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BYLAWS OF SEMBOIA, INC. a Michigan Nonprofit Corporation
As amended XX/XX/2007

ARTICLE I
NAME AND PURPOSE

Section 1.1 **NAME**

The name of this Corporation is SEMBOIA, INC. ("Corporation").

Section 1.2 **PURPOSES**

The Corporation is organized and shall be operated exclusively to promote and represent the common business interests of, improve business conditions among and provide training to assist in the re-certification of southern Michigan building officials and inspectors within the meaning of Section 501 (c)(6) of the Internal Revenue Code of 1986 or comparable provisions of subsequent legislation (the "Code"), including obtaining and disseminating technical and educational information, understanding mutual problems and finding appropriate solutions and obtaining and disseminating information with respect to applicable building codes and the administration and interpretation of them.

The Corporation may exercise any and all powers which are lawful for the Corporation to exercise pursuant to the provisions of the Michigan Nonprofit Corporation Act and Section 501(c)(6) of the Code or any corresponding section of any future federal tax code, which the Corporation's Board of Directors (the "Board") determines to be necessary, useful, suitable, or proper for the accomplishment of any of the purposes set forth herein. The Corporation may acquire, own, lease, mortgage, encumber, dispose of and deal with real and personal property and interest therein, and to apply gifts, grants, bequests and devises, and the proceeds thereof in furtherance of the purposes set forth in Article I, Section 1.2 hereof.

All of the assets and earnings of the Corporation shall be used exclusively for the purposes set forth above, including the payment of expenses incidental thereto. No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, its Members, directors, 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 Article II hereof. Notwithstanding any other provision of these Bylaws, the Corporation shall not carry on any other activities not permitted to be carried on by a Corporation exempt from Federal income tax under Section 501 (c)(6) of the Internal Revenue Code of 1986 or the corresponding provision of any future federal tax code.

Section 1.3 **AFFILIATION**

The Corporation shall maintain an affiliation as a Chapter of the International Code Council, Inc., Falls Church, Virginia.

Section 1.4 **DISTRIBUTION OF ASSETS UPON LIQUIDATION**

Upon the dissolution of the Corporation, the Directors shall, after paying or making provision for the payment of all of the liabilities of the Corporation, dispose of all of the assets of the Corporation exclusively for the common business interests of its members or to such organization or organizations organized and operated under Section 501(c)(6) of the Internal

Revenue Code or the corresponding section of any future federal tax code as the Directors shall determine. Any such assets not so disposed of shall be disposed of by the Circuit Court of the county in which the principal 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.

ARTICLE II. OFFICES

Section 2.1 PRINCIPAL OFFICE

The principal office of the Corporation shall be located in the State of Michigan where the Board of Directors determines from time to time.

ARTICLE III. SEAL AND FISCAL YEAR

Section 3.1 SEAL

The Board of Directors may adopt, alter or terminate the use of a corporate seal at any time. The seal may be used by causing it, or a facsimile, to be impressed, affixed, or reproduced. Unless specifically authorized by the Board of Directors, the Corporation will operate without a seal.

Section 3.2 FISCAL YEAR

The fiscal year of the Corporation shall end on March 31 of each year. The Board of Directors shall have the right to change the fiscal year, from time to time, as they deem to be appropriate.

ARTICLE IV. MEMBERSHIP

Section 4.1 MEMBER CATEGORIES

There shall be three membership categories:

- A. Active Membership. An active member shall have voting privileges and pay dues. Any person registered with the State of Michigan as a code official is eligible for active membership.
- B. Associate Membership. An associate member shall not have voting privileges but shall pay dues. Any person who wishes to belong to the Association and that is interested in enforcement and building procedures is eligible for associate membership.
- C. Honorary Membership. An honorary member shall have voting privileges, but shall not be required to pay membership dues. Any active member, upon his or her retirement from a community shall be eligible for honorary membership. In addition, any person the Association wishes to honor for having rendered exemplary services to the Association or the profession may be granted honorary membership.

No person shall be denied membership in this Association based on age, race, creed, color, political or religious affiliation, gender or sexual orientation.

Section 4.2 **ADMISSION OF NEW MEMBERS**

The approval of the Board of Directors is required before the admission of a new active or associate member. Honorary membership shall be conferred by a majority vote of the membership at any regular or annual meeting.

Section 4.3 **MEMBERSHIP CERTIFICATES**

Membership in the Corporation shall be represented by registration on the books and records of the Corporation. The Corporation may, but shall not be required to, issue certificates or instruments evidencing Membership.

Section 4.4 **DUES**

Annual dues shall be assessed against Active and Associate Members in the amount proposed by the Board of Directors from time to time, and approved by a majority vote of the members present at any annual or regular membership meeting. The membership shall be provided not less than fifteen (15) days advance notice of any vote to change membership dues. Dues are payable in advance on or before April 1 of each year.

Section 4.5 **LOSS OF MEMBERSHIP THROUGH NONPAYMENT OF DUES**

Any Active or Associate Member in default in payment of dues shall automatically be suspended from all privileges of membership, specifically including the right to vote, and if, after notice, such default be not cured within a period of ninety (90) days, the membership of such Member shall automatically cease and terminate.

Section 4.6 **REMOVAL FROM MEMBERSHIP**

Any Member, including an Honorary Member, may be removed from membership by a two-thirds (2/3rds) vote of the Directors present at any annual meeting or at any special meeting of the Directors called for that purpose, for conduct deemed prejudicial to the Corporation, provided that such Member shall have first been served with written notice of the accusation against him or her, and shall have been given an opportunity to testify and produce witnesses, if any, at the meeting at which such vote is taken.

**ARTICLE V.
MEMBERS AND MEETINGS OF MEMBERS**

Section 5.1 **ANNUAL MEETING**

A meeting of the Members shall be held annually in May before the annual meeting of the Board of Directors. At the annual meeting,

- A. the Voting Members shall elect the officers and directors to sit on the Corporation's Board of Directors;
- B. review the financial condition of the Corporation and the results of operations during the preceding fiscal year, and
- C. take any other action that properly comes before the meeting.

Section 5.2 SPECIAL MEETINGS

Special meetings of the Members may be called and held at any time as determined by the Corporation's Board of Directors and shall be called by the Secretary upon written request of not less than ten (10%) percent of the Members having a right to vote.

Section 5.3 QUORUM AND VOTING

Presence in person of not less than twenty (20) [or a majority, if a majority is less than twenty (20) voting Members in good standing with the Corporation shall constitute a quorum at any meeting of the Members. Each Member who has the right to vote and is in good standing with the Corporation shall at every meeting of the Members be entitled to one (1) vote in person.

Section 5.4 NOMINATING COMMITTEE

Prior to annual meeting each year, the President of the Corporation shall appoint a nominating committee, which he or she shall chair and which shall consist of not less than five (5) members of the Board whose function shall be to solicit and review nominations for the officers and directors. It is intended that the officers progress through the offices from Treasurer to Secretary to Vice President and finally to President. The nominating committee shall submit a slate of nominees for the officers and directors to the Board of Directors at least sixty (60) days prior to the annual meeting.

Section 5.5 ADDITIONAL NOMINATIONS

Not later than the regular membership meeting directly preceding the annual meeting, the Board shall give notice of the nominating committee's recommendations for election as Officers and Directors to all members who have a right to vote and shall include said recommendations in the minutes of said meeting which shall be distributed to all members in good standing not less than fifteen (15) days before the annual meeting. Additional nominations may be made from the floor at the meeting preceding the annual meeting for any officer or director position. Nominations from the floor shall have the support of two voting members other than the candidate.

Section 5.6 ELECTION OF OFFICERS AND DIRECTORS

Election of Officers and Directors shall, at the option of Board, be by voice vote, showing of hands, or written ballot at the annual meeting.

Section 5.7 VOTING AND ELECTIONS

All members entitled to vote shall do so in person at the Annual meeting. The candidates receiving the highest number of votes cast shall be considered to be elected to the Board of Directors; provided, however, if the immediate past President is not elected as an officer or director, he or she shall serve as an ex officio non voting member of the Board for a one (1) year term. In the event of a tie vote for a position on the Board of Directors, the recommendation of the nominating committee shall prevail.

ARTICLE VI BOARD OF DIRECTORS

Section 6.1 GENERAL POWERS

The properties, business and affairs of the Corporation shall be managed by the Board to the full extent provided by the laws of the State of Michigan, the Corporation's Articles of Incorporation, these Bylaws, and any other applicable law.

Section 6.2 NUMBER OF OFFICERS AND DIRECTORS

Subject to the requirements of the then existing law of the State of Michigan, the membership may, from time to time, determine the number of officer and director positions on the Board, but in no case shall the number be less than four (4) nor more than seven (7).

Section 6.3 ANNUAL MEETING OF DIRECTORS

An Annual Meeting of Directors shall be held each year following the Annual Meeting of Members on the date the Directors shall select. Notice of the Annual Meeting of Directors shall be given to each Director, and to the membership, in accordance with these Bylaws

Section 6.4 TERM OF OFFICE

The term of office for officers and directors shall be for one (1) year, beginning and ending on the date of the Annual Meeting.

Section 6.5 VACANCY OF DIRECTORS

If the office of a Director becomes vacant by reason of death, illness, resignation, removal or otherwise, the vacancy shall be filled by the vote of the Board of Directors.

Section 6.6 REMOVAL

The Members having a right to vote, or the Directors, by majority vote, may remove any director for cause.

Section 6.7 REGULAR MEETINGS

Regular meetings of the Board may be held at such times the Board shall determine. Notice of regular meetings shall be given to each Director and to the membership in accordance with these Bylaws.

Section 6.8 SPECIAL MEETINGS

Special meetings of the Board shall be held whenever called by the President, or any three (3) of the Directors. A notice of each special meeting shall be given to each Director and to the membership in accordance with these Bylaws.

Section 6.9 QUORUM AND VOTING

One half of the officers and directors shall be present at a meeting of the Board in order to constitute a quorum for the transaction of business at the meeting. The act of a majority of the officers and directors present at any meeting at which a quorum is present shall be the act of the Board. In the absence of a quorum, a majority of the officers and directors present may adjourn a meeting until a quorum shall be obtained. The officers and directors shall act only as a board and the individual officers and directors shall have no power as such. Officers and directors may not vote by proxy and may not delegate their duties to any other persons except as provided in these Bylaws.

Section 6.10 ACTION BY CONSENT IN WRITING

The Board may take action without a meeting if the entire Board consents to the action in writing. The consents shall be filed with the minutes of the proceedings of the Board, and shall have the same effect as a vote of the Board.

Section 6.11 COMMITTEES

The Board may appoint committees composed of one (1) or more Directors and voting or non-voting Members, and, subject to the restrictions set forth in Section 528 of the Michigan Nonprofit Corporation Act, may delegate by resolution to these committees any of the responsibilities or tasks of the Directors as the Board may determine. A majority of any committee may determine its action and may fix the time and place of its meetings, unless provided otherwise by the Board. The Board shall have the power at any time to fill vacancies in, to change the size or membership of, and to discharge any such committee.

Each committee shall keep a written record of its acts and proceedings and shall submit such record to the Board at such times as requested by the Board. All actions of committees are subject to approval by the full Board.

Section 6.12 DISSENTS

A director or member of a committee who is present at a meeting of the Board of Directors or a committee at which action is taken is presumed to have concurred in that action, unless his or her dissent is entered in the minutes of the meeting or he or she files a written dissent to the action with the person acting as secretary of the meeting before the adjournment of the meeting or he or she forwards such dissent by registered mail to the Secretary of the Corporation promptly after the adjournment of the meeting. Such right to dissent does not apply to an Officer or Director or committee member who voted in favor of such action. An Officer or Director or committee member who is absent from a meeting of the Board of Directors, or a committee of which he or she is a member at which any such action is taken is presumed to have concurred in the action unless he or she files a written dissent with the Secretary of the Corporation within a reasonable time after he or she has knowledge of the action.

Section 6.13 ATTENDANCE BY CONFERENCE TELEPHONE

A member of the Board or of a committee designated by the Board may participate in a meeting by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this subsection constitutes presence in person at the meeting.

ARTICLE VII. OFFICERS

Section 7.1 DESIGNATION

The officers of the Corporation shall be the President, Vice President, Secretary and Treasurer.

Section 7.2 ELECTION AND TERM

At the Annual Meeting each year, the membership shall elect the officers pursuant to Article V above. The term of each officer shall be until the next Annual Meeting of the membership in the succeeding year and until his or her successor is elected and qualified. Upon the death, resignation, disqualification, suspension, or expulsion of an active member who is an officer of this Corporation, or upon the occurrence of a vacancy for any other reason, the following succession of officers shall be implemented; the President by the Vice-President; the Vice-President by the Secretary; the Secretary by the Treasurer; the Treasurer by the first Director. Each officer shall turn over to his or her successor all materials and supplies, including electronic media, in his or her possession belonging to this Corporation within thirty (30) days after leaving office or when ordered to do so by the Board of Directors.

Section 7.3 REMOVAL

Any officer may be removed by majority vote of the voting Members or the Board, for cause, at any meeting without prejudice to contract rights, if any, of that officer. Officers who are absent for more than three (3) consecutive regular meetings without justification shall relinquish their position.

Section 7.4 DUTIES

An officer has the authority and shall perform duties in the management of the Corporation as may be provided in the Bylaws, by contract or by resolution of the Board.

Section 7.5 PRESIDENT

The President shall be both the chief executive officer and the chief operating officer of the Corporation. The President is subject to the supervision of the Board, shall be in general and active charge of the business of the Corporation. The President shall perform such other duties as may be assigned him or her by the Board.

Section 7.6 VICE-PRESIDENT

The Vice President shall, in the absence or disability of the President, perform his or her duties and exercise his or her powers, and shall also perform such other duties as the Board of Directors, or the President may, from time to time, designate.

Section 7.7 **SECRETARY**

The Secretary shall attend all meetings of the Members and Board of Directors, and shall record all votes and minutes of all proceedings in the corporate minute book. He or she shall give, or cause to be given, notice of all meetings to the extent required under the Bylaws or Michigan law. The Secretary shall keep in safe custody the seal of the Corporation, if one is adopted by the Board of Directors, and when authorized by the Board of Directors, may affix the seal to any instrument requiring it. When so affixed, the instrument may be attested by the Secretary, or the Treasurer.

Section 7.8 **TREASURER**

The Treasurer shall have the custody of the corporate funds and securities. The Treasurer shall keep full and accurate accounts of receipts and disbursements in the books of the Corporation. The Treasurer shall deposit all money and other valuable effects in the name and to the credit of the Corporation in such depositories as the Board of Directors may designate. He or she shall render to the President and the Board of Directors, whenever they may require it, an account of his or her transactions as Treasurer and of the financial condition of the Corporation.

**ARTICLE VIII.
SPECIAL CORPORATE ACTS**

Section 8.1 **ORDERS FOR PAYMENT OF MONEY**

All checks, drafts, notes, bills of exchange, and orders for the payment of money of the Corporation shall be signed by one or more officers or other persons periodically designated by the Board of Directors. In the absence of such specific designation, the President or the Treasurer shall have such power and authority. The Board of Directors shall require the signature of two (2) officers or directors on all checks, drafts, notes, bills of exchange, and orders for the payment of money of the Corporation in excess of an amount agreed upon at the Board's annual meeting.

Unless approved by the Membership, no payment of any kind or in any form shall be made for any class or training program unless that program has received final approval under Public Act 54 of the Public Acts of 1986, of the State of Michigan, as amended, and a class number has been assigned.

Section 8.2 **CONTRACTS, CONVEYANCES, MORTGAGES, ETC.**

The Board of Directors may at any time designate one or more officers or agents to execute any instrument or document on behalf of the Corporation. When the execution of an instrument has been authorized, but no officer or agent has been specified to execute the instrument or documents on behalf of the Corporation, the President, any Vice-President, the Secretary or Treasurer shall have such power and authority to execute the instrument or document on behalf of the Corporation.

Section 8.3 **VOTING OF SECURITIES**

The President or the Vice President shall have the authority to vote all securities of other corporations and business organizations held by the Corporation and shall promptly report the exercise of such authority to the Board.

Section 8.4 **BORROWING**

Pursuant to a resolution duly adopted by the Board, one or more of the officers of the Corporation shall have the right and authority to enter into loans and renewal of loans on behalf of the Corporation.

**ARTICLE IX.
BOOKS AND RECORDS**

Section 9.1 **MAINTENANCE OF BOOKS AND RECORDS**

The officers and agents of the Corporation shall keep and maintain books, records, and accounts of the Corporation's business and affairs, minutes of the proceedings of its Board of Directors, and committees, if any, and any other books or records specified by the Board of Directors or required by law. Books, records and minutes shall be kept at the office designated in Section 2.1, above.

Section 9.2 **RELIANCE ON BOOKS AND RECORDS**

Except as otherwise provided below, in discharging his or her duties, a director or officer of the Corporation may rely upon information, opinions, reports or statements, including financial statements and other financial data, if prepared or presented by any of the following:

- A. One or more directors, officers or employees of the Corporation, or of a business organization under joint control or common control, whom the director or officer reasonably believes to be reliable and competent in the matters presented;
- B. Legal counsel, public accountants, engineers or other persons as to matters the director or officer reasonably believes are within the person's professional or expert competence; and
- C. A committee of the Board of Directors of which he or she is not a member, if the director or officer reasonably believes the committee merits confidence.

A director or officer is not entitled to rely on such information if he or she has knowledge concerning the matter in question that makes reliance that would otherwise be permitted unwarranted under the circumstances.

**ARTICLE X.
INDEMNIFICATION**

Section 10.1 **NON-DERIVATIVE ACTIONS**

Subject to all of the other provisions of this Section, the Articles of Incorporation and the laws of the State of Michigan, the Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation), by reason of the fact that he or she 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, whether for profit or not for profit, against expenses (including attorney 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 he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Corporation or its Members, and with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a 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 that he or she reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

Section 10.2 DERIVATIVE ACTIONS

Subject to all of the other provisions of this Section, the Articles of Incorporation and the laws of the State of Michigan, the corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action or suit by or in the right of the Corporation to procure a judgment in its favor, by reason of the fact that he or she 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, partner, trustee, Executive Director, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, whether for profit or not, against expenses (including attorney fees) and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action or suit, provided that he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Corporation or its Members. Indemnification shall not be made for a claim, issue or matter in which such person has been found liable to the Corporation, unless and to the extent that the court in which such action or suit was brought determines, upon application, that despite the adjudication of liability, in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnity with respect to reasonable expenses incurred.

Section 10.3 EXPENSES OF SUCCESSFUL DEFENSE

To the extent that a person has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in Article X, Section 10.1 or 10.2 of these Bylaws, or in defense of any claim, issue or matter contained in such action, suit or proceeding, he or she shall be indemnified against actual and reasonable expenses (including attorney fees) incurred by him or her in connection with such defense.

Section 10.4 DETERMINATION THAT INDEMNIFICATION IS PROPER

An indemnification under Article X, Section 10.1 or 10.2 of these Bylaws (unless ordered by a court) shall be made by the Corporation only authorized by the Articles of Incorporation, the laws of the State of Michigan, and as authorized in the specific case upon a determination that indemnification of a person is proper in the circumstances because he or she has met the applicable standard of conduct set forth in Article X, Section 10.1 or 10.2, whichever applies, and upon an evaluation of the reasonableness of expenses and amounts paid in settlement. Such determination shall be made in any of the following ways:

- A. By a majority vote of a quorum of the Board of Directors consisting of directors who are not parties or threatened to be made parties to such action, suit or proceeding.
- B. By independent legal counsel in a written opinion; or
- C. By a majority vote of a quorum of the Voting Members.

Section 10.5 EXPENSE ADVANCE

The Corporation may pay/or reimburse the reasonable expenses incurred by a director or officer who is a party or is threatened to be made a party to an action, suit or proceeding in advance of final disposition of the proceeding if all of the following apply:

- A. The person furnishes the Corporation with a written affirmation of his or her good faith belief that he or she has met the applicable standard of conduct for indemnification set forth in Article X, Section 10.1 or 10.2 of these Bylaws;
- B. The person furnishes the Corporation with a written undertaking, executed personally or on his or her behalf, to repay the advance if it is ultimately determined that he or she did not meet the applicable standard of conduct for indemnification set forth in Article X, Section 10.1 or 10.2 of these Bylaws; and
- C. A determination is made in the same manner prescribed under Article X, Section IO.4 of these Bylaws that the facts then known to those making the determination would not preclude indemnification under this Section.

Section 10.6 FORMER DIRECTORS AND OFFICERS

The indemnification provided in this Section continues as to a person who ceases to be a director or officer and shall inure to the benefit of the heirs, personal representatives, executors and administrators of such person.

Section 10.7 INSURANCE

The Corporation may purchase and maintain insurance on behalf of any person who 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, partner, trustee, Executive Director, employee, or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have power to indemnify him or her against such liability under these Bylaws or the laws of the State of Michigan.

Section 10.8 EXCEPTIONS

Notwithstanding the foregoing, Corporation shall not indemnify a director where there is a Finding of any of the following:

- A. A breach of the director's duty of loyalty to the Corporation;
- B. Acts or omissions not in good faith or that involve intentional misconduct or knowing violation of law;
- C. Any violation of Section 551 (1) of the Michigan Nonprofit Corporation Act; D. A transaction from which the director derived an improper personal benefit; or E. An act or omission that is grossly negligent.

ARTICLE XI. MISCELLANEOUS

Section 11.1 MEETING NOTICES

A notice of the Annual Meeting and each regular or special meeting of the Members or Board of Directors shall be given which shall specify the place, date, hour of the meeting, and the business to be transacted at the meeting. Except as expressly provided by law, such other business may be transacted at the meeting as the Members who are entitled to vote or Directors, whichever is applicable, shall so choose even though such business was not stated in the notice. Notice of each meeting of Members shall be given to each Member at least fifteen (15) days before the day on which the meeting is to be held and for each meeting of the Board of Directors to each member at least three (3) days before the day on which the meeting is to be held. Any meeting of the Board shall be a legal meeting without notice, if all the Directors then in office are present or have provided a written waiver of notice to the Corporation.

When a notice or communication is required or permitted, it shall be given in person or mailed to the member by regular or electronic mail to his or her last address known to the Corporation. The notice or communication is deemed to have been given when mailed or sent electronically.

Section 11.2 ANNUAL REPORT

Within forty five (45) days of completion by the auditor, the Corporation shall prepare and distribute to each Member a financial report of the Corporation for the preceding fiscal year. The report shall include the Corporation's statement of income, its year-end balance sheet and, if available, its statements of source and application of funds and such other information as may be required by the Michigan Nonprofit Corporation Act.

Section 11.3 TREASURER'S REPORT

Prior to every regular or annual meeting the Treasurer shall prepare a report including an itemized statement of all financial transactions for the period since the last report and shall distribute same to all the members with the notice of the meeting.

Section 11.4 DEPOSITS

All funds of the Corporation not otherwise employed shall be deposited to the credit of the Corporation or otherwise as the Board shall direct in banks, trust companies or other depositories as the Board may select or as may be selected by any other officer or agent of the Corporation to whom power in that respect has been delegated by the Board. For the purpose of deposit and for the purpose of collection for the account of the Corporation, checks, drafts, and other orders for the payment of money which are payable to the order of the Corporation may be endorsed, assigned and delivered by the President or any other officer or agent of the Corporation as authorized by the Board.

Section 11.5 RECEIPT OF FUNDS

The Corporation is authorized to receive and maintain funds, to have, hold and manage the same, to change the investments, to invest and reinvest the proceeds, and to collect and receive the income. The Corporation may serve as trustee of property, accept property in trust for the Corporation, and apply the income and principal to the aid and assistance of the Corporation.

Section 11.6 **DISBURSEMENTS OF DONATED FUNDS**

All funds raised by the Corporation shall be used on behalf of the Corporation and according to any restrictions upon the use of those funds expressed by the donor. The Board must approve all disbursements of donated funds.

Section 11.7 **MEETING PROCEEDURES**

Except as provided otherwise in these By-Laws, Robert's Rules of Order shall be the parliamentary authority used by the Association.

Section 11.8 **CONSTRUCTION AND TERMS**

If there is any conflict between the provisions of these Bylaws and the Articles of Incorporation of the Corporation, the provisions of the Articles of Incorporation shall govern. Should any of the provisions or portions of these Bylaws be held unenforceable or invalid for any reason, the remaining provisions and portions of these Bylaws shall be unaffected by such holding.

**ARTICLE XII.
CONFLICTS AND PROCEDURES**

Section 12.1 **POLICY**

It is the policy of the Corporation that all officers, Directors, committee members, and employees of the Corporation shall scrupulously avoid any conflict between their individual interests and the interests of the Corporation, in any and all actions taken by them on behalf of the Corporation.

Section 12.2 **DEALING WITH THE CORPORATION**

A contract or other transaction between the Corporation and one or more of its Members, Directors, committee members, officers, or employees, or between the Corporation and a corporation, firm or association of any type in which one or more of the Corporation's Members, Directors, committee members, officers, or employees are directors or officers, or are otherwise interested, is not void or voidable solely because of such common directorship, officership or interest, or solely because such Directors are present at the meeting of the Board of Directors or committee thereof at which such contract or transaction is acted upon, or solely because their votes are counted for such purpose, if any of the following conditions is satisfied:

- A. The contract or other transaction is fair and reasonable to the Corporation when it is authorized, approved or ratified; or
- B. The material facts as to such Member's or Director's relationship or interest and as to the contract or transaction are disclosed or known to the Board of Directors or committee thereof and the Board of Directors or committee thereof authorizes, approves or ratifies the contract or transaction by a vote sufficient for the purpose without counting the vote of any common or interested Member or Director.

Section 12.3 **PROCEDURE IN EVENT OF POTENTIAL CONFLICT OF INTEREST**

If any officer, Director, Member, committee member, or employee of the Corporation has any direct or indirect interest in, or relationship with, any individual or organization which proposes to enter into any transaction with the Corporation, such officer, Director, Member, committee member, or employee shall give the Board of Directors notice of such interest or relationship and shall thereafter refrain from voting or otherwise attempting to exert any influence on the Corporation, its Board of Directors, or its committees, to affect its decision whether to participate in such transaction.

**ARTICLE XIII.
AMENDMENTS TO BYLAWS**

The power to adopt, amend or repeal the Bylaws of the Corporation is vested in an affirmative vote of a majority of the Voting Members present and in good standing with Corporation at any regular or special meeting of the Members. The text of any proposed change in the By-Laws shall be provided to each member in the same manor as the notice of the meeting.