

BYLAWS OF MARANACOOK EDUCATION FOUNDATION

ARTICLE I. ARTICLES OF INCORPORATION

The name of this Corporation shall be as set forth in the Articles of Incorporation. These Bylaws, the powers of this Corporation and of the Incorporators, Directors, and Officers, and all matters concerning the conduct and regulation of the affairs of this Corporation shall be subject to the Articles of Incorporation in effect from time to time. The principal place of business of this Corporation shall be located in Readfield, Maine.

ARTICLE II. PURPOSE

In addition to any purpose as set forth in the Articles of Incorporation, the purpose of this Corporation shall be to provide financial support and assistance to Maranacook Area Schools to promote and enhance educational opportunities for the citizens of Fayette, Manchester, Mt. Vernon, Readfield and Wayne, Maine. This Corporation shall be organized and operated solely for charitable, benevolent, and educational purposes.

ARTICLE III. MEMBERSHIP

In accordance with 13-B M.R.S.A. § 402(1) the Corporation shall have no members; provided, however, that the Board of Directors may establish and grant various levels or categories of “memberships” as it deems appropriate to evidence support for the Corporation. Membership may be granted, at the Board of Directors’ discretion, to an individual, trust, estate, partnership, association, municipality, company, or corporation. Such “membership” shall not confer any of the rights, obligations or liabilities applicable to members of nonprofit corporations.

ARTICLE IV. BOARD OF DIRECTORS

Section 1. POWER AND QUALIFICATIONS

A. Membership and Qualifications. The general management of the affairs of this Corporation shall be vested in a Board of Directors consisting of no fewer than eight (8) and no more than twelve (15) persons. Directors must be residents of either Fayette, Manchester, Mt. Vernon, Readfield or Wayne, Maine. The Board of Directors shall include, to the extent possible, at least one representative from each of the following towns: Fayette, Manchester, Mt. Vernon, Readfield and Wayne, Maine.

B. Powers. Except as otherwise limited by the provisions of these Bylaws and the Articles of Incorporation, the Board of Directors shall have and may exercise all

of the powers allowed to non-profit corporations under the laws of the State of Maine; may establish such rules and policies as are necessary and convenient for the proper operation of this Corporation; shall have and may exercise full power and authority over all aspects of the business and affairs of this Corporation; and shall be solely responsible for the proper governance, management, control and operation thereof. The Board of Directors may delegate any part of such power to any Officer or to any Committee of the Board; provided, however, that no such assignment, referral, or delegation of authority by the Board of Directors shall preclude the Board from exercising its authority, and that the Board shall at all times retain the right to rescind any such delegation of authority.

Section 2. ELECTION

A. Appointment by Incorporators. Directors, including at least one resident from each of the following towns: Fayette, Manchester, Mt. Vernon, Readfield and Wayne, Maine, shall be initially appointed by the Incorporators at the organizational meeting of this Corporation. The Directors so appointed shall serve until the first meeting of the Board of Directors.

B. Election at First Meeting of Directors. At the first meeting of the Directors, the Directors shall elect the Directors from the slate of nominees selected in accordance with ARTICLE IV, Section 1.A of these Bylaws. The initial Board of Directors shall serve in accordance with the following terms in order to provide for staggered terms of office for Directors. One-third of the initial directors shall be elected for a one year term, one-third of the initial directors shall be elected for a two year term, and one-third of the initial directors shall be elected for a three year term. Thereafter all Directors shall be elected to serve for three (3) year terms.

Section 3. TERM OF OFFICE Each Director shall hold office for a three (3) year term, until the end of his or her elected or appointed term unless removed or resignation or death. A Director may be elected to succeed himself or herself without any limit on the number of consecutive terms served.

Section 4. RESIGNATION Any Director may resign at any time by giving notice of such resignation in writing to the Secretary. Such resignation shall be effective at the time specified therein, or if no time is specified, upon receipt by the Secretary.

Section 5. REMOVAL Any Director may be removed by a two-thirds vote of the Directors for conduct detrimental to this Corporation, for lack of sympathy with its purposes, or for refusal to render reasonable assistance in carrying out its purposes. Any Director proposed to be removed shall be entitled to five days written notice of the meeting at which such removal is to be voted upon, and shall be entitled to appear before and be heard at such meeting. In all cases, the removal of Directors from office shall only be in accordance with the applicable provisions of law, the Articles of Incorporation, and these Bylaws.

Section 6. **VACANCIES** The Directors may elect a new Director to fill any vacancy among the Directors to serve for the unexpired term of office. A vacancy shall be declared to exist in the event of the death, incapacity, resignation, or removal of any Director.

ARTICLE V. MEETINGS OF THE BOARD OF DIRECTORS

Section 1. **MEETINGS OF THE BOARD OF DIRECTORS** The Board of Directors shall hold its annual meeting between March and July each year or at such other time as the Board may determine. Regular meetings of the Board of Directors shall be at such place and time as the Board of Directors may from time to time determine. Any meeting, regular or special, may be held by conference telephone or through electronic means so long as all Directors have the opportunity for conferring on the business at hand.

Section 2. **NOTICE** Reasonable written notice shall be required of any regularly scheduled meeting of the Board of Directors. Forty-eight (48) hours notice of any special meeting shall be given each Director, stating the purpose for which the special meeting is called.

Section 3. **QUORUM AND VOTING** A majority of the Directors then serving shall constitute a quorum at all meetings of the Board of Directors. When a quorum is present, voting at any meeting shall be by vote of a majority of the members of the Board present. If a quorum is not present, the Directors then present may adjourn the meeting, without notice other than announcement at the meeting, until a quorum shall be present. At any such adjourned meeting at which a quorum shall be present, any business that might properly have been transacted at the meeting as originally notified may properly be transacted.

Section 4. **ACTION WITHOUT A MEETING** Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if all of the Directors sign written/email consents setting forth the action to be taken at any time before the intended effective date of such action. Such consents shall be filed with the minutes of the meeting of the Board, and shall have the same effect as a unanimous vote.

Section 5. **TELEPHONIC PARTICIPATION IN MEETINGS** Members of the Board of Directors may participate in a meeting of the Board by means of conference telephone/video conference call or similar communications equipment that permits all persons participating in the meeting to hear each other at the same time, and participation by such means shall constitute presence in person at a meeting.

Section 6. **CONDUCT OF MEETINGS** All meetings of the Board of Directors shall be conducted in accordance with Robert's Rules of Order.

Section 7. **WAIVER OF NOTICE** Whenever any written notice is required to be given by these Bylaws, a waiver of notice signed either before or after the action for which notice is required shall have the effect of written notice.

Section 8. VOTING Each Director shall be entitled to one vote on any matter before the Board of Directors. There shall be neither cumulative voting nor voting by proxies at meetings of the Board of Directors.

Section 9. ADDITIONAL ADVISORS The Board of Directors or the Chairman may invite additional individuals with expertise in pertinent areas to meet with and advise the Board of Directors. Such advisors shall not vote nor be counted in determining the existence of a quorum, and may be excluded from any executive session of the Board by a majority vote of the Directors then present.

ARTICLE VI. OFFICERS

Section 1. ENUMERATION The Officers of this Corporation shall be a President, a Vice-President, a Secretary, a Treasurer, and such other officers as the Directors may from time to time elect, including but not limited to a Clerk. Any two or more offices may be held by the same person.

Section 2. ELECTION AND TERM The Directors, at their annual meeting or a special meeting in lieu thereof, shall elect all Officers to hold office for a term of one (1) year or until their successors are elected.

Section 3. POWERS The Officers shall have the powers and perform the duties customarily belonging to their respective offices or assigned to them by the Directors, including the powers and duties listed below:

A. President The President shall preside at all meetings of the Board of Directors at which the President is present. The President shall sign for this Corporation all documents that the President is required to sign by law or by specific authorization of the Board of Directors, including deeds of conveyance, major corporate documents, and agreements or formal instruments that require and have received the specific authorization and approval of the Board of Directors. The President shall have the power to appoint all committees that are responsible to the President. The President shall be an ex-officio non-voting member of all committees of this Corporation.

B. Vice President The Vice President shall work with and cooperate with the President in the exercise of the powers and duties of the President as the President may request from time to time, and shall act in place of and for the President in the event of the President's absence.

C. Secretary The Secretary shall keep records of all meetings of the Board of Directors and make a report thereon, and shall issue calls and notices of meetings.

D. Treasurer The Treasurer shall be in charge of all monies, funds, and

securities of the Corporation, and shall cause to be rendered to the Board of Directors at the annual meeting and whenever else so requested by them an accurate account of all sums received and disbursed during the preceding fiscal year or other relevant time period and of all sums and funds that are not expended.

E. Clerk The Clerk shall maintain the registered office of this Corporation within the State of Maine, and shall serve as registered agent of this Corporation for purposes of service of process and otherwise.

Section 4. RESIGNATION Any Officer may resign at any time by giving written notice of such resignation to the Secretary. Such resignation shall take effect at the time such notice is received or at any later time specified in such notice, and, unless otherwise specified in such notice, the acceptance of such resignation shall not be necessary to make it effective.

Section 5. REMOVAL When in the judgment of the Directors the best interests of this Corporation will be served thereby, any Officer may be removed from office either with or without cause by a majority vote of the Directors (other than the Officer). Such removal shall be without prejudice to contract rights, if any, of the person so removed. Election or appointment of an Officer shall not of itself create any contract rights.

Section 6. VACANCIES A vacancy in any office may be filled by a majority vote of the Directors.

ARTICLE VII. COMMITTEES

Section 1. EXECUTIVE COMMITTEE The Board of Directors may establish an Executive Committee of the Board of Directors comprised of the President, and such other Directors or Officers as determined by the Board of Directors who shall serve at its pleasure. The Executive Committee shall have such powers, duties and procedures as determined from time to time by vote of the Board of Directors, including the power to bind the Corporation without further vote or ratification of the Board of Directors. The Executive Committee shall report to the Board of Directors at such times and in such manner as determined by the Board of Directors.

Section 2. OTHER STANDING COMMITTEES The Board of Directors may appoint any other standing committees that the Board may deem necessary or convenient.

Section 3. SPECIAL OR AD HOC COMMITTEES The Board of Directors may from time to time establish such special or ad hoc committees as it deems fit, and delegate to them such duties as it deems necessary. The President shall complete by appointment all special and ad hoc committees, designating the chairman of each, as soon as practicable after the meeting at which such committee is established.

Section 4. MEETINGS Meetings of any committee may be called by the

President, the committee chairman, or any two (2) of the committee's members. Twenty-four (24) hours notice of any meeting of a committee shall be given each member of such committee.

ARTICLE VIII. COMPENSATION

No Director or Officer shall receive compensation for service as a Director or Officer of this Corporation. Directors and Officers may be reimbursed for reasonable expenses incurred in the performance of their duties.

ARTICLE IX. INDEMNIFICATION

Section 1. **AUTHORITY TO INDEMNIFY** This Corporation shall to the extent legally permissible indemnify each of its Directors, Officers, employees, or agents (and the heirs, executors, and administrators of such Director, Officer, employee, or agent) against all expenses or liabilities reasonably incurred in connection with or arising out of any action or threatened action, suit, or proceeding, whether civil, criminal, administrative or investigative, in which said Director, Officer, employee, or agent may be involved by reason of being or having been a Director, Officer, employee, or agent of this Corporation, or of serving or having served at the request of this Corporation as a Director, Officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise.

Section 2. **SCOPE OF INDEMNIFICATION** The expenses and liabilities for which a Director, Officer, employee, or agent may be indemnified shall include, but shall not be limited to, judgments, fines, court costs, and attorneys' fees, and the cost of reasonable settlements, provided that no such indemnification shall be made in relation to matters as to which such Director, Officer, employee, or agent, shall be finally adjudged in any such action, suit, or proceeding not to have acted in good faith in the reasonable belief that the action complained of was in the best interests of this Corporation or, with respect to any criminal action or proceeding, shall be finally adjudged to have had reasonable cause to believe that said conduct was unlawful. In the event that a settlement or compromise of such action, suit, or proceeding is effected, indemnification may be had, but only if the Board of Directors shall have been furnished with an opinion of counsel for this Corporation to the effect that such settlement or compromise is in the best interest of this Corporation and that such Director, Officer, employee, or agent appears to have acted in good faith in the reasonable belief that said action was in the best interests of this Corporation, and if the Board of Directors shall have adopted a resolution approving such settlement or compromise. The foregoing right of indemnification shall not be exclusive of other rights to which any Director, Officer, or other corporate personnel may be entitled as a matter of law.

Section 3. **INSURANCE** This Corporation shall have the power to purchase and maintain insurance on behalf of any person who is or was a Director, Officer, employee, or agent of the Corporation, or who is or was serving at the request of this Corporation as a Director, Officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against any liability asserted against such person in such capacity, whether or not this

Corporation would have the power to indemnify such person against such liability under the applicable provisions of these Bylaws.

ARTICLE X. CONFLICT OF INTEREST

Any existing or potential conflict of interest on the part of any Director shall be disclosed by the Director to the Board of Directors at the earliest possible meeting of the Board after the conflict of interest becomes known to the Director, and shall be made a matter of record through such annual reporting and certification procedure as the Board of Directors shall require. Any Director having an existing or potential conflict of interest with respect to any matter that is the subject of action by the Board of Directors may be counted in determining the quorum for the meeting at which the matter is considered, but shall not vote on the matter. The minutes of the meeting shall reflect the fact that a disclosure was made, the substance of such disclosure, the existence of a quorum, and the abstention from voting by the Director involved. The foregoing requirements shall not be construed to prevent any such Director from briefly stating a position and interest in the matter, or from answering pertinent questions of other Directors. For the purpose of this Article and all Corporation rules, regulations, and policies promulgated in furtherance thereof, A conflict of interest shall be defined to mean the existence of a state of facts in which the financial interest of a Director, any member of the Director's immediate family, any business or professional associate, or any business organization with which the Director is connected may be furthered or benefited, directly or indirectly, as a result of a contract or other transaction with or involving this Corporation or any department, division, or unit thereof.

ARTICLE XI. GENERAL

Section 1. **CORPORATE SEAL** The corporate seal shall be in a form determined from time to time by the Board of Trustees of the Member.

Section 2. **FISCAL YEAR** The fiscal year of this Corporation shall begin on the first day of July and end on the last day of June.

Section 3. **RECEIPT AND DISBURSEMENT OF FUNDS** The Board of Directors may designate such other person or persons who, in addition to or instead of the Treasurer, shall be authorized to receive and receipt for all moneys due and payable to the Corporation from any source whatever, to endorse for deposit checks, drafts, notes, or other negotiable instruments, and to give full discharges and receipts therefor. Funds of this Corporation may be deposited in such bank or banks or with such other corporations, firms, or individuals, as the Board of Directors may from time to time designate.

Section 4. **GENDER** To the extent used in these Bylaws, any masculine pronouns shall include both the masculine and the feminine gender.

ARTICLE XII. AMENDMENTS

The Articles of Incorporation and these Bylaws may be altered, amended or repealed only

with the approval of the Directors, as expressed by a majority vote of those present at a first meeting, followed by a two-thirds vote of the entire board within 30 days of the first meeting.

ARTICLE XIII. PROHIBITION AGAINST PRIVATE GAIN

Section 1. **INSIDER TRANSACTIONS.** No Officer or Director, or any person who is related to an Officer or Director by blood, marriage, or otherwise shall receive any direct or indirect pay, compensation, or benefit from this Corporation. No private benefit shall pass to any such person or to any organization or entity controlled by any such person. Notwithstanding the foregoing, this Corporation may reimburse the reasonable expenses necessarily incurred in the business of this Corporation by a person thereunto duly authorized, and shall not prohibit the employment of persons, including members, to perform duties for the Corporation and to receive compensation therefor upon proper authorization by the Board of Directors. No transfer, exchange, encumbrance, or other alienation of any real or personal property of this Corporation shall be conducted in such a manner that it fails to meet the applicable requirements of the Internal Revenue Code of 1986, as amended, and the regulations issued thereunder for a corporation qualifying as an exempt organization under section 501(c)(3) thereof.

Section 2. **DISSOLUTION.** In the event of the dissolution of this Corporation, no part of its assets may inure to the benefit of any Officer or Director. Any party succeeding to the title or interest of this Corporation in any property shall be required to conform to those restrictions or limitations of use applicable thereto, shall administer such property in a manner compatible with the purposes of this Corporation, and must qualify as an exempt organization under section 501(c)(3) of the Internal Revenue Code of 1986, as amended.

ARTICLE XIV. EXEMPT ACTIVITIES. Notwithstanding any other provision of these Bylaws, no Director, Officer, agent, or employee of this Corporation shall take any action or carry on any activity by or on behalf of this Corporation that is not permitted to be taken or carried on by an organization exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or regulations adopted pursuant thereto, or by an organization contributions to which are deductible as charitable donations under section 170(c)(2) of the Internal Revenue Code of 1986, as amended, or regulations adopted pursuant thereto.
