

Michigan Association for the Education of Young Children
Articles of Incorporation

ARTICLE V

DISSOLUTION

This Corporation shall remain in existence until dissolved by its members. A mail ballot will be sent to each current member; two-thirds of members voting is required for dissolution.

This Corporation is organized exclusively for charitable, religious, educational, and/or scientific purposes under section 501 (c)(3) of the Internal Revenue Code.

No part of the net earnings of the Corporation shall inure to the benefit or, or be distributable to, its members, trustees, officers or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the purpose clause hereof. 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 distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provisions of this document, the Corporation shall not carry on any other activities not permitted to be carried on (a) by a Corporation exempt from federal income tax under section 501 (c)(3) of the Internal Revenue Code, or (b) by a Corporation, contributions of which are deductible under section 170 (c)(2) of the Internal Revenue Code, or corresponding section of any future federal tax code.

Upon the dissolution of the Corporation, assets shall be distributed for one or more exempt purposes within the meaning of section 501 (c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not disposed of shall be disposed of by the Court of Common Pleas of the county in which the principle office of the Corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

ELIMINATION OF CERTAIN LIABILITY OF DIRECTORS, OFFICERS AND VOLUNTEERS.

Section A. Director's Limitation of Liability.

- a. No member of the board of directors or volunteer officer of the Corporation, who is a director or volunteer officer as that term is defined in the Michigan Nonprofit

Corporation Act (the "Act"), shall be personally liable to the Corporation, its shareholders, or its Members for money damages for any action taken or any failure to take any action as a director or volunteer officer, except liability for any of the following:

- i. The amount of a financial benefit received by a director or volunteer officer to which he or she is not entitled;
- ii. Intentional infliction of harm on the Corporation, its shareholders or members;
- iii. A violation of section 551;
- iv. An intentional criminal act;
- v. A liability imposed under Section 497(a) of the Act.

Section B. Assumption of Volunteer Director Liability.

The Corporation shall assume all liability to any person other than the Corporation, its shareholders or members for all acts or omissions of the volunteer director occurring on or after the filing of these or the original Articles of Incorporation and incurred in the good faith performance of the volunteer director's duties.

Section C. Assumption of Volunteer Liability

The Corporation shall assume the liability for all acts or omissions of a volunteer officer, or other volunteer as that term is defined in the Act occurring on or after the effective date of the provision that grants limited liability if all of the following are met:

- a. The volunteer was acting or reasonably believed he or she was acting within the scope of his or her authority;
- b. The volunteer was acting in good faith;
- c. The volunteer's conduct did not amount to gross negligence or willful and wanton misconduct;
- d. The volunteer's conduct was not intentional tort; and
- e. The volunteer's conduct was not a tort arising out of the ownership, maintenance, or use of a motor vehicle for which tort liability may be imposed as provided in section 3135 of the Insurance Code of 1956.

Section D. Amendments to the Act

If the Act is amended after the filing of these Articles of Incorporation to authorize the

further elimination, limitation, or assumption by the Corporation of the liability of directors, officers, non-director volunteers, or other employees or agents of nonprofit corporations, then the liability of such persons, in addition to the limitation, elimination, and assumption of personal liability contained in this Article, will be assumed by the Corporation or eliminated or limited to the fullest extent permitted by the Act as so amended, except to the extent such limitation, elimination, or assumption of liability is inconsistent with the status of the Corporation as an organization described in section 501(c)(3) of the Code.

BALLOT VOTING.

Any action of the members of the Corporation required or permitted to be taken at an annual or special meeting, including election of directors, may be taken without a meeting and approved by ballot vote, as provided by Section 408 of the Act and other sections of the Act, as amended from time to time.