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WITH BUREAU RECORDS

ID# 742-003

FILED

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**RESTATED ARTICLES OF INCORPORATION
OF
SINAI HOSPITAL OF GREATER DETROIT,
A Michigan Nonprofit Corporation**

FEB 4 1997

MI Dept. of Consumer & Industry Services
Corporation, Securities & Land Dev. Bureau

Administrator
MI DEPARTMENT OF CONSUMER & INDUSTRY SERVICES
CORPORATION, SECURITIES & LAND DEVELOPMENT BUREAU

2 OF 2

1. These Restated Articles of Incorporation are executed pursuant to the provisions of Sections 641-651, Act 162, Public Acts of 1982, as amended.
2. The present name of the Corporation is Sinai Hospital of Greater Detroit.
3. All former names of the Corporation are: Jewish Hospital Association of Detroit.
Sinai Hospital of Detroit
4. The date of filing of the original Articles of Incorporation was June 29, 1944.
5. The following Restated Articles of Incorporation supersede the original Articles of Incorporation as amended and shall be the Articles of Incorporation of the Corporation.

ARTICLE I

NAME

The name of the Corporation is Sinai Hospital of Greater Detroit.

ARTICLE II

PURPOSES

The purposes for which the Corporation is organized are exclusively charitable, religious, scientific, literary or educational within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as it may be amended from time to time, or comparable provisions of subsequent legislation (the "Internal Revenue Code"), and, in furtherance of these purposes, the Corporation shall be organized and operated as follows:

- A. To maintain the Jewish identity of the Corporation and to support a Jewish health care mission in the greater Detroit area and Michigan, financially and otherwise.
- B. To establish, construct, own, equip, maintain, operate, manage and convey hospitals and other health care facilities including, without limitation, Jewish health care facilities, for the study, treatment, and care of the medical and surgical needs of persons of every race and creed.
- C. To provide medical and nursing instruction and to carry on related scientific and research activities and support related scientific and research activities conducted by other nonprofit organizations involved in health care related activities.

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D. To further public health programs in the metropolitan area of Greater Detroit, Michigan, either independently or in conjunction with others.

E. To provide a benefit to its Member, The Detroit Medical Center, a Michigan nonprofit corporation, which is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code, to the extent permitted under these Restated Articles of Incorporation, the Bylaws of the Corporation and the Michigan Nonprofit Corporation Act, as the same may be amended from time to time (the "Act").

F. To strive to achieve the system-wide mission and objectives of its Member by operating in a manner consistent with and complimentary to the institutions and operations of the Member and in accordance with the policies established from time to time by the Member.

G. To do such things and to perform such acts as the board of trustees of the Corporation or the Member may deem appropriate to accomplish the purposes of the Corporation.

H. To otherwise operate exclusively for charitable, religious, scientific, literary or educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code in the course of which operation:

(i) No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, its Member, directors, officers, employees or other persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth herein.

(ii) 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, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office except as authorized under the Internal Revenue Code.

(iii) Notwithstanding any other provisions of these Restated Articles of Incorporation, the Corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code.

ARTICLE III

ORGANIZATION

The Corporation is organized on a non-stock basis as a membership corporation.

The description and value of the Corporation's real property as of June 30, 1996 are as follows: Land and improvements, buildings, leasehold improvements and construction in progress, less allowances for depreciation: approximately \$15,625 (in thousands).

The description and value of the Corporation's personal property as of June 30, 1996 are as follows: Equipment, cash and cash equivalents, investments, accounts receivable, inventories, bond payment fund, prepaid expenses and other current assets, other assets and restricted funds: approximately \$229,450 (in thousands).

The Corporation is financed by donations, endowments, gifts, grants, devises, bequests, benefactions, trusts and all forms of charitable receipts, and from revenues received by the Corporation from its operations.

ARTICLE IV

REGISTERED OFFICE AND RESIDENT AGENT

The address of the Corporation's registered office is 4201 St. Antoine, Detroit, Michigan 48201. The name of the resident agent at such registered office is David J. Campbell.

ARTICLE V

MEMBER

The Detroit Medical Center, a Michigan nonprofit corporation, shall be the sole Member of the Corporation. The Member shall be entitled to all rights and powers of a Member as may be set forth in these Restated Articles of Incorporation, in the Bylaws of the Corporation or as may otherwise be permitted under the Act. In furtherance of the foregoing, the Member hereby reserves to itself the following reserved powers, which the Member shall exercise, as the sole member of the Corporation, pursuant to all applicable laws and authorities, including but not limited to, the Act, and specifically including all powers which may be exercised by a committee of the members described in Sections 527(3) and 528 of the Act:

A. To take all legally required actions on behalf of the Corporation, except such actions as are expressly and specifically required by applicable law or regulation to be taken by the board of trustees of the Corporation, including, but not limited to:

1. Approving, on behalf of the Corporation, the strategic, capital and operating plans, and budgets of the Corporation, and establishing, on behalf of the Corporation, such policies as it deems necessary or appropriate with regard to the cash and asset management of the Corporation;

2. Establishing, on behalf of the Corporation, such other policies affecting the Corporation as the Member deems necessary or appropriate to facilitate the attainment of the system-wide mission and objectives of the Member; and

3. Selecting, nominating, evaluating, disciplining, promoting and terminating, if necessary, the officers and employees of the Corporation.

B. To take such other actions as it deems necessary or appropriate on behalf of the Corporation. In furtherance of the foregoing, but without limitation, the Member shall have the sole authority to:

1. cause the Corporation to guarantee the debts and obligations of other corporations;

2. incur liabilities on behalf of the Corporation;

3. determine if, when and in what amounts any income or other cash of the Corporation should be distributed to the Member, as sole member;

4. establish policies regarding cash transfers of the Corporation to support institutional or system-wide programs or operations of the Member;

5. reorganize the facilities, services, personnel and operations of the Corporation, in conjunction with the other institutions and operations of the Member, in a manner determined by the Member to best ensure that the mission of the Member is fulfilled;

6. establish such management organization as shall ensure that all personnel working on behalf of the Corporation shall contribute to a cohesive, unified and functionally-integrated system of the Member;

7. select and appoint the officers of the Corporation, and establish such standards of accountability and performance as it deems appropriate;

8. establish limits and processes for approval of and commitment by the Corporation to [a] capital expenditures; [b] short-term, long-term and alternative indebtedness and obligations (including guaranties and lines of credit); [c] acquisitions, leases, encumbrances and dispositions of land, buildings and equipment by the employees and officers of the Corporation; and [d] contracts or obligations to suppliers, service providers and employees.

9. review, evaluate and take such actions as may be necessary in response to the operating, financial and other performance of the Corporation;

10. approve all affiliations, joint ventures and other business relationships of the Corporation (either with another institution of the Member or any other entity);
11. adopt all changes in these Restated Articles of Incorporation or in the Bylaws of the Corporation;
12. approve the distribution of income or other cash of the Corporation to the Member (pursuant to the Corporation's purpose to benefit its sole member) or approve cash transfers from the Corporation to support new institutional or system-wide programs or operations or to fund existing programs or operations requiring subsidization, and adopt policies or procedures for such distributions and transfers; and
13. act on all other matters requiring approval by the Member as the sole member of the Corporation under these Restated Articles of Incorporation, the Bylaws of the Corporation or applicable law.

ARTICLE VI

BOARD OF TRUSTEES

Effective at 12:01 a.m. on the effective date of the filing of these Restated Articles of Incorporation ("Effective Date"), the board of trustees of the Corporation shall consist of those persons who on the Effective Date are serving on the Executive Committee of the Board of Trustees of the Member. The members of the Executive Committee of the Board of Trustees of the Member shall succeed those persons who were serving on the board of trustees of the Corporation immediately prior to the Effective Date. On the Effective Date, the committees of the board of the Corporation shall disband and the duties, responsibilities and obligations of such committees shall be fulfilled by the board of the Corporation or designees of the board. The chairperson of the Corporation shall be chosen by the Member, and the President of the Corporation shall be chosen by the President and CEO of the Member.

This Article shall supersede and replace any conflicting provision of these Restated Articles of Incorporation or the Bylaws of the Corporation and shall control from and after the Effective Date.

ARTICLE VII

DISSOLUTION

Upon dissolution of the Corporation or the winding up of its affairs, the assets of the Corporation shall be distributed exclusively to The Detroit Medical Center, or its successor, provided that The Detroit Medical Center or its successor is then existing and qualified under the provisions of Section 501(c)(3) of the Internal Revenue Code, or if The Detroit Medical Center or its successor is not so existing and qualified, then to such other charitable, religious, scientific, literary or educational organizations then existing and qualified under the provisions of Section 501(c)(3) of the Internal Revenue Code, as shall be designated by the board of trustees of the Corporation.

ARTICLE VIII

ELIMINATION AND ASSUMPTION OF CERTAIN LIABILITY OF VOLUNTEER DIRECTORS AND OFFICERS

A volunteer director (as defined in accordance with Section 110(2) of the Michigan Nonprofit Corporation Act (the "Act")) or a volunteer officer of the Corporation shall not be personally liable to the Corporation or its Member for monetary damages for a breach of the volunteer director's or volunteer officer's fiduciary duty arising under applicable law, except that nothing herein shall eliminate or limit the liability of a volunteer director or volunteer officer for any of the following:

- A. A breach of the volunteer director's or volunteer officer's duty of loyalty to the Corporation or its Member;
- B. Acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law;
- C. A violation of Section 551(1) of the Act;
- D. A transaction from which the volunteer director or volunteer officer derived an improper personal benefit;
- E. An act or omission occurring before the effective date of the provision; or
- F. An act or omission that is grossly negligent.

The Corporation assumes all liability to any person, other than the Corporation or its Member, if any, for all acts or omissions of a volunteer director occurring on or after January 1, 1988 incurred in the good faith performance of the volunteer director's duties as a volunteer director, provided, however, that the Corporation shall not be considered to have assumed any

liability to the extent such assumption is inconsistent with the status of the Corporation as an organization described in Section 501(c)(3) of the Internal Revenue Code.

If the Act is hereafter amended to authorize the further elimination or limitation of the liability of volunteer directors of nonprofit corporations, then the liability of a volunteer director of the Corporation (in addition to the limitation, elimination and assumption of personal liability contained in this Article) shall be assumed by the Corporation or eliminated or limited to the fullest extent permitted by the Act as so amended, except to the extent that such limitation, elimination or assumption of liability is inconsistent with the status of the Corporation as an organization described in Section 501(c)(3) of the Internal Revenue Code.

No amendment or repeal of this Article shall apply to or have any effect on the liability or alleged liability of any volunteer director of the Corporation for or with respect to any acts or omissions of such volunteer director occurring prior to the effective date of any such amendment or repeal.

ARTICLE IX

ASSUMPTION OF CERTAIN LIABILITY OF VOLUNTEERS

The Corporation assumes the liability for all acts or omissions of a volunteer director, volunteer officer or other volunteer occurring on or after the effective date of filing of these Restated Articles of Incorporation if all of the following are met:

- A. The volunteer was acting or reasonably believed he or she was acting within the scope of his or her authority;
- B. The volunteer was acting in good faith;
- C. The volunteer's conduct did not amount to gross negligence or willful and wanton misconduct;
- D. The volunteer's conduct was not an intentional tort; and
- E. The volunteer's conduct was not a tort arising out of the ownership, maintenance, or use of a motor vehicle for which tort liability may be imposed as provided in Section 3135 of the Michigan Insurance Code of 1956, Act No. 218 of the Public Acts of 1956, being Section 500.3135 of the Michigan Compiled Laws.

No amendment or repeal of this Article shall apply to or have any effect on the liability or alleged liability of any volunteer of the Corporation for or with respect to any acts or omissions of such volunteer occurring prior to the effective date of any such amendment or repeal.

ARTICLE X

BYLAWS

Except as otherwise provided in these Restated Articles of Incorporation, provisions for the membership, qualifications, term of office, manner of election and removal, time and place of meetings and powers and duties of the board of trustees of the Corporation shall be governed by the Bylaws of the Corporation.

These Restated Articles of Incorporation were duly adopted by written consent signed by the sole member of the Corporation, The Detroit Medical Center, a Michigan nonprofit corporation, in accordance with the provisions of Sections 641(2) and 611(2) of the Act.

Signed this 4th day of February, 1997

By: 

Its: President and Chief Executive Officer

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