

**BYLAWS  
OF  
MICHIGAN ASSOCIATION OF COUNTY DRAIN COMMISSIONERS, INC.**  
A Michigan Non-Profit Corporation

ADOPTED JULY 18, 2014

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**BYLAWS  
OF**

**MICHIGAN ASSOCIATION OF COUNTY DRAIN COMMISSIONERS, INC.**  
A Michigan Non-Profit Corporation

**ARTICLE I  
CORPORATE ORGANIZATION**

Section 1. Corporate Purposes. The purposes for which the Corporation is organized are as follows:

- A. To receive and administer funds and to operate exclusively for charitable, scientific, literary or educational purposes within the meaning of section 501(c)(3) of the Internal Revenue Code of 1986, or comparable provisions of subsequent legislation ("Code") and to give funds and property from time to time to other organizations to be used or held for use directly in carrying out one of more such purposes.
- B. To acquire, own, 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 of the Corporation.
- C. To do such other things and to perform such acts to accomplish its purposes as the Board of Directors may determine to be appropriate and are not forbidden by section 501(c)(3) of the Code with all the power conferred on nonprofit corporations under the laws of the State of Michigan.
- D. To secure uniformity in drain procedure and practice.
- E. To develop and propose policies for conducting the business of the office of County Drain Commissioner.
- F. To promote and provide continuing education for Drain Commissioners and other public officials and to assist Drain Commissioners in exercising and fulfilling the rights and duties of their offices.
- G. To provide education and information to the public regarding the office of Drain Commissioner, public drains and drainage related matters.

Section 2. Non-Profit Operation. The Corporation shall be operated exclusively for charitable, scientific, literary and educational purposes within the meaning of section 501(c)(3) of the Code as a non-profit corporation. No director or member of the Corporation shall have any

title to or interest in the corporate property or earnings in his/her individual and private capacity and no part of the net earnings of the Corporation shall adhere to the benefit of any director, member or officer or any individual. No substantial part of the activities of the Corporation shall consist of carrying on propaganda or otherwise attempting to influence legislation nor shall the Corporation participate in or intervene in any political campaign on behalf of or in opposition to any candidate for public office.

## **ARTICLE II OFFICE**

Section 1. Principal Office. The principal office of the Corporation shall be located at 5801 West Michigan Avenue, Lansing, Michigan 48917.

Section 2. Other Offices. The Corporation may also have an office or offices at such other place or places as the business of the Corporation may require and the Board of Directors (the "Board") may from time to time appoint.

## **ARTICLE III MEMBERS**

Section 1. The Annual Meetings. The annual meeting of the members of the Corporation shall be held on a day duly designated by the Board in January or February of each year for the purpose of electing directors to succeed those whose terms shall have expired as of the date of the annual meeting, and for the transaction of such other corporate business as may come before the meeting. A summer meeting shall be held in June, July, or August of each year on a day designated by the Board.

Section 2. Special Meetings. Special meetings of the members may be called at any time for any purpose or purposes by the President, a Vice President, or by majority of the Board. Special meetings shall be called by the President or a Vice President, Secretary, or any Director of the Corporation, upon the written request, of a majority of all the members entitled to vote on the business to be transacted at such meeting. Such requests shall state the purpose or purposes of the meeting. Business transacted at all special meetings of members shall be confined to the purpose or purposes stated in the notice or the meeting.

Section 3. Order of Business. At all meetings of the members, the following order of business, unless otherwise determined by the individual presiding at the meeting, shall be observed as far as practicable and consistent with the purposes of the meeting:

- A. Call the meeting to order.
- B. Roll call and determination that quorum is present.

- C. Presentation of proof of delivery or mailing of the notice of the meeting.
- D. Reading and approval of minutes of the previous meeting.
- E. Treasurer's Report.
- F. Other Officer's Reports, if any.
- G. Audit Report (annual meeting only).
- H. Committee Reports:
  - (1) Standing Committee Reports
  - (2) Special Committee Reports
- I. Consideration of the specific purpose or purposes, other than the election of directors, for which the meeting has been called (only special meetings).
- J. Transaction of such other business as may properly come before the meeting.
- K. Election of directors (only if annual meeting, or meeting called for that purpose).
- L. Adjournment.

Section 4. Place of Holding Meetings. All meetings of members shall be held at the principal office of the Corporation or elsewhere in the United States as designated by the Board.

Section 5. Notice of Meetings. Written notice of each meeting of the members shall be either: (a) mailed postage pre-paid by the Secretary to each member of record entitled to vote at the post office address as it appears upon the books of the Corporation, (b) transmitted to each member via facsimile, or (c) transmitted to each member via electronic mail. Such notice shall be sent at least seven (7) days before the meeting and shall state the place, day, and hour at which the meeting is to be held and, in the case of any special meeting shall state briefly the purpose or purposes of the meeting.

Section 6. Waiver of Notice. Notice of the time, place and purpose of any meeting of the members of this Corporation may be waived by telegram, radiogram, cablegram, telecopier, facsimile, electronic mail or other writing either before or after such meeting has been held.

Section 7. Attendance at Meeting. A member's attendance at a meeting constitutes a waiver of objection to:

- A. lack of notice or defective notice of the meeting, unless the member at the beginning of the meeting objects to the holding of the meeting or the transacting of business at the meeting; and
- B. consideration of a particular matter at the meeting that is not within the purposes described in the meeting notice, unless the member objects to considering the matter when it is presented.

Section 8. Electronic Participation. A member shall be deemed to be present in person at a meeting of members if such member participates in a meeting of members by a conference through which all persons participating in the meeting may communicate with each other and all participants are advised of the communications equipment and the names of the participants in the conference are divulged to all participants.

Section 9. Quorum. A majority of those members entitled to vote at a duly constituted meeting shall constitute a quorum at all meetings except as otherwise provided by law, by the Articles of Incorporation or by these Bylaws.

Section 10. Conduct at Meetings. Meetings of members shall be presided over by the President of the Corporation or by a Vice President if the President is not present. If none of said officers is present, by a Chairperson to be elected at the meeting, and the Secretary of the Corporation. If the Secretary is not present, any Assistant Secretary shall act as Secretary of such meetings. In the absence of any Secretary or Assistant Secretary, the presiding officer may appoint a person to act as Secretary of the meeting.

Section 11. Voting. Notwithstanding the number of full memberships it has, each County shall be entitled to only one (1) vote as to all Corporate matters put to a vote. The Director of Agriculture of the State of Michigan shall likewise have one vote. All votes shall be cast in person by the County Drain Commissioner or that person performing the duties of the Office of County Drain Commissioner and the Director of Agriculture of the State of Michigan. In the event of the absence of said individuals, the vote to which they are entitled may be cast in person by his or her fully appointed deputy or staff person. No absentee voting is permitted and, except as expressly provided for by this paragraph, no proxy voting shall be allowed. All elections and all questions shall be decided by a majority of the votes cast at an duly constituted meeting except as otherwise provided by law, in the Articles of Incorporation or by these Bylaws.

The Chairperson of the meeting may determine, a vote by ballot be taken upon any election or matter. The vote by ballot shall be taken upon the request of ten percent (10%) or more of all the members entitled to vote in such election or matter. In either event, the ballots shall be received and be taken in charge and all questions touching the qualifications of voters and the validity and the acceptance or rejection of votes, shall be decided by the tellers. The tellers shall be appointed by the Chairperson of the meeting.



Section 12. Action by Unanimous Written Consent. Any action required or permitted to be taken at an annual or special meeting of members may be taken without a meeting, without prior notice and without a vote, if before or after the action, all the members entitled to vote consent in writing.

Section 13. Identity of Members.

A. **Full Members.** The following individuals shall be eligible for full membership:

1. A County Drain Commissioner and those deputies duly appointed by him or her.
2. The Director of Agriculture of the State of Michigan and those deputies appointed by the Director to perform those duties enumerated in the Michigan Drain Code;
3. Any person or persons authorized by law to perform the duties of the office of a County Drain Commissioner and those deputies duly appointed by such persons to serve as Deputy Drain Commissioner;

B. **Associate Members.** Any person, corporation, partnership, or company representing a business or profession including but not limited to, suppliers, contractors, surveyors, engineers, financial/bond consultants, environmental consultants and attorneys affiliated or associated with or interested in the work and duties of County Drain Commissioners, shall be eligible for membership in the Corporation as an Associate Member.

C. **Honorary Membership.** Any person, corporation, partnership, or company who has performed outstanding service for the Corporation may, upon a two-thirds vote of the Board of Directors, be made an Honorary Member.

D. **Life Membership.** Any current or previous full member or Associate member of the Corporation may, upon a two-thirds vote of the Board of Directors, be made a Life Member in recognition of outstanding service in the advancement of the purposes of the Corporation and the role of the office of the County Drain Commissioner in the State of Michigan. A life member shall not be required to pay registration fees for events sponsored by the Corporation.

The Board shall establish membership dues in such amounts payable on the dates as is determined by the Board. All memberships shall be on an annual basis consistent with the Corporation's fiscal year. Life members who are not active full members or active associate members shall not be required to pay membership dues. New memberships paid for before the

seventh month of the Corporation's fiscal year shall apply to the year in which paid. New memberships paid for after the sixth month shall apply toward the remainder of the year in which paid and the following year. Renewal memberships shall be paid annually, in advance. Any member remaining in arrears for four months shall lose all privileges of membership until payment in full of all dues owed.

## **ARTICLE IV BOARD OF DIRECTORS**

### Section 1. General Powers.

- A. The Board shall have supervision, control, and direction of the affairs of the Corporation, shall execute the policies, and decisions of the Members, shall actively prosecute the Corporation's objects, and shall have authority to collect, deposit, invest and disburse funds. It may adopt such rules for the conduct of its business as shall be deemed advisable, and may, in the exercise of powers granted, appoint subcommittees or agents to work on specific problems or reports.
- B. The Board shall have the authority to approve, accept and pay for such goods and services as it deems necessary or convenient to carry out the purposes of the Corporation.
- C. The Board shall have the authority to negotiate, approve, enter into, ratify and perform such contracts as it deems necessary or convenient to carry out the purposes of the Corporation, provided, however, that the Board shall not knowingly incur or undertake any debt, liability, or obligation on behalf of the Corporation which cannot be fully paid for, or performed, by it within two (2) years from the date said debt, liability or obligation is incurred or undertaken. All contracts and documents connected with, required by, or resulting from, the exercise of that authority which is the subject of this provision shall be executed by both the President and the Secretary on behalf of the Corporation.
- D. The Board may appoint an Executive Secretary and retain professional services and fix the conditions of, and compensation for, such employment. The duties of any person appointed or retained pursuant to this provisions shall be those prescribed by the Board. Any person appointed and/or retained need not be a Member of the Corporation, and may be assigned the duties of Assistant Secretary and/or Assistant Treasurer.

Section 2. Number and Term of Office. The number of initial directors shall be one or more and said number may be altered, as may be determined from time to time, by resolution of the majority of the entire Board. Each director shall serve a term of two years or until his or her

successor is duly elected. Vacancies will be filled by the Board and the individuals selected shall serve the unexpired term of the person who resigned.

The Board of Directors shall include the following:

- A. The Officers of the Corporation (President, all Vice-Presidents, Secretary and Treasurer); and
- B. The immediate past President if such person remains an active member of the Corporation; and
- C. The Elected Chairperson of each of the six membership districts; and
- D. The ex-officio representative of the Michigan Department of Agriculture; and
- E. The Chairperson of the Legislative Committee.

Section 3. Nomination and Election of Officers. Prior to the annual meeting of the members of Corporation held in odd numbered years, the election committee shall decide upon a slate or slates of officers and shall present such slate or slates to the Board of the Corporation. Upon written request of at least one of the members of the corporation, made to a member of the election committee, not less than ten days prior to the annual meeting designating an additional officer or slates of officers, the election committee shall present the slate or slates to the Board of the Corporation. Immediately thereafter, the Secretary shall apprise the members of the Corporation of the slate or slates. The election committee shall present the slate or slates of nominees to the members of the Corporation for election at the annual meeting. The chairperson of the election committee shall serve as the chairperson for that portion of the annual meeting held to elect officers unless he or she is a nominee for the position as an officer of the corporation, in which case the vice chairperson of the committee shall preside. Presentation of the slate or slates of officers and elections shall be made office by office. For each office the chairperson shall announce the committee's nomination, and receive nominations from the floor. Any such nomination must be made by a member entitled to vote. The chairperson shall call for nominations from the floor no less than three times before nominations are closed for the office being considered. When nominations are closed the chairperson will call for a vote. Voting may be made by voice vote if there is only one nominee for the office. If more than one nominee, voting shall be by paper ballot. In the event of a paper ballot, the remaining members of the elections committee shall serve as tellers who shall collect and tally all votes and report the results to the chairperson for announcement to the membership. Paper ballots shall be retained by the corporation secretary for a period of one year and one day from date of election. Once a vote has been made and announced to the members, the chairperson shall proceed in the same manner for the next open office position.

Section 4. Filling of Vacancies. In the case of any vacancy in the Board through death, resignation, disqualification, removal or other cause, the remaining directors, by affirmative vote of the majority may elect a successor to hold office for the unexpired portion of the term of the director whose place shall be vacant and until the election of a successor or until he or she shall be removed prior to the action by an affirmative vote of a majority of the members.

Similarly, and in the event of the number of directors being increased as provided in these Bylaws, the additional directors so provided for, shall be elected by the majority of the entire Board already in office and shall hold office until the next annual meeting of the members.

Any director may be removed from office with or without cause by the affirmative vote of the majority of members entitled to vote at any special meeting of the members regularly called for the purpose.

Section 5. Place of Meeting. The Board of Directors may hold their meetings and have one or more offices and keep the books of the Corporation either within or outside the State of Michigan in such place or places as they may from time to time determine by resolution or by written consent of all the directors. The Board may hold their meetings by conference, telephone or other similar electronic communications equipment in accordance with the provisions of the Michigan Business Corporation Act.

Section 6. Regular Meetings. Regular meetings of the Board may be held without notice at such time and place as shall from time to time be determined by resolution of the Board provided that notice of every resolution of the Board fixing or changing the time or place for the holding of regular meetings of the Board shall be mailed, electronically mailed, or sent by facsimile transmission to each director at least three (3) days before the first meeting held pursuant to the notice. The annual meeting of the Board shall be held preceding the annual meeting of the members. Any business may be transacted at any regular meeting of the Board.

Section 7. Special Meetings. Special meetings of the Board shall be held whenever called by any member of the Board. The Secretary shall give notice of each special meeting of the Board, by mailing same at least three (3) days prior to the meeting, electronically mailing at least two (2) days prior to the meeting, or by facsimile transmission of the notice at least two (2) days before the meeting, to each Director. Such notice may be waived by any Director. Unless otherwise indicated in the notice, any and all business may be transacted at a special meeting. At any meeting at which every Director shall be present, even though without notice, any business may be transacted and any Director may, in writing, waive notice of the time, place and objectives of any special meeting.

Section 8. Waiver of Notice. Notice of the time and place of any meeting of the Board of Directors may be waived in writing or by telecopier, electronic mail, or facsimile, either before or after such meeting has been held.

Section 9. Attendance at Meeting. A Director's attendance at or participation in a Board meeting constitutes a waiver of notice of the meeting, unless at the beginning of the meeting (or upon the Director's arrival) the Director objects to the meeting or transacting of business at the meeting and does not vote for or assent to any action taken at the meeting.

Section 10. Electronic Participation. A member of the Board or a committee designated by the Board may participate in a meeting by means of a conference telephone or similar communications equipment through which all persons participating in the meeting can communicate with each other. Participation in a meeting pursuant to this Section constitutes presence in person at the meeting.

Section 11. Quorum. A majority of the whole number of Directors shall constitute a Quorum for the transaction of business at all meetings of the Board, but at any meeting, if less than a quorum shall be present, a majority of those present may adjourn the meeting from time to time in the act of the majority of Directors present at any meeting at which there is a quorum shall be the act of the Board, except as may be otherwise specifically provided by law or by the Articles of Incorporation or by these Bylaws.

Section 12. Required Vote. An affirmative vote of the majority of those present shall be necessary for the passage of any resolution. Proxy voting shall not be permitted, except as provided for in these By-Laws.

Section 13. Action by Unanimous Written Consent. Action required or permitted to be taken under authorization voted at a meeting of the Board or a committee of the Board, may be taken without a meeting if, before or after the action, all members of the Board then in office or of the committee, consent to the action in writing. The written consents shall be filed with the minutes of the proceedings of the Board or the committee. The consent has the same effect as a vote of the Board or committee for all purposes.

Section 14. Grants. The Board of Directors, by affirmative vote of those present, may accept research and educational aid grants from individuals, public and private corporations, companies or foundations.

Section 15. Compensation of Directors. Directors shall not receive any stated salary for their services as such, but each director should be entitled to receive from the Corporation, reimbursement of the expenses incurred in preparing for or attending any regular or special meeting of the Board and by resolution of the Board. A fixed sum may also be allowed for attendance at each regular or special meeting of the Board and such reimbursement and compensation shall be payable, whether or not a meeting is adjourned because of the absence of a quorum. Nothing contained in these Bylaws shall be construed to preclude any director from serving the Corporation in any other capacity and receiving compensation. The Board may determine to pay all amount of money to the Secretary and/or Treasurer for performance of duties affiliated with the office of Secretary and/or Treasurer.

Section 16. Annual Budget. The Board of Directors shall receive and review the annual budget proposed by the Audit/Budget Committee at a meeting held at least 30 days before the summer meeting of the Board. Following the review, the Board shall make any revisions it deems appropriate and approve the annual budget for the Corporation at the summer meeting of the Board.

Section 17. Membership Districts. The memberships of the Corporation are segregated into six regional districts as follows:

- A. Southwest District;
- B. Southeast District;
- C. Northwest District;
- D. Northeast District;
- E. Northern District; and
- F. Upper Peninsula District.

Section 18. Membership Chairpersons. A Chairperson shall be elected in each District Caucus at the annual meeting previous to the business meeting and he or she shall take office immediately following the election of officers by the membership and shall serve as designated in these Bylaws.

## **ARTICLE V COMMITTEES**

Section 1. General Powers. The Board of Directors authorizes the designation of one or more committees, each committee to consist of one or more of the Directors of the Corporation, which to the extent provided in the resolution shall have and may exercise the powers of the Board of Directors and may authorize the seal of the Corporation to be affixed to all papers which may require it. Such committee or committees shall have such names as may be determined from time to time by resolution adopted by the Board.

The following committees in Sections 2 through 8 of Article V are standing committees of the Corporation. This is not an exclusive list of this Corporation's committees and additional committees may be designated by the President on an annual basis. Any standing committee or committee designated by the President may be dissolved as determined by the Board.

Section 2. Audit/Budget Committee. The Audit/Budget Committee shall consist of a minimum of three members. The Audit/Budget Committee shall meet with the Secretary and Treasurer no later than thirty (30) days prior to each annual meeting for the purpose of reviewing the books and records of the Corporation for the preceding year to determine if all receipts and disbursements are properly accounted for and in accordance with the budget as approved by the Board of Directors.

The Audit/Budget Committee shall prepare a written report of its audit for presentation at the annual meeting. Copies of the audit report shall be provided to each member of the Corporation attending the annual meeting.

The Audit/Budget Committee shall prepare a proposed annual budget for the Corporation. The proposed annual budget shall be presented by the Audit/Budget Committee to the Board of Directors at the summer meeting of the Board.

The Audit/Budget Committee shall employ public accountants to examine the books of MACDC for the next fiscal year, and such other financial and investment records as the Audit/Budget Committee deems appropriate from time to time. The public accountants shall report to the Audit/Budget Committee, which shall in turn present the report of audit, including the scope of the examination, to the members of the Corporation at their next annual meeting with such recommendations as the Audit/Budget Committee shall deem appropriate.

Section 3. Contractors, Suppliers, and Consultants Committee. The Contractors, Suppliers, and Consultants Committee shall make suggestions to the membership as to how the construction and maintenance of county drains can be improved and shall undertake other activities that may assist in the betterment of the Corporation.

Section 4. Education Committee. The Education Committee duties shall be to conduct the conference course for the newly elected Drain Commissioners and also continuing education programs for members of the Corporation. The Committee shall also coordinate activities with other groups and Corporations sharing an interest with the Corporation. This Committee shall also be responsible for maintaining relationships with other governmental organizations and Corporations whose activities affect the Corporation and its members.

Section 5. Legislative Committee. The Legislative Committee shall consist of the Board of Directors, the Drain Commissioner Representative for the United County Officers Association, the chairperson of the Program Committee and up to six (6) additional members appointed by the President whose duties will be to review and interrupt the Drain Code, make recommended additions, deletions or amendments thereto and to review legislation affecting the operation of the Office of County Drain Commissioners and the drainage districts under the jurisdiction of the Drain Commissioner. Periodic bulletins shall be sent to all Drain Commissioners on proposed legislation.

Section 6. Election Committee. The Election Committee shall consist of the chairperson of each of the districts of the Corporation and it shall determine the eligibility of members to serve as officers and prepare a slate of officers to be voted on at the annual meeting.

Section 7. Program Committee. The Program Committee duties shall be to prepare programs for the annual meeting and summer meeting in cooperation with the Consultants Committee and other supportive groups and organizations.

Section 8. Resolution and Bylaws Committee. The Resolution and Bylaws Committee shall consist of up to six (6) members whose duties shall be to prepare all resolutions to be approved by the membership at the annual meeting and summer meeting and, if necessary, at any other meeting of the Corporation. The Committee shall also review and suggest revising the Bylaws of the Corporation as needed and requested by the membership.

Section 9. Ad Hoc Amicus Curiae Committee. The Ad Hoc Amicus Curiae Committee shall consist of up to five (5) members appointed by the President, as needed, whose duties shall be to review requests for amicus curiae assistance as provided in the MACDC Amicus Curiae Procedure. The Association's general counsel shall serve as one of the members of the Ad Hoc Amicus Curiae Committee unless the general counsel also represents the applicant or otherwise has a conflict of interest. The term "amicus curiae" is Latin for "friend of the court," and refers to a legal brief filed in an appellate court by the Corporation when it is not a party to the litigation but believes that the court's decision may affect its interests or the interests of its members.

## **ARTICLE VI OFFICERS**

Section 1. Election, Tenure, and Compensation. The officers of the Corporation shall be a President, Vice President, a Secretary, and a Treasurer, and also such other officers including one or more additional Vice-Presidents and/or one or more assistants to the foregoing officers as the board from time to time may consider necessary for proper conduct of the business of the Corporation.

The officers shall be elected by the members biannually and in odd numbered years during the winter conference before the annual meeting. Officers must be full members, whose dues are not delinquent. Terms of office begin at the conclusion of the annual meeting. Any two or more of the above offices, except those of President and Vice-President, may be held by the same person, but no officer shall execute, acknowledge or verify any instrument in more than one capacity if such instrument is required by law or by these Bylaws to be executed, acknowledged, or verified by any two or more officers. The compensation paid all officers of the Corporation shall be fixed by resolutions adopted by the Board.

In the event that any office other than an office required by law, shall not be filled by the Board, or, once filled, subsequently becomes vacant, then such office and all references to that office in these Bylaws shall be deemed inoperative unless and until such office is filled in accordance with the provisions of these Bylaws.



Except where otherwise expressly provided in a contract duly authorized by the Board, all officers and agents of the Corporation shall be subject to removal at any time by the affirmative vote of a majority of the whole Board, and all officers, agents, and employees, shall hold office at the discretion of the Board of Directors or of the officers appointing them.

Section 2. Powers and Duties of the President. The President shall preside at all meetings of the Members; shall appoint all standing and special committees and shall be an ex-officio member thereof; shall be authorized to appoint sufficient Members on a temporary basis to attain a quorum in the event of absences; have authority to call meetings of the Board of Directors and all committees; may appoint advisory committees; shall execute, together with the Secretary, on behalf of the Corporation, all contracts and documents approved by the Board, and perform such duties usually performed by a presiding officer.

Section 3. Powers and Duties of the Vice-President(s). The members shall elect at least one Vice-President, and may appoint more Vice-Presidents as is deemed appropriate. Any Vice-President (as provided by resolution of the Board of Directors and the Secretary) may sign and execute all authorized bonds, contracts, or other obligations in the name of the Corporation. Each Vice-President shall have such other powers and shall perform such other duties as may be assigned by the Board or by the President. In case of the absence or disability of the President, the duties of that office shall be performed by the First or the Second Vice President, in the absence of the First Vice President, and the taking of any action by any such Vice-President in place of the President shall be conclusive evidence of the absence or disability of the President.

Section 4. Secretary. The Secretary shall give, or cause to be given, notice of all meetings of members and directors and all other notices required by law or by these Bylaws, and in case of his or her absence or refusal or neglect to do so, any such notice may be given by any person directed by the President, or by the directors or members upon whose written request the meeting is called as provided in these Bylaws. The Secretary shall record all the proceedings of the meetings of the members and of the directors in books provided for that purpose, and he shall perform such other duties as may be assigned to him by the directors or the President. He or she shall have custody of the seal of the Corporation and shall affix the same to all instruments requiring it, when authorized by the Board or the President. In general, the Secretary shall perform all the duties generally incident to the office of Secretary, subject to the control of the Board and the President.

Section 5. Treasurer. The Treasurer shall have custody of all the funds and securities of the Corporation, and shall keep full and accurate account of receipts and disbursements in books belonging to the Corporation. He or she shall deposit all moneys and other valuables in the name and to the credit of the Corporation in such interest bearing governmentally insured accounts, certificates of deposit or similar investments, as may be designated or authorized by the Board.

The Treasurer shall prepare an annual written report detailing the receipts and disbursements of the Association.

The Treasurer shall disburse the funds of the Corporation as may be ordered by the Board, taking proper vouchers for such disbursements. He or she shall render to the President and the Board of Directors, whenever either of them so requests, an account of all his or her transactions as Treasurer and of the financial condition of the Corporation. No disbursements shall be made that are in excess of a budgeted amount without prior approval of the President and consent of a majority of the Board.

The Treasurer shall give the Corporation a bond, if required by the Board, in a sum, and with one or more sureties, satisfactory to the Board, for the faithful performance of the duties of the Treasurer's office and for the restoration to the Corporation in case of the Treasurer's death, resignation, retirement, or removal from office of all books, papers, vouchers, moneys, and other properties of whatever kind in the Treasurers possession or under his control belonging to the Corporation.

Section 6. Assistant Secretary. The Board may appoint an Assistant Secretary or more than one Assistant Secretary. Each Assistant Secretary shall (except as otherwise provided by resolution of the Board) have power to perform all duties of the Secretary in the absence or disability of the Secretary and shall have such other powers and duties as may be assigned by the Board or the President. The taking of any action by any such Assistant Secretary in place of the Secretary shall be conclusive evidence of the absence or disability of the Secretary.

Section 7. Assistant Treasurer. The Board may appoint an Assistant Treasurer or more than one Assistant Treasurer. Each Assistant Treasurer shall (except as otherwise provided by resolution of the Board) have power to perform all duties of the Treasurer in the absence or disability of the Treasurer and shall have such other powers and duties as may be assigned by the Board or the President. The taking of any action by any such Assistant Treasurer in place of the Treasurer shall be conclusive evidence of the absence or disability of the Treasurer.

## **ARTICLE VII CORPORATE SEAL**

Section 1. Seal. In the event that the President shall direct the Secretary to obtain a corporate seal, the corporate seal shall be circular in form and shall have inscribed the name of the Corporation, the year of its organization and the word "Michigan". Duplicate copies of the corporate seal may be provided for use in the different offices of the Corporation but each copy shall be in the custody of the Secretary of the Corporation or of an Assistant Secretary of the Corporation nominated by the Secretary.

**ARTICLE VIII**  
**BANK ACCOUNTS AND LOANS**

Section 1. Bank Accounts. Such officers or agents of the Corporation as from time to time shall be designated by the Board shall have authority to deposit any funds of the Corporation in such banks or trust companies as shall from time to time be designated by the Board and such officers or agents as from time to time shall be authorized by the Board may withdraw any or all of the funds of the Corporation so deposited in any such bank or trust company, upon checks, drafts, or other instruments or orders for the payment of money, drawn against the account or in the name or on behalf of this Corporation, and made or signed by such officers or agents; and each bank or trust company with which funds of the Corporation are so deposited is authorized to accept, honor, cash, and pay, without limit as to amount, all checks, drafts, or other instruments or orders for the payment of money, when drawn, made or signed by officers or agents so designated by the Board until written notice of the revocation of the authority of such officers or agents by the Board shall have been received by such bank or trust company. There shall from time to time be certified to the banks or trust companies in which funds of the Corporation are deposited, the signature of the officers or agents of the Corporation so authorized to draw against the accounts. In the event that the Board shall fail to designate the persons by whom checks, drafts, and other instruments or orders for the payment of money shall be signed, as provided in this Section, all of such checks, drafts, and other instruments or orders for the payment of money shall be signed by the President or a Vice-President and countersigned by the Secretary or Treasurer or an Assistant Secretary or an Assistant Treasurer of the Corporation.

Section 2. Loans. Such officers or agents of this Corporation as from time to time shall be designated by the Board of Directors shall have authority to effect loans, advances, or other forms of credit at any time or times for the Corporation from such banks, trust companies, institutions, Corporations, firms, or persons as the Board, shall from time to time designate, and as security for the repayment of such loans, advances, or other forms of credit to assign, transfer, endorse, and deliver, either originally or in addition or substitution, any or all stocks, bonds, rights, and interests of any kind in or to stocks or bonds, certificates of such rights or interests, deposits, accounts, documents covering merchandise, bills, and accounts receivable and other commercial paper and evidences of debt at any time held by the Corporation; and for such loans, advances, or other forms of credit to make, execute, and deliver one or more notes, acceptances or written obligations of the Corporation on such terms, and with such provisions as to the security or sale or disposition as such officers or agents shall deem proper; and also to sell to, or discount or rediscount with, such banks, trust companies, institutions, Corporations, firms, or persons any and all commercial paper, bills receivable, acceptances, and other instruments and evidences of debt at any time held by the Corporation, and to that end to endorse, transfer, and deliver the same. There shall from time to time be certified to each bank, trust company, institution, Corporation, firm, or person so designated the signatures of the officers or agents so authorized; and each such bank, trust company, institution, Corporation, firm, or person is authorized to rely upon such certification until written notice of the revocation by the Board of the authority of such officers or agents shall be delivered to such bank, trust company, institution, Corporation, firm, or person.

**ARTICLE IX  
REIMBURSEMENTS**

Section 1. Reimbursements. Any payments made to an officer or other employee of the Corporation, such as salary, commission, interest or rent, or entertainment expense incurred by him, which shall be disallowed in whole or in part as a deductible expense by the Internal Revenue Service, shall be reimbursed by such officer or other employee of the Corporation to the full extent of such disallowance. It shall be the duty of the Directors, as a Board, to enforce payment of each such amount disallowed. In lieu of payment by the officer or other employee, subject to the determination of the Board, proportionate amounts may be withheld from his future compensation payments until the amount owed to the Corporation has been recovered.

**ARTICLE X  
MISCELLANEOUS PROVISIONS**

Section 1. Fiscal Year. The fiscal year of the Corporation shall be as determined by the Board of Directors.

Section 2. Notices. Whenever, under the provisions of these Bylaws, notice is required to be given to any director, officer, or member it shall not be construed to mean personal notice, but such notice shall be given in writing, by electronic mail at such electronic address as the director, officer, or member provides to the Corporation, or by regular mail, by depositing the same in a post office or letter box, in a post-paid sealed wrapper, addressed to each member officer or director at such address as appears on the books of the Corporation, or in default of any other address, to such director, officer or member at the general post office in the City of Lansing, Michigan, and such notice shall be deemed to be given at the time the same shall be thus electronically mailed or mailed.

**ARTICLE XI  
INDEMNIFICATION**

Section 1. Nonderivative Actions. Subject to all of the other 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, suit, or proceeding, whether civil, criminal, administrative, or investigative, formal or informal (other than an action by or in the right of the Corporation), by reason of the fact that the person is or was a director or officer of the Corporation, or, while serving as a director or officer of the Corporation, is or was 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, against expenses (including actual and reasonable 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 the person reasonably believed to be in or not opposed to the best interests of the Corporation or its shareholders, and with respect to any criminal action or proceeding, if the person 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 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 the person 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 reasonable cause to believe that his or her conduct was unlawful.

Section 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 by reason of the fact that the person is or was a director or officer of the Corporation or, while serving as a director or officer of the Corporation, is or was 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, against expenses (including attorney fees) and amounts paid in settlement actually and reasonably incurred by the person in connection with the action or suit, if the person acted in good faith and in a manner the person reasonable 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 the person has been found liable to the Corporation unless and only to the extent that the court in which the action or suit was brought has determined on application that, despite the adjudication of liability but in view of all circumstances of the case, the person is fairly and reasonably entitled to indemnification for the reasonable expenses incurred.

Section 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 1 or 2 of Article XI, or in defense of any claim, issue, or matter in the action, suit, or proceeding, the person shall be indemnified against actual and reasonable expenses (including attorney fees) incurred by the person in connection with the action, suit, or proceeding and any action, suit, or proceeding brought to enforce the mandatory indemnification provided by this Section.

Section 4. Definition. For the purposes of Section 1 and 2 of Article XI "other enterprises" shall include employee benefit plans; "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and "serving at the request of the Corporation" shall include any service as a director, officer, employee, or agent of the Corporation that imposes duties on, or involves services by, the director or officer with respect to an employee benefit plan, its participants, or its beneficiaries; and a person who acted in good faith and in a manner the person reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be considered to have acted in a manner "not opposed to the best interests of the Corporation or its members" as referred to in Sections 1 and 2 of Article IX.

Section 5. 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 the person's capacity as a director or officer. Except as provided in Section 3 of Article XI of these bylaws, the Corporation shall have no obligations under this Article to indemnify any person in connection with any proceeding, or part of any proceeding, initiated by the person without authorization by the Board of Directors.

Section 6. Determination That Indemnification Is Proper. Any indemnification under Sections 1 or 2 of Article XI (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the person is proper in the circumstances because the person has met the applicable standard of conduct set forth in Sections 1 or 2 of Article XI, whichever is applicable, and upon an evaluation of the reasonableness of expense and amounts paid in settlement. The determination and evaluation shall be made in any of the following ways:

- A. By a majority vote of a quorum of the Board consisting of Directors who are not parties or threatened to be made parties to the action, suit, or proceeding.
- B. If the quorum described in clause (a) above is not obtainable, then by majority vote of a committee of Directors duly designated by the Board and consisting solely of two or more Directors who are not at the time parties or threatened to be made parties to the action, suit, or proceeding.
- C. By independent legal counsel in a written opinion, which counsel shall be selected in one of the following ways: (i) by the Board or its committee in the manner prescribed in subparagraph (a) or (b); or (ii) if a quorum of the Board cannot be obtained under subparagraph (a) and a committee cannot be designated under subparagraph (b), by the Board.
- D. By the members, Directors, Officers, employees, or agents who are parties or threatened to be made parties to the action, suit, or proceeding may not vote.
- E. By all independent Directors (as defined by Section 107(3) of the Michigan Business Corporation Act) who are not parties or threatened to be made parties to the action, suit, or proceeding.

Section 7. Proportionate Indemnity. If a person is entitled to indemnification under Sections 1 or 2 of this Article of these Bylaws 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.

Section 8. Expense Advance. The Corporation may pay or reimburse the reasonable expenses incurred by a person referred to in Section 1 or 2 of this Article of these bylaws who is a party or threatened to be made a party to an action, suit, or proceeding in advance of final disposition or the proceeding if all of the following apply: (a) the person furnishes the Corporation a written affirmation of his or her good faith belief that he or she has met the applicable standard of conduct set forth in Section 1 or 2 of this Article; (b) the person furnishes the Corporation a written undertaking executed personally, or on his or her belief, to repay the advance if it is ultimately determined that he or she did not meet the standard of conduct; and (c) a determination is made that the facts then known to those making the determination would not preclude indemnification under Section 1 or 2 of this Article. The authorization of payment must be made in the manner specified in Section 6.

Section 9. 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.

Section 10. Indemnification of Employees and Agents of the Corporation. The Corporation may, to the extent authorized from time to time by the Board of Directors, 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 Article XI with respect to the indemnification and advancement of expenses of Directors and Officers of the Corporation.

Section 11. Former Directors and Officers. The indemnification provided in Article XI 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 the person.

Section 12. Insurance. The Corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, partner, trustee, employee, or agent of another Corporation, partnership, joint venture, trust, or other enterprise, 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 the person against the liability under these bylaws or the laws of the State of Michigan.

Section 13. Changes in Michigan Law. If there is any change of the Michigan statutory provisions applicable to the Corporation relating to the subject matter of Article XI, then the indemnification to which any person shall be entitled under this Article shall be determined by the changed provisions, but only to the extent that the change permits the Corporation to provide broader indemnification rights than the provisions permitted the Corporation to provide before the

change. Subject to Section 14 of this Article, the Board of Directors is authorized to amend these Bylaws to conform to any such changed statutory provisions.

Section 14. Amendment or Repeal of Article XI. No amendment or repeal of Article XI shall apply to or have any effect on any director or officer of the Corporation for or with respect to any acts or omissions of the director or officer occurring before the amendment or repeal.

## **ARTICLE XII LIABILITY TO THIRD PARTIES**

Section 1. Volunteer Director. "Volunteer Director" means a director who does not receive anything of 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 a director in his or her capacity as a director.

A volunteer director of the Corporation shall not be personally liable to the Corporation or its directors for monetary damages for breach of the director's fiduciary duty. However, this provision does not eliminate or limit the liability of a director for any of the following:

- A. a breach of the director's duty of loyalty to the Corporation or its directors or its members;
- B. acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law;
- C. a violation of Section 551(1) of the Michigan Nonprofit Corporation Act, as amended;
- D. a transaction from which the director derived an improper personal benefit;
- E. an act or omission occurring before the adoption of these Bylaws; or
- F. an act or omission that is grossly negligent.

The Corporation assumes all liability to any person other than the Corporation or its directors for all acts or omissions of the directors incurred in the good faith performance of such director's duties occurring on or after the date this Article becomes effective in accordance with the pertinent provisions of the Michigan Nonprofit Corporation Act. A claim for monetary damages for a breach of the volunteer director's duty to any person other than the Corporation or its directors shall not be brought or maintained against a volunteer director; but such a claim shall



be brought or maintained instead against the Corporation, which shall be liable for the breach of the volunteer director's duty.

### **ARTICLE XIII AMENDMENTS**

Section 1. Amendment of Bylaws. These Bylaws may be amended, altered, or repealed at any annual or summer meeting of the members entitled of this corporation to vote by the affirmative vote of a majority of the those members present and voting, provided that the proposed amendment has been reviewed by the Resolution and Bylaws Committee or the Board of Directors and notice of the proposed amendment or an abstract of the substance thereof has been given to the members at least fifteen days prior to an annual or summer meeting.

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