

**BYLAWS
OF
BELL MEDICAL CENTER**

**ARTICLE I
CORPORATION**

1.1 **NAME.** The name of the corporation is Bell Medical Center, a Michigan nonprofit corporation (the "Corporation").

1.2 **STATEMENT OF ROLE AND PURPOSES.** The Corporation shall be operated exclusively for charitable, scientific, educational or religious purposes within the meaning of Sections 501(c) (3). The purposes of the Corporation shall be as set forth in the Articles of Incorporation.

ARTICLE II

MEMBER

2.1 **QUALIFICATIONS FOR MEMBERSHIP.** The sole member of the Corporation shall be the Superior Healthcare System ("Member").

2.2 **APPOINTMENT OF OFFICER, DIRECTOR, OR OTHER TO ACT ON BEHALF OF MEMBER.** The Member may appoint an officer(s), director(s), or anyone else to act on its behalf in the capacity of Member of the Corporation.

ARTICLE III

MEMBER MEETINGS

3.1 **MEMBER MEETINGS.** Meetings of the Member shall be held at such time, date and place, both within or without the State and shall be conducted in a manner, as provided in the Bylaws of the Member.

**ARTICLE IV
DIRECTORS**

4.1 **POWERS AND RESPONSIBILITIES.** The business, property, affairs and funds of the Corporation shall be managed, supervised and controlled by its Board of Directors who shall exercise all of the powers of the Corporation, not otherwise reserved to the Member, but subject to the limitations contained in the Corporation's governing documents, Member policies and subject to applicable law.

4.2 **ELECTION, NUMBER AND TERM OF OFFICE.** The Board shall consist of not less than three (3) or more than fourteen (14) Directors, up to fifty percent of which may be Physicians employed by Superior Healthcare System, unless otherwise determined from time to

time by the Member. The President of the Member shall serve as a Director of the Corporation ex officio with vote. Board members shall be appointed, upon the recommendation of the Board of the Corporation, by the Member and Board members shall be appointed for staggered terms. Unless otherwise specified by the Member, Board appointments and reappointments shall commence as of July 1 of the fiscal year such appointment or reappointment was made and shall expire as of June 30 after a full two (2) year term. No Board member shall serve more than three (3) consecutive two (2) year terms. After a period of one (1) year of not serving on the Board, such person shall be eligible again to serve on the Board of Directors. A Director may resign by written notice to the Corporation which resignation shall be effective upon its receipt by the Corporation or such subsequent time as is set forth in the notice of resignation. A Director or the entire Board of Directors may be removed, with or without cause, by the Member at any time.

4.3 **VACANCIES.** Whenever any vacancy shall have occurred in the Board of Directors by reason of death, resignation, removal, increase in the number of Directors or otherwise, such vacancy may be filled by the Member. The person so elected shall be a Director until the next election of Directors by the Member and thereafter until his successor shall be elected and qualified in his stead. The Member may make such election at its next annual meeting, or at any special meeting duly called for that purpose and held prior thereto.

4.4 **REGULAR MEETINGS.** Regular meetings of the Board of Directors may be held without notice at such times or intervals and at such places within or without the State of Michigan as may from time to time be determined by resolution of the Board, which resolution may authorize the President to fix the specific date and place of each such regular meeting, in which case notice of the time and place of such regular meetings shall be given in accordance with Section 4.6. An annual meeting shall be held in June of each year, for the purpose of electing Directors and Officers and for the transaction of such other business as may properly be brought before the meeting.

4.5 **SPECIAL MEETINGS.** Special meetings of the Board of Directors may be held at any time or place upon the call of the Chair of the Board, the President, the Member, or at the request of not less than three Directors then in office. Notice of the time, place and purpose of all special meetings of the Board shall be served on or otherwise communicated to each Director not less than two nor more than ten days before the meeting, but no notice of adjourned meetings need be given. If mailed, such notice shall be considered to be delivered when deposited in the United States' mail in a sealed, properly address envelope, first class postage prepaid. If sent by facsimile, such notice shall be considered to be delivered when the sender receives confirmation of successful transmission. If sent by electronic mail, such notice shall be considered to be delivered when it leaves the primary domain and passes through the gateway.

4.6 **NOTICES AND MAILINGS.** Except for Special Meetings, written notice of the time and place of all meetings of the Corporation Board of Directors shall be given to each Director at least three days before the date of the meeting, either personally or by mailing such notice to each Director at the address designated by the Director for such purposes, or if non is designated, at the Director's last known address. If mailed, such notice shall be considered to be delivered when deposited in the United States' mail in a sealed, properly address envelope, first class postage prepaid. If sent by facsimile, such notice shall be considered to be delivered when the sender receives confirmation of successful transmission. If sent by electronic mail, such notice shall be considered to be delivered when it leaves the primary domain and passes through the gateway.

Notices of special or Executive Committee meetings shall state the purpose or purposes of the meeting, and no business may be conducted at a special or Executive Committee meeting except the business specified in the notice of the meeting. Notice of any meeting of the Corporation's Board may be waived in writing before or after the meeting.

4.7 **WAIVER OF NOTICE.** Notice of the time, place and purpose of any meeting of the Board of Directors, may be waived by telegram, cablegram, facsimile, electronic mail, or other writing, either before or after such meeting has been held. Attendance at any meeting, except for the sole purpose of objecting to the holding of such meeting, shall constitute a waiver of notice of said meeting.

4.8 **QUORUM AND VOTE.** A majority of the members of the Board then in office constitutes a quorum for the transaction of business and the action of a majority of members present at a meeting at which a quorum is present shall be the action of the Board of Directors, unless a greater plurality is required by law or by the Bylaws. If at any meeting of the Directors there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time to a future date without further notice other than the announcement at such meeting, and when a quorum shall be present at such adjourned date any business may be transacted which might have been transacted at the meeting as originally called.

4.9 **PARTICIPATION BY CONFERENCE TELEPHONE.** A member of the Board or of a committee may participate in any meeting by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this section constitutes presence in person at such meeting for all purposes.

4.10 **ACTION WITHOUT A MEETING.** Any action which may be authorized or taken at a meeting of the Directors may be authorized or taken without a meeting if, before or after the action; all members of the Board shall severally or collectively consent thereto in writing, which writing or writings shall be filed with the minutes of the proceedings of the Board. Such consent shall have the same effect as a unanimous vote of the Board for all purposes.

4.11 **GENERAL POWERS AS TO NEGOTIABLE PAPER.** The Board of Directors shall, from time to time, prescribe a manner of making, signature or endorsement of bills of exchange, notes, drafts, checks, acceptances, obligations and other negotiable paper or other instruments for the payment of money and designate the officer or officers, agent or agents, who shall from time to time be authorized to make, sign or endorse the same on behalf of the Corporation.

4.12 **POWERS AS TO OTHER DOCUMENTS.** The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute or deliver any conveyance or other instrument in the name of the corporation, and such authority may be general or confined to specific instances. When the execution of any contract, conveyance, or other instrument has been authorized without specification of the officers authorized to execute, the same may be executed on behalf of the Corporation by the President or any Vice President, and the corporate seal, if any, may be thereto affixed and attested by the Secretary, Assistant Secretary, or the Treasurer.

4.13 **COMPENSATION.** The Directors shall receive no compensation for their services as Directors; except that the foregoing shall not prevent the Board of Directors from reimbursing any Director for expenses actually and necessarily incurred by the Director in the

performance of his or her duties as Director, or from entering into a contract directly or indirectly with a Director for the providing of goods and/or services (including employment) to the Corporation, provided such contract is in the best interests of the Corporation, on fair and reasonable terms and not violative of the proscriptions in the Articles of Incorporation against the Corporation's use or application of its funds for private benefit.

4.14 **CONFLICTS OF INTEREST.** Each member of the Board of Directors shall certify to the Member that no conflict of interest exists which would impair that member's ability to serve on the Board of Directors and shall comply with the Member's Conflicts of Interest Policy.

ARTICLE V COMMITTEES OF THE BOARD

5.1 **STANDING COMMITTEES.** The Corporation Board of Directors shall establish such standing or committees as it may deem appropriate to carry out the work of the Corporation and shall prescribe the duration and functions of such committees. The standing committees will include, at a minimum, the Executive Committee. The standing committees may also include committees responsible for any or all of the following: financial matters; personnel matters; strategic planning and development matters; and for such other purposes as the Board of Directors may authorize.

5.2 **APPOINTMENT.** Unless otherwise specified in these Bylaws or by the Board, members of the standing committees and the chairs thereof shall be appointed, in collaboration with the President of the Corporation, by the Chair of the Board of Directors. Other persons who are not Directors shall be eligible to serve on all committees other than the Executive Committee.

5.3 **SPECIAL COMMITTEES.** Special committees may be appointed by the Board of Directors for such purposes as circumstances may warrant. Every such committee shall limit its activity to the accomplishment of the purpose for which created and shall have no power to act except as is specifically conferred upon it by action of the Board of Directors. Upon completion of the duties for which any such committee was appointed, such committee shall stand discharged. The Chair of the Board of Directors shall appoint the members and a chair of each special committee.

5.4 **EXECUTIVE COMMITTEE.**

5.4-a **Composition.** The Executive Committee membership shall consist of the Chair of the Corporation's Board, the Vice-Chair of the Corporation's Board, the President of the Corporation, the Treasurer of the Corporation's Board, the Secretary of the Corporation's Board, The Chief Operating Officer of the Corporation, and such other persons as may be appointed by the Board of Directors. The Chair of the Corporation's Board shall serve as the Chair of the Executive Committee

5.4-b **Meetings.** The Executive Committee shall meet as such time as shall be determined by the chair of the Executive Committee. When action is taken by the Executive Committee, it will be reported to the Board of Directors at its next meeting.

5.4-c **Duties.** The Executive Committee shall have power to transact all regular business of the Corporation during the period between meetings of the Board of Directors subject to any prior limitation imposed by the Board of Directors or applicable law.

5.5 **COMPENSATION AND REIMBURSEMENT.** No member of any Committee shall be entitled to any compensation for his or her services as a Committee member; except that the foregoing shall not prevent the Board of Directors from reimbursing any Committee member for expenses actually and necessarily incurred by the Committee member in the performance of his or her duties as a Committee member, or from entering into a contract directly or indirectly with a Committee member for the providing of goods and/or services (including employment) to the Corporation, provided such contract is in the best interests of the Corporation, on fair and reasonable terms and not violative of the proscriptions in the Articles of Incorporation against the Corporation's use or application of its funds for private benefit.

ARTICLE VI OFFICERS

6.1 **ELECTION OR APPOINTMENT.** Except for the Chair and the President, the Board of Directors shall elect a Secretary and a Treasurer of the Corporation at the annual meeting, who need not be members of the Board. The Board at that time, or from time to time, may elect from their number a Vice Chair of the Board, and may elect one or more Vice Presidents, Assistant Secretaries and Assistant Treasurers who need not be members of the Board. The Board may also appoint such other officers and agents as it may deem necessary for the transaction of the business of the Corporation. The same person may hold any two or more offices, but no officer shall execute, acknowledge or verify any instrument in more than one capacity, if the instrument is required by law or the Articles or Bylaws to be executed, acknowledged or verified by two or more officers.

6.2 **TERM OF OFFICE.** An officer shall hold office for the term of one year or until his successor is elected or appointed and qualified, or until his earlier resignation or removal. Other than the Chair and the President, any officer may be removed from office at any meeting of the Board of Directors, with or without cause, by the affirmative vote of a majority of the Directors then in office, whenever in their judgment the interests of the Corporation will be served thereby. An officer may resign at any time by written notice to the Corporation. The resignation shall be effective upon its receipt by the Corporation or at such subsequent time as may be specified in the notice of resignation. The Board of Directors shall have power to fill any vacancies in any offices occurring for whatever reason.

6.3 **COMPENSATION.** The Officers shall receive no compensation for their services as Officers; except that the foregoing shall not prevent the Board of Directors from reimbursing any Officer for expenses actually and necessarily incurred by the Officer in the performance of his or her duties as Officer, or from entering into a contract directly or indirectly with a Officer for the providing of goods and/or services (including employment) to the Corporation, provided such contract is in the best interests of the Corporation, on fair and reasonable terms and not violative of the proscriptions in the Articles of Incorporation against the Corporation's use or application of its funds for private benefit.

6.4 **CHAIRMAN OF THE BOARD.** The Member shall appoint and remove the Chair. The Chair of the Board shall preside at all meetings of the Board of Directors. He shall have such other powers and duties as may from time to time be prescribed by the Board of Directors.

6.5 **VICE CHAIRMAN OF THE BOARD.** The Vice Chair of the Board, in the absence of the Chair of the Board, shall preside at all meetings of the Board of Directors. He shall have such other powers and duties as may from time to time be prescribed by the Board of Directors.

6.6 **PRESIDENT.** The President shall be the President of the Member. As stated in Section 4.2, the President of the Member shall serve as a Director of the Corporation ex officio with vote. The President shall be the chief executive officer of the Corporation and shall have general and active management of the activities of the Corporation and shall see that all orders and resolutions of the Board are carried into effect.

6.7 **CHIEF OPERATING OFFICER.** The Chief Operating Officer (COO) in the order designated by the Board of Directors or, lacking such a designation, by the President shall, in the absence or disability of the President, perform the duties and exercise the powers of the President and shall perform such other duties as the Board of Directors shall prescribe. The COO shall serve ex officio without vote. The COO may execute authorized conveyances, contracts or other instruments or documents in the name of the corporation except where required by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the Board of Directors to some other officer or agent of the Corporation.

6.8 **SECRETARY.** The Secretary shall preserve in the books of the Corporation accurate minutes of the proceedings of such meetings. He or she shall have authority to affix the Seal of the Corporation to all instruments where its use is required by statute, by law or by resolution. He or she shall perform such other duties as may be delegated by the Board of Directors.

6.9 **TREASURER.** The Treasurer shall have the powers and duties usually associated with such office subject to limitation or extension by the Board of Directors.

6.10 **ASSISTANT SECRETARY AND ASSISTANT TREASURER.** The Assistant Secretaries and Assistant Treasurers, respectively, (in the order designated by the Board of Directors or, lacking such designation, by the President), in the absence of the Secretary or the Treasurer, as the case may be, shall perform the duties and exercise the powers of such Secretary or Treasurer and shall perform such other duties as the Board of Directors shall prescribe.

ARTICLE VII INDEMNIFICATION OF DIRECTORS, OFFICERS, AND EMPLOYEES

7.1 **INDEMNIFICATION OF DIRECTORS, OFFICERS AND EMPLOYEES.** To the extent permitted by Michigan law from time to time in effect and subject to the provisions of this Article VII, 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, or to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative other than an action by or in the right of the Corporation, by reason of the fact that he 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 corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit, and also against judgments, fines and amounts paid in settlement actually and reasonably incurred

by him in connection with any such action, suit or proceeding other than an action by or in the right of the Corporation, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation or its Member, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. In an action or suit by or in the right of the Corporation to procure a judgment in its favor against such person no indemnification shall be made in respect to any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Corporation unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper. The termination of any action, suit or proceeding other than an action by or in the right of the Corporation by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Corporation or its Member and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

7.2 **INDEMNIFICATION AGAINST EXPENSES.** To the extent such director, officer, employee or agent has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 1 of this Article VII, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

7.3 **DETERMINATION THAT INDEMNIFICATION IS PROPER.** Any indemnification under Section 1 of this Article VII (unless ordered by a court) shall be made by the Corporation only upon a determination that indemnification of the person is proper in the circumstances because he has met the applicable standard of conduct set forth in Section 1. Such determination shall be made by the Board by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding; or if such quorum is not obtainable, or even if obtainable a quorum of disinterested Directors so direct, by independent legal counsel in a written opinion. In the alternative, upon the written request of such Director, officer, employee or agent, which request shall be made prior to a determination by the Board, or independent counsel, such determination shall be made by the Member provided it was not a party to such action, suit or proceeding.

7.4 **REIMBURSEMENT OF EXPENSES.** Expenses incurred by any person who may have a right of indemnification under this Article VII in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding, following a determination as provided in Section 3 that indemnification is proper in the circumstances because such person has met the applicable standards of conduct as set forth in Section 1. Such expenses shall be paid by the Corporation only after receipt of an undertaking by or on behalf of such person to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Corporation pursuant to this Article VII.

7.5 **BYLAWS NOT EXCLUSIVE.** The indemnification provided by this Article VII shall continue as to any person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors, and administrators of such person. The indemnification provided by this Article VII shall not be deemed exclusive of any other rights to which any person may be entitled under any bylaw, agreement, vote of the Member or

disinterested Directors or otherwise, both as to action in his official capacity, and as to action in another capacity while holding his office, except to the extent that such indemnification may be contrary to law.

7.6 **INSURANCE.** The Corporation may in the discretion of the Board, purchase and maintain insurance (and pay the entire premium therefore) 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 corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of this Article VII or under the provisions of Sections 561 through 565 of the Michigan Business Corporation Act.

7.7 **MERGED AND REORGANIZED CORPORATIONS.** For the purposes of this Article VII references to the Corporation include all constituent corporations absorbed by the Corporation in a consolidation or merger, so that a person who is or was a director, officer, employee or agent of such constituent corporation or is or was serving at the request of such constituent Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise shall stand in the same position under the provisions of this Article VII with respect to the Corporation as he would if he had served the Corporation in the same capacity.

7.8 **SEVERABILITY.** The invalidity or unenforceability of any provision of this Article VII shall not affect the validity or enforceability of the remaining provisions of this Article VII.

7.9 **RELIANCE UPON INDEPENDENT OPINION AND REPORTS.** A director, officer, agent or employee shall be conclusively deemed not to have been negligent or derelict in relation to any matters wherein he relied in good faith upon the opinion of counsel for the Corporation, upon the report of an independent appraiser selected with reasonable care by the Board of Directors, or upon financial statements of the Corporation represented to him to be correct by the President or the officer of the Corporation having charge of its books of account, or stated in a written report by an independent public or certified public accountant or firm of such accountants fairly to reflect the financial condition of the Corporation.

ARTICLE VIII MISCELLANEOUS

8.1 **FISCAL YEAR.** Unless otherwise provided by the Board of Directors, the fiscal year of the Corporation shall begin on the 1st day of July of each year and shall end on the 30th day of June following.

8.2 **CORPORATE SEAL.** The Board of Directors may provide a suitable corporate seal for use by the Corporation.

8.3 **NOTICES.** Any notice required by statute or by these Bylaws to be given to the Member, to the Directors, to the officers, or to any employees or agents of the Corporation, unless otherwise provided herein or required by law, shall be sufficient as follows: (a) if mailed, such notice shall be considered to be delivered when deposited in the United States' mail in a sealed, properly address envelope, first class postage prepaid; (b) if sent by facsimile, such notice shall

be considered to be delivered when the sender receives confirmation of successful transmission; or (c) if sent by electronic mail, such notice shall be considered to be delivered when it leaves the primary domain and passes through the gateway.

8.4 **BOOKS AND RECORDS: INSPECTION.** The books, records, and minutes of the Corporation may be kept either within or without the State of Michigan. Any such books, records or minutes may be in written form or in any other form capable of being converted into written form within a reasonable time but, if not kept in written form, shall be converted into written form by the Corporation without charge upon the written request of a person entitled to inspect them.

8.5 **REPORT TO MEMBER.** At least once in each year the Directors of the Corporation shall cause a financial report of the Corporation for the preceding fiscal year to be made and distributed to the Member within four (4) months after the end of the fiscal year. The report shall include the Corporation's statement of income, its year-end balance sheet and, if prepared by the Corporation, its statement of source and application of funds, and such other information as may be required by law.

8.6 **AMENDMENTS.** The Board of Directors may recommend amendments to the Corporation's Articles of Incorporation or these Bylaws; provided, any amendments to the Articles of Incorporation or Bylaws of the Corporation shall be approved by the Member. The Member shall also have the right to adopt amendments to the Articles of Incorporation or these Bylaws without recommendation by the Board of Directors.

8.7 **EFFECTIVE DATE.** These Bylaws shall be effective on the 1st day of July, 2009.