shall fix their own rules of procedure. A majority shall constitute a quorum. The affirmative vote of a majority of the members present shall determine all matters brought before the Committee. All Committee meetings shall comply with the requirements of the Freedom of Information Act as set forth in Article VII, Section 1 above.

**Article IX
Officers**

Section 1. Officers. The officers of the Corporation shall consist of a Chair, a Vice-Chair, a Senior Administrative Officer/Head of School, a Secretary, a Treasurer, and such assistants as the Board may deem necessary. No officer may hold more than one position at the same time. The officers shall perform such duties as described in this Article and shall receive no compensation for these services, except for as agreed to by the Senior Administrative Officer/Head of School and the Board. Only directors may serve as the Chair or Vice Chair. Any person may hold more than one office.

Section 2. Election and Term. The officers of the Corporation shall be elected by, and serve at the pleasure of, the Board for terms to expire at the first meeting of the directors following the next annual meeting of the Members, provided that an officer appointed to fill a vacancy shall serve for the

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remainder of the term of his or her predecessor, and provided further that an officer shall serve until his or her successor is elected and qualified in accordance with these Bylaws.

Section 3. Vacancies. A vacancy in any of the offices of the Corporation may be filled for the unexpired term by the Board.

Section 4. Chair. The Chair shall preside at all meetings of the Board and shall have such other powers and duties as may be prescribed from time to time by the Board.

Section 5. Vice Chair. The vice Chair shall have such powers and duties as may be prescribed from time to time by the Chair of the Board. In the absence or the disability of the Chair, the Vice Chair shall perform all the duties of the Chair.

Section 6. Senior Administrative Officer/Head of School/Superintendent.

The Senior Administrative Officer/Head of School/Superintendent shall:

A) be the head of the corporation and responsible for the day-to-day overall supervision, direction and control of its affairs with guidance from the Board of Directors.

B) provide Board briefings on the state of FSMA at Board meetings and/or when deemed necessary.

C) sit on the Finance and Compensation committee, as a non-voting member, but will be excused in matters pertaining to the Superintendent's own compensation.

D) take on any other such powers, duties and responsibilities as the Board may prescribe.

E) shall be ex-officio to all board meetings

Section 7. Secretary. The Secretary shall:

A) maintain a book of minutes of all meeting of the Board and Board Committees recording the time, place and date of said meetings, the names of those in attendance, as well as any actions taken and the vote on such actions.

B) present those minutes at or in advance of regular meetings to the Board of Directors where they will be approved by a majority vote of the Board.

C) maintain a copy of the corporation By-laws with all amendments, along with the dates those amendments were passed and make available a copy to all Board members upon request.

D) provide advance notice to the entire Board of Directors of the date, time and place of all subsequent Board and Committee meetings.

E) have such additional powers, duties and responsibilities as the Board may prescribe.

Section 8. Treasurer. The Treasurer shall:

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- A) keep or cause to be kept adequate and correct financial records and accounts of the corporation properties, assets, receipts and disbursements.
- B) be the Chief Financial Officer of the Board of Directors and Chair of the Finance and Compensation Committee and as such, prepare an annual budget in conjunction with the corporation Superintendent and Business Administrator.
- C) provide financial reports monthly to the Board of Directors either in advance of or at regular meetings and provide general oversight regarding the financial operation of the corporation.
- D) recommend to the Board of Directors, for their approval, that an audit be done annually, as long as one is required by the corporation's bond investors. The Treasurer will recommend a firm to be hired by the Board to review the books and records of the corporation and provide a report back to the Board of Directors and all who hold a financial interest in the corporation, no more than three (3) months after the end of the fiscal year.
- E) once the corporation's bond has been retired the Treasurer may recommend either an annual audit or a Generally Accepted Accounting Principles (GAAP) Report as outlined by the State of Delaware. The Treasurer is responsible for completing the GAAP, with input from the Finance and Compensation Committee, and sending it to the Board for their review prior to submitting it to the State of Delaware. If an audit is requested, the process noted above must be followed.
- F) take on any other powers, duties or responsibilities as the Board may prescribe.

Article X
Indemnification

Section 1. Right of Indemnification. The Corporation shall indemnify and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any person who was or is made or is threatened to be made a party or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative, or investigative (a "proceeding") by reason of the fact that he or she, or a person for whom he or she is the legal representative, is or was a director or officer of the corporation or is or was serving at the request of the Corporation as a director, officer, employee, or agent of another corporation or of a partnership, joint venture, trust, enterprise, or nonprofit entity, including service with respect to employee benefit plans, against all liability and loss suffered and expenses (including attorneys' fees) incurred by such person. The corporation shall be required to indemnify a person in connection with a proceeding (or part thereof) initiated by such person only if the proceeding (or part thereof) was authorized by the Board.

Section 2. Prepayment of Expenses. The Corporation shall pay the expenses (including attorneys' fees) incurred in defending any proceeding in advance of its final disposition, provided, however, that the prepayment of expenses incurred by a director or officer in advance of the final disposition of the proceeding shall be made only upon receipt of an undertaking by the director or officer to repay all amounts advanced if it should be ultimately determined that the director or officer is not entitled to be indemnified under this Article or otherwise.

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Section 3. Claims. If a claim for indemnification or payment of expenses under this Article is not paid in full within sixty days after a written claim therefore has been received by the Corporation, the claimant may file suit to recover the unpaid amount of such claim and, if successful in whole or in part, shall be entitled to be paid the expense of prosecuting such claim. In any such action the corporation shall have the burden of proving that the claimant was not entitled to the requested indemnification or payment of expenses under applicable law.

Section 4. Non-Exclusivity of Rights. The indemnification and advancement rights conferred on any person by this Article X shall not be exclusive of, shall be in addition to, and may be broadened by, any other rights that such person may have or hereafter acquire under any statute, provision of the certificate of incorporation, these Bylaws, an agreement, vote of Members or disinterested directors, or otherwise.

Section 5. Other Indemnification. The Corporation's obligation, if any, to indemnify any person who has or is serving at its request as a director, officer, employee, or an agent of another corporation, partnership, joint venture, trust, enterprise, or nonprofit entity shall be reduced by an amount such person may collect as indemnification from such other corporation, partnership, joint venture, trust, enterprise, or nonprofit enterprise.

Section 6. Liability Insurance. The Corporation may purchase and maintain insurance on behalf of any person who was or is a director, officer, employee, or agent of the Corporation, or is or was serving at the request of the corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power or the obligation to indemnify him or her against such liability under the provisions of this Article X.

Section 7. Amendment or Repeal. Any repeal or modification of the foregoing provisions of this Article X shall not adversely affect any right or protection hereunder of any person in respect of any act or omission occurring prior to the time of such repeal or modification.

Article XI
Records

Section 1. Corporate Records. The Corporation shall keep at its registered office in this State or at its principal place of business wherever situated an original or duplicate record of the proceedings of the directors and the original or copy of its Bylaws, including all amendments and alterations thereto to date, and a register, giving the names and addresses of the directors. The Corporation shall also keep complete and accurate books or records of account.

Section 2. Right of Inspection. Every director shall, upon written demand under Notary Seal stating the purpose thereof, have a right to examine, in person or by agent or attorney, during the usual hours for business for any proper purpose, one reasonably related to the interest of such person as a director, books and records of account, and records of the proceedings of the directors, and to make copies or extracts there from.

Section 3. Execution of Written Instruments. All contracts deeds, mortgages, obligations, documents, and instruments, whether or not requiring a seal, may be executed by the Chairman and/or the Senior

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Administrative Officer/Head of School/Superintendent as attested by the Secretary or an Assistant Secretary. All checks, notes, drafts, and orders for the payment of money shall be signed by the Treasurer or such one or more other officers or agents as the Board may from time to time designate.

Section 4. Audit. At the close of each fiscal year, the school will complete a full audit, as required by law.

The audit will be done by an independent auditor, who is either a Certified Public Accountant or a Registered Municipal Accountant, and who has expertise in accounting of tax-exempt organizations. The auditor shall be hired for this purpose by a majority vote of the members of the Board of Directors present at the regular public meeting at which the motion to hire the auditor is being considered. The audit shall be done in compliance with Delaware statutes governing Charter Schools and with all applicable state and federal laws controlling non-profit tax-exempt corporations. The audit report is to be completed no more than three (3) months after the end of the fiscal year. It will be distributed to the Board of Directors and all who hold a financial interest in the corporation.

A GAAP Report will be completed by the Treasurer of the Board with assistance from the Finance and Compensation Committee. The GAAP Report will be presented for review by the Board prior to it being submitted to the State of Delaware.

Article XII

Conflicts of Interest Policy

Section 1. Purpose. The purpose of the conflicts of interest policy is to protect the Corporation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Corporation. This policy is intended to supplement but not replace any applicable state laws governing conflicts of interest applicable to nonprofit and charitable corporations.

Section 2. Voting and Disclosure. In order to minimize any risk of any conflict of interest concerning the Board and officers of the Corporation, all directors and officers shall refrain from voting on any issue in which they have a financial interest. In particular, Teacher Directors are precluded from voting on issues related to teacher compensation at the School. All directors and officers must make a full disclosure annually of all organizations, together with any other relationships, which, in the judgment of the director or officer, has the potential for creating a conflict of interest. Furthermore, in the event that the Board considers any matter that may have a material impact on any organization of which a director or officer serves as a director, officer, or key employee or as to which a director or officer otherwise has a material relationship, such director or officer must disclose such relationship to the Board and must refrain from voting on such matter.

Section 3. Board Approval. No director or officer, or any spouse, sibling, parent, or child (in each case whether by birth, marriage, guardianship, or legal adoption) of such director or officer or any employee or other person or entity in which a director or officer has a material financial interest, shall receive any payment or other direct benefit from the Corporation for any services rendered, unless the Board, after full disclosure of the terms and conditions of such payments, approves such payment.

**Article XIII
Corporate Seal**

Section 1. Corporate Seal. The Board shall provide a corporate seal, containing the name of the Corporation, which seal shall be in the charge of the Secretary.

**Article XIV
Gifts**

Section 1. Gifts. The Board may accept, on behalf of the Corporation, any contribution, gift, bequest, or devise for the general purpose, or any special purpose, of the Corporation. No contribution, gift, bequest, or devise, however will influence admission policies.

**Article XV
Irrevocable Dedication; Dissolution And Reversion**

Section 1. Irrevocable Dedication. The Corporation is not organized, nor shall it be operated, for a pecuniary gain or profit. The property, assets, profits, and net income of the Corporation are irrevocably dedicated to charitable, scientific, or educational purposes, and no part of the profits or net income shall inure to the benefit of any officer or member thereof.

Section 2. Dissolution. Should the Corporation cease to act and be dissolved, its property and assets then remaining, other than those obligated under the Board Member Loan Agreement, shall be paid over to and become the property of a charitable organization designated by the Board, provided, however, that payment shall be made hereunder only to such corporations, trusts, foundations, or other organizations that are organized and operated exclusively for charitable, educational, or scientific purposes and that are exempt from federal income tax under Section 501(a) of the Code, or under the corresponding provision of any subsequent law, as organizations described in Section 501(c)(3) of the Code, or in the corresponding provision of any subsequent law, or to the federal government or a state or local government for a public purpose. In the event that an organization herein above named shall not qualify hereunder, the amount that it would have received upon dissolution shall be paid over to one or more other qualifying organization.

**Article XVI
Amendments**

Section 1. Amendments. These Bylaws may be amended, suspended, or repealed by the affirmative vote of both three-quarters (3/4) of all of the directors then serving at a meeting noticed and called for the purpose of amending, suspending, or repealing the Bylaws, provided that any such action, is ratified by the affirmative vote of three-quarters (3/4) of all of the Members.

**Article XVII
Fiscal Year, Payment System and Contracts**

Section 1. Fiscal Year. The fiscal year of the Corporation shall commence on the first day of July of each year and ends on June 30 of the following year.

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Section 2. Payment System. The corporation is mandated to follow the State of Delaware's First State Financials (FSF) process of payment for any outstanding bills. Utilizing the FSF system will be in accordance with the process outlined by the State of Delaware, commencing prior to the first instructional day .

Section 3. Contracts. All of the corporation's contracts must be approved by the Board of Directors on an ongoing basis.

Section 4. Requisitions. Any requisition in excess of \$25,000 must be presented to the board prior to submission.

Article XVIII
Effective Date

Section 1. Effective Date. These Bylaws shall take effect immediately.

Date: _____, 2011

Hereby Subscribed: