

SEMHIE

SOUTH EAST MICHIGAN HEALTH INFORMATION EXCHANGE

BYLAWS

Revised December 8, 2008

**BYLAWS
OF
SOUTH EAST MICHIGAN HEALTH INFORMATION EXCHANGE**

**ARTICLE I
CORPORATION**

1.1 NAME. The name of the corporation is South East Michigan Health Information Exchange (the "Corporation").

1.2 OFFICES. The Corporation shall have its principal office in such place within the State of Michigan as the Board of Directors may determine. The Corporation may have such other places of business as the Board of Directors may determine from time to time within or outside the State of Michigan.

1.3 FORM OF ORGANIZATION. The Corporation shall be organized upon a non-stock membership basis.

1.4 GOVERNANCE. The Corporation shall be governed, and the actions and operations of the Corporation shall be determined, in a manner that is consistent with the Articles of Incorporation, these Bylaws and the Operating Rules, as such are adopted by the Corporation and amended from time to time. The Articles of Incorporation, these Bylaws and the Operating Rules shall collectively be referred to as "Governing Documents". In the event of any inconsistency or ambiguity between these Bylaws and the Operating Rules, the provisions of the Bylaws shall govern.

**ARTICLE II
MISSION AND PURPOSES**

2.1 MISSION. The Corporation shall advance and support the use of integrated, interoperable health information exchange across the region and, as appropriate, in larger networks, supporting the data needs of physicians, health systems, hospitals, other healthcare providers and facilities, patients, employers, health plans and other regional constituents. The Corporation shall provide a platform for the delivery and sharing of electronic health information in a secure and timely manner to authorized users across organizational boundaries.

2.2 PURPOSES. The purposes for which the Corporation is organized are set forth in the Articles of Incorporation.

2.3 NONPROFIT OPERATION. The Corporation shall be operated exclusively for charitable, scientific and educational purposes as a nonprofit corporation. No member or director of the Corporation shall have any title to or interest in the Corporation property or earnings in their individual or private capacity, and no part of the net earnings of the Corporation shall inure to the benefit of any member, director, officer, or any private individual. No substantial part of the activities of the Corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, nor shall the Corporation participate in or intervene in any political campaign on behalf of any candidate for public office.

ARTICLE III
MEMBERS

3.1 MEMBERSHIP. The Corporation is organized on a non-stock basis as a membership corporation.

3.2 QUALIFICATION. The Members of the Corporation shall consist of associations, businesses, corporations, companies, joint stock companies, joint ventures, nonprofit corporations, partnerships, other entities, political subdivisions or agencies or instrumentalities of the government. Additional qualifications and requirements of membership, including those related to membership dues, if any, shall be described in the Operating Rules.

3.3. CLASS. Members shall be divided into classes of membership based on the nature of such Member. Members may elect only one class of membership based on the following classes:

3.3.1 PHYSICIAN ORGANIZATIONS. Members of this class may include physician groups and physician associations.

3.3.2 COMMUNITY GROUPS. Members of this class may include nonprofit or not-for-profit health councils or other health organizations concerned with healthcare issues.

3.3.3 CONSUMERS. Members of this class may include organizations, organized labor organizations, unions, and associations concerned with healthcare issues.

3.3.4 EMPLOYERS. Members of this class may include employers, including corporations and banks.

3.3.5 GOVERNMENT. All Members that are or that represent federal, state, or local government departments, agencies, bodies, or entities must belong to the Government class. The Government class acts in an advisory role only, and does not have a vote.

3.3.6 HEALTH PLANS. Members of this class may include insurance companies writing health care insurance, insurance associations, licensed health care service plans, health maintenance organizations, preferred provider arrangements and organizations, third party plan administrators, or self-insured employee welfare benefit plans providing benefits for hospital, medical, or other health care services.

3.3.7 HEALTH SYSTEMS. Members of this class may include profit and nonprofit hospital associations, associations of healthcare facilities, entities with healthcare facility subsidiaries, and individual hospital corporations.

3.3.8 ANCILLARY SERVICES. Members of this class may include laboratories, pharmacies, radiology / diagnostic imaging entities, and entities providing other ancillary services.

3.3.9 MEDICAL SOCIETIES. Members of this class include all forms of Michigan-based medical societies.

3.3.10 AT LARGE. Members of this class may include organizations providing health care other than those organizations specifically identified above.

3.4 RESIGNATION AND REINSTATEMENT. Any Member may resign at any time, provided, however, that no Member which resigns may retain the rights and benefits accruing to a Member. Such resignation shall be made in writing to the Secretary of the Corporation, signed by the Member Representative then in office, as described below, and shall take effect at the time specified therein, or if no time is specified, the time of its receipt by the Board of Directors. The acceptance of a resignation shall not be necessary to make it effective. Upon application by the resigned Member, the Board of Directors may reinstate such resigned Member by an affirmative two-thirds vote of all the members of the Board of Directors.

3.5 REMOVAL AND REINSTATEMENT. The Board of Directors may censure, suspend, or expel a Member for cause, and furthermore, reinstate such Member, by an affirmative two-thirds vote of all members of the Board of Directors. "Cause" means misfeasance, violation of the Governing Documents, conduct detrimental to the interest of the Corporation, breach of confidentiality, or refusal to render reasonable assistance in carrying out the Corporation's purposes. Such action shall be taken by the Board of Directors only after said Member has been given reasonable notice and an opportunity to be heard with respect to such action.

3.6 MEMBER REPRESENTATIVES. Each Member shall be represented in the affairs of the Corporation by an individual representative (the "Member Representative"), who is a natural person residing, or employed in Michigan. Each Member Representative shall be designated in writing signed by an authorized official of the Member and delivered to the Secretary of the Corporation. The authorized official of the Member may also designate an Alternate Member Representative to serve in the full capacity of the Member Representative at the discretion of the Member Representative, both of which are referred to herein as the "Member Representative". Here after both individuals are referred to as the Member Representative. Each Member Representative shall serve until his or her successor has been so designated or as otherwise determined in accordance with the Governing Documents.

3.7 RESIGNATION OF MEMBER REPRESENTATIVE. Any Member Representative may resign at any time, provided, however, that no Member Representative who resigns may retain the rights and benefits accruing to a Member Representative. Such resignation shall be made in writing to the Member and to the Secretary of the Corporation and shall take effect at the time specified therein, or if no time is specified, the time of its receipt by the Board of Directors. The acceptance of a resignation shall not be necessary to make it effective.

3.8 REMOVAL OF MEMBER REPRESENTATIVE. The Board of Directors may censure, suspend, or expel a Member Representative for cause. "Cause" means misfeasance, violation of the Governing Documents, conduct detrimental to the interest of the Corporation, breach of confidentiality, or refusal to render reasonable assistance in carrying out the Corporation's purposes. Such action shall be taken by the Board of Directors only after said Member Representative has been given reasonable notice and an opportunity to be heard with respect to such action.

3.9 SUCCESSOR MEMBER REPRESENTATIVE. Upon resignation or removal of a Member Representative, the Member may designate a successor Member Representative in accordance with the procedure set forth in the Operating Rules. The Board of Directors shall confirm that the applicant meets the general qualifications as set forth in the Operating Rules.

3.10 MEETINGS.

3.10.1 ANNUAL MEETING. The annual meeting of the Members shall be held at such place, date and hour as the Members may determine from time to time during the month of March of each year. At the annual meeting, the Members shall consider all such business as may properly be brought before the meeting.

3.10.2 REGULAR MEETINGS. Regular meetings of the Members may be held on a quarterly basis or as otherwise determined by the Chair of the Board of Directors (the "Chairperson"), at a time and location designated by the Chairperson.

3.10.3 SPECIAL MEETINGS. Special meetings of the Members may be called, in writing, by the Chairperson or by a majority of the Members at a time and a 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 Member in any manner as provided by the Michigan Nonprofit Corporation Act (the "Act") at least three (3) days before the meeting.

3.11 QUORUM. At any meeting of the Members, the presence of one-half of the Members qualified to vote shall be necessary and sufficient to constitute a quorum for the transaction of general business.

3.12 PARTICIPATION BY MEANS OF COMMUNICATIONS EQUIPMENT. Unless otherwise specified by the Members, a Member may participate in a meeting by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear or otherwise communicate with one another if all are advised of the use of such communications equipment and the names of those participating are divulged. Participation in a meeting in this manner constitutes presence in person at the meeting.

3.13 REMOTE PARTICIPATION. Members not physically present at a meeting of the Members may participate in the meeting by means of remote communication, and are considered present in person and, if the Member has the right to vote on the matter(s) under consideration, may vote at the meeting if:

- (a) Reasonable measures are used to verify that each person considered present and permitted to vote at the meeting by means of remote communication is an authorized Member Representative.
- (b) Reasonable measures are used to permit each Member Representative a reasonable opportunity to participate in the meeting and to vote on matters discussed, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with the proceedings.
- (c) A record of each vote or other action taken at a meeting in which a Member Representative participates remotely shall be maintained by the Corporation.
- (d) A Member Representative may be present and vote at an adjourned meeting of the Members by a means of remote communication if he or she was permitted to be present and vote by that means of remote communication in the original meeting notice.

3.14 RESERVED POWERS FOR MEMBERS. The following actions are reserved to the Members:

3.14.1 Election of Directors

3.14.2 Amendment to the Articles of Incorporation

3.14.3 Adoptions of a merger plan or other corporate consolidation

3.14.4 Disposition of or sale of substantially all of corporate assets

3.14.5 Dissolution of the corporation

3.14.6 Renewal of corporate existence or revocation of dissolution

3.15 VOTING. The Members shall vote on actions reserved to the Members through the applicable Member Representative. Members shall act through their Member classes. Actions reserved to the Members other than the election of Directors shall be taken or authorized by an affirmative majority vote of the Member classes taken at a meeting of the Members duly called and at which a quorum is present or upon written consent as permitted by the Articles of Incorporation or these Bylaws. Each member class, other than the Government class, shall have a single vote. The vote of each Member class shall be determined by an affirmative majority vote of the Members of that class present and qualified to vote on such matter, taken at a meeting of the Members duly called and at which a quorum is present or upon written consent as permitted by these Bylaws. Except as provided in Section 4.7 below, the election of Directors by the Members shall instead be made by an affirmative majority vote of the Members that are of the class that the Director represents and that are present and qualified to vote on such matter, taken at a meeting of the Members duly called and at which a quorum is present or upon written consent as permitted by the Articles of Incorporation or these Bylaws. No Member shall be permitted to vote by proxy. Each class of Members shall vote in accordance with the procedure established by the Governing Documents. Notwithstanding any provision of the Articles of Incorporation or these Bylaws to the contrary, members of the Government class will have no vote as a Member and may not participate (individually or through the Government class) in Member elections.

3.16 NOTICES. Written notice of the time and place of the regular meetings of the Members shall be given to each Member not less than ten (10) and not more than sixty (60) days before the date of the meeting, either personally, by electronic communication or by mailing such notice to each Member at the address designated by the Member for such purposes, or if none is designated, at the Member's last known address. Notice of the time and place of special meetings of the Members shall be given to each Member in advance of the meeting by any method, oral, written or electronic, which can reasonably be expected to provide the Member actual notice of the meeting at any time prior to the meeting. Notices of special meetings shall state the purpose or purposes of the meeting, and no business may be conducted at a special meeting except the business specified in the notice of the meeting.

3.17 WAIVER OF NOTICE OF MEETINGS. Notice of any meeting may be waived in writing before or after the meeting. Attendance of a Member at a meeting constitutes waiver of notice of the meeting except where a Member attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

3.18 ACTION WITHOUT A MEETING. Any action required or permitted at any meeting of the Members may be taken without a meeting, without prior notice and without a vote, if a written consent to the particular matter is signed and dated by the Members having no less than the minimum number of votes that would be necessary to authorize or take the action in accordance with Section 3.15 above at a meeting at which all Members entitled to vote on the action were present and voted. Written consents may be transmitted by electronic means, and shall be effective as and when described in the Operating Rules. Said written consents shall be filed with the minutes of the proceedings and shall have the same effect as a vote for all purposes.

ARTICLE IV
BOARD OF DIRECTORS

4.1 BOARD OF DIRECTORS. Subject to the provisions of the Act and any limitations in the Governing Documents, the business, property and affairs of the Corporation shall be managed by the Board of Directors.

4.2 NUMBER OF DIRECTORS. There shall be at least three (3), but no more than twenty-one (21), Directors on the Board, or such number as shall be fixed from time to time by the Board of Directors. In addition, the President of the Corporation shall be an ex-officio voting member of the Board of Directors.

4.3 MEMBERSHIP. Effective as of the first election of Directors by the Members, each class of Members shall be entitled to representation on the Board as follows:

<u>Class of Membership</u>	<u>Maximum Number of Directors Representing Class</u>
Physician Organizations	2
Community Groups	1
Consumers	1
Employers	3
Government	0
Health Plans	2
Health Systems	4
Ancillary Services	1
Medical Societies	2
At Large	1

The President serves as a member at large of the Board of Directors and does not represent any particular class of Members.

4.4 TERM. Except as otherwise provided in the Governing Documents, each Director shall be elected at the annual meeting of the Members and shall hold the position of Director for a term of three years, at which time a successor shall be elected. The terms of the Directors shall be staggered so that the terms of approximately one-third (1/3) of the Directors shall end each year. Directors are eligible for re-election to an unlimited number of terms. All Directors shall be Member Representatives of the Member class they are elected to represent and shall meet all other criteria for eligibility set forth in the Governing Documents.

4.5 RESIGNATION. A Director may resign at any time. Such resignation shall be made in writing to the Secretary of the Corporation and shall take effect at the time specified therein, or if no time is specified, the time of its receipt by the Board of Directors. The acceptance of a resignation shall not be necessary to make it effective.

4.6 REMOVAL. A Director may be removed at any time, with or without cause, by an affirmative two-thirds vote of all the members of the Board of Directors. Such action shall be taken by the Board only after said Director has been given reasonable notice and an opportunity to be heard with respect to such action. The effective date of such removal shall be the date of the meeting at which the vote is taken, unless otherwise specified by the Board. Said Director shall be notified in writing of said removal.

4.7 VACANCIES. Vacancies occurring in the Board of Directors by reason of death, resignation, removal, the inability to serve or an increase in the number of Directors shall be filled through an appointment by the remaining Directors on the Board in accordance with the Operating Rules. A Director appointed in accordance with this Section 4.7 shall be a Member Representative of the Member class that is to be represented by the vacant Director position. The Director appointed to fill a vacancy shall serve until a successor is elected at the next annual meeting of the Members.

4.8 PLACE OF MEETINGS. Meetings of the Board of Directors of the Corporation shall be held at such place as shall be determined by the Board of Directors and stated in the notice of meeting.

4.9 MEETINGS.

4.9.1 ANNUAL MEETING. The annual meeting of the Board of Directors shall be held within forty-five (45) days following the annual meeting of the Members at such place, date, and hour as the Board of Directors may determine from time to time. At the Board of Director's annual meeting, the Board of Directors shall elect officers and consider such other business as may properly be brought before the meeting.

4.9.2 REGULAR MEETINGS. Regular meetings of the Board shall be held as often as necessary to conduct the affairs of the Corporation, but no less frequently than quarterly, as determined by the Chairperson of the Board, at a time and location designated by the Chairperson.

4.9.3 SPECIAL MEETINGS. Special meetings of the Board may be called, if done so in writing, by the Chairperson or by a majority of the members of the Board at a time and a 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 member of the Board in any manner as provided by the Act at least three (3) days before the meeting.

4.10 NOTICES. Written notice of the time and place of the regular meetings of the Board shall be given to each Director and the President not less than ten (10) days before the date of the meeting, either personally, by electronic communication or by mailing such notice to each Director and the President at the address designated by the Director and the President for such purposes, or if none is designated, at the Director's and the President's last known address. Notice of the time and place of special meetings of the Board shall be given to each Director and the President in advance of the meeting by any method, oral, written or electronic, which can reasonably be expected to provide the Director and the President actual notice of the meeting at any time prior to the meeting. Notices of special meetings shall state the purpose or purposes of the meeting, and no business may be conducted at a special meeting except the business specified in the notice of the meeting.

4.11 WAIVER OF NOTICE OF MEETINGS. Notice of any meeting may be waived in writing before or after the meeting. Attendance of a Director or the President at a meeting constitutes waiver of notice of the meeting except where a Director or the President attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

4.12 ACTION WITHOUT A MEETING. Any action required or permitted at any meeting of the Board of Directors may be taken without a meeting, without prior notice and without a vote, if all of the Directors and the President entitled to vote thereon consent in writing. Said written consents shall be filed with the minutes of the proceedings and shall have the same effect as a vote for all purposes.

4.13 QUORUM AND VOTING REQUIREMENTS. At any meeting of the Board or Board Committee, the presence of one-half of the members of the Board of Directors or Board Committee shall be necessary and sufficient to constitute a quorum for the transaction of general business. The Board may establish a lower quorum of not less than two members for Board Committees and special meetings. The vote of the majority of the members of the Board of Directors or Board Committee present at any meeting at which there is a quorum shall be the acts of the Board or the Board Committee, except as may be required by the laws of the State of Michigan or the Governing Documents.

4.14 PARTICIPATION BY MEANS OF COMMUNICATIONS EQUIPMENT. Unless otherwise specified by the Board, a member of the Board or of a committee appointed by the Board may participate in a meeting by means of conference telephone or other means of remote communication equipment by means of which all persons participating in the meeting can communicate with each other. Participation in a meeting in this manner constitutes presence in person at the meeting.

4.15 VOTING. If a decision or recommendation of the Board of Directors is required, the Chairperson shall request a motion for a vote. Any member of the Board of Directors, including the Chairperson, may make a motion for a vote. All business shall be transacted by a majority vote of the members of the Board of Directors present, except for: (1) the confirmation of the appointment and termination of the Chairperson, which requires a majority vote of the members of the Board of Directors currently serving on the Board; (2) the amendment of the Bylaws, which requires a majority vote of the members of the Board of Directors currently serving on the Board; (3) such other business so identified in the Governing Documents.

4.15.1 GENERAL VOTE. Action upon general matters before the Board may be taken or authorized by an affirmative majority vote of the members of the Board of Directors which are present and qualified to vote on such a matter, taken at a meeting duly called and at which a quorum is present. Each member of the Board of Directors shall have a single vote.

4.15.2 PROXY VOTING. No member of the Board of Directors shall be permitted to vote by proxy vote.

4.16 ALTERNATE MEMBERS. No alternate members of the Board of Directors shall be permitted.

ARTICLE V **OFFICERS**

5.1 OFFICERS. The officers of the Corporation shall be elected by the Board from among the Directors except that the President does not need to be a Member Representative or a Director and shall instead be selected from the population at large by the Board of Directors. The officers of the Corporation shall serve at the pleasure of the Board. The officers of the Corporation shall consist of a Chairperson, a Vice Chairperson, a President, a Secretary, and a Treasurer. There may also be one or more vice presidents and such other officers as the Board of Directors deems appropriate. 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 or by the Board to be executed, acknowledged or verified by two or more officers.

5.2 TERM OF OFFICE. Each officer shall hold office for the term described in the Operating Rules or until a successor is appointed and qualified.

5.3 VACANCIES. In the event of the death, resignation, removal or other inability to serve of any officer, the Board of Directors shall elect a successor who shall serve until the expiration of the normal term of such officer or until his or her successor shall be elected.

5.4 CHAIRPERSON. The Chairperson of the Board shall be a member of the Board and shall preside at meetings of the Board of Directors and shall perform such other duties as may be assigned by the Board of Directors. The Chairperson shall be privileged to attend and participate with voting privileges in the meetings of all Board Committees of which the Chairperson is not otherwise a member. In his or her absence, the Vice Chairperson shall preside, and in his or her absence, a chairperson chosen by the Board of Directors shall preside. In the event that the Chairperson of the Board and the President are the same person, the Chairperson of the Board will be a member of the Board but will not represent any class of Members.

5.5 VICE CHAIRPERSON. The Vice Chairperson of the Board shall be a Director and at the request of the Chairperson, or in his or her absence, shall perform the duties and possess and exercise the powers of the Chairperson and shall perform such other duties as may be assigned to him or her from time to time by the Board of Directors.

5.6 SECRETARY. There shall be a Secretary as determined by the Board who shall keep minutes of Board meetings, provide notice to members of the Board of Directors as required hereunder, have custody of the Corporation's records and perform such duties as may be assigned by the Board of Directors. When necessary or proper, the Secretary may sign, together with the Chairperson, in the name of and on behalf of the Corporation, any contracts or agreements authorized by the Board.

5.7 TREASURER. There shall be a Treasurer as determined by the Board who shall have charge and custody of corporate funds and securities and shall keep accurate books and records of corporate receipts and disbursements and such other duties as may be assigned by the Board of Directors.

5.8 PRESIDENT. The President shall be an ex-officio voting member of the Board of Directors. For clarification and not limitation, the President shall be deemed a member of the Board of Directors for purposes of Sections 4.13, 4.14, and 4.15 above. The President shall serve as 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 President shall have the authority and responsibility to manage the day-to-day affairs of the Corporation in all its activities and departments, subject only to such policies as may be adopted and such orders as may be issued by the Board of Directors or any Board Committee to which the Board of Directors has assigned the responsibility for such action. The President shall have the power to appoint or discharge employees, agents, or independent contractors and shall sign all corporate documents and agreements on behalf of the Corporation unless the Board of Directors or the President instructs that such signing be done with or by some other officer, agent, or employee. The President may be removed from office by an affirmative vote of a majority of the Directors present at any meeting of the Board of Directors at which a quorum is present, but any such removal shall be without prejudice to the President's contract rights, if any.

ARTICLE VI COMMITTEES

6.1 GENERALLY. The Board of Directors may establish, such Board Committees from time to time as it may deem appropriate to carry out the work of the Corporation and shall prescribe the duration and functions of such committees. The Board may refer specific business or deliberation to a committee for the purposes of recommendation and provide the initial charter to the committee for its consideration. The Board, by a resolution adopted by a vote of the majority of its members, may designate one or more Board Committees, with each committee consisting of one or more Directors. The Board may also designate one or more Directors as alternate Board Committee members to replace an absent or disqualified member at a committee meeting. Board Committees designated by the Board shall serve at the pleasure of the Board. Members of any committee may be removed at any time by a majority of the Directors then in office.

6.2 SPECIAL COMMITTEES. Special committees may be appointed by the Chairperson with the concurrence of the Board, for such special tasks as circumstances warrant. Special committees may be constituted of Directors, or of Directors and Members. A special committee shall limit its activities to the accomplishment of the task for which it is appointed and shall have no power to act except as specifically conferred by action of the Board. Upon completion of the tasks for which appointed, such special committee shall stand discharged.

6.3 ADVISORY PANELS. The Board may designate Advisory Panels as deemed necessary by the Board. Advisory Panels shall provide expert advice on financial, legal, technical, privacy, and standards issues.

6.4 BOARD COMMITTEE MEETINGS. Each Board Committee chairperson shall fix the time and place for each Board Committee meeting, compose the Board Committee agenda, and conduct the Board Committee meetings in conformity with the Governing Documents. Board Committee meetings shall be governed by the rules provided in Article IV for meetings of the Board. Minutes shall be recorded at each Board Committee meeting. All Board Committees shall maintain written records summarizing their proceedings and shall report their activities regularly to the Board of Directors.

ARTICLE VII INDEMNIFICATION

7.1 Subject to all other provisions of this Article, the Corporation shall indemnify any director, officer, employee, non-director volunteer, or agent of the Corporation or any person serving at the request of the Corporation as a director, officer, partner, trustee, employee, or non-director volunteer of another Corporation, partnership, joint venture, trust or other enterprise, from liability under any threatened, pending, or completed action, suit, or proceeding whether civil, criminal, administrative, or investigative and whether formal or informal, other than an action by or in the right of the Corporation, for any expenses, including attorneys fees, judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by any such person in connection with the action, suit or proceeding if such person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interest of the Corporation, and with respect to any criminal action or proceeding, if the person had no reasonable cause to believe that the conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon plea of nolo contendere or its equivalent shall not of itself create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in or not opposed to the best interest of the Corporation and, with respect to any criminal action or proceeding, had reasonable cause to believe that the conduct was unlawful.

7.2 To the extent that a director, officer, employee, non-director volunteer, or agent of the Corporation has been successful on the merits or otherwise in defense of an action, suit, or proceeding referred to above, or in defense of a claim, issue, or matter in the action, suit, or proceeding, such person shall be indemnified against expenses, including actual and reasonable attorney fees, incurred in connection with the action, suit, or proceeding and in any action, suit, or proceeding brought to enforce the mandatory indemnification provided in this Article.

7.3 An indemnification under this Article, unless ordered by a Court, shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the director, officer, employee, non-director volunteer, or agent is proper in the circumstances because the person has met the applicable standard of conduct set forth in Section 7.1 above. This determination shall be made in any of the following ways:

- A. By a majority vote of a quorum of the Board consisting of the members of the Board who are not parties to the action, suit, or proceeding.

- B. If the quorum described in Subdivision A is not obtainable, then by a majority vote of a committee of members of the Board 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.

7.4 If a person is entitled to indemnification under this Article for a portion of expenses including attorney fees, judgments, penalties, fines, and amounts paid in settlement, but not for the total amount thereof, the Corporation may 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.

7.5 Expenses incurred in defending a civil or criminal action, suit, or proceeding described in Section 7.1 may be paid by the Corporation in advance of the final disposition of the action, suit, or proceeding upon receipt of and undertaking by or on behalf of the director, officer, employee, non-director volunteer, or agent 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 by unlimited general obligation of the person on whose behalf advances are made, but need not be secured.

7.6 The indemnification or advancement of expenses provided for herein is not exclusive of other rights to which a person seeking indemnification or advancement of expenses may be entitled under the Articles of Incorporation, the Governing Documents or a contractual agreement. However, the total amount of expenditures 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. The indemnification provided in Sections 7.1 through 7.5 and this Section continues as to a person who ceases to be a director, officer, employee, non-director volunteer, or agent and shall enure to the benefit of the heirs, executors, and administrators of that person.

7.7 The Corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, non-director, volunteer, or agent of the Corporation against any liability asserted against such person and incurred by such person in any such capacity or arising out of such person's status as such whether or not the Corporation would have power to indemnify the person against such liability under this Article.

ARTICLE VIII
FISCAL YEAR

The fiscal year of the Corporation shall begin on the first day of January and end on the thirty-first day of December each year.

ARTICLE IX
CONFLICTS OF INTEREST

The Board shall adopt a conflicts of interest policy covering actual and potential conflicts of interest and procedures for distribution and implementation of the policy. Such policy shall include, at a minimum, all elements required under the Act and the Internal Revenue Code and any and all rules or regulations promulgated under any of the foregoing. The policy shall be applicable to all members of the Board, including but not limited to the President, other officers, members of senior management, members of Board Committees and others as determined by the Board and set forth in the policy or in a resolution adopted by the Board. The Corporation may adopt one or more policies setting forth standards for identification and resolution of possible conflicts of interest affecting individuals in other positions with the Corporation.

ARTICLE X
BOOKS AND RECORDS

10.1 MAINTENANCE OF BOOKS AND RECORDS. The proper officers and agents of the Corporation shall keep and maintain such books, records and accounts of the Corporation's business and affairs, minutes of the meeting of its members, Board and committees, if any, as the Board of Directors shall deem advisable, and as shall be required by the laws of the State of Michigan.

10.2 RELIANCE ON BOOKS AND RECORDS. In discharging his duties, a Director or an officer of the Corporation, when acting in good faith, may rely upon the opinion of counsel for the Corporation, upon the report of an independent appraiser selected with reasonable care by the Board, or upon financial statements of the Corporation represented to him to be correct by the President or the officer of the Corporation having charge of its books of account, or stated in a written report by an independent public or certified public accounts or firm of such accountants fairly to reflect the financial condition of the Corporation.

ARTICLE XI
DEPOSITS

The Board shall select banks, trust companies, and other depositories in which all funds of the Corporation, not otherwise employed, shall, from time to time, be deposited to the credit of the Corporation.

ARTICLE XII
AMENDMENTS

These Bylaws may be amended by the majority vote of the Board of Directors at any regular or special meeting. No amendment that is inconsistent with the Articles of Incorporation shall become effective prior to any amendment that may be required in the Articles of Incorporation.

ARTICLE XIII
DISSOLUTION

In the event the Corporation is dissolved, all monies, property, and assets of the Corporation shall be applied and distributed as follows:

(a) All liabilities and obligations of the Corporation shall be paid and discharged, or adequate provision made therefore;

(b) Assets held by the Corporation which include conditions requiring return, transfer or conveyance, which condition occurs by reason of the dissolution, shall be returned, transferred or conveyed in accordance with the requirements thereof;

(c) Any remaining money and assets held by the Corporation shall be donated to a nonprofit, tax-exempt religious, charitable or educational organization selected by the Board of Directors in accordance with the requirements of all Federal and State regulations for nonprofit, tax-exempt organizations.

ADOPTION AND EFFECTIVE DATE

These Bylaws are hereby approved and adopted by the Board of Directors, at a meeting duly called and noticed, on the 8th day of December, 2008, at which a quorum was present.

 _____, Secretary