

**CODE OF REGULATIONS OF THE
FAIRMOUNT MONTESSORI ASSOCIATION
A NONPROFIT CORPORATION**



**ARTICLE I
GENERAL**

PURPOSES AND CHARITABLE NATURE

Section 1. Purposes

The FAIRMOUNT MONTESSORI ASSOCIATION (the “Corporation”), a nonprofit corporation organized in accordance with the laws of the State of Ohio will have the purposes and powers as stated in its Articles of Incorporation, and whatever powers are or may be granted by the Nonprofit Corporation Law of the State of Ohio or any successor legislation. The purposes of this Corporation are to own and operate pre-primary, elementary and middle schools in which the Montessori method of education is used; to teach, counsel and otherwise instruct children of all ages according to the pedagogical principles and by means of the apparatus of the Montessori method; to do all things and undertake all activities necessary to or incidental to the foregoing purposes; and to do any and all other charitable and educational acts not inconsistent with the provisions of Section 2 below.

Section 2. Charitable Nature

The Corporation is organized as a nonprofit corporation exclusively for charitable purposes. The Corporation shall not carry on any activity not permitted to be carried on (i) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (or the corresponding provision of any successor law) or (ii) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986, as amended (or the corresponding provision of any successor law). No part of the funds or earnings of the Corporation shall inure to the benefit of any member, director, officer, or any other private individual, group or organization.

**ARTICLE II
BOARD OF TRUSTEES**

Section 1. Primary Responsibilities of the Board.

The Board’s primary responsibilities are to maintain the character of Ruffing Montessori School (the “School”), to establish overall policy, to appoint the Head of School, and to assure financial stability. The Board is further responsible for insuring that its policies are implemented.

Section 2. Powers of the Board.

Except as otherwise provided in this Code of Regulations, the Articles of Incorporation of the Corporation, or the laws of Ohio, all of the corporate powers, property and affairs of the Corporation shall be vested in, exercised, conducted, controlled or managed by the Board of Trustees. The Board of Trustees may delegate any authority that it possesses to, Trustees or committees of Trustees.

Section 3. Compensation of Trustees

No Trustee shall be entitled to or shall receive any compensation for attendance at meetings of the Trustees or other services rendered to the Corporation as a Trustee; provided that the Trustees may



authorize the reimbursement to any Trustee of expenses necessarily incurred by him or her in the performance of his or her duties as Trustee.

Section 4. Trustee Election, Number, Tenure and Qualifications

- A) Trustees shall be elected by the Board from a pool of current parents, past parents, grandparents, alumni and community members by criteria defined by the Board or a committee of the Board. At least one-half of the voting members of the Board of Trustees shall be current parents.
- B) No person shall be eligible for election to the Board if i) he or she is employed by the School or his or her spouse is employed by the School or (ii) he or she is under the age of 21.
- C) The Board of Trustees shall consist of no less than ten (10) and no more than twenty (20) voting members. Ex Officio members of the Board shall not be counted in determining the number of Trustees.
- D) The Board shall divide trustees into staggered classes so that the terms of only approximately one-third of the voting trustees shall expire each year.
- E) All newly elected trustees shall be elected to a term that is no longer than three (3) years. Following the first term of service, trustees may be eligible to serve a second three (3) year term. Except as provided below, no trustee may be elected to a serve more than six (6) consecutive years.
- F) In the event that a voting trustee does not complete his or her term or his or her position is deemed vacant by the Board, a trustee may be elected to fill out the unexpired term without regard to consecutive years of service.

Section 5. Trustees Emeriti A current or former Trustee who has served with distinction, and whose continued assistance and expertise is sought by the Board, may be elected by a majority of the Board as Trustee Emeritus. Trustees Emeriti shall be elected for two-year terms and may be reelected without limit. They are entitled to receive minutes of all Board meetings, and may attend all meetings of the Board. A Trustee Emeritus shall not be considered a Member of the Board for any legal purpose, shall not vote, and shall not serve as an officer of the Board or chair of a Board committee. The Trustees Emeriti shall serve in addition to the regularly elected or appointed Trustees and their number shall not exceed one fourth of the number of regular Trustees.

Section 6. Ex Officio Members The Head of School, the Parent Association President or his or her designee, and the Faculty Representative or his or her designee shall serve as Ex Officio non voting members of the Board of Trustees. Additional Ex Officio non voting members of the Board of Trustees may be appointed from time to time.

**ARTICLE III
MEETINGS OF THE BOARD**

Section 1. Regular Meetings of the Board. The Board shall hold at least four regular meetings during the Fiscal Year at such time and place as the President or a majority of the Board may from time to time prescribe. A yearly calendar of all regular meetings of the Board shall be prepared prior to the beginning of each school year by the Head of School and the Executive Committee. This calendar shall be mailed to all Board Members and shall serve as legal notice of the time and place of such meetings. The character of these meetings shall be announced by agendas and relevant supporting data distributed to Trustees at least three days but not more than twenty days before each meeting.

Section 2. Special Meetings of the Board. Special meetings of the Board for any purpose or purposes may be held on the call of the President or any three Trustees. Notice of each special meeting, setting forth the time, date, and place of the meeting and the general nature of the business to be transacted thereat, shall be given by an officer of the Board in person or by mail or by telephone or other electronic



means not less than twenty-four hours in advance of the meeting to each Trustee at the address last shown on the records of the School. Business transacted at a special meeting shall be limited to the matter stated in the notice of the meeting. No notice of the time or place of any meeting of Trustees shall be required to be given if waived by every Trustee entitled to received notice by (i) his or her written Waiver filed with or entered upon the records of such meeting either before or after the meeting, or (ii) his or her attendance at such meeting without protesting, prior to or at the commencement of the meeting, the lack of proper notice.

Section 3. *Quorum of Trustees.* A quorum for the transaction of business at any meeting of the Board shall consist of a majority of the Trustees then serving. Each Trustee shall have one vote. The act of the majority of Trustees present and voting at a duly called meeting shall be the act of the Board except as may be provided elsewhere by this Code of Regulations.

Section 4. *Action of the Board without a Meeting.* Any action required or permitted to be taken by the Trustees, and any action required or permitted to be taken by any committee of the Board as previously and specifically authorized by the Board may be taken without a formal meeting. However, a written consent setting forth the actions so taken and signed by all of the Trustees or members of a committee, as the case may be, must be filed with and entered upon the records of the Corporation.

Section 5. *Removal of a Trustee.* A Trustee may be removed, with or without cause, by an affirmative vote of at least two-thirds of the Trustees.

Section 6. *Resignation of a Trustee.* Any Trustee may resign from a committee of the Board, an office of the Board, or the Board itself by giving written notice to the President or the Secretary. Resignation of a Trustee shall take effect upon the receipt of such notice or at any later time specified within the written notice and, unless otherwise specified, the acceptance of such resignation shall not be necessary to make it effective.

Section 7. *Conflict of Interest of a Trustee.* A Trustee has a conflict of interest if:

- (A) The Trustee has an existing or potential financial interest that impairs or might reasonably appear to impair his or her independent judgment in the discharge of his or her responsibilities to the School or the Corporation, or
- (B) The Trustee's spouse, parent, or child, or any organization in which such Trustee or his or her spouse, parent, or child, is an officer, director, employee, member, partner, trustee, or controlling stockholder, has such existing or potential financial or other interests.

Trustees shall disclose to the Board any possible conflict of interest at the earliest practical time. No Trustee shall vote on any matter or participate in the deliberation of any matter in which the Trustee has a conflict of interest. The minutes of such meeting where a disclosure is made shall reflect that the disclosure was made. Any Trustee who is uncertain whether he or she has a conflict of interest in any matter may request the Board or committee to determine whether a conflict of interest exists and the Board or committee shall resolve the question by a majority vote.

ARTICLE IV OFFICERS

Section 1. *Officers of the Board.* The officers of the Board shall consist of the President, Vice-President, Treasurer, Secretary, and such other officers as the Board may appoint. Only a Trustee may serve as an officer. No Trustee may hold more than one office.

Section 2. *Election of Officers.* The officers of the Board shall be nominated by the Committee on Trustees and shall be elected by, and serve at the pleasure of, the Board. Notice of the election and qualifications of nominees shall be distributed to the Trustees at least ten days before the election.



Subject to the foregoing, each officer shall be elected for a one-year term, except that an officer elected to fill a vacancy shall serve for the remainder of the term of his or her predecessor.

Section 3. Vacancies. A vacancy in any of the offices of the Board may be filled for the unexpired term by a majority vote at any meeting of the Board, by election, provided that a notice of the elections and qualifications of nominees be distributed to the Board at least ten days prior to the election.

Section 4. President of the Board. The President shall preside at all meetings of the Board and shall, with the Executive Committee, appoint all committees that are not otherwise appointed by the Board. The President shall chair the Executive Committee. The President shall use his or her best efforts to see that all orders and resolutions of the Board and the Executive Committee or other committees of the Board are carried into effect. The President shall also have general supervision and direction of the officers and shall see that their duties and those assigned to other Trustees are properly performed. The President may sign, with the Secretary or any other appropriate officer of the Corporation authorized by the Board: any deeds, mortgages, bonds, contracts, or other instruments which the Board has authorized to be executed, except in cases where signing and execution thereof shall be expressly delegated by the Board or by this Code of Regulations or by statute to some other officer or agent of the Corporation. The President shall maintain close contact with the Head of School and offer, with the Executive Committee, governance advice and management perspective.

Section 5. Vice-President of the Board. The Vice-President shall have such powers and duties as may be prescribed by the Board or as may be delegated by the President. In case of the absence or disability of the President or when circumstances prevent the President from acting, the Vice-President shall perform the duties of the President.

Section 6. President Pro Tem. In the absence of the President and Vice-President, the Board of Trustees may appoint a President Pro Tem.

Section 7. Treasurer of the Board. The Treasurer shall chair the Finance Committee. The Treasurer, with the advice the Finance Committee shall be the custodian of all funds and securities of the School. Funds of the School shall be disbursed only on checks or other withdrawal orders of the School signed by such officers or other persons as may be specifically authorized by the Board. The Treasurer shall generally supervise the accounting and bookkeeping of the School, shall regularly report to the Board as to the financial condition and results of the operation of the School, and shall have such other powers and duties as may be prescribed from time to time by the President or the Board. With approval of the Board, the Treasurer may delegate to an administrative salaried employee of the School such of the foregoing duties, including the signing of checks or other orders for the payment of money, as the Treasurer shall specifically designate. All such delegations shall be recorded in the minutes of the Board.

Section 8. Secretary of the Board. The Secretary shall (i) cause to be kept the minutes of the meetings the Board in one or more books provided for that purpose; (ii) insure that all notices of meetings are duly given in accordance with the provisions of this Code of Regulations, or as required by law provided, however, that any persons calling such meetings may, at their options themselves give such notice; (iii) be custodian of the corporate records, including but not limited to the Code of Regulations and all Board policies; (iv) keep a register of the address of each Trustee, which shall be furnished to the Secretary by such Trustee; (v) and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned by the Board.

ARTICLE V COMMITTEES

Section 1. Formation of Committees. The Board shall appoint an Executive Committee, an Audit/Finance Committee, a Committee on Trustees, and such other committees as the Board deems necessary or advisable from time to time, consisting of such number of the Board members and other



persons and with such powers as the Board may designate; provided the same shall be consistent with the Certificate of Incorporation, this Code of Regulations and the laws of the State of Ohio. Committees are encouraged to seek the input and advice of current parents, faculty and other persons with expertise relevant to the work of the Committee.

Section 2. *Membership on Committees.* Qualifications for membership on Committees shall be as determined by the Board and these By-Laws, to reflect the particular blend of skills, expertise, perspectives, energy, and enthusiasm best suited to the purposes of the committees.

Section 3. *Term of Committee Members.* Committee Chairpersons shall hold office at the pleasure of the Board. All other Committee Members shall be appointed for a term of one year.

Section 4. *The Executive Committee.* The Executive Committee shall be chaired by the President and shall consist of the Officers of the Board. The Executive Committee shall be responsible for ensuring the efficient and lawful operation of the corporation in the periods between meetings of the Board.

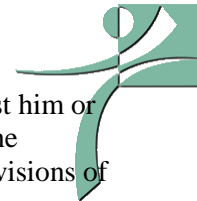
Section 5. *The Committee on Trustees.* The Committee on Trustees shall be responsible for nominating new Members of the Board, for orienting new trustees, and for leading the evaluation of the Board and Board members.

Section 6. *The Audit/Finance Committee.* The Audit/Finance Committee shall be chaired by the Treasurer. The Audit/Finance Committee reviews the annual operation and capital budgets and makes recommendations to the Board. The committee reviews and makes recommendations to the board regarding major financial and property transactions and is responsible for the investment of all School funds. The committee is responsible for working with the School's independent auditors to ensure appropriate controls and validity of the School's accounting systems and reports.

ARTICLE VI INDEMNIFICATION AND LIABILITY

Section 1. Indemnification.

- A)** The Corporation shall indemnify any Trustee or officer or any former Trustee or officer of the Corporation to the fullest extent provided by or permissible under section 1702.12 of the Ohio Revised Code, including but not limited to indemnification against reasonable attorney fees and expenses, judgments, decrees, fines, penalties, or amounts paid in settlement actually and necessarily incurred by him in connection with the defense of any pending or threatened action, suit, or proceeding, criminal or civil, to which he is or may be made a party by reason of being or having been such Trustee or officer provided that such Trustee or officer was not and is not adjudicated to have been liable for wanton or willful misconduct in the performance of his duty to the Corporation, unless indemnification in such case is otherwise permitted by law. Such determination shall be made either (i) by a majority vote of the Trustees of the Corporation, (ii) in the event of settlement, by a written opinion of independent legal counsel selected by the Trustees, or (iii) otherwise as permitted by law.
- B)** Funds to cover expenses with respect to any pending action, suit, or proceeding may be advanced by the Corporation prior to the final disposition thereof upon receipt of any undertaking by or on behalf of the recipient to repay such amounts unless it shall ultimately be determined that he is entitled to indemnification hereunder.
- C)** The indemnity hereinabove provided for shall not be deemed to be exclusive of a) any other rights to which any person may be entitled under the Articles, Regulations, any agreement, any insurance provided by the Corporation, or otherwise, or b) the power of the Corporation to indemnify any person who is or was an employee of the Corporation to the same extent and in the same situations and subject to the same determinations as hereinabove set forth with respect to a Trustee or officer. The Corporation may purchase and maintain insurance on behalf of any



person who is or was a Trustee, officer, or Employee against any liability asserted against him or incurred by him in any such capacity or arising out of his status as such whether or not the Corporation would have the power to indemnify him against such liability under the provisions of this article.

- D) The Corporation shall not indemnify any person pursuant to this provision if (a) such indemnification would cause the Corporation to fail to obtain or retain an exemption from federal income taxation under Section 501 (C) (3) and 501 (a) of the Internal Revenue Code of 1954, as amended, or (b) such indemnification would subject the Corporation to tax pursuant to Chapter 42 of said Internal Revenue Code.

Section 2. Liability. No Trustee shall be personally liable for the debts, liabilities, or obligations of the School.

ARTICLE VII AMENDMENT AND REVIEW OF BY-LAWS

This Code of Regulations may be amended by the vote of two-thirds of the Trustees present at a meeting at which there is a quorum in attendance, provided notice of the meeting and proposed changes in this Code of Regulations have been given to all Trustees no fewer than ten (10) days before such a meeting.

ARTICLE VIII MEMBERS

The Corporation shall have no members or voting member other than the Trustees of the Corporation. The Trustees shall, for purpose of any statute or rule of law relating to the Corporation be taken to be the members of the Corporation and they shall have all the rights and privileges of members.

ARTICLE IX MISCELLANEOUS

Section 1. Fiscal Year. The fiscal year of the School shall commence on the first day of July in each year.

Section 2. Execution of contracts. The Board may authorize any officer or agent to enter into any contract or to execute any instrument in the name of and on behalf of this School, and such authority may be general or confined to specific instances.

Section 3. Nondiscriminatory Admissions. Nondiscriminatory Action. In administering its affairs, the School shall not discriminate against any person on the basis of race, creed, color, national or ethnic origin, gender, age, or sexual orientation.

Amended as of May 10, 2010