



STATE OF TENNESSEE
Tre Hargett, Secretary of State
Division of Business Services
William R. Snodgrass Tower
312 Rosa L. Parks AVE, 6th FL
Nashville, TN 37243-1102

Gresham Middle School Foundation
500 GRESHAM RD
KNOXVILLE, TN 37918-3216

January 13, 2014

Filing Acknowledgment

Please review the filing information below and notify our office immediately of any discrepancies.

| | | | |
|------------------------|-----------------------------------|--------------------|------------|
| SOS Control # : | 743504 | Formation Locale: | TENNESSEE |
| Filing Type: | Corporation Non-Profit - Domestic | Date Formed: | 01/13/2014 |
| Filing Date: | 01/13/2014 10:54 AM | Fiscal Year Close: | 12 |
| Status: | Active | Annual Report Due: | 04/01/2015 |
| Duration Term: | Perpetual | Image # : | 7269-3040 |
| Business Type: | School Organization - Exempt | | |
| Public/Mutual Benefit: | Public | | |
| Business County: | KNOX COUNTY | | |

Document Receipt

Receipt # : 1264073

Filing Fee: \$0.00

Registered Agent Address:
JAMES A.H. BELL
10 EMORY PL
KNOXVILLE, TN 37917-7317

Principal Address:
500 GRESHAM RD
KNOXVILLE, TN 37918-3216

Congratulations on the successful filing of your **Charter** for **Gresham Middle School Foundation** in the State of Tennessee which is effective on the date shown above. You must also file this document in the office of the Register of Deeds in the county where the entity has its principal office if such principal office is in Tennessee. Visit the TN Department of Revenue website (apps.tn.gov/bizreg) to determine your online tax registration requirements.

You must file an Annual Report with this office on or before the Annual Report Due Date noted above and maintain a Registered Office and Registered Agent. Failure to do so will subject the business to Administrative Dissolution/Revocation.

Tre Hargett
Secretary of State

Processed By: Carol Dickerson

FILED

7289.3040, 01/13/2014, 10:54:06, RECEIVED BY TENNESSEE SECRETARY OF REVENUE

CHARTER
OF
GRESHAM MIDDLE SCHOOL FOUNDATION

The undersigned natural person, having capacity to contract and acting as the Incorporator of a Corporation under the Tennessee Business Nonprofit Corporation Act (hereinafter referred to as the "Act"), adopts the following Charter for the Gresham Middle School Foundation.

ARTICLE I: Name

The name of the Corporation is the Gresham Middle School Foundation (hereinafter referred to as the "Corporation")

ARTICLE II: Public Benefit Corporation; Not For Profit

The Corporation is a public benefit corporation and the Corporation is not for profit. It is intended that the Corporation shall have the status of a corporation which is exempt from federal income taxation under I.R.C. § 501(a) of the Internal Revenue Code of 1986, as amended (hereinafter the "Code"), as an organization described in I.R.C. § 501(c)(3).

ARTICLE III: School Support Organization

The Corporation has the additional designation as a School Support Organization as a foundation as defined in T.C.A. §49-2-603(4)(A). Pursuant to T.C.A. §49-2-611 this nonprofit Corporation is exempt from the \$100 filing fee required by T.C.A. §48-51-303(a)(1).

ARTICLE IV: Register Agent, Incorporator, and Principal Office

The initial registered office of the Corporation is located at 10 Emory Place, Knoxville, Tennessee 37917 and the name of the initial registered agent at this address is James A. H. Bell.

The incorporator of the Corporation is James A. H. Bell whose address is 10 Emory Place, Knoxville, Tennessee 37917.

The initial principal office of the Corporation is located at 500 Gresham Road, Knoxville, Tennessee, 37918.

ARTICLE V: Members

The corporation will not have members.

ARTICLE VI: Purpose

The Corporation is organized exclusively for charitable and educational purposes within the meaning of I.R.C. § 501(c)(3), including the receipt and acceptance of property, whether real, personal, or mixed, by gift or bequest from any person or entity; the retention, administration and investment of such property in accordance with the terms of this Charter and the Corporation's

Bylaws; and the distribution of such property for the purposes herein delineated.

The specific purposes and objectives of the Corporation shall include but not be limited to the following: To benefit promote, support, encourage, and enhance the programs and facilities of Gresham Middle School, a public education institution in Knox County, Tennessee, as currently administered and controlled by the Knox County Board of Education, a part of the government of Knox County, Tennessee.

If Gresham Middle School, or a successor, should cease to exist, or Gresham Middle School ceases to be a part of the Knox County Public School System governed and controlled by the Knox County Government, the Corporation shall operate for the benefit of one or more publically- supported charitable or educational organizations then described under Section 501(c)(3) and Section 509(a)(1), Section 509(a)(2), Section 509(a)(3), or Section 4940(d)(2) of the Code, or any corresponding provision of any future federal tax law, as the Board of Directors shall determine, to be used for charitable or educational purposes within the meaning of Section 501(c)(3) of the Code consistent with the purposes of the Corporation set forth above.

The Corporation is organized to engage in any activity, and to exercise any and all powers, rights and privileges, afforded a nonprofit corporation under the Act. Notwithstanding any other provision of this Charter, the Corporation shall not carry on any other activities not permitted to be carried on by any of the following: (a) a corporation exempt from federal income tax under I.R.C. § 501(c)(3), or any corresponding provision of any future federal tax laws; (b) a corporation contributions to which are deductible under I.R.C. § 170(c)(2), I.R.C. § 2055(a), and I.R.C. § 2522(a), or any corresponding provisions of any future federal tax laws; or (c) a nonprofit corporation organized under the laws of the State of Tennessee pursuant to the Act.

ARTICLE VII: No Private Inurement

No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, its directors, officers, or other private persons. However, the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered to it or on its behalf, pay reimbursements for expenses incurred on its behalf, and make payments and distributions in furtherance of the purposes set forth in Article VI hereof.

ARTICLE VIII: No Legislative or Political Activity

No substantial part of the activities of the Corporation shall be the carrying on of 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 of (or in opposition to) any candidate for public office.

ARTICLE IX: Private Foundation (Corporate) Limitations

In the event the Corporation is a private Corporation within the meaning of I.R.C. § 509 for a taxable year, the Corporation:

(a) shall make distributions at such time and in such manner as not to subject the Corporation to tax under I.R.C. § 4942;

(b) shall not engage in any act of self-dealing, as defined in I.R.C. § 4941(d), or any

7269.3041, 01/13/2014, 10:54:07, RECEIVED BY TENNESSEE DEPARTMENT OF REVENUE

- corresponding provision of any future federal tax laws;
- (c) shall not retain any excess business holdings, as defined in I.R.C. § 4943(c), or any corresponding provision of any future federal tax laws;
- (d) shall not make any investments in a manner that would subject it to tax under I.R.C. § 4944, or any corresponding provision of any future federal tax laws; and
- (e) shall not make any taxable expenditures, as defined in I.R.C. § 4945(d), or any corresponding provisions of any future federal tax laws.

ARTICLE X: Distributions on Dissolution

Upon the dissolution of the Corporation, after paying or making provision for the payment of all liabilities of the Corporation then outstanding and unpaid, the Board of Directors of the Corporation shall distribute the assets of the Corporation, in such manner as determined solely by the Board of Directors of the, exclusively for the charitable and educational purposes of the Corporation within the meaning of I.R.C. § 501(c)(3) and I.R.C. § 170(c)(2), or any corresponding provision of any future federal tax laws. Any assets not so disposed of by the Board of Directors shall be disposed of by a court having equity jurisdiction in the county in which the principal office of the Corporation is then located, with the distribution of assets to be made for such charitable purposes, or to such governmental units then described under I.R.C. § 170(c)(1), or to such organization or organizations then described in I.R.C. § 501(c)(3) and I.R.C. § 170(c)(2), or any corresponding provision of any future federal tax laws, as such court shall determine.

ARTICLE X: Board of Directors

The affairs of the Corporation shall be managed by a Board of Directors, whose members, designated as Directors, shall act as the directors of the Corporation. There shall be three (3) initial members of the Board selected and elected by the incorporator. The Bylaws of the Corporation shall require:

- (a) That the Board shall be comprised of a minimum of three (3) Directors, who shall be elected by the members at the Annual Meeting or at a Special Meeting, and that the number of Board members may, at the discretion of the Board, be enlarged or reduced from time to time by the Board in its discretion, but in no event shall there be less than three (3) Directors.
- (b) That the Board shall be composed of members elected by the Board to staggered terms so that one-third (1/3) of the Board elected at the first Annual meeting shall be elected for a term of three (3) years, one-third (1/3) of the Board elected at the first Annual meeting shall be elected for a term of two (2) years, and one-third (1/3) of the Board elected at the first Annual meeting shall be elected for a term of one (1) years. Thereafter, directors shall be elected for a three (3) year term. Each director shall hold office until his or her successor is elected. After serving two full three-year terms, a retiring director may not succeed himself or herself. Following the passage of one year after having served two full three-year terms, a director may stand for reelection to the

7259.3042, 01/13/2014, 10:54:09, RECEIVED BY TENDERSSEE DECEMBER 11 2013

Board of Directors. Directors shall be natural persons who have attained the age of twenty-one (21) years, but need not be residents of the State of Tennessee.

ARTICLE XI: Limited Personal Liability of Directors

No person who is or was a director of the Corporation, nor such person's heirs, executors, administrators, or legal representatives (collectively referred to as a "director"), shall be personally liable to the Corporation for monetary damages for breach of fiduciary duty as a director. However, this provision shall not eliminate or limit the liability of a director: (a) for any breach of a director's duty of loyalty to the Corporation, (b) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, or (c) under T.C.A. § 48-58-304 of the Act. No repeal or modification of the provisions of this Article, either directly or by the adoption of provisions inconsistent with the provisions of this Article, shall adversely affect any right or protection, as set forth herein, existing in favor of a particular individual at the time of such repeal or modification.

Article XII: Indemnification and Advancement of Expenses

1. *Mandatory Indemnification of Directors and Officers.* To the maximum extent permitted by the provision of T.C.A. §§ 48-58-501 et seq. of the Act, as amended from time to time (provided, however, that if an amendment to the Act in any way limits or restricts the indemnification rights permitted by law as of the date hereof, such amendment shall apply only to the extent mandated by law and only to activities of persons subject to indemnification under this paragraph 1 which occur subsequent to the effective date of such amendment), the Corporation shall indemnify and advance expenses to any person who is or was a director or officer of the Corporation, or to such person's heirs, executors, administrators and legal representatives, for the defense of any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative, and whether formal or informal (any such action, suit or proceeding being hereinafter referred to as the "Proceeding"), to which such person was, is, or is threatened to be made, a named defendant or respondent, which indemnification and advancement of expenses shall include counsel fees actually incurred as a result of the Proceeding or any appeal thereof, reasonable expenses actually incurred with respect to the Proceeding, all fines, judgments, penalties and amounts paid in settlement thereof, subject to the following conditions:

(a) The Proceeding was instituted by reason of the fact that such person is or was a director or officer of the Corporation; and

(b) The director or officer conducted himself or herself in good faith, and he or she reasonably believed: (i) in the case of conduct in his or her official capacity with the Corporation, that his or her conduct was in its best interest; (ii) in all other cases, that his or her conduct was at least not opposed to the best interests of the Corporation; and (iii) in the case of any criminal proceeding, that he or she had no reasonable cause to believe his or her conduct was unlawful. The termination of a proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent is not, of itself, determinative that the director or officer did not meet the standard of conduct herein

7269.3043, 01/13/2014, 10:24:10, RECEIVED BY TENSSESSE COURT CLERK

described.

2. *Permissive Indemnification of Employees and Agents.* The Corporation may, to the maximum extent permitted by the provisions of T.C.A. §§ 48-58-501 et seq. of the Act, as amended from time to time (provided, however, that if an amendment to the Act in any way limits or restricts the indemnification rights permitted by law as of the date hereof, such amendment shall apply only to the extent mandated by law and only to activities of persons subject to indemnification under this paragraph 2 which occur subsequent to the effective date of such amendment), indemnify and advance expenses in a Proceeding to any person who is or was an employee or agent of the Corporation, or to such person's heirs, executors, administrators and legal representatives, to the same extent as set forth in paragraph 1 above, provided that the Proceeding was instituted by reason of the fact that such person is or was an employee or agent of the Corporation and met the standards of conduct set forth in subparagraph 1(b) above. The Corporation may also indemnify and advance expenses in a Proceeding to any person who is or was an employee or agent of the Corporation to the extent, consistent with public policy, as may be provided by its Bylaws, by contract, or by general or specific action of the Board of directors.

3. *Non-Exclusive Application.* The rights to indemnification and advancement of expenses set forth in paragraphs 1 and 2 above are contractual between the Corporation and the person being indemnified, and his or her heirs, executors, administrators and legal representatives, and are not exclusive of other similar rights of indemnification or advancement of expenses to which such person may be entitled, whether by law, by this Charter, by a resolution of the Board of Directors, by the Bylaws of the Corporation, by the purchase and maintenance by the Corporation of insurance on behalf of a director, officer, employee, or agent of the Corporation, or by an agreement with the Corporation providing for such indemnification, all of which means of indemnification and advancement of expenses are hereby specifically authorized.

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

5. *Prohibited Indemnification.* Notwithstanding any other provision of this Article, the corporation shall not indemnify or advance expenses to or on behalf of any director, officer, employee, or agent of the Corporation, or any such person's heirs, executors, administrators, or legal representatives:

- (a) If a judgment or other final adjudication adverse to such person establishes his or her liability for any breach of the duty of loyalty to the Corporation, for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, or under T.C.A. § 48-58-304 of the Act; or
- (b) In connection with a Proceeding by or in the right of the Corporation in which such person was adjudged liable to the Corporation; or
- (c) In connection with any other Proceeding charging improper personal benefit to such

person, whether or not involving action in his or her official capacity, in which he or she was adjudged liable on the basis that personal benefit was improperly received by him or her.

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

Dated this 30th day of December 2013.



James A.H. Bell
Incorporator

RECEIVED BY THE SECRETARY OF STATE THE HARTGETT