

# BYLAWS OF



## Apple Playschools

### **ARTICLE I** **OFFICES**

- 1.01 *Principal Office.* The principal office of the corporation shall be at such place within the State of Michigan as the board of directors may determine from time to time.
- 1.02 *Other Offices.* The board of directors may establish other offices in or outside the state of Michigan.

### **ARTICLE II** **MEMBERS**

The corporation is a directorship corporation and there shall be no members.

### **ARTICLE III** **BOARD**

- 3.01 *General Powers.* The business, property, and affairs of the corporation shall be managed by the board of directors.
- 3.02 *Number.* There shall be not less than 3 nor more than 9 directors on the board as shall be fixed from time to time by the board of directors.
- 3.03 *Term.* Each director of the Corporation shall hold office for a term of two (2) years, unless such term is ended due to the director's death, resignation, or removal.
- 3.04 *Term Limit.* A director may not serve more than two (2) consecutive terms, as defined in Section 3.03. An individual who has served two consecutive terms may be re-appointed as a director, so long as he or she has not been a board member for a period of one year prior to his or her reappointment.
- 3.05 *Resignation.* Any director may resign at any time by providing written notice to the Corporation. The resignation will be effective on receipt of the notice or at a later time designated in the notice. A successor shall be appointed as provided in section 3.07 of the bylaws.
- 3.06 *Removal.* Any director who shall be absent from three (3) consecutive meetings of the board of directors shall be automatically removed from the board of directors.
- a. Removal for cause. A director may be removed from the board of directors if a majority of the directors, including the director cited for removal, vote for his or removal for cause. Cause shall exist if a board member is derelict in his or her duties as a board member and the Board Chairperson has notified this board

- member of his or her dereliction in duty by providing verbal or written notice to the board.
- 3.07 *Board Vacancies.* A vacancy on the board may be filled with a person selected by the remaining directors of the board.
- 3.08 *Annual Meeting.* An annual meeting shall be held each year on or before May 31. If the annual meeting is not held at that time, the board shall cause the meeting to be held as soon thereafter as is convenient. The board shall elect officers at the annual meeting.
- 3.09 *Regular Meeting.* Regular meetings will held at a time and a place as determined by resolution of the board without notice.
- 3.10 *Special Meetings.* Special meetings of the board may be called by the Executive Director or any two directors at a time and place as determined by those persons authorized to call special meetings. Notice of the time and place of special meetings shall be given to each director in any manner at least three days before the meeting.
- 3.11 *Statement of Purpose.* Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the board need be specified in the notice for that meeting, unless the meeting is called for the purpose of the corporation entering into a transaction which exceeds Two Thousand Dollars (\$2,000.00).
- 3.12 *Waiver of Notice.* The attendance of a director at a board meeting shall constitute a waiver of notice of the meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. In addition, the director may submit a signed waiver of notice that shall constitute a waiver of notice of the meeting.
- 3.13 *Meeting by Telephone or Similar Equipment.* A director may participate in a meeting by conference telephone or any similar communications equipment through which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this section constitutes presence in person at the meeting.
- 3.14 *Quorum.* A majority of the directors then in office constitutes a quorum for the transaction of any business at any meeting of the board. Actions voted on by a majority of directors present at a meeting where a quorum is present shall constitute authorized actions of the board, unless the transaction is presented pursuant to section 3.16.
- 3.15 *Consent to Corporate Actions.* Any action required or permitted to be taken pursuant to authorization of the board may be taken without a meeting if, before or after the action, all directors consent to the action in writing. Written consents shall be filed with the minutes of the board's proceeding.
- 3.16 *Consent to Corporate Actions via Silence.* The board may take action without a meeting via electronic mail ("e-mail") sent to the e-mail addresses of all directors on file with the corporation, so long as no action shall be taken without seventy-

two (72) hours notice of the proposed action. A director's failure to respond to a written request for board action sent via e-mail shall be deemed an assent to the particular action so long as the e-mail request for action clearly requests a response to the written action within seventy-two (72) hours.

#### **ARTICLE IV** **COMMITTEES**

4.01 *General Powers.* The board, by resolution adopted by a vote of a majority of its directors, may designate one or more committees, each committee consisting of one or more directors and volunteers not on the board with skill sets that compliment the work of the committee. The board may also designate one or more directors as alternate committee members who may replace an absent or disqualified member at a committee meeting. If a committee member is absent or disqualified from voting, then members present at a meeting who are not disqualified from voting may, whether or not they constitute a quorum, unanimously appoint an alternate committee member to act at the committee meeting in place of the absent or disqualified member. All committees designated by the board shall serve at the pleasure of the board. Committee positions shall be for one year and committee chairs will be established at the annual meeting.

A committee designated by the board may exercise any powers of the board in managing the corporation's business and affairs, to the extent provided by resolution of the board. However, no committee shall have the power to

- (a) amend the articles of incorporation;
- (b) adopt an agreement of merger or consolidation;
- (c) amend the bylaws of the corporation;
- (d) fill vacancies on the board; or
- (e) fix compensation of the directors for serving on the board or on a committee.

4.02 *Meetings.* Committees shall meet as directed by the board, and their meetings shall be governed by the rules provided in article III for meetings of the board. Minutes shall be recorded at each committee meeting and shall be presented to the board.

4.03 *Consent to Committee Actions.* Any action required or permitted to be taken pursuant to authorization of a committee may be taken without a meeting if, before or after the action, all members of the committee consent to the action in writing. Written consents shall be filed with the minutes of the committee's proceedings.

#### **ARTICLE V** **OFFICERS**

5.01 *Number.* The officers of the corporation shall be appointed by the board at the annual meeting. The officers shall be a president (board chair), a secretary and a treasurer. The Executive Director shall be a voting member of the board. Two or more offices may be held by the same person, but such person shall not execute, acknowledge, or verify an instrument in more than one capacity if the instrument

is required by law.

- 5.02 *Term of Office.* Each officer shall hold office for a period of one (1) year until a successor is appointed and qualified. An officer may resign at any time by providing written notice to the corporation. Notice of resignation is effective on receipt or at a later time designated in the notice.
- 5.03 *Removal.* An officer appointed by the board may be removed with or without cause by vote of a majority of the board. The removal shall be without prejudice to the person's contract rights, if any. Appointment to an office does not of itself create contract rights. An officer shall be removed from his or her appointed office if he or she is also a member of the board of directors that has been removed from the board of directors.
- 5.04 *Vacancies.* A vacancy in any office for any reason may be filled by the board.
- 5.05 *Executive Director.* The Executive Director shall be the chief executive officer of the corporation and shall have authority over the general control and management of the business and affairs of the corporation. The Executive Director shall have power to appoint or discharge employees, agents, or independent contractors, to determine their duties, and to fix their compensation. The Executive Director shall sign all corporate documents and agreements on behalf of the corporation, unless the Executive Director or the board instructs that the signing be done with or by some other officer, agent, or employee. The Executive Director shall see that all actions taken by the board are executed and shall perform all other duties incident to the office. This is subject, however, to the Executive Director's right and the right of the board to delegate any specific power to any other officer of the corporation.
- 5.06 *President/Chairperson.* The President shall preside at all board meetings. The President shall have the power to perform duties for the corporation and will work to ensure engagement of the board members. If the President is absent or unable to perform his or her duties, the Treasurer shall perform the President's duties until the board directs otherwise. The President shall perform all duties incident to the office.
- 5.07 *Secretary.* The secretary shall (a) keep minutes of board meetings; (b) be responsible for providing notice to each director as required by law, the articles of incorporation, or these bylaws; (c) be the custodian of corporate records; (d) keep a register of the names and addresses of each officer and director; and (e) perform all duties incident to the office and other duties assigned by the President.
- 5.08 *Treasurer.* The treasurer shall (a) have charge and custody over corporate funds and securities; (b) keep accurate books and records of corporate receipts and disbursements; (c) deposit all moneys and securities received by the corporation at such depositories in the corporation's name that may be designated by the board; (d) complete all required corporate filings; and (e) perform all duties incident to the office and other duties assigned by the President.

**ARTICLE VI**  
**CORPORATE DOCUMENT PROCEDURE**

- 6.01 *Generally.* All corporate documents (including agreements, insurance contracts, checks, notes, disbursements, loans, and other debt obligations) shall not be signed by any officer, designated agent, or attorney-in-fact unless authorized by the board or by these bylaws.
- 6.02 *Limited Authority.* The Executive Director shall have the limited authority to bind the corporation to transactions without board authority for those transactions which (a) further the corporation's benevolent purposes, (b) are in the best interests of the corporation, and (c) do not exceed the aggregate amount of Twenty-five hundred (\$2500) dollars per transaction.
- 6.03 *Notice of Transaction.* Any transaction that exceeds Twenty-five hundred dollars (\$2,500.00) shall not be a valid corporate action unless the transaction is approved by a majority of the board of directors following (a) a presentation of the transaction at a meeting of the board of directors, or (b) circulation of the particular transaction among the board of directors via electronic mail with an appropriate notice to the board members of an immediate action required as set forth in section 3.16. In the event a particular transaction is circulated among the board of directors via electronic mail pursuant to section 3.16, the transaction shall not be approved if any one director objects to the requested transaction. In the event a director has objected to a particular transaction circulated via section 3.16, the transaction may only be approved at a meeting of the board of directors.

**ARTICLE VII**

**INDEMNIFICATION**

- 7.01 *Nonderivative Actions.* Subject to all of the other provisions of this article, the corporation shall indemnify any person who was or is a party, or is threatened to be made a party to, any threatened, pending, or completed action, suit, or proceeding. This includes any civil, criminal, administrative, or investigative proceeding, whether formal or informal (other than an action by or in the right of the corporation). Such indemnification shall apply only to a person who was or is a director or officer of the corporation or who was or is serving at the request of the corporation as a director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, whether for profit or not for profit. The person shall be indemnified and held harmless against expenses (including attorney fees), judgments, penalties, fines, and amounts paid in settlement actually and reasonably incurred by the person in connection with such action, suit, or proceeding, if the person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the corporation. With respect to any criminal action or proceeding, the person must have had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, or conviction or on a plea of nolo contendere or its equivalent, shall not by itself create a presumption that (a) the person did not act in good faith and in a manner the person reasonably believed to be in or not

opposed to the best interests of the corporation, or (b) with respect to any criminal action or proceeding, the person had reasonable cause to believe that his or her conduct was unlawful.

- 7.02 *Derivative Actions.* Subject to all of the provisions of this article, the corporation shall indemnify any person who was or is a party to, or is threatened to be made a party to, any threatened, pending, or completed action or suit by or in the right of the corporation to procure a judgment in its favor because (a) the person was or is a director or officer of the corporation, or (b) the person was or is serving at the request of the corporation as a director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, whether or not for profit. The person shall be indemnified and held harmless against expenses (including actual and reasonable attorney fees) and amounts paid in settlement incurred by the person in connection with such action or suit if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation. However, indemnification shall not be made for any claim, issue, or matter in which the person has been found liable to the corporation unless and only to the extent that the court in which such action or suit was brought has determined on application that, despite the adjudication of liability but in view of all circumstances of the case, the person is fairly and reasonably entitled to indemnification for the expenses that the court considers proper.
- 7.03 *Expenses of Successful Defense.* To the extent that a person has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in sections 7.01 or 7.02 of this article, or in defense of any claim, issue, or matter in the action, suit, or proceeding, the person shall be indemnified against expenses (including actual and reasonable attorney fees) incurred in connection with the action and in any proceeding brought to enforce the mandatory indemnification provided by this article.
- 7.04 *Contract Right; Limitation on Indemnity.* The right to indemnification conferred in this article shall be a contract right and shall apply to services of a director or officer as an employee or agent of the corporation as well as in such person's capacity as a director or officer. Except as provided in section 7.03 of this article, the corporation shall have no obligations under this article to indemnify any person in connection with any proceeding, or part thereof, initiated by such person without authorization by the board.
- 7.05 *Determination That Indemnification Is Proper.* Any indemnification under sections 7.01 or 7.02 of this article (unless ordered by a court) shall be made by the corporation only as authorized in the specific case. The corporation must determine that indemnification of the person is proper in the circumstances because the person has met the applicable standard of conduct set forth in sections 7.01 or 7.02, whichever is applicable. Such determination shall be made in any of the following ways:
- (a) By a majority vote of a quorum of the board consisting of directors who were not parties to such action, suit, or proceeding.
  - (b) If the quorum described in clause (a) above is not obtainable, then by a committee of directors who are not parties to the action. The committee shall consist of not less than two disinterested directors.

- (c) By independent legal counsel in a written opinion.
- 7.06 *Proportionate Indemnity.* If a person is entitled to indemnification under sections 7.01 or 7.02 of this article for a portion of expenses, including attorney fees, judgments, penalties, fines, and amounts paid in settlement, but not for the total amount, the corporation shall indemnify the person for the portion of the expenses, judgments, penalties, fines, or amounts paid in settlement for which the person is entitled to be indemnified.
- 7.07 *Expense Advance.* Expenses incurred in defending a civil or criminal action, suit, or proceeding described in sections 7.01 or 7.02 of this article may be paid by the corporation in advance of the final disposition of the action, suit, or proceeding, on receipt of an undertaking by or on behalf of the person involved to repay the expenses, if it is ultimately determined that the person is not entitled to be indemnified by the corporation. The undertaking shall be an unlimited general obligation of the person on whose behalf advances are made, but need not be secured.
- 7.08 *Nonexclusivity of Rights.* The indemnification or advancement of expenses provided under this article is not exclusive of other rights to which a person seeking indemnification or advancement of expenses may be entitled under a contractual arrangement with the corporation. However, the total amount of expenses advanced or indemnified from all sources combined shall not exceed the amount of actual expenses incurred by the person seeking indemnification or advancement of expenses.
- 7.09 *Indemnification of Employees and Agents of the Corporation.* The corporation may, to the extent authorized from time to time by the board, grant rights to indemnification and to the advancement of expenses to any employee or agent of the corporation to the fullest extent of the provisions of this article with respect to the indemnification and advancement of expenses of directors and officers of the corporation.
- 7.10 *Former Directors and Officers.* The indemnification provided in this article continues for a person who has ceased to be a director or officer and shall inure to the benefit of the heirs, executors, and administrators of that person.
- 7.11 *Insurance.* The corporation may purchase and maintain insurance on behalf of any person who (a) was or is a director, officer, employee, or agent of the corporation, or (b) was or is serving at the request of the corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise. Such insurance may protect against any liability asserted against the person 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 power to indemnify against such liability under this article or the laws of the State of Michigan.
- 7.12 *Changes in Michigan Law.* If there are any changes in the Michigan statutory provisions applicable to the corporation and relating to the subject matter of this article, then the indemnification to which any person shall be entitled shall be determined by such changed provisions, but only to the extent that any such change permits the corporation to provide broader indemnification rights than

such provisions permitted the corporation to provide before any such change.

**ARTICLE VIII**  
**COMPENSATION**

- 8.1 *Compensation.* When authorized by the board, a person shall be reasonably compensated for services rendered to the corporation as an officer, director, employee, agent, or independent contractor, except as prohibited by these bylaws.

**ARTICLE IX**  
**FISCAL YEAR**

- 9.1 *Fiscal Year.* The fiscal year of the corporation shall end on December 31.

**ARTICLE X**  
**AMENDMENTS**

- 10.1 *Amendments.* The board of directors at any regular or special meeting may amend or repeal these bylaws, or adopt new bylaws by vote of a majority of the directors, if notice setting forth the terms of the proposal has been given in accordance with any notice requirement for such meeting of the board.

Revisions To Bylaws: