

1 Greater Lansing
2 Home Builders Association

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8 By-Laws

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Version 4

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41 Mission Statement

42
43 Chartered in 1944 by the National Association of Home Builders, the Greater Lansing Home Builders
44 Association serves the mid-Michigan area by representing the interests of home builders, light
45 commercial builders, developers, remodelors, subcontractors, suppliers and professional service
46 providers to the home building industry.

47
48 As a professional association, we are dedicated to providing public relations, industry promotion,
49 legislative representation, educational and networking opportunities and services to our members and
50 the community they serve.

51
52 As the recognized voice of our industry, our goals are:

- 53 Enhance the image of the building industry
- 54 Participate in legislative issues and all levels of government
- 55 Promote the professionalism of our members
- 56 And be actively involved in our communities

57

58

58
59
60 GREATER LANSING HOME BUILDERS ASSOCIATION

61
62 **BY-LAWS**
63

64
65 **ARTICLE I**

66
67 NAME AND JURISDICTION
68

- 69 (a) The name of this corporation shall be Greater Lansing Home Builders Association.
70
71 (b) The Association serves those members in the counties of Ingham, Eaton, Clinton,
72 Township of Portland, Danby, Sebewa and Orange in Ionia County; and Township of
73 North Shade, Fulton, Washington, Elba, New Haven, Newark, North Star, Hamilton and
74 including the City of Ithaca in Gratiot County.
75

76
77
78 **ARTICLE II**

79
80 OBJECTIVES
81

- 82 Sec. 1. All members of this Association shall agree to observe and be bound by the following
83 objectives:
84
85 (a) Members shall constantly seek to provide better values, so that an even greater share of
86 people may enjoy the benefits of home ownership.
87
88 (b) Members shall strive to develop the efficiency of the home building industry to the end that
89 labor may receive its just and proper reward.
90
91 (c) Members shall at all times contribute their knowledge in home building to the best
92 interests of those they serve.
93
94 (d) Members shall not knowingly enter into any contract, the terms of which are designed to
95 imperil the rights of either labor or the suppliers of materials to receive a fair return for
96 services or goods furnished.
97
98 (e) Members shall not obtain any business by means of fraudulent statements or by use of
99 implications unwarranted by fact or reasonable probability.
100

- 101 (f) Members shall comply both in spirit and letter with rules and regulations prescribed by law
102 and governmental agencies for the health, safety, and progress of the community.
103
104 (g) Members shall be alert to examine proposed or enacted State and local legislation detrimental
105 to social, economic, and political progress.
106
107 (h) Members shall not perform or cause to be performed, any act which would tend to reflect
108 adversely upon, or bring into disrepute, any part of the home building industry.
109

110 **ARTICLE III**

111 **MEMBERSHIP**

112
113
114
115 Sec. 1. Membership in the Association shall be of four (4) classes:

- 116 (a) Builder Membership
117 (b) Associate Membership
118 (c) Affiliate Membership
119 (d) Honorary Life Membership
120

121 Sec. 2. Qualifications for membership in this Association shall be as follows:
122

- 123 (a) 1. All Builder applicants must be licensed as residential builders by the State of
124 Michigan and all applicants must be established two years or more in the home building
125 business, construction trade or other activity allied to residential construction.
126 2. All Associate applicants must be licensed if required by the State of Michigan.
127 3. All Affiliate applicants must be an individual affiliated with a Builder or Associate
128 member.
129
130 (b) All applicants must have attained a reputation for high ethical standards in their trade or
131 business in so far as financial obligations and contract fulfillments are concerned.
132
133 (c) All applicants must pledge to conform to the ~~NAHB~~ and GLHBA "Code of Ethics" and
134 in the opinion of the Membership Committee and Board of Directors, be capable of
135 following the "Code".
136
137 (d) All new members will be subject to a one year probationary period and at the discretion
138 of the Board of Directors, the probationary period may be extended.
139
140 (e) Honorary life membership may be granted to any person who has made a valuable and
141 unique contribution over an extended period of time to the Association, and who does not
142 otherwise qualify for builder or associate membership. Honorary life membership shall
143 be designated by special resolution of the Board of Directors, and the person designated
144 shall not be entitled to a vote.
145

146 Sec. 3. Application for membership in this Association shall be made to the Association office
147 in a form approved by the Board of Directors.

148 (a) The Board of Directors will approve the applicant by two-thirds votes.

149
150 (b) Re-application, after rejection, will not be processed until one year has passed.

151
152 Sec. 4. Each member shall furnish the CHIEF Executive OFFICER (CEO)~~Vice President~~
153 ~~(EVP)~~ with his official address and the mailing of any notice to such address shall be
154 deemed service of such notice upon him as of the date of mailing the same.

155
156 Sec. 5. Termination, suspension, or reinstatement of membership in this Association shall be
157 accomplished in the following manner:

158
159 (a) The membership of any member whose dues are not paid in full ~~within 60 days~~ may be
160 terminated, WITHIN A TIME PERIOD SPECIFIED IN CURRENT POLICY.
161 Nonpayment of dues shall be cause for termination of membership. Any member
162 canceled by the NAHB ~~may~~ WILL automatically be canceled by GLHBA.

163
164 (b) Evidence must be shown to prove a cause for the suspension, or termination of any
165 member of the Association, along with an opportunity for the member to appear before
166 the Board of Directors to defend himself. Following the above procedure, any member
167 may be suspended or terminated from the Association if, in the opinion of the Board of
168 Directors, as evidenced by a two-thirds vote of such members of the Board as are present
169 at any meeting that may vote upon the matter, it shall be considered desirable or for the
170 best interests of the Association or its members that said member be suspended or
171 terminated.

172
173 (c) A vote of two-thirds of the entire Board of Directors shall be required to reinstate any
174 member who has been terminated or suspended pursuant to the provisions of this section.

175
176 (d) Any representative of a membership that has been terminated or suspended shall be
177 ineligible to serve the Association in any capacity.

178
179 Sec. 6. Meetings of the members shall be held as follows:

180
181 (a) An annual meeting of the members shall be held in the first week of November of each
182 year for the purpose of reviewing the affairs of the Association for the past year and to
183 announce the results of the election of a Board of Directors and such other business as
184 may come before the meeting.

185
186 (b) ~~The annual meeting may be called and held as a special meeting, if for any reason it shall~~
187 ~~not be held in the week hereinbefore designated, and the same proceedings may be held~~
188 ~~thereat as at an annual meeting provided that the notice of such meeting shall be the same~~
189 ~~herein required for the annual meeting. IF FOR ANY REASON THE ANNUAL~~
190 ~~MEETING CANNOT BE HELD IN THE FIRST WEEK OF NOVEMBER, THE~~
191 ~~ANNUAL MEETING MAY BE CALLED AND HELD AS A SPECIAL MEETING.~~

192 THE SPECIAL MEETING MAY BE CALLED PROVIDED THAT THE SAME
193 PROCEEDINGS ARE HELD, THERE IS PROPER NOTICE GIVEN, AND IT IS NOT
194 HELD THE FIRST WEEK OF NOVEMBER.

- 195
196 (c) The time, date and place of the regular monthly membership meetings shall be
197 determined by the Board of Directors.
198
199 (d) Special meetings of the members may be called at any time by the President or by a
200 majority of the Board of Directors.
201
202 (e) Written notice shall be given of the date, hour, and place of all meetings to each member
203 ten days in advance thereof.
204
205

206 **ARTICLE IV**

207 BOARD OF DIRECTORS

208
209
210 Sec. 1. There shall be a Board of Directors of eighteen (18) or more voting members elected
211 from and by the membership (excluding Affiliate Members) of which twelve (12) shall
212 be elected from the Builder membership and six (6) shall be elected from the Associate
213 membership. In addition, one (1) voting member shall be elected from each special
214 interest council as defined by Article VIII, Sec. 3.
215

216 SEC. 2. QUALIFICATIONS FOR BOARD DIRECTORS. TO BE ELECTABLE TO THE 217 BOARD OF DIRECTORS, A NOMINEE MUST:

- 218
219 A.) BE A MEMBER IN GOOD STANDING WITH DUES PAID, AND
220 B.) HAVE ANY OTHER FINANCIAL OBLIGATIONS TO GLHBA REASONABLY
221 CURRENT, AND
222 C.) BE THE DESIGNATED REPRESENTATIVE IN GLHBA RECORDS.
223

224 Sec. 3. Directors shall be elected to a three (3) year term with the provision that a Director may
225 be elected to succeed them. Elections shall be as follows:
226

227 (a) Builder Directors:

228
229 1. Every year - four (4) builders will be elected.
230

231 (b) Associate Directors:

232
233 1. Every year - two (2) Associates will be elected.
234

235 (c) Council Directors:
236

237 1. Every third (3rd) year a council director nominated by each council shall
238 be elected by the general membership.

239
240 Sec. 4. Discharge of Duties by Director. A Director shall discharge the duties of his/her
241 position in good faith and with that degree of diligence, care and skill which an ordinarily
242 prudent person in a like position would exercise under similar circumstances and in a
243 manner he or she reasonably believes to be in the best interest of the corporation.
244

245 Sec. 5. The President of the Association shall automatically serve one year as a voting member
246 of the Board of Directors during the year in which he is elected President, providing his
247 term of office as an elected, voting Director of the Board has expired.
248

249 Sec. 5. Vacancies on the Board of Directors shall be filled by appointment made by the
250 President, with the approval of a majority of the remaining Directors. Each person so
251 selected shall remain in office for the remainder of the unexpired term of his predecessor.
252 The Board of Directors may remove any Director for cause by an affirmative two-thirds
253 vote of the Board present at any regular or special meeting.
254

255 Sec. 7. The immediate Past President of the Association shall automatically serve one year as a
256 non-voting member of the Board of Directors providing his term of office as a voting
257 Director of the Board has expired.
258

259 Sec. 8. One Builder member of the Association shall be elected by the Directors at their
260 Annual Meeting to represent each 50 Builder members of this Association (or fractional
261 part thereof) on the Board of Directors of the National Association of Home Builders of
262 the United States, in accordance with the by-laws of that Association and shall hold
263 office from the date of their election and until their successors are elected and qualified.
264 Election of the members of the Board of Directors of the Michigan Association of Home
265 Builders shall be made in accordance with the by-laws of that Association, and elected by
266 the Board of Directors of the GLHBA, and shall hold office from the date of his election
267 and until his successor is elected and qualified. Further, an alternate Director of Directors
268 to the MAHB-NAHB may be selected at the discretion of the Board of Directors of the
269 Greater Lansing Home Builders Association.
270

271 Sec. 9. Meetings of the Board of Directors shall be held as follows:
272

- 273 (a) An annual meeting of the Board of Directors shall be held following the annual meeting
274 of the members for the purpose of electing officers and acting upon such other matter as
275 may properly come before the Board.
276
- 277 (b) The Board of Directors shall be the governing body of the GLHBA and shall meet as
278 necessary to conduct the affairs of the Association. Meetings may be called by the
279 President or by a majority of the Directors.
280

280
281 **ARTICLE V**
282

283 VOTING, QUORUMS AND PROCEDURES
284

285 Sec. 1. The voting privilege shall be limited as follows:
286

- 287 (a) At meetings of the membership only members in good standing (excluding Affiliate
288 Members) shall have the right to vote. Firms, partnerships or corporations holding a
289 membership shall be entitled to only one vote to be cast by a duly designated
290 representative.
291
- 292 (b) At meetings of the Board of Directors, only elected members of the Board shall have the
293 right to vote, except as provided in Article IV, Sec. 4.
294

295 Sec. 2. A majority vote on any measure will be determined as follows:
296

- 297 (a) A vote of a simple majority of the voting members present at any meeting of the
298 membership shall be necessary to carry a measure.
299
- 300 (b) A vote of two-thirds of the Directors present at any meeting of the Board of Directors
301 shall be necessary to carry any measure relating to the financial affairs of the Association.
302 A vote of a simple majority of the Directors present at any meeting of the Board of
303 Directors shall be necessary to carry any other measure, except where otherwise provided
304 in these By-Laws.
305

306 Sec. 3. A quorum present at any meeting shall be determined as follows:
307

- 308 (a) A quorum of the membership shall consist of not less than ten percent of the voting
309 members of the Association; either personally or represented by written proxy filed with
310 the Secretary.
311
- 312 (b) A quorum of the Board of Directors shall consist of not less than one-half of its voting
313 members.
314

315 **ARTICLE VI**
316

317 OFFICERS
318

319 Sec. 1. All officers shall be elected by the Board of Directors, from its membership, at
320 their annual meeting and shall hold office for a term of one(1) year from the date of their
321 election and until their successors are elected and duly qualified. The President, First
322 Vice President/ President-Elect and the Vice President must be Builder members.
323

- 324 (a) The President shall be the chief officer of this Association and shall preside at meetings
325 of the members, the Board of Directors and Executive Committee. He shall be the

- 326 official spokesman of this Association in matters of public policy. He shall appoint all
327 committees, shall be an ex-officio member of all committees, and shall perform all other
328 duties usual to such office.
329
- 330 (b) The First Vice President/President-Elect, shall be the designated successor to the
331 President, and shall in the absence or disability of the President, perform all the duties of
332 the President and such other duties assigned by the President or the Board of Directors.
333
- 334 (c) The Vice President shall perform such duties as assigned by the President or the Board of
335 Directors.
336
- 337 (d) The Treasurer shall account to this Association for all monies collected and disbursed by
338 the Association.
339
- 340 (e) The Secretary shall present a record of all of the official proceedings of this Association
341 and its Board of Directors.
342

343 Sec. 2. The Board of Directors at such rate of compensation as it deems fair and proper,
344 may employ a CEO and staff.
345

346 The ~~Executive-CEO~~~~Vice President (EVP)~~, to be known by this title only, shall serve as the
347 chief administrative officer of this Association and shall supervise the entire staff and
348 perform such other duties as may be delegated by the Board of Directors, the Executive
349 Committee or the President, and all other duties usual to such office. The ~~CEO~~~~Executive~~
350 ~~Vice President (EVP)~~ shall employ an adequate staff to carry on the business of this
351 Association as instructed by the Board of Directors, at such rates of compensation as the
352 Board of Directors may deem fair and proper, within the limitations of the annual budget.
353

354 Sec. 3. The Board of Directors shall have power to remove any officer, agent, or
355 employee whenever, in the judgment of the Board, the business interests of the
356 Association will be served thereby.
357

358 Sec. 4. The Board of Directors shall have power to fill any vacancy in any office
359 occurring from any reason whatsoever.
360

361 Sec. 5. An elected Director who fails to attend ~~ONE (1) two~~ regular meetings of the
362 Board of Directors in a calendar year without excused absence shall automatically forfeit
363 and terminate their position on the Board of Directors.
364

364
365 **ARTICLE VII**
366

367 ELECTIONS
368

369 Sec. 1. The Nominating Committee shall:
370

371 (a) Consist of three or more members appointed by the President and ratified by the Board of
372 Directors. The President and ~~CEO Executive Vice President (EVP)~~ shall serve as ex-
373 officio members of this Committee. Announcement of this Committee is to be made at
374 the September meeting of the membership.
375

376 (b) Solicit and consider the recommendations of:
377

378 1. The membership; as to the candidates for the office of GLHBA Director.
379

380 (c) The duties of the Nominating Committee shall be:
381

382 1. To present to the membership in writing nominees to fill the expiring Directorships on the
383 GLHBA Board of Directors. Each nominee will have been previously contacted by the
384 Nominating Committee and will have consented to serve if elected. Where possible, at
385 least two (2) nominees shall be presented for each vacancy, with a space provided for any
386 write-in candidates.

387 **2. TO ASSURE, PRIOR TO EACH ELECTION, THAT NOMINEES MEET THE**
388 **CRITERIA FOR A BOARD DIRECTOR DESCRIBED UNDER ARTICLE IV, SECTION 2.**
389

390 3. To perform other nominating duties as assigned by the President.
391

392 Sec. 2. The written notice referred to above in (1) shall be in the form and constitute the
393 official ballot of the GLHBA. This ballot, so designated, shall be mailed to each
394 qualified member at least 30 days prior to the Annual meeting of the membership, and
395 must be returned to the GLHBA office at least 48 hours prior to the Annual meeting.
396

397 Sec. 3. The Nominating Committee will serve as the tellers and shall receive the sealed
398 ballots from the ~~CEO Executive Vice President (EVP)~~, tabulate same, and report the
399 results of the election at the Annual meeting of the membership.
400

401 **ARTICLE VIII**
402

403 COMMITTEES AND COUNCILS
404

405
406 Sec. 1. The Executive Committee shall consist of the President, First Vice
407 President/President-Elect, Vice President, ~~CEO Executive Vice President (EVP)~~,
408 Treasurer, and Secretary which to the extent provided by the Board, shall have and

409 exercise the authority of the Board in the management of the Association between
410 meetings of the Board.

411
412 Sec. 2. The President shall be authorized and instructed to create such Committees as
413 deemed necessary to carry out the objectives of the Greater Lansing Home Builders
414 Association.

415
416 Sec. 3. Special Interest Councils relating to the home building industry may be formed by
417 action of the Board of Directors and the by-laws of such Councils shall be approved by
418 the Board of Directors of the Greater Lansing Home Builders Association, and they shall
419 be provided reasonable office/clerical help as needed by the Association office.

420
421
422 **ARTICLE IX**

423
424 FINANCE

425
426 Sec. 1. The fiscal year of the Association shall be the calendar year.

427
428 Sec. 2. The dues of this Association shall be payable annually in advance on the first day
429 of the month which the membership dues become due. All members shall pay annual
430 dues established by the Board of Directors.

431
432 Sec. 3. Dues for membership in the National Association of Home Builders of the United
433 States and the Michigan Association of Home Builders shall be paid by this Association
434 from its treasury at the rate fixed and under the terms stated in the By-Laws of the
435 Association.

436
437 Sec. 4. Dues and other monies collected by this Association shall be placed in financial
438 instruments selected by the Board of Directors. Such instruments shall meet the prudent
439 man rule, with an emphasis on long term, yield oriented investments. Safety of principle
440 is considered more important than growth in principle.

441
442 Payments from the funds of this Association shall be made on the two (2) signatures of either
443 the President, First Vice President, ~~CEO Executive Vice President (EVP)~~ or Treasurer.

444
445 Sec. 5. The Board of Directors shall adopt a budget for each calendar year and this
446 Association shall function within the totals of such a budget. Any expenditure in excess
447 of such budget shall be authorized by the Board of Directors.

448
449 Sec. 6. The Board of Directors shall obtain a bond or bonds at the expense of the
450 Association in such amount as the Board of Directors shall determine, for the
451 ~~CEO Executive Vice President (EVP)~~ and members of the staff handling the funds of this
452 Association.

454 Sec. 7. There shall be an annual audit of the finances of this Association by a Certified
455 Public Accountant selected by the Board of Directors which audit shall be submitted to
456 the Board of Directors.

457
458 Sec. 8. The Board of Directors shall have full power and authority to borrow money
459 whenever at the discretion of the Board, the exercise of said power is required in the
460 general interests of this Association and in such case the Board of Directors may
461 authorize the proper officers of this Association to make, execute and deliver in the name
462 and behalf of this Association such notes, bonds, and other evidence of indebtedness as
463 said Board shall deem proper and said Board shall have full power to mortgage the
464 property of this Association, or any part thereof, as security for such indebtedness, and no
465 action on the part of the membership of this Association shall be requisite to the validity
466 of any such note, bond, evidence of indebtedness or mortgage.

467
468 **ARTICLE X**

469 **ORGANIZATION**

470
471
472
473 Sec. 1. The Association is organized as a not for profit Corporation under the laws of the
474 State of Michigan and is intended to operate as a tax-exempt business league, pursuant to
475 Section 501(c)(6) of the Internal Revenue Code of 1954, as amended (or the
476 corresponding provision of any subsequent Internal Revenue Law). No part of the net
477 earnings of the Association shall inure to the benefit of any private shareholder, member,
478 or individual.

479
480 **ARTICLE XI**

481 **DISSOLUTION**

482
483
484
485 Sec. 1. In the event of dissolution of the Association, the assets of the Association shall,
486 after appropriate provision for debts and liabilities of the Association be distributed in
487 any liquidation proceeding to a corporation, trust, or association which is not organized
488 for profit and is exempt from federal income taxation under the Internal Revenue laws
489 applicable at the time of such dissolution.

490
491 **ARTICLE XII**

492 **INDEMNIFICATION OF CORPORATE AGENTS**

493
494
495
496 Sec. 1. Proceedings Against Corporate Agents. The Corporation has the power to
497 indemnify any person who was, or is, a party to, or is threatened to be made a party to,
498 any threatened, pending or completed action, suit or proceeding, whether civil, criminal,
499 administrative or investigative and whether formal or informal, other than an action by or

500 in the right of the Corporation by reason of the fact that the person is, or was, a Director,
501 Officer, employee or agent of the Corporation, or is or was serving at the request of the
502 Corporation as a Director, Officer, partner, trustee, employee or agent of another foreign
503 or domestic corporation, partnership, joint venture, trust or other enterprise, whether for
504 profit or not. The indemnification shall be against expenses (including attorney fees),
505 judgments, penalties, fines and amounts paid in settlement, actually and reasonably
506 incurred by him/her in connection with such action, suit or proceeding.
507

508 The Corporation shall have the power to indemnify the Director, Officer, employee or agent of
509 the Corporation, only if the person acted in good faith and in a manner he/she reasonably
510 believed to be in, or not opposed to, the best interests of the Corporation or its
511 Shareholders, and with respect to any criminal action or proceeding, had reasonable cause
512 to believe his/her conduct was unlawful. The Corporation shall have no obligation to
513 indemnify any corporate agent against proceedings resulting from such agent's willful or
514 negligent tortious conduct or from such agent's violation of any statute, rule, regulation or
515 ordinance of any state or political subdivision thereof. The termination of any action, suit
516 or proceeding by judgment, order, settlement, conviction or upon a plea of nolo
517 contendere, or its equivalent, of itself shall not create a presumption that the person did
518 not act in good faith and in a manner which he or she reasonably believed to be in, or not
519 opposed to, the best interests of the Corporation or its members; and with respect to any
520 criminal action or proceedings, had no reasonable cause to believe that his/her conduct
521 was unlawful.
522

523 Sec. 2. Proceedings by or in the Right of the Corporation. The Corporation has the
524 power to indemnify any person who was, or is, a party to, or is threatened to be made a
525 party to, any threatened, pending or completed action or suit by, or in the right of, the
526 Corporation to procure a judgment in its favor by reason of the fact that the person is, or
527 was, a Director, Officer, employee or agent of the Corporation, or is, or was, serving at
528 the request of the Corporation as a Director, Officer, partner, trustee, employee or agent
529 of another foreign or domestic corporation, partnership, joint venture, trust or other
530 enterprise. The indemnification shall be against expenses (including actual and
531 reasonable attorney fees) actually and reasonably incurred in connection with the defense
532 or settlement of such action or suit. The Corporation shall have the power to indemnify
533 any person only if that person acted in good faith and in a manner reasonably believed to
534 be in, or not opposed to, the best interests of the Corporation or its members. However,
535 no indemnification shall be made in respect of any claim, issue or matter as to which such
536 person shall have been adjudged to be liable for negligence or misconduct in the
537 performance of a duty to the Corporation unless and only to the extent that the court in
538 which such action or suit was brought shall determine upon application that, despite the
539 adjudication of liability, though in view of all circumstances of that case, such person is
540 fairly and reasonably entitled to indemnification for such expenses which such court shall
541 deem proper.
542

543 Sec. 3 Corporate Agent Successful in Proceeding. To the extent that a Director, Officer,
544 employee or agent of a Corporation has been successful on the merits or otherwise in
545 defense of any action, suit or proceeding referred to in this Article or in defense of any

546 claim, issue or matter in the action, suit or proceeding, that person shall be indemnified
547 against expenses (including attorney fees) actually and reasonably incurred in connection
548 with the action, suit or proceeding and an action, suit or proceeding brought to enforce
549 mandatory indemnification.

550
551 Sec. 4. Determination that Indemnification is Proper. Unless ordered by a court, any
552 indemnification under **Sec. 561 or Sec. 562 of the Michigan Nonprofit Corporation**
553 **Act** shall be made by the Corporation only as authorized in the specific area upon a
554 determination that indemnification of the Director, Officer, employee or agent is proper
555 in the circumstances because that person has met the applicable standard of conduct set
556 forth in those sections. Such determination shall be made in either of the following ways:

- 557
558 (a) by the Board upon a majority vote of a quorum consisting of Directors who were not
559 parties to such action, suit or proceeding;
560
561 (b) if such quorum is not obtainable, then by a majority vote of a Committee of Directors
562 who are not parties to the action. The Committee shall consist of not less than 2
563 disinterested Directors;
564
565 (c) by independent legal counsel in a written opinion;
566
567 (d) by the members.

568
569 If a person is entitled to indemnification under **Section 561 or 562** for a portion of expenses
570 including attorney fees, judgments, penalties, fines and amounts paid in settlement, but
571 not for the total amount thereof, the Corporation may indemnify the person for the
572 portion of the expenses, judgments, penalties, fines or amounts paid in settlement for
573 which the person is entitled to be indemnified.

574
575 Sec. 5. Expenses Payable in Advance. Expenses incurred in defending a civil or criminal
576 action, suit or proceeding described in **Sec. 561 to Sec. 562 of the Michigan Nonprofit**
577 **Corporation Act** may be paid by the Corporation in advance of the final disposition of
578 such action, suit or proceeding. However, the total amount of expenses advanced or
579 indemnified from all sources combined shall not exceed the amount of actual expenses
580 incurred by the person seeking indemnification or advancement of expenses. The
581 indemnification provided in sections 561 to 564 and section 565 continues as to a person
582 who ceases to be a director, officer, employee, or agent and shall inure to the benefit of
583 the heirs, executors, and administrators of the person.

584
585 Sec. 6. Liability Insurance. A Corporation shall have power to purchase and maintain
586 insurance on behalf of any person who is, or was, a Director, Officer, employee or agent
587 of the Corporation or is, or was, serving at the request of the Corporation as a Director,
588 Officer, partner, trustee, employee or agent of another Corporation, partnership, joint
589 venture, trust or other enterprise against any liability asserted against that person and
590 incurred by that person in any such capacity, or arising out of that person's status as such,

591 whether or not the Corporation would have power to indemnify that person against
592 liability pursuant to the **Michigan Nonprofit Corporation Act**.

593
594 Sec. 7. Constituent Corporations. For the purposes of **Sec. 561 to Sec. 567 of the Michigan**
595 **Nonprofit Corporation Act**, references to the Corporation include all constituent
596 corporations absorbed in a consolidation or merger and the resulting or surviving
597 Corporation, so that a person who is, or was, a Director, Officer, partner, trustee,
598 employee or agent of such constituent corporation or is, or was, serving at the request of
599 such constituent corporation as a Director, Officer, employee or agent of another foreign
600 or domestic corporation, partnership, joint venture, trust or other enterprise, whether for
601 profit or not, shall stand in the same position under the provisions of **Sec. 569 of the**
602 **Michigan Nonprofit Corporation Act** with respect to the resulting or surviving
603 corporation as that person would if that person had served the resulting or surviving
604 Corporation in the same capacity.

605
606
607 **ARTICLE XIII**

608
609 **AMENDMENTS PROCEDURE**

610
611 Sec. 1. These By-Laws shall be adopted or amended at a meeting of the members by a vote of
612 two-thirds of the members present provided that a copy of the proposed amendments
613 shall **BE MADE AVAILABLE, BY THE MOST PRACTICAL AND ECONOMICAL**
614 **METHOD, have been mailed** to each member not less than ten (10) days prior to such
615 meeting; ~~provided that no change of the date of the annual meeting of members shall be~~
616 ~~made within the thirty days next preceding the date on which the annual meeting is to be~~
617 ~~held, unless consented to in writing or by resolution adopted at a meeting by all members~~
618 ~~entitled to vote at the annual meeting.~~

619
620 By-Laws revision approved 9/92

621 By-Laws revision approved 9/96

622 By-Laws revision approved 11/96

623 By-Laws revision approved 11/98

624 By-Laws revision approved 5/99