

MICHIGAN MOUNTAIN BIKING ASSOCIATION, INC.

BYLAWS

Article 1 **Offices**

- 1.1. Principal Office. The principal office of the corporation shall be at such place within the State of Michigan as the Board of Directors (the "Board") shall determine from time to time.
- 1.2. Other Offices. The corporation may also have such other offices as the Board may determine from time to time.

Article 2 **Members**

- 2.1. Organization and Classes of Members. The corporation is an umbrella organization of mountain bike advocacy organizations operating in the State of Michigan. The corporation shall have the following classes of members and such other classes of members, and the designation of such classes and the qualifications and rights of the members of such classes, as the Board may determine from time to time or as the business of the corporation requires:

Chapter/Affiliate/Club: Any organization with expressed interest in mountain bike advocacy in the State of Michigan shall be eligible for Chapter/Affiliate/Club membership. Membership shall be contingent upon conditions specified in the Articles of Incorporation, these Bylaws, and such other criteria as established by the Board from time to time. All applications for membership shall be made to the Board in such manner as the Board may determine from time to time. The Board may accept or reject any application, require additional information from any applicant, and determine whether any applicant qualifies for Chapter membership. For purposes of membership in the corporation, an organization shall mean a nonprofit corporation, partnership, association, or similar entity organized exclusively for charitable, educational, and recreational purposes.

Membership Dues. The Board shall establish the initial and annual dues for membership in the corporation. The billing and collection of dues shall be in a manner prescribed by the Board.

- 2.2. Termination of Membership. The Board shall terminate the membership of any member upon the occurrence of any of the following events: (a) failure to pay dues within ninety (90) days after written notice of payment due; or (b) failure to satisfy the requirements of Section 2.1 of this Article.
- 2.3. Resignation. Any member may resign by filing a written resignation with the secretary, but such resignation shall not relieve the member of the obligation to pay any dues, assessments or other charges previously accrued and unpaid.
- 2.4. Reinstatement. Upon written request signed by a former member and filed with the secretary, the Board may, by the affirmative vote of two-thirds (2/3) of the members of the Board, reinstate such former member to membership upon such terms as the Board may deem appropriate.
- 2.5. Transfer of Membership. Membership in the corporation is neither transferable nor assignable.

Article 3 **Meeting of Members**

- 3.1. Annual Meeting. The annual meeting of the members shall be held at such time as the Board shall from time to time determine. At each annual meeting, the voting members shall elect directors and as such other business as may properly come before the meeting. At the discretion of the Board, there may be additional sessions of the annual meeting to which all members shall

be invited.

- 3.2. Special Meetings. The president or the Board may call special meetings of the members. At the written request of not less than sixty-six percent (66%) of the voting members, the president or secretary shall call a special meeting. A written request of the members shall state the purpose or purposes for which the meeting is to be called.
- 3.3. Place of Meeting. All meetings of members of the corporation shall be held at the principal office of the corporation or at such other place as the Board may determine.
- 3.4. Notice of Meetings. Except as otherwise provided by statute, written notice of the time, place, and purposes of any meeting of members shall be given to the members of record entitled to vote at such meeting not less than ten (10) nor more than sixty (60) days before the date of such meeting. Notice shall be given either personally, by mail, or electronically to the member's last address as it appears on the books of the corporation. No notice need be given of an adjourned meeting of the members, provided: (a) the time and place to which such meeting is adjourned are announced at the meeting at which the adjournment is taken; and (b) at the adjourned meeting only such business is transacted as might have been transacted at the original meeting. If, however, after the adjournment, a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each shareholder of record on the new record date entitled to notice as provided in this Bylaw or at the direction of the president, or the secretary, or the officers or persons calling the meeting.
- 3.5. Record Date. The Board may fix in advance a date as the record date for the purpose of determining members entitled to notice of and to vote at a meeting of members or an adjournment thereof, or to express consent or to dissent from a proposal without a meeting, or for the purpose of any other action.
- 3.6. List of Members. The secretary of the corporation or the agent of the corporation having charge of the membership records of the corporation shall make and certify a complete list of the members entitled to vote at a membership meeting or any adjournment. The list shall be arranged alphabetically within each class, with the address of each member, be produced at the membership meeting, be subject to inspection by any members during the meeting, and be prima facie evidence of the members entitled to examine the list or vote at the meeting.
- 3.7. Quorum. Unless a greater or lesser quorum is required in the Articles of Incorporation or by the laws of the State of Michigan, the members present in person or by proxy who, as of the record date, represent sixty-six percent (66%) of the members entitled to vote at a membership meeting shall constitute a quorum at the meeting. Whether or not a quorum is present, a majority of the members present may adjourn the meeting from time to time without further notice.
- 3.8. Proxies. A member entitled to vote at a membership meeting or to express consent or dissent without a meeting may authorize other persons to act for the member by proxy. A proxy shall be signed by the member or the member's authorized agent or representative and shall not be valid after the expiration of eleven (11) months, unless otherwise provided in the proxy. A proxy is revocable at the pleasure of the member executing it except as otherwise provided by the laws of the State of Michigan.
- 3.9. Voting Rights. Each voting member shall be entitled to one (1) vote on each matter submitted to a vote of the members. A vote may be cast either orally, in writing or by means of electronic transmission. When an action, other than the election of directors, is to be taken by a vote of the members, it shall be authorized by a majority of the votes cast by the members entitled to vote, unless a greater vote is required by statute. Directors (who shall be elected or appointed in accordance with Section 4.3) shall be elected by a plurality of votes cast at any election.
- 3.10. Voting by Proxy. Where directors are to be elected by members or any class or classes of members, such election may be conducted by mail, email or facsimile in such manner as the board of directors shall determine.

Article 4 Board of Directors

- 4.1. General Powers. The Board shall oversee the strategic direction of the organization, hire and oversee the Executive Director, approve and provide oversight of the annual budget and ensure the succession of a strong and accountable board.
- 4.2. Number and Qualifications. The Board shall consist of not less than three (3) nor more than fifteen (15) directors as shall be fixed from time to time by the Board. The number of directors may be increased or decreased from time to time by amendment to these Bylaws. No employee of the corporation shall serve on the Board while employed by the corporation. Two members of the Board of Directors must be two members of the Chapter Advisory Council, elected by the members of the Chapter Advisory Council.
- 4.3. Tenure, Resignation and Removal All directors shall be elected at the annual membership meeting by a majority vote of the directors then holding office. All directors shall hold office for two year and until the director's successor is elected and qualified, or until the director's death, resignation or removal. A director may resign by providing written notice to the corporation. The resignation of a director is effective upon its receipt by the corporation or a subsequent time as set forth in the notice of resignation. A director, or the entire Board, may be removed with or without cause by the affirmative vote of two-thirds (2/3) of the members entitled to vote at an election of directors.
- 4.4. Vacancies. A vacancy on the Board occurring by death, resignation, removal, increase in the number of directors, or otherwise shall be filled by the affirmative vote of a majority of the remaining directors, though less than a quorum of the Board. A director elected to fill a vacancy shall be elected for the unexpired term of the predecessor in office. A vacancy that will occur at a specific date, by reason of a resignation effective at a later date or otherwise, may be filled before the vacancy occurs, but the newly elected director may not take office until the vacancy occurs.
- 4.5. Annual Meetings. The annual meeting of the Board shall be held without notice other than this Bylaw, immediately after, and at the same place as, the annual meeting of the members. At this annual meeting, the Board shall appoint officers of the corporation as provided in Article 5 of these Bylaws.
- 4.6. Regular Meetings. Regular meetings of the Board may be held at such times and places as the majority of the directors may from time to time.
- 4.7. Special Meetings. The chairperson of the Board (if such office is filled) or the president may call special meetings of the Board. Special meetings shall be called by the president or secretary upon the written request of any two (2) directors.
- 4.8. Notices. Regular meetings of the Board shall require no notice. Special meetings of the Board shall require written notice, to be given at least two (2) days before the scheduled date of the meeting except in an emergency, as determined by the chairperson of the Board (if such office is filled) or the president, only twenty-four (24) hours' notice shall be required for a special meeting. Notice shall be given either personally, by mail, or electronically to each director at his or her last address as it appears on the books of the corporation. Notice shall be deemed delivered upon receipt if given personally or electronically. If mailed, notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage prepaid.
- 4.9. Waiver of Notice. Attendance at any meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened and does not thereafter vote for or assent to any action taken at the meeting. Waiver of notice executed in writing before or after the date of the meeting shall be equivalent to receipt of notice by the individual executing the waiver.
- 4.10. Meeting by Telephone or Similar Equipment. A director may participate in a meeting by video

conference, telephone, or any similar communications equipment through which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this section constitutes presence in person at the meeting.

- 4.11. Statement of Purpose Not Required. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these Bylaws.
- 4.12. Quorum. A majority of the Board then in office shall constitute a quorum for the transaction of business at any meeting of the Board; but if less than a majority of the directors are present at said meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.
- 4.13. Manner of Acting. Actions voted on by a majority of the directors present at any meeting at which a quorum is present shall constitute authorized actions of the Board, unless a greater number is required by law or by these Bylaws.
- 4.14. Consent to Corporate Actions. Any action required or permitted to be taken pursuant to Board authorization may be taken without a meeting if, before or after the action, all directors consent to the action in writing. Written consents shall be filed with the minutes of the Board's proceeding.
- 4.15. Compensation. Directors as such shall not receive any stated salaries for their services, but by resolution of the Board a fixed sum and expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the Board. Nothing in these Bylaws shall preclude any director from serving the corporation in any other capacity and receiving compensation therefore, provided that such compensation shall not amount to private inurement or an excess benefit transaction as defined in the Internal Revenue Code.

Article 5 Officers

- 5.1. Officers. The Board shall appoint officers of the corporation. The officers shall be a president, a secretary, and a treasurer. There may also be a chairperson, vice-president, past president emeritus and such other officers as the Board may from time to time determine to be appropriate. The same person may hold two (2) or more offices, but such person shall not execute, acknowledge or verify an instrument in more than one (1) capacity if the law, the president, or the Board requires the instrument to be executed, acknowledged or verified by two (2) or more officers. Although not a requirement and in order to provide continuity of leadership to the Board, it is intended that the officers will serve in subsequent leadership positions such that upon election of a new vice president and the approval of the Board, the previous vice president will be elected president, and the previous president (provided that he or she is a director) will become past president emeritus.
- 5.2. Qualifications. Any member of the Board in good standing may serve as an officer of the corporation. The secretary and treasurer do not need to be Board members.
- 5.3. Term of Office and Resignation. The term of office shall be two (2) years. Each officer shall hold office for the term appointed and until a successor shall have been duly appointed and qualified. An officer may resign at any time by providing written notice to the corporation. Notice of resignation is effective upon receipt or at a later time designated in the notice.
- 5.4. Removal. The Board may remove any officer with or without cause by vote of a majority of the Board. The removal shall be without prejudice to the contract rights, if any, of the removed officer. Appointment to an office does not, in and of itself, create contract rights.
- 5.5. Vacancies. The Board may fill any vacancy in any office occurring for whatever reason.

Article 6 Committees

- 6.1. General Powers. The Board, by resolution adopted by a majority vote of directors, may designate one (1) or more committees. Each committee shall consist of one (1) or more directors. The

Board may also designate one (1) or more directors as alternate committee members who may replace an absent or disqualified member at a committee meeting. If a committee member is absent or disqualified from voting, then members present at a meeting who are not disqualified from voting may, whether or not they constitute a quorum, unanimously appoint an alternate committee member to act at the committee meeting in place of the absent or disqualified member. All committees designated by the Board shall serve at the pleasure of the Board.

A committee designated by the Board may exercise any powers of the Board in managing the corporation's business and affairs, to the extent provided by written resolution of the Board. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board, or any individual director, of any responsibility imposed by law. No committee, however, shall have the power to:

- (a) amend the Articles of Incorporation;
- (b) adopt an agreement of merger;
- (c) amend the Bylaws of the corporation;
- (d) fill vacancies on the Board;
- (e) fix compensation of the directors for serving on the Board or on a committee;
- (f) recommend to members the sale, lease or exchange of all or substantially all of the corporation's property and assets;
- (g) recommend to the members a dissolution of the corporation or a revocation of dissolution; or
- (h) terminate memberships.

- 6.2. **Meetings.** Committees shall meet as directed by the Board, and their meetings shall be governed by the rules provided in Article 5 for meetings of the Board. Minutes shall be recorded at each committee meeting and shall be presented to the Board.
- 6.3. **Consent to Committee Actions.** Any action required or permitted to be taken pursuant to authorization of a committee may be taken without a meeting if, before or after the action, all members of the committee consent to the action in writing. Written consents shall be filed with the minutes of the committee's proceedings.

Article 7 Duties of Officers

- 7.1. **President.** The president shall be 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, and shall have such powers usually vested in the chief executive officer of a corporation. The president shall sign all corporate documents and agreements on behalf of the corporation, unless the president or the Board instructs that the signing be done with or by some other officer, agent or employee. The president shall see that all actions taken by the Board are executed and shall perform all other duties incident to the office. In the absence or disability of the chairperson of the Board, the president shall perform the duties of the chairperson of the Board as set forth in these Bylaws.
- 7.2. **Vice Presidents.** The vice presidents, if any, shall have the power to perform duties that may be assigned by the president or the Board. If the president is absent or unable to perform his or her duties, the vice presidents, in the order of their seniority, shall perform the duties of the president, until the Board directs otherwise. The vice president shall perform all duties incident to the office.
- 7.3. **Treasurer.** The treasurer shall (a) have charge and custody of and be responsible for all funds and securities of the corporation; (b) keep full and accurate accounts of receipts and disbursements in books of the corporation; (c) deposit all moneys and other valuable effects in

the name and to the credit of the corporation depositories as may be designated by the Board; (d) complete all required corporate filings; and (e) perform all duties incident to the office and other duties assigned by the president or the Board. The treasurer shall render to the president and directors, whenever they may require it, an account of his or her transactions as treasurer and of the financial condition of the corporation. The Board may require that the treasurer be bonded.

- 7.4. Secretary. The secretary shall attend all meetings of the Board and shall record all votes and minutes of all proceedings in a book to be kept for that purpose. The secretary shall give or cause to be given notice of all meetings of the Board, for which notice is required under these Bylaws, and shall keep a register of the names and address of each officer and director. The secretary shall keep in safe custody the seal of the corporation and, when authorized by the Board, affix the seal to any instrument requiring it. When so affixed, the signature of the secretary, treasurer, or an assistant secretary shall attest to the seal.
- 7.5. Executive Director. The Executive Director shall devote his or her full working time to the performance of his or her duties and shall be compensated accordingly. The Executive Director shall:
- (a) advise and assist the President and the Board on all matters concerning the operations and business of the MMBA, its policies and long-range planning;
 - (b) develop, maintain, and administer appropriate budgetary, financial and accounting procedures and controls
 - (c) when properly authorized, execute all deeds, contracts and other instruments related or incidental to the business and operation of the organization
 - (d) maintain personal liaison with business, educational, community, governmental, civic, and charitable organizations and leaders;
 - (e) be a representative for the MMBA on appropriate occasions; and
 - (f) perform any other duties that the President assigns or the Board prescribes.

Article 8 Chapters, Affiliates and Clubs

- 8.1. Authorization. The corporation shall have such Chapters, Affiliates and Clubs as the Board may determine from time to time. The chapters, affiliates and clubs shall be organized into geographical regions or such other reasonable basis to coordinate matters of common interest among the members. The chapters shall be responsible for carrying out the purposes of the corporation at the local level.
- 8.2. Chapter Advisory Council. The Chapter Advisory Council shall be a standing committee composed of one representative from each MMBA Chapter or Affiliate. The CAC's role is to advise the Board of Directors on the needs of MMBA Chapters and Affiliates and to ensure that the organization is working toward it's mission relative to local Chapter and Affiliate efforts.
- CAC representatives will be elected from within their own Chapter/Affiliate boards and will serve a term of two years. They are eligible for consecutive terms as elected by their respective Chapter/Affiliate boards. The CAC will elect:
- (a) a Chair to serve a two year term
 - (b) two CAC representatives to serve on the MMBA Board of Directors and provide continuity and communication between the CAC and the MMBA Board

Article 9 Volunteer Director and Officer Liability

- 9.1. Volunteer Director and Officer Liability. A director and/or a volunteer officer shall not be personally liable to the Corporation or its members for monetary damages for a breach of the directors' or officer's fiduciary duty as director or officer, except for liability:
- (a) For the amount of a financial benefit received by a director or volunteer officer to which he or she is not entitled;

- (b) For intentional infliction of harm on the corporation, its shareholders, or members;
- (c) For a violation of Section 551(1) of the Michigan Nonprofit Corporation Act, as amended (the "Act");
- (d) For any intentional criminal act; and/or
- (e) For a liability imposed under Section 497(a) of the Act.

9.2. Assumption of Volunteer Director Liability. The Corporation assumes all liability to any person, other than the Corporation or its members for all acts or omissions of a volunteer director occurring on or after the effective date of these Articles of Incorporation and incurred in the good faith performance of the volunteer director's duties as such.

Assumption of Volunteer Liability. The Corporation assumes all liability to any person for the acts or omissions of a volunteer director, volunteer officer or other volunteer occurring on or after the effective date of this article, provided that all of the following conditions are met:

- (a) The volunteer was acting or reasonably believed that he or she was acting within the scope of his or her authority.
- (a) The volunteer was acting in good faith.
- (b) The volunteer's conduct did not amount to gross negligence or willful or wanton misconduct,
- (c) The volunteer's conduct was not an intentional tort.
- (d) The volunteer's conduct was not a tort arising out of the ownership, maintenance, or use of a motor vehicle for which tort liability may be imposed under Section 3135 of the Insurance Code of 1956, Act No. 218 of the Public Acts of 1956.

9.3. Amendment of Liability Law. For purposes of this article, a volunteer director shall mean a director who does not receive anything of more than nominal value from the Corporation for serving as a director other than reasonable per diem compensation and reimbursement for actual, reasonable, and necessary expenses incurred by the director in his or her capacity as a director.

For purposes of this article, a volunteer officer shall mean an officer who does not receive anything of more than nominal value from the Corporation for serving as an officer other than reasonable per diem compensation and reimbursement for actual, reasonable, and necessary expenses incurred by the officer in his or her capacity as an officer.

In the event the Act is amended after the filing of this article of the Articles of Incorporation with the Michigan Department of Labor & Economic Growth to authorize corporate action further eliminating or limiting the personal liability of volunteers, then the liability of volunteers and/or directors of the Corporation shall be eliminated or limited to the fullest extent permitted by the Act, as so amended, except to the extent such limitation or elimination is inconsistent with the status of the Corporation as a nonprofit corporation.

Any repeal, modification or adoption of any provision in these Articles of Incorporation inconsistent with this article shall not adversely affect any right or protection of a volunteer and/or director of the Corporation existing at the time of such repeal, modification or

Article 10 Special Corporate Acts

10.1.1 Contracts and Conveyances. The Board may authorize any officer or officers, agent or agents of the corporation, in addition to the officers so authorized by these Bylaws, to execute any contract, conveyance, mortgage or other instrument on behalf of the corporation, or may ratify

or confirm any execution. When the execution of any instrument has been authorized without specification of the executing officers or agents, the chairperson, the president or any vice president, and the secretary or treasurer may execute the same on behalf of the corporation and may affix the corporate seal thereto.

- 10.1.2. Orders for Payment of Money. All checks, drafts, or orders for the payment of money, notes, bonds or other evidences of indebtedness issued in the name of the corporation, shall be signed by such officer or officers, or such other person or persons as shall from time to time be determined by resolution of the Board.
- 10.1.3. Gifts. The Board may accept on behalf of the corporation any contribution, gift, bequest, or devise for general purposes or for any special purpose of the corporation.

10.2 Indemnification

- 10.2.1 Non-derivative Actions.** Subject to all of the other provisions of this Article, 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. This includes any civil, criminal, administrative, or investigative proceeding, whether formal or informal (other than an action by or in the right of the corporation). Such indemnification shall apply only to a person who was or is a director or officer of the corporation, or who was or is serving at the request of the corporation as a director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise, whether for profit or not for profit. The person shall be indemnified and held harmless against expenses (including attorney fees), judgments, penalties, fines, and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding, if the person 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. With respect to any criminal action or proceeding, the person must have 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 on a plea of no contest or its equivalent, shall not by itself create a presumption that (a) the person did not act in good faith and in a manner that the person reasonably believed to be in or not opposed to the best interests of the corporation or its members or (b) with respect to any criminal action or proceeding, the person had reasonable cause to believe that his or her conduct was unlawful.
- 10.2.2 Derivative Actions.** Subject to all of the provisions of this Article, the corporation shall indemnify any person who was or is a party to, 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 because (a) the person was or is a director or officer of the corporation or (b) the person was or is serving at the request of the corporation as a director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, whether or not for profit. The person shall be indemnified and held harmless against expenses (including actual and reasonable attorney fees) and amounts paid in settlement incurred by the person in connection with such action or suit if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation or its members. However, indemnification shall not be made for any claim, issue, or matter in which such person has been found liable to the corporation unless and only to the extent that the court in which such action or suit was brought has determined on application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnification for the expenses which the court considers proper.
- 10.2.3 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 Sections 10.2.1 or 10.2.2 of this Article, or in defense of any claim, issue, or matter in the action, suit, or proceeding, the person shall be indemnified against expenses (including actual and reasonable attorney fees) incurred in connection with the action and in any proceeding brought to enforce the mandatory

indemnification provided by this Article.

- 10.2.4** Contract Right; Limitation on Indemnity. The right to indemnification conferred in this Article shall be a contract right and shall apply to services of a director or officer as an employee or agent of the corporation as well as in such person's capacity as a director or officer. Except as provided in Section 10.2.3 of this Article, the corporation shall have no obligations under this Article to indemnify any person in connection with any proceeding, or part thereof, initiated by such person without authorization by the Board.
- 10.2.5** Determination That Indemnification Is Proper. Any indemnification under Section 10.2.1 or 10.2.2 of this Article (unless ordered by a court) shall be made by the corporation only as authorized in the specific case. The corporation must determine that indemnification of the person is proper in the circumstances because the person has met the applicable standard of conduct set forth in Sections 10.2.1 or 10.2.2, whichever is applicable. Such determination shall be made in any of the following ways:
- 10.2.6** By a majority vote of a quorum of the Board consisting of directors who were not parties to such action, suit, or proceeding.
- 10.2.7** If the quorum described in clause (a) above is not obtainable, then by a committee of directors who are not parties to the action. The committee shall consist of not less than two (2) disinterested directors.
- 10.2.8** By independent legal counsel in a written opinion.
- 10.2.9** Proportionate Indemnity. If a person is entitled to indemnification under Sections 10.2.1 or 10.2.2 of this Article for a portion of expenses, including attorney fees, judgments, penalties, fines, and amounts paid in settlement, but not for the total amount, the corporation shall 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.
- 10.2.10** Expense Advance. Expenses incurred in defending a civil or criminal action, suit, or proceeding described in Sections 10.2.1 or 10.2.2 of this Article may be paid by the corporation in advance of the final disposition of the action, suit, or proceeding on receipt of an undertaking by or on behalf of the person involved 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 an unlimited general obligation of the person on whose behalf advances are made but need not be secured.
- 10.2.11** Non-exclusivity of Rights. The indemnification or advancement of expenses provided under this Article is not exclusive of other rights to which a person seeking indemnification or advancement of expenses may be entitled under a contractual arrangement with the corporation. However, the total amount of expenses 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.
- 10.2.12** Indemnification of Employees and Agents of the Corporation. The corporation may, to the extent authorized from time to time by the Board, grant rights to indemnification and to the advancement of expenses to any employee or agent of the corporation to the fullest extent of the provisions of this Article with respect to the indemnification and advancement of expenses of directors and officers of the corporation.
- 10.2.13** Former Directors and Officers. The indemnification provided in this Article continues for a person who has ceased to be a director or officer and shall inure to the benefit of the heirs, executors, and administrators of that person.
- 10.2.14** Insurance. The corporation may purchase and maintain insurance on behalf of any person who (a) was or is a director, officer, employee, or agent of the corporation or (b) was or is serving at the request of the corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise. Such insurance may protect against any

liability asserted against the person 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 against such liability under this Article or the laws of the state of Michigan.

10.2.15 Changes in Michigan Law. If there are any changes in the Michigan statutory provisions applicable to the corporation and relating to the subject matter of this Article, then the indemnification to which any person shall be entitled shall be determined by such changed provisions, but only to the extent that any such change permits the corporation to provide broader indemnification rights than such provisions permitted the corporation to provide before any such change.

10.3 Books and Records

10.3.1 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 proceedings of its Board and committees, if any, and lists of members, as the Board shall deem advisable, and as shall be required by the laws of the State of Michigan and other states or jurisdictions empowered to impose such requirements. Books, records and minutes may be kept within or without the State of Michigan in a place which the Board shall determine.

10.3.2 Reliance on Books and Records. In discharging his or her duties, a director or an officer of the corporation, when acting in good faith, may rely upon information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by any of the following:

One (1) 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.

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.

A committee of the Board 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 the information set forth above if he or she has knowledge concerning the matter in question that makes reliance otherwise permitted unwarranted.

Article 11 Fiscal Year

11.1 Fiscal Year. The fiscal year of the corporation shall begin on the first day of January and end on the last day of December in each year.

Article 12 Seal

12.1 Corporate Seal. The corporation may have a seal in such form as the Board may from time to time determine. The seal may be used by causing it or a facsimile to be impressed, affixed, or otherwise reproduced.

Article 13 Distribution of Assets upon Dissolution

13.1 Distribution of Assets upon Dissolution. Upon the dissolution of the corporation, all assets remaining after paying or making provision for payment of all the liabilities of the corporation, shall be distributed exclusively to any corporation or corporations as the Board shall determine, provided that such corporation or corporations are operated exclusively as an exempt organization or organizations under section 501(C)(3) of the Internal Revenue Code of 1986. Any assets not so disposed of shall be disposed of by the Circuit Court, or its equivalent, of the county in which the corporation has its principal office at the time of dissolution, exclusively for such purposes or to such organization or organizations, as the Court shall determine, that are

organized and operated exclusively for such purposes.

Article 14 Amendments to Bylaws

- 14.1 Amendment. These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by a majority of the directors present at any regular meeting or at any special meeting, if at least two (2) days written notice is given of intention to alter, amend or repeal or to adopt new Bylaws at such meeting.