



CHIPPEWA COUNTY FAMILY PROJECT INC

Bylaws

MARCH 1, 2016

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ARTICLE 1 OFFICES

1.1 REGISTERED OFFICE

The registered office of the Corporation will be in Chippewa County, Michigan or at such other location as the Board of Directors may determine from time to time.

1.2 OTHER OFFICES

The Corporation may have other offices as the Board of Directors may determine from time to time.

ARTICLE 2 — BOARD OF DIRECTORS

2.1 FUNCTIONS

The Corporation is a nonprofit directorship corporation, as defined in the Act. Except as specifically provided in the Corporation's Articles of Incorporation or these bylaws, all rights, powers, duties, and responsibilities related to the management and control of the Corporation's property, activities, and affairs are vested in the Board of Directors. In addition to the power and authority expressly conferred on it by these bylaws and the Articles of Incorporation, the Board of Directors may take any lawful action on behalf of the Corporation which is not by law or the Articles of Incorporation or by these bylaws required to be taken by some other party.

2.2 NUMBER AND TERM

The Board of Directors will consist of not less than one and not more than twelve directors who will be elected or appointed at each annual meeting. In addition, honorary directors may be appointed in accordance with section 2.3.

2.3 HONORARY DIRECTORS

The Board of Directors may select honorary directors as appropriate in recognition of outstanding contribution to the community and commitment to the purposes of the Corporation, or in recognition of an individual's special talents which could be drawn on from time to time by the Corporation. Honorary directors will not have voting privileges.

2.4 REMOVAL

The Board of Directors may remove any director, with or without cause, whenever believed to be in the best interest of the Corporation.

2.5 VACANCIES

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Any vacancies occurring in the Board of Directors for any reason may, but need not, be filled by the Board of Directors. Any person appointed to fill a vacancy will serve for the unexpired portion of the term.

2.6 MEETINGS

2.6.1 ANNUAL MEETINGS

Annual Meetings of the Board of Directors will be held within three months of the close of the fiscal year of the Corporation, on a date and at a place and time as the Board of Directors determine for the election of officers and for the transaction of any other business which may come before such meeting.

2.6.2 REGULAR MEETINGS

In addition to the annual meeting, regular meetings will be held in accordance with a schedule at such times and places as the Board of Directors determines.

2.6.3 SPECIAL MEETINGS

Special meetings of the Board of Directors may be called by the Secretary of the Corporation on the request of the President or not less than one-third of the directors.

2.6.4 MEETING LOCATION

Meetings of the Board of Directors may be held at any place within or without the State of Michigan.

2.6.5 QUORUM

A majority of the directors constitutes a quorum for the purposes of conducting business at any meeting of the Board of Directors.

2.6.6 ACTIONS WITHOUT A QUORUM

A majority of the directors present, whether or not a quorum, may adjourn any meeting to another time and place. Notice of the adjourned meeting must be given even though the time and place are announced at the meeting at which the adjournment is taken.

2.6.7 ACTIONS WITHOUT A MEETING

Any action require or permitted to be taken pursuant to an authorized vote at any meeting of the Board of Directors or a committee of the Board of Directors, may be taken without a meeting if, before or after the action, all members of the Board of Directors or the committee consent to the action in writing. Written consent must be filed with the minutes of the proceedings of the Board of Directors or committee. Such consent will have the same effect as the vote of the Board of Directors or committee for all purposes.

2.6.8 METHODS OF MEETING PARTICIPATION

A member of the Board of Directors or of a committee may participate in a meeting by means of conference telephone or similar communications equipment by 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.

2.7 NOTICE OF MEETINGS

2.7.1 WRITEN NOTICE

Written notice must be given to the directors at least two days prior to all regular meetings of the Board of Directors. Special meetings of the Board of Directors will be held pursuant to notice of the time, place, and purpose of the meeting either delivered personally,

communicated by telephone, or sent by mail or email to each director not less than eight hours prior to the meeting.

2.7.2 WAIVER OF NOTICE

Notwithstanding the foregoing, no notice need be given to any director who submits a signed waiver of notice before or after a meeting, or who attends a meeting without protesting any lack of notice.

2.8 RESIGNATION

A director may resign by giving written notice to the Secretary of the Corporation. Unless otherwise specified in the resignation, the resignation will take effect on receipt, and the acceptance of the resignation will not be necessary to make it effective.

2.9 VOTING

The vote of the majority of the directors present at a meeting at which a quorum is present will be the act of the Board of Directors unless a greater vote is required by law, by the Articles of Incorporation or by these bylaws. Except for honorary directors (which have no vote) each director present will have one vote. No director will be entitled to vote by proxy.

2.10 COMPENSATION DIRECTORS

The directors, as such, will not be compensated for the performance of services for the Corporation, but may, by resolution of the Board of Directors, be reimbursed for expenses incurred on behalf of the Corporation.

ARTICLE 3 — OFFICERS

3.1 OFFICERS

The officers of the Corporation are a President, Secretary, and Treasurer, each of whom will be chosen from among the directors, and who will be elected by the Board of Directors at each annual meeting. The Board of Directors may appoint other officers as it deems advisable, who need not be directors and who will have authority and will perform duties as may be prescribed by the Board. Any two or more offices may be held by the same person, but an officer may not execute, acknowledge or verify an instrument in more than one capacity. In addition to the powers set forth in these bylaws, the officers will have such authority and will perform such duties as may be determined by the Board of Directors.

3.2 TERM OF OFFICE AND VACANCY

Each officer will serve for a term of one year or until the officer's successor is elected. Any officer may serve consecutive terms. A vacancy in any office will be filled by vote of the Board of Directors. A person elected to fill the vacancy will serve for the balance of the unexpired term.

3.3 REMOVAL

Any officer may be removed at any time, with or without cause, by the vote of a majority of the Board of Directors.

3.4 DUTIES OF OFFICERS

The duties of all officers will be as set forth in these bylaws and as specifically established by the Board of Directors from time to time.

3.4.1 PRESIDENT

The President presides at all meetings of the Board of Directors, acts as the chief executive officer of the Corporation, and, subject to the director of the Board of Directors, has general powers of supervision and management of the affairs of the Corporation. The President will be an ex-officio member of all committees.

3.4.2 SECRETARY

The Secretary will cause a record to be kept in permanent form of all meetings of the Board of Directors and will send out notices of all membership and Board of Director meetings.

3.4.3 TREASURER

The Treasurer will have general charge of the finances of the Corporation. When necessary and proper, her or she will endorse, on behalf of the Corporation, all checks, drafts, notes and other obligations and evidences of payment of money to the Corporation or coming into his or her possession; will deposit the same, together with all other funds of the Corporation coming into his or her possession, in such bank(s) as may be selected by the Board of Directors. He or she will keep full and accurate account of all receipts and disbursements of the Corporation in books belonging to the Corporation, which will be open at all times to the inspection of the Board of Directors. He or she will present to the Board of Directors at its annual meeting a report as Treasurer and will, from time to time, make such other reports to the Board of Directors as it may require.

3.5 COMPENSATION

The compensation of all agents, employees, officers, and representatives of the Corporation will be fixed by the Board of Directors or in accordance with the method of determination which is established by it.

ARTICLE 4 — COMMITTEES

4.1 APPOINTMENT OF COMMITTEES

The Board of Directors may designate one or more committees, each of which will consist of at least one committee chairperson and one or more committee members. The chairperson and members of the committee will be appointed by the Board of Directors. Each committee may exercise all powers and authority delegated to it in the Board resolution establishing the committee, except as restricted by applicable law. The President will be an ex-officio member of all committees.

4.2 REPORTS OF COMMITTEES

The studies, findings, and recommendations of all committees will be reported to the Board of Directors for consideration and action except as otherwise ordered by the Board of Directors. Committees may adopt such rules for the conduct of business as are appropriate and as are not inconsistent with these bylaws, the Articles of Incorporation, or state law.

ARTICLE 5 — INDEMNIFICATION

5.1 ACTIONS IN THE BEST INTEREST OF THE CORPORATION

The Corporation has the power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or competing action, suit or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he or she is or was a director, 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 foundation, corporation, business corporation, partnership, joint venture, trust or other enterprise, whether for profit or not, against expenses (including attorney's 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 he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or on a plea of nolo contendere or its equivalent, will not of itself create a presumption that the person did not act in good faith and in a manner which he or she had reasonably believed to be in or not opposed to the best interest of the Corporation and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

5.2 ACTIONS BY OR IN RIGHT OF THE CORPORATION

The Corporation has the power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he or she is or was a director, 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 foundation, corporation, business corporation, partnership, joint venture, trust or other enterprise, whether for profit or not, against expenses (including attorneys' fees) and amounts paid in settlement actually and reasonably incurred by him or her in connection with the defense or settlement of such action or suit if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Corporation, except that no indemnification will be made in respect of any claim issue or matter as to which the person is adjudged to be liable to the Corporation except to the extent that the Court in which the action or suit was brought, or another court of competent jurisdiction, determines on application that indemnification is consistent with applicable law and any restrictions which may be contained in the Corporation's Articles of Incorporation or these Bylaws and that, despite the adjudication of liability and in view of all relevant circumstances, he or she is fairly and reasonably entitled to indemnification for reasonable expenses incurred which the Court deems proper, whether or not he or she has met the applicable standard of conduct set forth in this Section 5.2.

5.3 EXPENSES

To the extent that a director, officer, employee or agent of the Corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding be indemnified against expenses (including attorney's fees) actually and reasonably incurred by him or her.

5.4 DETERMINATION OF INDEMNIFICATION

Any indemnification under Sections 5.1 and 5.2 (unless ordered by a court) will be made by the Corporation only as authorized in the specific case on a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he or she has met the applicable standard of conduct set forth in Section 5.1 and 5.2 and on an evaluation of the reasonableness of expenses and amounts paid in settlement. This determination will be made (a) by the Board of Directors by a majority vote of a quorum (as defined by Section 2.5.5 of these Bylaws) consisting of directors who are not parties to such action, suit, or proceeding; (b) if such quorum is not obtainable, by a majority vote of a committee duly designated by the Board of Directors (in which designation all Board members may participate) and consisting solely of two or more directors not at the time parties or threatened to be made parties to the action; or (c) or, if a quorum under clause (a) cannot be obtained and a committee under clause (b) cannot be designated, by the Board (in which action all Board members may participate). Notwithstanding the failure or refusal of the directors or counsel to make provision for indemnification, the indemnification will be made if a court of competent jurisdiction has made a determination that the director, officer, employee, or agent has a right to indemnification under this agreement in any specific case on the application of the director, officer, employee, or agent.

5.5 ADVANCEMENT OF EXPENSES

Expenses incurred in defending a civil or criminal action, suit or proceeding described in Section 5.1 and 5.2 may be paid by the Corporation in advance of the final disposition of the action, suit or proceeding as authorized by the Board of Directors in the specific case on: (a) receipt of a written affirmation from the person seeking advancement of expenses of his or her good-faith belief that he or she has met the standard of conduct set forth in Section 5.1 or 5.2; (b) receipt of an undertaking by or on behalf of the person to repay amounts advanced if it is ultimately determined that he or she did not meet such standard of conduct; and (c) a determination that the facts then known to those making the determination would not preclude indemnification. This determination will be made in the manner specified in Section 5.4.

5.6 INSURANCE

The Corporation has the power to 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, employee, or agent of another foundation, corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him or her or the Corporation and incurred by him or her or the Corporation in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to implement the provisions of this Article.

ARTICLE 6 — CONFLICT OF INTEREST

6.1 STATEMENT OF POLICY

It is the policy of the Corporation that all officers, directors, committee members, and employees of the Corporation must avoid any conflict between their own respective interests and the interests of

the Corporation, in any and all actions taken by them on behalf of the Corporation in their respective capacities.

6.2 DEALING WITH THE CORPORATION

A contract or other transaction between the Corporation and one or more of its directors or officers, or between the Corporation and a domestic or foreign corporation, firm or association of any type or kind in which one or more of the Corporation's directors or officers are directors or officers, or are otherwise interested, will not, because of the interest, or because such directors are present at the meeting of the Board of Directors or committee of the Board of Directors at which the contract or transaction is acted on or because their votes are counted for such purpose, be enjoined, set aside or give rise to an award of damages or other sanctions in a proceeding by a shareholder or by or in the right of the Corporation, if the following conditions are satisfied:

6.2.1 The body to which such disclosure is made shall thereupon determine, by a vote of seventy-five percent (75%) of the votes present and entitled to vote, whether the disclosure shows that a conflict of interest exists or can reasonably be construed to exist. If a conflict is deemed to exist, such person shall not vote on, nor use his personal influence on, nor participate (other than to present factual information or to respond to questions) in, the discussions or deliberations with respect to such contract or transaction. The

minutes of the meeting shall reflect the disclosure made, the vote thereon, the abstention from voting and participation; or

6.2.2 In the event that any officer, director, committee member, or employee of the Corporation has any direct or indirect interest in, or relationship with, any individual or organization which proposes to enter into any transaction for authorization, approval, or ratification with the Corporation, such officer, director, committee member, or employee must give the Board of Directors prompt and full disclosure of his interest to the Board or committee prior to its acting on such contract or transaction. Such disclosure shall include any relevant and material facts known to such person about the contract or transaction, which might reasonably be construed to be adverse to the Corporation's interest and must refrain from voting or otherwise attempting to exert any influence on the Corporation, its Board of Directors, or its committees, to affect its decision to participate or not participate in the transaction.

ARTICLE 7 — AUDITS AND FISCAL YEAR

7.1 ANNUAL AUDITS

There will be an audit of the financial statements of the Corporation by an independent certified public accountant selected by the Board of Directors every three (3) years unless the following criteria are met:

1. An audit will be performed in every fiscal year where donations and fundraising income exceed the threshold set by the state of Michigan to require annual audits.
2. If annual fundraising income and donations meets the threshold for reviewed financial statements set by the State of Michigan then financial statements must be prepared and reviewed by a Certified Public Accountant on years that are not scheduled for a full audit.

7.2 FISCAL YEAR

The fiscal year of the Corporation will end on December 31st of each year.

ARTICLE 8 — PURPOSES

8.1 PURPOSES

The purposes for which the Corporation is organized are as follows:

1. To facilitate, coordinate, and promote safe, nurturing, home-like care for residents placed for foster care.
2. To receive and administer funds to operate exclusively for religious, 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 any subsequent legislation (the "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 or more such purposes.
3. To acquire, own, dispose and deal with real and personal property and interests therein and to apply gifts, grants, bequests, and devises and the proceeds thereof in furtherance of the purposes of the Corporation.
4. To do such 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 power conferred on nonprofit corporations under the laws of the State of Michigan.

8.2 NOT FOR PROFIT OPERATIONS

The Corporation shall be operated exclusively for religious, charitable, scientific, literary, or educational purposes within the meaning of Section 501(c)(3) of the Code as a nonprofit corporation. No director of the Corporation shall have any title or interest in the corporate property or earnings in his or her individual or private capacity and no part of the net earnings of the Corporation shall inure to the benefit of any trustee, director, officer, or any private shareholder or individual. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, intervene in (including the publishing or distribution of statements) any political campaign on behalf of, or in opposition to, any candidate for public office.

ARTICLE 9 — DISSOLUTION

9.1 DISSOLUTION

Upon dissolution of the Corporation, the Board of Directors shall, after paying or making provision for the payment of all the liabilities of the Corporation, dispose of all the remaining assets of the Corporation exclusively for charitable or educational purposes within the meaning of Section 501(c)(3) of the Code, and more particularly to such organization or organizations carrying on such operations as may be, as nearly as possible, consistent with the purposes of this Corporation, as the Board of Directors of this Corporation shall determine. Any such assets not so disposed of shall be disposed of by the circuit court for the county in which the registered office of the Corporation is then located, exclusively for such purposes or to such organization or organizations, to be used in such manner as in the judgment of such court will best accomplish the general purposes for which this Corporation was organized.