

BYLAWS  
OF  
FOUNDATION FOR MOVEMENT INTELLIGENCE

ARTICLE I

Section 1.     Name. This Corporation shall be called the Foundation for Movement Intelligence and shall hereinafter be referred to as the “Corporation”.

Section 2.     Mailing Address. The mailing address of the Corporation shall be P.O. Box 694, Portland, Cumberland County, Maine.

ARTICLE II

Purposes

The Corporation is organized and shall at all times be operated exclusively for charitable, scientific, and educational purposes as a non- profit tax exempt organization organized under the laws of the State of Maine with all such powers as are authorized to non-profit corporations by the laws of said State. The purpose of the Corporation shall be as follows: to address widespread concern regarding loss of mobility, posture and bone strength by providing practical strategies for optimal weight-bearing movement, as embodied in the Bones For Life® program

The Corporation shall not carry on any 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 of 1986, as amended, (the “Code”) or the corresponding section of any future tax code, or (b) by a corporation, contributions to which are deductible under Code Section 170(c)(2);

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 or in opposition to any candidate for public office; provided that the Corporation shall have the power to make an election under Code Section 501(h). Furthermore, the Corporation shall not engage in any activities that are unlawful under applicable federal, state or local laws;

The Corporation is not organized for pecuniary profit and shall not have any capital stock.

All the assets and income of the Corporation shall be used exclusively for its charitable, scientific, and educational purposes. 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; provided, however, that nothing contained herein shall be construed to prevent the payment by the Corporation of the reasonable compensation and expenses to officers, directors, employees, and independent contractors of the Corporation for services rendered.

ARTICLE III  
Membership

Section 1. Members. The Corporation shall have no members. The affairs of the Corporation shall be governed by a Board of Directors.

Section 3. Supporters. The Board of Directors shall be authorized to create varying classifications of supporters of the Corporation, provided that no such individuals shall have any voting rights with respect to the affairs of the Corporation.

ARTICLE IV  
Officers and Directors

Section 1. Officers. The Officers of the Corporation shall be a President, Treasurer, Secretary, and such other Officers as the Board of Directors deems advisable from time to time for the transaction of the business of the Corporation. All Officers shall be members of the Board. All Officers shall hold office for one (1) year or until his/her successor has been elected, unless otherwise removed from office by a two-thirds (2/3) vote of the Directors. No officer's term shall exceed six (6) consecutive years. Officers shall be elected by the Board of Directors prior to its annual business meeting. In the event that there is only one candidate for an office, that candidate shall be appointed by declaration of the Board. The terms of office shall commence upon the conclusion of the annual business meeting at which officer elections are held. All directors with at least one year remaining in their term shall be eligible to hold office.

Section 2. Board of Directors. The Board of Directors shall consist of a minimum of seven (7) Directors and a maximum of seventeen (17) Directors. Each member of the Board of Directors shall serve for a term of three (3) years, with a maximum of two (2) consecutive terms.

Section 3. Vacancies. Any vacancy in the position of any officer or Director may be filled for the unexpired term by majority vote of the remaining Directors then in office.

Section 4. General Standards for Directors. A Director shall discharge the Director's duties in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner the Director reasonably believes to be in the best interests of the Corporation. In discharging the Director's duties, a Director is entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, if prepared or presented by:

- (a) One or more officers or employees of the Corporation whom the Director reasonably believes to be reliable and competent in the matters presented;
- (b) Legal counsel or a public accountant or other person as to matters the Director reasonably believes are within the person's professional or expert competence; or
- (c) A committee of the Board of Directors of which the Director is not a member, as

to the matters within its jurisdiction, if the Director reasonably believes the committee merits confidence.

A Director is not acting in good faith if the Director relies on information, opinions, reports or statements that the Director knows or has reason to believe are unwarranted. A Director is not liable for the performance of the duties of the Director's office if the Director acted in compliance with this section and, if a conflict-of-interest transaction is involved (as defined below), the transaction was fair to the Corporation or was approved as set forth below. A Director is not considered a trustee with respect to the Corporation or with respect to any property held or administered by Corporation, including, without limitation, property that may be subject to restrictions imposed by the donor or transferor of the property.

Section 5. General Standards of Officers. An Officer of the Corporation shall discharge that Officer's duties in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner the Officer reasonably believes to be in the best interests of the Corporation. In discharging the Officer's duties, an Officer is entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, if prepared or presented by:

- (a) One or more officers or employees of the Corporation whom the Officer reasonably believes to be reliable and competent in the matters presented; or
- (b) Legal counsel or a public accountant or other person as to matters the Officer reasonably believes are within the person's professional or expert competence.

An Officer is not acting in good faith if the Officer relies on information, opinions, reports or statements that the Officer knows or has reason to believe are unwarranted. An Officer is not liable to the Corporation or other person for any action taken or not taken if the Officer acted in compliance with this section and, if a conflict-of-interest transaction is involved (as defined below), the transaction was fair to the corporation or was approved as set forth below.

## ARTICLE V Powers and Duties of Officers and Directors

Section 1. The President. The President shall execute official documents on behalf of the Corporation at the designation of the Board of Directors. The President shall appoint the Chairpersons and all members of all Committees established by the Board of Directors to assist in conducting the affairs of the Corporation. In the absence of the President, the Treasurer shall perform the duties of President.

Section 2. The Treasurer. The Treasurer shall collect, receive, deposit and disburse all funds of the Corporation and shall be a member of the Finance Committee. The Treasurer shall keep proper records of all receipts and payment of all money, and shall deposit all money

and other valuable effects in the name and to the credit of the Corporation in such depositories as may from time to time be designated by the Board of Directors. He or she shall file an Annual Report at the Annual Meeting of the Directors and, upon request, shall promptly render to the President and to the Board of Directors an account of all transactions as Treasurer and of the financial condition of the Corporation. The Treasurer, at the expense of the Corporation, shall give such bond as the Directors may determine. The Treasurer shall collaborate with the Finance Committee to present an annual budget for Board approval prior to the beginning of each fiscal year of the Corporation.

Section 3.     The Secretary. The Secretary shall keep the corporate records and shall at all times maintain a comprehensive list of the names and addresses of the Officers and Directors of the Corporation and shall carry on such correspondence as may be required on behalf of the Corporation. The Secretary shall send written notices of all meetings of the Corporation to all Directors entitled thereto. The Secretary shall perform such other duties as the President or the Board of Directors may from time to time designate.

Section 4.     The Board of Directors. The Board of Directors shall have the general management and control of all of the business, effects and assets of the Corporation and shall exercise general supervision of its interests and affairs and shall have all other powers of the Board of Directors of a non-profit corporation under the laws of the State of Maine. The Board of Directors shall have the power to contract with, employ, retain, and discharge such personnel as are or may be necessary in order to carry out the corporate purposes.

Section 5.     Committees. The Board of Directors may establish and vote on expenditures of monies for such committees as it deems advisable in order to assist in conducting the general management and control of the business, effects, and assets of the Corporation, which committees may include, without limitation, a Finance Committee to prepare the estimated budget for each fiscal year of the Corporation, for approval by the Board of Directors.

Section 6.     Resignation or removal. Any Director may resign at any time by giving written notice to the President, the Secretary, or the full board. Such resignation shall take effect at the time specified therein or, if no time is specified, at the time of delivery to the President, Secretary or the board. Any director may be removed from the board, with or without cause, by a two-thirds (2/3) vote of the Directors at a meeting at which a quorum has been achieved, whether present in person (including telephonic participation) or by proxy.

Section 7.     Absence. Any officer or Director who is absent from three (3) consecutive meetings or four (4) nonconsecutive regular meetings of the Board of Directors during any twelve (12) consecutive month period shall be deemed to have resigned from his or her position as officer or director.

## ARTICLE VI Meetings of Directors

Section 1.     Annual Meeting. An Annual Meeting of the Board of Directors must occur at least once in every twelve (12) month period. The Annual Meeting of the Board of

Directors shall be held upon at least thirty (30) days advance notice. The specific date and time will be set at least thirty (30) days in advance, with the objective of accommodating a majority of the Directors. If a majority of the Directors are not present at such meeting and are unable to participate through teleconference, or do not proceed immediately thereafter to hold a meeting of the Board, the Annual Meeting of the Board of Directors shall be called as provided with respect to calling of Special Meetings of the Board of Directors.

Section 2. Special Meetings. Special Meetings of the Board of Directors shall be called by the Secretary when requested in writing by either the President or by a majority of the Directors currently in office. If the Secretary refuses or neglects for more than twenty-four (24) hours to call any such Special Meeting or at any time when the office of Secretary is vacant, or the Secretary is absent from the State or otherwise incapacitated, the President or such majority of the Directors may call such meeting by giving notice in the same manner required when notice is given by the Secretary.

Section 3. Quorum. At any meeting of the Board of Directors, a majority of the number of Directors on the Board shall constitute a quorum for the transaction of business; provided always that any number of Directors (whether one or more and whether or not constituting a quorum) present at any meeting, participating via teleconference, or at any adjourned meeting may make any reasonable adjournment thereof.

Section 4. Notices. Notice of any Special Meeting of the Board of Directors shall be given to each Director (i) at least seven (7) days before the meeting by mailing written notice of such meeting to him at his address as registered and recorded by the Corporation, or if not so registered,; or (ii) at least seventy-two (72) hours before the meeting by personal delivering, prepaid telegraphic notice addressed to him at his said registered address if any, or if not so registered to him at his last known address, or by return receipt e-mail. Notices of Directors' meetings need not specify the purposes thereof.

Section 5. Place of Meeting. Except as otherwise provided in Sections 1 and 6 of this Article, all meetings of the Board of Directors shall be held at such place, wherever situated, as may be designated in the notice thereof, and that any or all members of the board may have the option to participate in meetings through teleconference.

Section 6. Action Without a Meeting. Any action by the Board of Directors required or permitted to be taken at any meeting may be taken without a meeting if all of the members of the Board of Directors shall individually or collectively consent in writing to such action. Any such written consent shall be filed with the Minutes of the proceedings of the Board of Directors.

## ARTICLE VII Checks, Drafts, Notes and Other Instruments

Checks, drafts, notes and other instruments for the payment of money drawn or endorsed in the name of the Corporation shall be signed by the President or the Treasurer, or by such other person or persons as the Board of Directors may from time to time authorize. No check or other

instrument as aforesaid shall be signed or endorsed in blank. All contracts shall be signed by the President or the Treasurer, or as the Board of Directors may designate.

## ARTICLE VIII Amendments

Except as otherwise provided, these Bylaws may be amended by vote of a majority of Directors at any meeting of the Directors at which a quorum is present and for which proper notice containing a brief, concise and accurate statement of the nature of the amendment proposed and the reasons for such amendment has been provided.

## ARTICLE IX Liability of Directors and Officers

Section 5.1 Required Indemnification. The Corporation shall in all cases 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, whether civil, criminal, administrative or investigative, by reason of the fact that such person is or was a director or officer of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding; provided that no indemnification shall be provided for any person with respect to any matter as to which he or she shall have been finally adjudicated in any action, suit or proceeding not to have acted in good faith in the reasonable belief that his or her action was in the best interests of the Corporation or, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order or conviction adverse to such person, or by settlement or plea of nolo contendere or its equivalent, shall not of itself create a presumption that such person did not act in good faith in the reasonable belief that his or her action was in the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful. The right to indemnification granted by this section may be enforced by a separate action against the Corporation, if an order for indemnification is not entered by a court in the action, suit or proceeding wherein such person was successful on the merits or otherwise.

Section 5.2 Determination by Board. Any indemnification under Section 5.1, unless ordered by a court, shall be made by the Corporation upon a determination that indemnification of the director or officer is proper in the circumstances because he or she has met the applicable standard of conduct set forth above. Such determination shall be made by the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding, or if such a quorum is not obtainable, or even if obtainable, if a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion. Such a determination, once made by the Board of Directors may not be revoked by the Board of Directors, and upon the making of such determination by the Board of Directors, the director or officer may enforce the indemnification against the Corporation by a separate action notwithstanding any attempted or actual subsequent action by the Board of Directors.

Section 5.3 Advance Payments. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding as authorized by the Board of Directors in the manner provided in Section 5.2 upon receipt of an undertaking by or on behalf of the director or officer to repay such amount, unless it shall ultimately be determined that he or she is entitled to be indemnified by the Corporation.

Section 5.4 Indemnification Not Exclusive. The indemnification provided by Section 5.1 shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any bylaw, agreement, vote of disinterested directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director or officer and shall inure to the benefit of the heirs, executors and administrators of such a person.

Section 5.5 Power to Purchase Insurance. The Corporation has 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 is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him or her 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 the power to indemnify him or her against such liability under Section 5.1.

## ARTICLE X General Provisions

Section 1. Severability. The provisions of these Bylaws shall be deemed independent and severable and the invalidity, partial invalidity or unenforceability of any provision or portion hereof shall not affect the validity or enforceability of any other provision or portion thereof.

Section 2. Notices. All notices or other communications required or permitted under these Bylaws shall be in writing and shall be deemed to have been given when personally delivered, sent by return receipt e-mail, or on the second business day after the day on which mailed by certified mail, return receipt requested, postage prepaid if to the Corporation, or the Board of Directors, at the principal office of the Corporation or at such other address as shall be designated by notice in writing pursuant to this Section.

Section 3. Heading. The headings preceding the various Sections of these Bylaws are intended solely for the convenience of readers of the Bylaws and in no way define, limit or describe the scope of these Bylaws or the intent of any provision thereof.

Section 4. Gender. The use of the masculine gender in these Bylaws shall be deemed to include the feminine and neutral genders, and the use of the singular shall be deemed to include the plural, and vice versa, whenever the context so requires.

ARTICLE XI  
Public Benefit Corporation Provisions

Section 1. Restrictions on Directors. No more than 49% of the individuals on the Board of Directors may be financially interested persons. For the purposes of this section, “financially interested person” means:

a. An individual who has received or is entitled to receive compensation from the Corporation for personal services rendered to the Corporation by that individual within the previous 12 months, whether as a full-time or part-time employee, independent contractor, consultant or otherwise, excluding any reasonable payments made to directors for serving as directors. An individual is considered to receive compensation for services rendered to the Corporation by that individual if the individual is entitled to receive, other than as a shareholder of a publicly held corporation, a portion of the net income of a corporate or other business entity that provides, for compensation, personal services to the Corporation; or

b. A spouse, brother, sister, parent or child of the individual described in paragraph a.

Section 2. Conflict-of-interest transactions.

a. This section is intended to ensure that the Corporation is in compliance with the provisions of 13-B M.R.S.A. § 718 which governs transactions in which a director has a direct or indirect financial interest. A conflict-of-interest transaction is a transaction in which a Director or Officer of the Corporation has a direct or indirect financial interest. For the purposes of this section, a Director or Officer has an indirect interest in a transaction if:

(1) Another entity in which the Director or Officer has a material interest or in which the director or officer is a general partner is a party to the transaction; or

(2) Another entity of which the Director or Officer is a director, officer or trustee is a party to the transaction.

b. A conflict-of-interest transaction is neither voidable nor grounds for imposing liability on a Director or Officer of the Corporation if the transaction was fair at the time it was entered into or is approved as provided in section c below.

c. A transaction in which a director or officer of the Corporation has a conflict of interest may be approved before or after consummation of the transaction as follows.

(1) The board or a committee of the board may authorize, approve or ratify a transaction under this section if the material facts of the transaction and the Director’s or Officer’s interests are disclosed or known to the board or committee of the board. The transaction may be approved only if it is fair and equitable to the Corporation as of the date the transaction is authorized, approved or ratified. The party asserting fairness of any such transaction has the burden of establishing fairness.

(2) If the board so requests, a transaction under this section may be approved by the Maine Attorney General or by the Superior Court in an action in which the Attorney General is joined as a party. If the board is unable to make a decision regarding a transaction, one or more Directors or Officers may request approval of the Attorney General or the court in accordance with this subsection. The transaction may be approved only if it is fair and equitable to the Corporation as of the date the transaction is authorized, approved or ratified. The party asserting fairness of any such transaction has the burden of establishing fairness.

d. For purposes of subsection c, a conflict-of-interest transaction is approved if it receives the affirmative vote of a majority of the Directors on the board or on a committee of the board who have no direct or indirect interest in the transaction. However, a transaction may not be approved under this subsection by a single Director. If a majority of the Directors on the board who have no direct or indirect interest in the transaction vote to approve the transaction, a quorum is present for the purpose of taking action under this section.

e. The foregoing provisions are not intended to constitute the Corporation's exclusive conflicts of interest policy, and the Board of Directors shall be authorized to adopt a conflicts of interest policy provided that such policy conforms to the foregoing provisions governing direct or indirect financial interests.