

CORPORATE BYLAWS

OF

BELL FOUNDATION

A Michigan Nonprofit Corporation

ARTICLE I CORPORATION

- 1.1 **NAME.** The name of the corporation is Bell Foundation.
- 1.2 **PLACES OF BUSINESS.** The corporation shall have its principal place of business in the City of Ishpeming, Michigan, and may have such other places of business as the Board of Directors may, from time to time, determine.
- 1.3 **PURPOSES.** The purposes for which the corporation is organized are as follows:
- a. To conduct activities, either directly, through related organizations or in cooperation with organizations exempt from tax under Section 501 (c) (3) of the Internal Revenue Code of 1986, or comparable provisions of subsequent legislation (the “Code”), in order to raise funds to further the purposes of Superior Healthcare System, Bell Memorial Hospital and related corporations exempt under Section 501 (c) (3) of the Code as long as such organizations remain exempt under Section 501 (c) (3) of the Code, subject, however, to all limitations on the nature or extent of such activities applicable, from time to time, to organizations exempt from tax under Section (c) (3) of the Code.
 - b. To acquire, to own, to dispose of, and to 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.
 - c. To do such things and to perform such acts to accomplish its purposes as the Board of Directors may determine to be appropriate and as are not forbidden by Section 501 (c) (3) of the code with all the powers conferred on nonprofit corporations by the laws of the State of Michigan.
- 1.4 **NONPROFIT OPERATION.** 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 MEMBERSHIP

2.1 **MEMBERSHIP.** The membership of the corporation shall consist of one (1) class and the only member of the corporation shall be Superior Healthcare System, a Michigan nonprofit corporation.

2.2 **MEMBER APPROVAL OF CORPORATE ACTIONS.** Approval by Superior Healthcare System, in its capacity as sole member of this corporation, shall be required:

- a. For election of persons to serve on the Board of Directors of the corporation as provided in Section 3.2 of these bylaws and for removal of persons serving on the Board of Directors as provided in Section 3.3 of these bylaws.
- b. To amend the Articles of Incorporation and bylaws of the corporation as provided in Section 7.1 of these bylaws.
- c. In other cases when required by law.

2.3 **ACTION BY CORPORATE MEMBER.** Superior Healthcare System shall exercise its rights as sole member of the corporation by resolution duly approved by its Board of Directors at any annual, regular or special meeting (or authorized by unanimous consent resolution of the directors of Superior Healthcare System). As long as Superior Healthcare System is the sole member of this corporation, no meetings of the membership shall be required. Superior Healthcare System shall adopt resolutions electing members of the Board of Directors of this corporation at the annual meeting of its Board of Directors. If, for any reason, the annual meeting of the Board of Directors of Superior Healthcare system is not held during any year, any business with respect to this corporation which could have been conducted at that meeting may be conducted by resolution adopted at any later annual, regular, or special meeting of its Board of Directors (or adopted by written consent resolution of the directors).

ARTICLE III BOARD OF DIRECTORS

3.1 **BOARD OF DIRECTORS.** Subject to member approval when required by Section 2.2, the business and affairs of the corporation shall be managed by the Board of Directors which shall be the governing body of the corporation.

3.2 **NUMBER, SELECTION AND QUALIFICATION OF DIRECTORS.** The Board of Directors shall consist of a minimum of nine (9) persons. Directors shall be elected by the member, Superior Healthcare System, as provided in Section 2.2 of these bylaws to up to four (4) year terms or until their successors are elected. Terms shall be considered to commence at the beginning of the annual meeting of the Board of Directors in June and shall be arranged so that approximately one-third (1/3) of the terms expire each year. Directors shall be eligible for re-election. Directors shall be selected for their interest in and experience, skills and ability to serve the corporation.

3.3 **REMOVAL.** Any director may be removed from office with or without cause by action of the member.

3.4 **VACANCIES.** Vacancies occurring in the Board of Directors by reason of retirement, removal, death, resignation, or for any other reason shall be filled by the member in accordance with the qualifications and procedures described in Sections 3.2 and 2.3. Directors so elected shall hold office for the remainder of the term of the former director whose position has become vacant.

3.5 **REGULAR MEETINGS.** The Board of Directors shall establish a schedule of the time and place for regular meetings which shall include at least four (4) regular meetings each year. The regular meeting in June shall be the annual meeting of the Board. Notice of regular meetings shall be mailed to each director not less than five (5) days prior to the date of the meeting.

3.6 **SPECIAL MEETINGS.** Special meetings of the Board of Directors may be called by the Chairman of the Board or the President and shall be called by the President or Secretary upon written request by any two (2) directors. Notice of the special meetings shall be mailed to each director not less than two (2) days prior to the date of the meeting or shall be delivered personally or by telephone to each director not less than twenty-four (24) hours prior to the meeting and shall state the time and place of the meeting and the business to be transacted. No business other than that stated in the notice of the meeting shall be conducted at any special meeting.

3.7 **WAIVER OF NOTICE OF MEETINGS.** Notice of any regular or special meeting of the Board of Directors may be waived in writing before or after the meeting. Attendance at any meeting constitutes waiver of notice of the meeting.

3.8 **MEETING ATTENDANCE.** Directors are expected to attend the meetings of the Board of Directors and of the committees on which they serve. Attendance records will be considered in determining which directors should be recommended for re-election and in making appointments to committees.

3.9 **PARTICIPATION BY MEANS OF COMMUNICATION EQUIPMENT.** A member of the Board of Directors or of a committee of the corporation may participate in a meeting by means of conference telephone or similar equipment by means of which all persons participating in the meeting can hear one another. Participation in a meeting in this manner constitutes presence in person at the meeting.

3.10 **ACTION WITHOUT A MEETING.** Any action required or permitted to be taken at any meeting of the Board of Directors or any committee of the corporation may be taken without a meeting, without prior notice, and without a vote, if, before or after the action, all of the directors 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 vote of the Board or of the committee for all purposes.

3.11 **QUORUM AND VOTING REQUIREMENTS.** A majority of the members of the Board of Directors then in office and a majority of the voting members of any committee shall constitute a quorum for the transaction of business at any meeting of the Board of Directors or of a committee. The vote of a majority of the Directors or committee members present at any meeting at which there is a quorum shall be the act of

the Board or the committee, except as a larger vote may be required by the laws of the State of Michigan, these bylaws or the Articles of Incorporation. A committee may, however, make recommendations and reports to the Board of Directors without a quorum being present.

3.12 **POWERS OF THE BOARD OF DIRECTORS.** Subject to approval by the sole member when required under Section 2.2 of these bylaws, the Board of Directors of the corporation shall have charge, control and management of the business, property, personnel, affairs and funds of the corporation and shall have the power and authority to do and perform all acts and functions permitted for an organization described in Section 501 (c) (3) of the Code not inconsistent with these bylaws, with the Articles of Incorporation or with the laws of the State of Michigan. In addition to, and not in limitation of, all powers express or implied, now or hereafter conferred upon boards of directors of nonprofit corporations, and in addition to the powers mentioned in and implied from Section 1.3, but subject to approval of the member when required by Section 2.2 of these bylaws, the Board of Directors shall have the power to borrow or raise money for corporate purposes, to issue bonds, notes or other obligations, to secure such obligations by mortgage, security interest or other lien upon any and all of the property of the corporation, whether at the time owned or thereafter acquired and to guarantee the debt of any parent, affiliated or subsidiary corporation or other entity, whenever the same shall be in the best interests of the corporation and in furtherance of its purposes.

3.13 **COMPENSATION.** No member of the Board of Directors shall be entitled to any compensation for his or her services as a director. Provided, however, that the foregoing shall not prevent the Board from providing reasonable compensation to a director for services which are beyond the scope of his or her duties as a director, from reimbursing any director for expenses actually and necessarily incurred by the director in the performance of his or her duties as a director, or from entering into a contract directly or indirectly with a director for the providing of goods or services to the corporation, if such contract is in the best interest of the corporation, in fair and reasonable terms and if the director's interest is disclosed or known to the Board of Directors and the contract is authorized by a vote of the Board of Directors and the contract is authorized by a vote of the Board sufficient for the purpose without counting the vote of any interested director.

3.14 **EXECUTION OF CONTRACTS.** The Board of Directors may in any instance designate one or more officers, agents or employees to execute any contract, conveyance, mortgage or other instrument on behalf of the corporation, and such authority may be general or confined to specific transactions. The Board of Directors may also ratify any execution. When the execution of any instrument has been authorized without specifying the executing officers or AGENTS, THE Chairman of the Board or any Vice Chairman or the President or any Vice President and the Secretary or Treasurer may execute such instrument on behalf of the corporation.

ARTICLE IV OFFICERS

4.1 **OFFICERS.** The officers shall be the Chairman of the Board, the President, the Secretary and the Treasurer. There may also be one or more Vice Chairmen, one or more Vice Presidents, and such assistant officers as the Board of Directors deem appropriate.

4.2 **ELECTION AND TERM OF OFFICE.** All officers shall be elected for a term of one (1) year (or until their successors have been elected) by the Board of Directors at its annual meeting. The Chairman and any Vice Chairmen shall be members of the Board but other officers need not be directors. Two or more offices may be held by the same person, except that no person may serve as the Chairman and Vice Chairman or as the President and Vice President or as the Chairman and President. No person may execute, acknowledge or verify any instrument in more than one capacity.

4.3 **REMOVAL.** Any officer may be removed with or without cause by vote of a majority of the directors then in office.

4.4 **VACANCIES.** In the event of the death, resignation, removal or other inability to serve of any officer, the Board of Directors shall elect a successor who shall serve until the expiration of the normal term of such officer or until a successor shall be elected.

4.5 **CHAIRMAN OF THE BOARD.** The Chairman shall preside at all meetings of the Board of Directors and shall nominate directors to serve as members of the standing committees of the corporation and shall appoint the members of all special committees. The chairman shall be privileged to attend and to participate without vote in meetings of all committees of which the chairman is not otherwise a member.

4.6 **VICE CHAIRMAN.** If Vice Chairmen are elected, one Vice Chairman shall be designated as the Senior Vice Chairman who shall act as the Chairman in the absence of the Chairman, and when so acting, shall have all the power and authority of the Chairman. The Senior Vice Chairman shall have such other powers, duties and authority as the Board of Trustees shall determine from time to time. In the absence of the Senior Vice Chairman, one or more other Vice Chairmen shall be designated to have the powers, duties and authority of the Senior Vice Chairman and to act as the Chairman in the absence of the Chairman.

4.7 **PRESIDENT.** The President shall preside at meetings of the Board of Directors in the absence of the Chairman and Vice Chairmen and shall be privileged to attend and participate without vote in the meetings of all committees of which the President is not otherwise a member. Acting under the direction of the Board of Directors and, on its behalf, the President shall perform all acts, execute and deliver all documents and take all steps authorized by the Board in order to effectuate the actions and policies of the Board.

4.8 **VICE PRESIDENTS.** There may be one or more Vice Presidents who shall have such duties as determined from time to time by the Board of Directors or the President. In the absence of the President, one or more Vice Presidents shall be designated who shall perform the duties of the President in the President's absence.

4.9 **SECRETARY.** The Secretary shall send or cause to be sent notices of all meetings; shall receive and attend to all correspondence of the Board of Directors; shall have the custody of all documents belonging to the corporation (except as otherwise provided by these bylaws); 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 Directors.

4.10 **TREASURER.** The Treasurer shall see that an accounting system is maintained which will give a true and accurate accounting of the financial transactions of the corporation; shall render reports from time to time, as requested by the Board of Directors of the financial condition of the corporation; and shall perform such other duties as usually pertain to the office as may be determined from time to time by the Board of Directors.

ARTICLE V COMMITTEES

5.1 **COMMITTEES.** The Board of Directors may establish such standing or special committees from time to time as it shall deem appropriate to conduct the activities of the corporation, and shall define the powers and responsibilities of such committees. Persons who are not members of the Board shall be eligible to serve on committees other than the Executive Committee. The members and chairmen of all committees shall be elected by the Board of Directors for a one (1) year term or until their successors are duly elected, but shall be subject to removal at any time by vote of majority of the Board then in office.

5.2 **EXECUTIVE COMMITTEE.** The Board of Directors will establish an Executive Committee consisting of the Chairman of the Board, any Vice Chairmen, the President (if a member of the Board), and such additional directors as the Board may determine from time to time. The Executive Committee will:

- a. Exercise all powers and authority of the Board in management of the Foundation between meetings of the Board (within limits prescribed by law).
- b. Review the actions, accomplishments and achievements of the Foundation Director, on a monthly basis, to insure demonstrable progress is being made consistent with the *Ends Policy*, as adopted by the Board.
- c. Make recommendations to the Board regarding any adjustments to be made to the Foundation Directors compensation package based on merit and/or market conditions.
- d. Monitor the activities and accomplishments of the Development Council through the Development Chair.
- e. Perform other duties and have such specific powers and responsibilities as may be determined by the Board of Directors.

**ARTICLE VI
INDEMNIFICATION**

6.1 **INDEMNIFICATION.** Each person who is or was a director, officer or member of any committee of the corporation and each person who is or was serving at the request of the corporation as a director, trustee, agent, officer or committee member of any other corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by the corporation to the fullest extent to which the corporation has the power so to indemnify such persons pursuant to the nonprofit corporation laws of the State of Michigan as they may be in effect from time to time. The corporation may purchase and maintain insurance on behalf of any such person against any liability asserted against and incurred by such person in any such capacity or arising out of his or her status as such, whether or not the corporation would have power to indemnify such person against such liability under the laws of the State of Michigan.

**ARTICLE VII
AMENDMENTS**

7.1 **AMENDMENTS.** These bylaws may be amended by the member of the corporation acting pursuant to Section 2.2 of these bylaws. No amendment of the bylaws that is inconsistent with the Articles of Incorporation shall become effective prior to an amendment that may be required in the Articles of Incorporation.

ADOPTED by the Board with prior approval of the members on
_____, 20____.

Secretary to the Board of Directors