

**RESTATED BYLAWS  
OF  
MARQUETTE GENERAL HOSPITAL, INC.**

**DEFINITIONS**

The following terms have the following meanings:

1. "Act" means the Michigan Nonprofit Corporation Act, as the same may be amended from time to time.
2. "Articles of Incorporation" means the Amended Restated Articles of Incorporation of the Corporation, as they may be further amended or revised from time to time.
3. "Board" or "Board of Trustees" means the board of trustees of the Corporation and the term "Trustee" means an individual member of the Board, unless, from their context or use, such terms clearly have different meanings.
4. "Corporation" means Marquette General Hospital, Inc. a Michigan nonprofit corporation.
6. "Members" means those persons serving from time to time as the members of the Board of Trustees of the Corporation, but only during the time they are serving as the members of the Board.

**ARTICLE I  
CORPORATION**

1.1 **NAME.** The name of the Corporation is Marquette General Hospital, Inc. The Corporation may conduct business using one or more assumed names, including but not limited to Marquette General Health System.

1.2 **PLACES OF BUSINESS.** The Corporation shall have its principal place of business in Marquette, Michigan, and may have such other places of business as the Board of Trustees may from time to time determine.

1.3 **PURPOSES.** The purposes for which the Corporation is organized are as specified in the Articles of Incorporation.

1.4 **NONPROFIT ORGANIZATION.** The Corporation shall be operated exclusively for charitable, scientific and educational purposes as a nonprofit corporation. No individual member or director of the Corporation shall have title to 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 director, officer, individual member or any private 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 MEMBERS

**2.1 MEMBERS.** As noted above, the corporate Members of the Corporation shall be those persons that are serving from time to time as the members of the Board of Trustees of the Corporation, but only during the time they are serving as the members of the Board.

**2.2 MEMBER RESERVED RIGHTS.** The business and affairs of the Corporation shall be managed by or under the direction of the Board of Trustees of the Corporation except that the Members reserve to themselves in their capacity as the corporate members of the Corporation the following two categories of actions.

### **A. Class I Member Reserved Rights**

(1) Addition, deletion or reconfiguration of services of the Corporation.

(2) Establishment of overall capital and operating budgets and strategic plans applicable to the Corporation, including the use of the funds of the Corporation.

(3) Exclusive authority to enter into managed care contracts on behalf of the Corporation.

(4) Approval of contracts on behalf of the Corporation (but the Members may establish policies from time to time providing that only specific types of contracts or contracts involving obligations in excess of specified financial levels or terms need to be approved by the Members).

(5) Authority to establish fees and charges on behalf of the Corporation (but in compliance with the debt instruments of the Corporation).

(6) Determination of whether the Corporation should join any other networks or alternative or integrated delivery systems.

(7) Establishment of employment fringe benefits and other policies applicable to all personnel employed by the Corporation.

(8) Establishment of a community benefit plan for the Corporation.

(9) Establishment of investment policies with respect to the cash and other assets of the Corporation, and the authority to co-mingle the cash and other assets of the Corporation for purposes of such investments, as long as the

ownership of the Corporation in such co-mingled assets can be identified on the books and records of the Corporation.

(10) Approval of incurrence of any Indebtedness of the Corporation (in excess of amounts established from time to time by the Members below which the Board of Trustees may approve such Indebtedness).

(11) Promulgation of standards and targets for quality of care applicable to the Corporation.

(12) Approval of the philosophy, mission statement and purposes of the Corporation.

(13) Approval of non-substantive changes in the articles of incorporation and bylaws of the Corporation.

(14) Approval of the additional entities formed by the Corporation or the establishment of additional Corporation affiliates or subsidiaries.

(15) Approval of major changes in programs or services of the Corporation.

(16) Approval of the purchase, sale, transfer, or other encumbrance of assets of the Corporation above specified levels established by the Members.

**B. Class II Member Reserved Rights**

(1) The termination of all services and closure of a hospital facility of the Corporation.

(2) Change in the name of a hospital facility of the Corporation.

(3) Substantive changes in the Articles of Incorporation and Restated Bylaws of the Corporation, including any change that would modify the board structure of the Corporation.

(4) Approval of the philosophy, mission statement and purposes of the Corporation (or a fundamental change in the philosophy, mission statement or purpose of the Corporation).

(5) The merger, consolidation, dissolution, sale or other transfer of substantially all assets of the Corporation or other change in corporate form, causing a fundamental reorganization of the Corporation.

(6) With regard to any assets of the Corporation that the Members determine are no longer required in the operation of the Corporation, approval of any sale or other disposition of any assets not in the ordinary course which have a value in excess of five percent of the net book value of the assets of the

Corporation, and with regard to all other assets of the Corporation, the approval of any sale or other disposition of such assets not in the ordinary course.

**2.3 MEETINGS.** Meetings of the Members may be called at any time by the President, the Chair of the Corporation, the Board of Trustees, or a Member, and shall be called by the Chair of the Corporation upon the request in writing of at least two Trustees of the Corporation.

**2.4 NOTICE OF MEETINGS.** A written or printed notice, stating the place, day and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered, either personally or by mail, by the Secretary or by the officers or persons calling the meeting, to each Member at such address as appears upon the records of the Corporation, not less than five days before the date of the meeting. If mailed, such notice shall be deemed to be delivered when deposited in a mail receptacle maintained by the United States Postal Service, with postage thereon prepaid.

**2.5 WAIVER OF NOTICE.** Whenever any notice is required to be given to any Member under the Articles of Incorporation of the Corporation, these Bylaws or the Act, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice. Presence at any meeting of a Member, either in person or by proxy, shall constitute waiver of notice of the meeting and waiver of any and all objections to the place, time or manner in which the meeting has been called or convened, unless the Member attends the meeting for the express purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting was not lawfully called or convened.

**2.6 QUORUM.** A majority of the Members entitled to vote on a matter must be present at a meeting of the Members to constitute a quorum at such meeting.

**2.7 VALID MEMBER ACTION.** Unless otherwise provided in the Articles of Incorporation of the Corporation, in these Bylaws or by applicable law, any matter submitted to a vote of the Members shall be approved by a majority vote of the Members. Each Member shall be entitled to one vote on any matter submitted to the Members for approval.

**2.8 WRITTEN CONSENT.** Any action required or permitted by law to be taken at an annual or special meeting of the Members also may be taken without a meeting, without prior notice, and without a vote if consents in writing, setting forth the action so taken, are signed by or on behalf of the Members entitled to vote on such action and having not less than the minimum number of votes necessary to authorize such action at a meeting at which all Members entitled to vote on such action were present and voted. The consents must be delivered to the principal place of business of the Corporation. Such consents shall not be effective to take the corporate action referred to in the consents, unless the consents are signed by or on behalf of those Corporate Members having the requisite number of votes necessary to authorize the action within sixty days of the earliest dated consent and are delivered in the manner described above.

**2.9 MEETINGS BY TELEPHONE OR VIDEO TELECONFERENCE.** Members may participate in a meeting of the Members by means of a conference telephone,

video teleconference or similar communications equipment by which all persons participating in the meeting may hear each other if all participants are advised of the communications equipment and the names of the participants in the conference are divulged to all participants. Participation in a meeting pursuant to this Section 2.9 constitutes presence in person at the meeting

### **ARTICLE III** **BOARD OF TRUSTEES**

**3.1 GENERAL POWERS OF THE BOARD OF TRUSTEES.** Subject to the reserved rights of the Members set forth in these Restated Bylaws and in the Articles of Incorporation of the Corporation, the business and affairs of the Corporation shall be managed by or under the direction of the Board of Trustees of the Corporation, which may exercise all such powers of the Corporation and do all such lawful acts and things as are not by statute, the Articles of Incorporation of the Corporation or these Restated Bylaws reserved to the Members of the Corporation. The authorities of the Board of Trustees of the Corporation shall include, without limitation, those powers set forth in Article III, Section 2 below.

**3.2 SPECIFIC BOARD AUTHORITIES.** Subject to the Member reserved rights set forth in Article II, Section 2.2, the authorities of the Board of Trustees of the Corporation shall include, without limitation, the following:

(a) Develop and recommend to the Members for approval the philosophy, mission statement and purposes of the Corporation.

(b) Develop and recommend to the Members for approval changes in the Articles of Incorporation and Restated Bylaws of the Corporation.

(c) Develop and recommend to the Members for approval the merger, consolidation, dissolution, sale or other transfer of substantially all assets of the Corporation, or other change in corporate form, causing a fundamental reorganization of the Corporation.

(d) Approval of the incurrence of Indebtedness by the Corporation at or below limits established by the Members (and with respect to Indebtedness that exceeds such limits, recommend to the Members for approval the incurrence of such Indebtedness).

(e) Develop and recommend to the Members for approval strategic plans, operating and capital budgets of the Corporation.

(f) Approval of operating and capital expenditures in accordance with the approved budgets and, with respect to capital expenditures, as long as they are at or below limits established by the Members from time to time (and with respect to expenditures that exceed such limits, recommend to the Members for approval the incurrence of such expenditures).

(g) Approval of medical staff credentialing and privileging decisions of the Corporation (subject to such policies, if any, established from time to time by the

Members, including such policies as may relate to the quality of care provided by the physicians and other members of the medical staff).

(h) Approval of any name changes of the Corporation (subject to the Members' Reserved Powers).

(i) Approval of the President of the Corporation (following selection by the Members).

(j) Approval of the purchase, sale, transfer or encumbrance of the assets of the Corporation at or below limits established by the Members (and with respect to such matters in excess of such limits, recommend to the Members for approval those matters).

(k) Exercise all powers of the Corporation relative to those entities under the purview of the Corporation, subject to the reserved rights of the Members.

### **3.3 ELECTION, NUMBER AND TERM OF OFFICE.**

(a) The Board of Trustees shall consist of no less than ten (10) and not more than eighteen (18) persons, as the Board of Trustees shall from time to time determine. The following persons shall be ex officio voting members of the Board of Trustees: the Chief Executive Officer and the Chief of the Medical Staff. Trustees shall be elected by the members of the Board of Trustees in their capacity as the Members of the Corporation at the annual meeting of the Members and shall hold office for a term of three years until their successors are elected. In the event of an increase in the number of trustees serving, terms shall be established so that the term of approximately one-third (1/3) of the trustees expire each year. Trustees shall be eligible for re-election for up to three consecutive terms. After one year not serving as a trustee, individuals are again eligible to serve on the Board.

(b) As the terms of the members of the Board expire, a Board Development Committee will recommend to the Members the reappointment or replacement of those Board members. The Members shall have the discretion to appoint either the persons recommended by the Board Development Committee or other persons selected by the Members. Notwithstanding the foregoing, no member of management or other employee of the Corporation may serve on the Board of Trustees with the exception of the Corporation President. Trustees shall be selected for their interest in and experience, skills and ability to serve the Corporation. Members of the Medical Staff are eligible to serve as trustees of the Corporation.

**3.4 REMOVAL AND RESIGNATION.** Any trustee, including an ex officio trustee, may be removed from office with or without cause by the Members of the Board of the Trustees in their capacity as members of the Corporation. A trustee may resign by written notice to the Corporation, which resignation is effective upon receipt by the Corporation or at such subsequent time as is set forth in the notice.

**3.5 VACANCIES.** Except where an ex officio seat becomes vacant, vacancies occurring in the Board of Trustees by reason of death, resignation, removal or other inability to

serve shall be filled by the affirmative vote of a majority of the remaining trustees although less than a quorum of the Board of Trustees. A trustee elected to fill a vacancy shall serve for the unexpired portion of the term and shall be eligible to serve three complete, consecutive three-year terms after the end of the first partial term. Vacancies among ex officio seats shall be filled when the vacated office is filled.

**3.6 ANNUAL MEETING.** The annual meeting of the Board of Trustees shall be held at such place, date and hour as the Board of Trustees may determine from time to time. At the annual meeting, the Board of Trustees shall elect trustees, elect officers and consider such other business as may properly be brought before the meeting. If less than a quorum of the trustees appears for an annual meeting of the Board of Trustees, the holding of such annual meeting shall not be required and matters which might have been taken up at the annual meeting may be taken up at any later regular, special or annual meeting or by consent resolution.

**3.7 REGULAR MEETINGS.** Regular meetings of the Board of Trustees shall be held at such time and place as the Trustees may from time to time determine.

**3.8 SPECIAL MEETINGS.** Special meetings of the Board may be called by any member of the Executive Committee and shall be called by the President or the Secretary within seven (7) days of receipt of a written request by not less than one-third (1/3) of the trustees. Any request for a special meeting by trustees must state the purpose or purposes of the proposed meeting.

**3.9 NOTICE OF MEETINGS OF THE BOARD OF TRUSTEES.** Written notice of the time and place of all regular or annual meetings of the Board shall be given to each trustee at least three (3) days before the date of the meeting, either personally, by mailing such notice to each trustee at the address designated by the trustee for such purposes, or by such other electronic means as is available. Trustees shall be provided actual notice at least twenty-four (24) hours before the time of a special meeting. The notice of special meeting shall state the purpose or purposes of the meeting, and no business may be conducted at a special meeting except the business specified in the notice of the meeting. Notice of any meeting of the Board may be waived in writing before or after the meeting.

**3.10 QUORUM AND VOTING REQUIREMENTS.** A majority of the trustees then in office constitutes a quorum for the transaction of business. The vote of a majority of the trustees present at any meeting at which there is a quorum shall be the acts of the Board, except as a larger vote may be required by the laws of the State of Michigan, these bylaws or the Articles of Incorporation.

**3.11 PARTICIPATION BY CONFERENCE TELEPHONE.** A trustee may participate in a meeting by conference telephone, interactive television, computer conference, or similar communications equipment by means of which all persons participating in the meeting can hear one another and the names of the participants are divulged to all participants. Participation in a meeting in this manner constitutes presence in person at the meeting for all purposes.

**3.12 ACTION WITHOUT A MEETING.** Any action required or permitted at any meeting of the Board of Trustees or a committee thereof may be taken without a meeting, without prior notice and without a vote, if all of the trustees or committee members entitled to vote thereon severally or collectively consent in writing. Such written consents shall be filed with the minutes of the proceedings and shall have the same effect as a unanimous vote for all purposes.

**3.13 COMPENSATION.** Trustees shall receive no compensation for their services on the Board of Trustees. The preceding shall not, however, prevent the Corporation from purchasing Directors and Officers Liability insurance covering trustees nor shall it prevent the Board of Trustees from providing reasonable compensation to a trustee for services which are beyond the scope of his or her duties as trustee or from reimbursing any trustee for expenses actually and necessarily incurred in the performance of his or her duties as a trustee in conformity with Board policy. The President, who is an employee of the Corporation, shall receive reasonable compensation for his or her services as approved by the Board.

**3.14 CONDUCT OF MEETINGS.** Meetings of the Board of Trustees will be presided over by the Chair. The Secretary, Assistant Secretary or a person chosen at the meeting will act as Secretary of the meeting.

#### **ARTICLE IV** **OFFICERS**

**4.1 OFFICERS.** The officers shall be the a President, a Chair, a Vice Chair, a Secretary and a Treasurer, all of whom shall be trustees. There may also be an assistant secretary and an assistant treasurer.

**4.2 ELECTION AND TERM OF OFFICE.** Except for the President, all officers shall be elected for a term of one (1) year (or until their successors have been elected) by the Board of Trustees at its annual meeting. The same person may hold any two or more offices, but no officer may execute, acknowledge or verify an instrument in more than one capacity if the instrument is required by law or by the Articles of Incorporation or these bylaws to be executed, acknowledged or verified by two (2) or more officers.

**4.3 REMOVAL.** Except for the President, who may be removed by the Members but only after consultation with the Board of Trustees, any officer may be removed with or without cause by the vote of a majority of the Trustees then in office at any regular or special meeting of the Board of Trustees.

**4.4 VACANCIES.** Except for the President (who shall be selected by the Chief Executive Officer designated by the Members subject to the approval of the Board of Trustees), in the event of the death, resignation, removal or other inability to serve of any officer, the Board of Trustees shall elect a successor who shall serve until the expiration of the normal term of office or until his or her successor shall be elected.

**4.5 PRESIDENT.** The President shall have the power, on behalf of the Board of Trustees, to perform all acts, execute and deliver all documents and take all steps that the President may deem necessary or desirable in order to effectuate the actions and policies of the

Board. The President shall be selected by the Members subject to the approval of the Board of Trustees.

- 4.6 **CHAIR.** The Chair shall preside at all meetings.
- 4.7 **VICE CHAIR.** The Vice Chair shall preside at meetings in the absence of the Chair.

4.8 **SECRETARY.** The Secretary (or, in the Secretary's absence or incapacity, an Assistant Secretary) shall send or cause to be sent all required notices of meetings of the Board of Trustees, shall receive and attend to all correspondence of the Board of Trustees, shall have custody of all documents belonging to the Corporation (except as otherwise provided in these bylaws) and of the corporate seal (if any), and shall perform such other duties as usually pertain to the office or as shall be determined from time to time by the Board of Trustees. Any of the foregoing duties of the Secretary may be delegated to employees working under his or her direction.

4.9 **TREASURER.** The Treasurer (or, in the Treasurer's absence or incapacity, an Assistant Treasurer) shall see that a true and accurate accounting of the financial transactions of the Corporation is made; shall render reports from time to time as requested by the Board of Trustees of his or her activities and the financial condition of the Corporation; and shall present accounts payable for authorization of payment, if requested by the Board.

## **ARTICLE V** **COMMITTEES**

5.1 **COMMITTEES.** The Board of Trustees shall establish the following standing committees: executive, quality, finance, governance, compensation and planning. The Chair shall appoint committee members following the annual meeting to serve one-year terms. The Chair may add committee members at any time. The President and the Chair shall be ex officio members of all committees without vote except when appointed as a member of a committee(s). The Board shall review and assign committee responsibilities from time to time.

5.2 **EXECUTIVE COMMITTEE.** The Executive Committee shall consist of all trustees, who are officers. Subject to the powers reserved to the Members, the Executive Committee may act with full authority of the Board when circumstances require emergency and immediate corporate action, but the Board of Trustees is unable to convene. If the Executive Committee takes action on behalf of the Board of Trustees, then such action shall be reported to the Board of Trustees at its next meeting for ratification. Any Executive Committee action taken in accordance with this paragraph shall constitute the lawful act of the Corporation whether or not the Board of Trustees ratifies the actions of the Executive Committee.

5.3 **ACTION.** The vote of a majority of the committee members present at any meeting at which there is a quorum shall be the acts of the Committee.

5.4 **OTHER COMMITTEES.** The Board of Trustees may establish such other special committees or task forces from time to time as it shall deem appropriate and shall define the powers and responsibilities of such committees.

**ARTICLE VI**  
**INDEMNIFICATION AND INSURANCE**

**6.1 INDEMNIFICATION.** The Corporation will, to the fullest extent now or hereafter permitted by law and by regulations and rulings issued by the Internal Revenue Service, indemnify any trustee or officer of the Corporation (and, to the extent provided in a resolution of the Board of Trustees or by contract, may indemnify any volunteer, employee or agent of the Corporation) who was or is a party to or threatened to be made a party to any threatened, pending, or completed action, suit or proceeding by reason of the fact that the person is or was a trustee, officer, volunteer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a trustee, director, officer, partner, volunteer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, whether for profit or not for profit, against expenses (other than taxes, penalties or expenses of correction) including attorneys' fees (which expenses may be paid by the Corporation in advance of a final disposition of the action, suit or proceeding as provided by law), judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with the action, suit or proceeding if the person acted (or refrained from acting) in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the Corporation, and such persons is either successful in his or her defense or the proceeding is terminated by settlement and such person has not acted willfully and without reasonable cause with respect to the Corporation duties concerned, and with respect to any criminal action or proceedings, if the person had no reasonable cause to believe his or her conduct was unlawful.

**6.2 INSURANCE.** The Corporation may purchase and maintain insurance on behalf of any such person against any liability (including penalties, taxes, expenses of correction, judgments, settlements or expenses) asserted against him or her 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 the power to indemnify him or her against such liability under the provisions of this Article or under the provisions of Sections 561 through 565 of the Michigan Nonprofit Corporation Act.

**6.3 RIGHTS TO CONTINUE.** This indemnification will continue as to a person who has ceased to be a trustee or officer of the Corporation. Indemnification may continue as to a person who has ceased to be a volunteer, employee or agent of the Corporation to the extent provided in a resolution of the Board of Trustees or in any contract between the Corporation and the person. Any indemnification of a person who was entitled to indemnification after such person ceased to be a trustee, officer, volunteer, employee or agent of the Corporation will inure to the benefit of the heirs and personal representatives of that person.

**ARTICLE VII**  
**MEDICAL STAFF**

**7.1 ORGANIZATION, APPOINTMENTS AND HEARINGS.** The Board of Trustees shall organize the physicians, podiatrists, psychologists, dentists and allied health professionals granted privileges to practice at the hospital into a Medical Staff under Medical Staff Bylaws, Rules and Regulations, which have been approved by the Board. The Board shall consider recommendations of the Medical Staff and appoint to the Medical Staff, in numbers not

exceeding the Hospital's needs, physicians and dentists who meet the qualifications for membership as set forth in the Medical Staff bylaws, Rules and Regulations. Each Member of the Medical Staff shall have appropriate authority and responsibility for the care of his/her patients, subject to such limitations as are contained in these bylaws and in the Bylaws, Rules and Regulations or the Medical Staff and subject further to any limitations attached to his/her appointment.

**7.2 MEDICAL CARE AND ITS EVALUATION.** The Board of Trustees shall delegate to the Medical Staff the responsibility for providing appropriate professional medical care to the hospital's patients. The Medical Staff shall conduct a continuing review and appraisal of the quality of professional care rendered and shall report such activities and their results to the Board of Trustees. The Medical Staff shall make recommendations to the board of Trustees concerning:

- (a) appointments, reappointments and alterations of Medical Staff status;
- (b) granting of clinical privileges;
- (c) disciplinary actions;
- (d) all matters relating to professional competency; and
- (e) such specific matters as may be referred to it by the Board of Trustees.

**7.3 MEDICAL STAFF BYLAWS.** The Medical Staff shall propose Bylaws, Rules and Regulations setting forth the organization and government of the Medical Staff in conformity with those Bylaws, including the proviso that the Bylaws be subject to the approval of the Board of Trustees.

## **ARTICLE VIII** **VOLUNTEERS**

**8.1 VOLUNTEERS.** The Board of Trustees shall organize a community of volunteers called the Marquette General Hospital Volunteers.

**8.2 VOLUNTEER RULES & REGULATIONS.** The Marquette General Hospital Volunteers shall propose Rules & Regulations setting forth its organization and government, subject to the approval of the Board of Trustees. The Rules & Regulations shall provide that all volunteer activities shall be coordinated by the duly elected president, who shall report to the President or his designee as these services are implemented and coordinated.

## **ARTICLE IX** **MISCELLANEOUS**

**9.1 AMENDMENTS.** These Bylaws may be amended by the Members. No amendment inconsistent with the Articles of Incorporation shall be effective prior to amendment of the Articles of Incorporation.

9.2 **FISCAL YEAR.** The fiscal year of the Corporation shall begin on the first (1st) day of July and end on the thirtieth (30th) day of June.