

# **BYLAWS OF DETROIT METRO SKATING COUNCIL**

## **ARTICLE 1 NAME AND LOCATION**

- 1.1. The name of this corporation, which is a nonprofit corporation organized under the Nonprofit Corporation Act of the State of Michigan, is DETROIT METRO SKATING COUNCIL (hereinafter “Council”).
- 1.2. The principal office of the Council shall be situated in the southeast portion of the State of Michigan at such specific location as the Board of Directors shall determine from time to time. The Council may also have such other offices as the Board of Directors determines from time to time.

## **ARTICLE 2 PURPOSE**

- 2.1 Purposes. The Council shall be organized and operated for the following purposes:
  - (a) To foster national or international amateur competition in figure skating, and to promote the advancement of figure skating in the Detroit metropolitan area.
  - (b) To assist individual figure skaters and skating clubs by providing scholarships, providing educational opportunities for local public schools, and helping special education athletes.
  - (c) To represent the Detroit metropolitan area skaters and their parents within the rules and bylaws of the United States Figure Skating (“USFSA”).
  - (d) To foster inter-club cooperation in testing, competitions, and other events consistent with the Council’s stated objectives and objectives of the USFSA.
  - (e) To provide information and assistance to member clubs and to provide advice and guidance when requested by officers and directors of such clubs.
  - (f) To provide support and assistance in the development of new clubs desiring affiliation with the USFSA and the Council.

ARTICLE 3  
PROHIBITED ACTIVITIES

- 3.1. Activities Jeopardizing Tax Status. The Council shall not take any action or carry on any activity not permitted to be taken or carried on by an organization exempt under §501(c) (3) of the Internal Revenue Code of 1986 and its regulations as amended, or by an organization, contributions to which are deductible under §170(c) (2) of such Code and its regulations as amended.
- 3.2. Lobbying and Political Activities.
- (a) The Council shall not lobby (including the publishing or distribution of statements) or otherwise attempt to influence legislation except as authorized by a resolution adopted by the Board of Directors.
  - (b) The Council shall not participate or intervene in (including publishing or distribution of statements) any political or judicial campaign on behalf of any candidate for public office whatsoever.
- 3.3. Private Inurement. No part of the net income or net assets of the Council shall inure to the benefit of, or be distributable to, its directors, officers, members or other private persons. However, the Council is authorized to pay reasonable compensation for services actually rendered and to make payments and distributions in furtherance of its tax exempt purposes.
- 3.4. Private Foundation Status. At any time during which the Council is deemed a private foundation, the Council shall not engage in any act of self-dealing as defined in the Internal Revenue Code §4941(d); the Council shall distribute its income for each taxable year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Code §4942; the Council shall not own any excess business holdings that would subject it to tax under Code §4943; the Council shall not make any investments in such manner as to subject the Council to the tax imposed by Code §4944; and the Council shall not make any taxable expenditures as defined in Code §4945(d).

ARTICLE 4  
MEMBERSHIP

- 4.1. Qualifications For Membership. Members of the Council shall consist solely of organized skating clubs which are each a USFSA Member Club in good standing or a USFSA Probationary Club. Any such skating club whose home facility is within the State of Michigan shall be eligible for membership.
- 4.2. Admittance as a Member. Any skating club eligible for membership shall be admitted as a member of the Council upon: 1) completing an application for membership on a form approved by the Board of Directors; 2) demonstrating its standing as a Member

Club or as a Probationary Club with the USFSA; and 3) paying any initial membership dues or initiation fee which may then be in effect.

- 4.3. Member Representatives. Each member club shall designate (in writing signed by the member club's chief officer) a primary representative to vote for the member club at any membership meeting. Each member club may send an alternate representative to vote in the absence of the primary representative. Any such designation must be in writing signed by the chief officer of the member club from which it originated. Any representative must first be a club member of the member club he or she represents.
- 4.4. Voting Rights. Each member in good standing shall be entitled to cast one vote with respect to those matters submitted to the members for action or approval. Votes shall be cast by each member club's representative. Votes may be taken by voice, a show of hands, or by written ballot. Cumulative voting shall not apply to any voting by member representatives.
- 4.5. Disruptive Conduct. Any member representative who disrupts the proceedings or otherwise interferes with the lawful conduct of any membership meeting may be removed from that meeting by the Chairman, and be permanently barred from future membership meetings upon the two-thirds vote of all the member representatives.
- 4.6. Membership Dues. All members shall pay annual membership dues to the Council in such amounts and in such manner as the Board of Directors determines from time to time. Each year the Board of Directors shall specify a date, and give members prior written notice thereof, when membership dues are payable.
- 4.7. Meetings of Members. The annual meeting of the members shall be held at the regularly scheduled June meeting of the Council at such time as the Board of Directors may fix in the notice of such meeting, at the principal place of business of the Council or in such other place as may be designated by the Board of Directors. Special meetings of the members for any purpose or purposes may be called at any time by the Chairman, by a majority of the Directors, or upon written petition by at least forty percent (40%) of the members.
- 4.8. Notice of Meetings of Members. Notice of each annual and special meeting shall be given to each member entitled to vote thereat, either personally, or by prepaid mail, facsimile transmission or other electronic means, addressed to the chief officer of each member at their address appearing on the books of the Council. Such notices shall be sent not less than twenty-one (21) days before each meeting, and shall specify the place, day, and hour of the meeting and shall state the general nature of the business to be considered in such meeting. Special meetings shall be limited to the subject matters set forth in the notice of the meeting. The notice of the annual meeting shall designate it as such.
- 4.9. Quorum. The presence in person of the designated representatives of member clubs totaling more than one-half of the total member clubs located in Wayne, Oakland and Macomb Counties, or at least ten member clubs whichever is lesser, shall constitute a

quorum. The member representatives present in person at such meeting may continue to do business until adjournment, notwithstanding the withdrawal of enough member representatives to leave less than a quorum. Whether or not a quorum is present, the meeting may be adjourned by a vote of the member representatives present.

4.10. Termination of Membership. The membership of any member club of the Council shall automatically terminate upon the happening of any of the following events:

- (a) The member club is voluntarily or involuntarily dissolved;
- (b) A voluntary or involuntary petition in bankruptcy is filed by or against the member club;
- (c) The member club makes an assignment for the benefit of creditors;
- (d) A receiver is appointed by a court over the business affairs of the member club;
- (e) The member club voluntarily resigns from membership in the Council;
- (f) The member club fails to pay its membership dues within ninety (90) days after such member's dues were payable; or
- (g) The member club's membership in the USFSA is voluntarily or involuntarily terminated.

Members terminated as a result of non-payment of dues may reactivate their membership in the Council within two years after such termination by the payment of all current and past due membership dues. Members terminated as a result of voluntary resignation or for non-payment of dues in excess of two years may renew their membership only by re-application for membership in the Council.

## ARTICLE 5 DIRECTORS

5.1. Powers. Subject to any limitations of the Articles of Incorporation or the Michigan Nonprofit Corporation Act as to actions to be authorized or approved by the members, and subject to the duties of Directors as described by these Bylaws, all corporate powers shall be exercised by, or under the authority of, and the business and affairs of the Council shall be controlled by the Board of Directors. Without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared that the Directors shall have the following powers:

- (a) To elect and remove all officers of the Council subject to such limitations as may appear in the Bylaws, and to prescribe such powers and duties for officers as may not be inconsistent with law, with the Articles of Incorporation, or the Bylaws.
- (b) To conduct, manage and control the affairs of the Council, and to make such rules and regulations therefore, not inconsistent with law, or with the Articles of Incorporation, or the Bylaws, as they may deem best to initiate all amendments to the Articles of Incorporation and Bylaws.
- (c) To designate any place for the holding of any membership meeting or Board of Directors meeting, to change the principal office of the Council for the transaction of

- its business from one location to another; to adopt, make and use a corporate seal and to alter the form of such seal from time to time, as, in their judgment, they may deem best, provided such seal shall at all times comply with the provisions of law.
- (d) To borrow money and incur indebtedness for the purpose of the Council and to cause to be executed and delivered therefore, in the Council's name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations or other evidences of debt, and securities thereof.
  - (e) To manage in such manner as they may deem best, all funds and property, real and personal, received and acquired by the Council, and to distribute, loan or dispense the same for the income and profits therefrom.
  - (f) To create such trusts, foundations, and subsidiaries, as the Board of Directors shall deem necessary and to appoint the trustees, directors or other governing officials of such legal entities.
- 5.2. Number of Directors. The number of directors constituting the entire Board shall be equal to the number of member clubs in the Council. Each member club shall appoint and accredit someone to serve as a director of the Council. The regular term of office for each director shall be one (1) year, unless sooner terminated by death, incapacity, resignation or removal. The immediate past Chairman of the Council shall be an *ex officio* member of the Board of Directors.
- 5.3. Qualifications for Office. The qualifications of each director shall be determined by his or her respective member club, provided that each director shall be at least 18 years of age.
- 5.4. Accreditation. Each director must be accredited to the Council by a letter of appointment signed by the chief officer of the member club appointing that director. Each member club shall appoint a person to serve as a director of the Council for the upcoming year at the annual membership meeting of the Council. Letters of accreditation shall also be presented to the Council at this time.
- 5.5. Removal and Resignation. Any director may resign from office at any time by giving written notice thereof to an officer of the Council. Any director may be removed for cause by a two-thirds (2/3) vote of all of the other directors then in office. Cause for removal exists (without limiting other causes for removal) whenever a director fails to attend three (3) consecutive regular meetings of the Board of Directors (notwithstanding that he or she otherwise qualifies for office), or is convicted of a felony.
- 5.6. Filling of Vacancies. Any vacancy occurring on the Board of Directors by reason of the death, incapacity, resignation, or removal of any director shall be filled by the appointment and accreditation of a replacement director by the member club which appointed the vacated director. A director so chosen shall serve for the balance of the unexpired term of the vacant office.
- 5.7. Place and Number of Meetings. Meetings of the Board of Directors shall be held at any place which has been designated from time to time by resolution of the Board or by

written consent of all directors. The Board shall hold at least two (2) meetings each calendar year.

5.8. Annual and Special Meetings. Immediately following each annual meeting of members, the Board of Directors shall hold a special meeting for the purpose of election of officers. Other business may be transacted at the annual meeting if proper notice thereof is given. Special meetings of the Board of Directors for any purpose(s) may be called at any time by the Chairman or by one-third (1/3) of the directors then in office.

5.9. Notice of Special Meetings. Notice of the time and place of special meetings of the Board shall be given by any means reasonably calculated to reach each director at least seven (7) days in advance of such meeting. Special meetings shall be limited to the subject matters set forth in the notice of the meeting.

5.10. Quorum and Voting. The presence in person of the appointed and accredited Directors of member clubs totaling more than one-half (1/2) of the total member clubs located in Wayne, Oakland and Macomb Counties, or at least ten member clubs whichever is lesser, shall be necessary to constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a meeting duly held, at which a quorum was present, shall be regarded as the act of the Board of Directors, unless a greater number is required by law or by the Articles of Incorporation or by these Bylaws. Each director present shall be entitled to one (1) vote, except that the immediate past Chairman (as an ex officio director) shall have no vote. Voting by proxy shall not be permitted.

A director may participate in any meeting of the directors via 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 paragraph constitutes presence in person at the meeting.

The transactions of any meetings of the Board of Directors, however called and noticed, or wherever held, shall be as valid as though they had a meeting duly held after regular call and notice, if a quorum be present and if, either before or after the meeting, each of the directors not present signs a written waiver of notice or a consent to holding such meeting or an approval of the minutes thereof. All such waivers, consents, or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

5.11. Action By Unanimous Written Consent. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting and with the same force and effect as if taken by a unanimous vote of directors, if authorized by writing signed individually or collectively by all directors. Such consent shall be filed with the regular minutes of the Board.

5.12. Committees. Committees of the Board of Directors shall be standing or special. The Board of Directors or the Chairman may refer to the proper committee any matter affecting the Council or any operations needing study, recommendation, or action. The Board may establish such standing or special committees as it deems appropriate with

such duties and responsibilities as it shall designate, except that no committee has the power to do any of the things a committee is prohibited from doing under §528 of the Michigan Nonprofit Corporation Act. The Board shall appoint the members of such committees. Persons other than directors may be appointed to such committees.

- 5.13. Notice of Adjournment. Notice of the time and place of holding an adjourned meeting need not be given to absent Directors if the time and place be fixed at the meeting adjourned.

## ARTICLE 6 OFFICERS

- 6.1. Responsibility and Term. All officers are subordinate and responsible to the Board of Directors. Each officer shall hold office until a successor is elected and qualified, or until the officer's resignation, death or removal. However, the Chairman may not serve in that office more than two (2) consecutive terms. Vacancies in offices shall be filled by election by the Board of Directors at any time to serve unexpired terms.
- 6.2. Number and Election. The Board of Directors shall elect a Chairman, a Vice-Chairman, a Secretary, and a Treasurer, and may elect one or more Assistant Secretaries, Assistant Treasurers, and such other officers as they may determine. Officers shall be elected each year at the annual meeting of the Board. Two or more offices may be held by the same person except the offices of Chairman or Vice-Chairman and any other office.
- 6.3. Resignation and Removal. The resignation of any officer shall be tendered in writing to any other officer and shall be effective as of the date stated in the resignation. Any officer may be removed during their term by two-thirds vote of the Board of Directors whenever, in their judgment, removal would serve the best interests of the Council. Such removal shall terminate all authority of the officer, except that any rights to compensation and other perquisites shall depend on the terms of the officer's employment and the circumstances of removal.
- 6.4. Chairman. The Chairman shall be the chief executive and operating officer of the Council, and subject to the direction and under the supervision of the Board of Directors, shall have general charge of the business affairs and property of the Council. The Chairman shall appoint all committees and designate all committee chairs, unless the composition of any committee is specifically provided for in these Bylaws. The Chairman shall preside at all meetings of the member representatives or the Board of Directors, but shall not vote on any matter except as required to break a tie. The Chairman shall have such other duties and responsibilities and may exercise such other powers as are usually incident to the office or as from time to time may be assigned by these Bylaws or the Board of Directors.
- 6.5. Vice Chairman. At the request of the Chairman, or in the Chairman's absence or disability, the Vice Chairman shall perform all the duties of the Chairman. When so acting, the Vice Chairman shall have all of the powers of, and be subject to all the restrictions upon the Chairman. The Vice Chairman shall have such other duties and

responsibilities and may exercise such other powers as from time to time may be assigned by the Chairman or the Board of Directors or as may be provided in these Bylaws.

- 6.6. Secretary. The Secretary shall cause to be kept at the principal office of the Council, the Secretary's principal place of business, or such other place as the Board of Directors may order, the official seal of the Council (if any), the membership book and a book of minutes of all meetings of directors and members. The Secretary shall keep a membership book containing names and addresses of each member, and the date upon which the membership ceased. The Secretary shall give the notices of the special meetings of the members as provided in these Bylaws. The Secretary shall also maintain and protect a file of all official and legal documents of the Council. The Secretary shall perform such other and further duties as may be required by law or as may be prescribed or required from time to time by the Board of Directors or the Bylaws.
- 6.7. Treasurer. The Treasurer shall have custody of the Council's funds; keep full and accurate accounts of all receipts and disbursements of the Council, an inventory of assets, and a record of the liabilities of the Council; deposit all money and other securities in such depositories as may be designated by the Board of Directors; disburse the funds of the Council as ordered by the Chairman or the Board of Directors taking proper vouchers for disbursements; and prepare all statements and reports required by law, by the Chairmen or by the Board of Directors. The Treasurer shall have such other duties and responsibilities and may exercise such other powers as are usually incident to the office or as from time to time may be assigned by these Bylaws, the Board of Directors, or the Chairman. The Board of Directors or the Chairman may delegate all or art of the authority and duties of the Treasurer to subordinated officers.
- 6.8. Salaries. The officers of the Council shall serve without compensation.
- 6.9. Annual Transition. To maintain Council continuity, officers whose terms of office have expired shall assure the orderly transition of authority to their successors before being relieved of their responsibilities. Similarly, officers whose terms of office have expired shall take all appropriate steps to substitute their successors on all of the Council's financial accounts and signature cards.

## ARTICLE 7 MISCELLANEOUS

- 7.1 Property of the Council. The title to all property of the Council, both real and personal, shall be vested in the Council.
- 7.2 Contributions. All contribution of any nature, unless designated for a specific purpose, shall be used for such proposes as the Board of Directors may direct; and in the absence of any direction by the Board, such may be used for the general purposes of the Council



- 7.3 Contracts. The Board of Directors, except as in these Bylaws otherwise provided, may authorize any officer or agent to enter into any contract or execute and deliver any instrument in the name of an on behalf of the Council, and such authority may be general or confined to a specific instance, and unless so authorized by the Board of Directors, no officer, agent, or employee shall have any power or authority to bind the Council by any contract or engagement, or to pledge its credit, or render it liable pecuniarily any propose or to any amount. When the execution of any contract or other instrument has been authorized by the Board of Directors without specification of the executing officer, the Chairman, either alone or with the Secretary or any Assistant Secretary, may execute the same in the name of, and on behalf of, the Council, and any such officer may affix the corporate seal (if any) of the Council thereto.
- 7.4 Voting Stock Owned by the Council. The Board of Directors may by resolution provide for the designation of the person who shall have full power and authority on behalf of the Council to vote either in person or by proxy at any meeting of the security holders of any corporation or other entity in which the Council may hold voting stock or other securities, and may further provide that at any such meeting such person may possess and exercise all of the rights and powers incident to the ownership of such voting securities which, as the owner thereof, the Council might have possessed and exercised if present. The Board of Directors may revoke any such powers as granted at its pleasure.
- 7.5 Financial Accounts. The Council may establish one or more checking accounts, savings accounts, or investment accounts with appropriate financial entities or institutions as determined in the discretion of the Board of Directors to hold, manage or disburse any funds for Council purposes. All checks, drafts or other orders for the payment of money, and all notes or other evidences of indebtedness issued in the name of the Council, shall be signed by such officer(s) or agent(s) of the Council, and in such manner, as is determined by the Board of Directors from time to time.
- 7.6 Limitations on Debt. No debt shall be incurred by the Council beyond the accounts payable incurred by it as a result of its ordinary operating expenses, nor shall any evidence of indebtedness be issued in the name of the Council, unless authorized by a two-thirds (2/3) vote of the Board of Directors.
- 7.7 Limitations on Loans. The Council shall not make or extend a loan to any director, officer or employee thereof for any purpose whatever.
- 7.8 Liability of Members and Directors. No member or director of the Council shall be personally liable to its creditors or for any indebtedness or liability an any and all creditors shall look only to the Council's assets for payment.
- 7.9 Property Interests Upon Termination of Membership. Members have no interest in the property, assets or privileges of the Council. Cessation of membership shall operate as a release and assignment to the Council of all right, title and interest of any member, but shall not affect any indebtedness of the Council to such member.

- 7.10 Fiscal Year. The fiscal year of the Council shall be from each July 1 to each June 30.
- 7.11 Robert's Rules of Order shall serve as parliamentary authority for the Council.

## ARTICLE 8 DISPOSITION OF ASSETS UPON DISSOLUTION

- 8.1. Dedication of Assets. The Council does not contemplate pecuniary gain or profit to the members thereof except as provided by law under §501(c) (3) of the Internal Revenue Code of 1986, as amended from time to time. The property of the Council is irrevocably dedicated to tax exempt purposes and under said §501(c)(3) as described herein and no part of the net income or assets of this organization shall ever inure to the benefit of any director, officer or member thereof or to the benefit of any private persons.
- 8.2. Disposition Upon Dissolution. Upon the dissolution or winding up of the Council, or in the event it shall cease to engage carrying out the purposes set forth in these Articles, all of the business, properties, assets and income of the Council remaining after payment, or provision for payment, of all debts and liabilities of the Council, shall be distributed in the discretion of the Board of Directors to one or more nonprofit funds, foundations, or corporations which are affiliated with or members of the Council, which are organized and operated exclusively for purposes consistent with the purposes of the Council, and which have established tax exempt status under §501(c)(3) of the Internal Revenue Code of 1986, as amended. In no event shall any of the business, assets or income of the Council, in the event of dissolution thereof, be distributed to the directors, individual members or officers, either for the reimbursement of any sums subscribed, donated or contributed by the same, or for any other purpose.

## ARTICLE 9 INDEMNIFICATION

- 9.1. Nonderivative Actions. Subject to all of the other provisions of this Article, the Council 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, suit, or proceeding, whether civil, criminal, administrative, or investigative, formal or informal (other than an action by or in the right of the Council), by reason of the fact that the person is or was a director or officer of the Council, or, while serving as a director or officer of the Council, is or was serving at the request of the Council as a director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, whether for profit or not, against expenses (including actual and reasonable attorney fees), judgments, penalties, fines, and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding, if the person acted in good faith and in a manner their person reasonably believed to be in or not opposed to the best interests of the Council or its members, and with respect to any criminal action or proceeding, if the person had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement,

conviction, or on a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner that the person reasonably believed to be in or not opposed to the best interests of the Council or its members and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

- 9.2. Derivative Actions. Subject to all of the provisions of this Article, the Council 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 Council to procure a judgment in its favor by reason of the fact that the person is or was a director or officer of the Council or, while serving as a director or officer of the Council, is or was serving at the request of the Council as a director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, whether for profit or not, against expenses (including attorney fees) and amounts paid in settlement actually and reasonably incurred by the person in connection with the action or suit, if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the council or its members. However, indemnification shall not be made for any claim, issue, or matter in which the person has been found liable to the Council unless and only to the extent that the court in which the action or suit was brought has determined on application that, despite the adjudication of liability but in view of all circumstances of the case, the person is fairly and reasonably entitled to indemnification for the reasonable expenses incurred.
- 9.3. Expenses of Successful Defense. To the extent that a person has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in this Article, or in defense of any claim, issue, or matter in the action, suit, or proceeding, the person shall be indemnified against actual and reasonable expenses (including attorney fees) incurred by the person in connection with the action, suit, or proceeding and any action, suit or proceeding brought to enforce the mandatory indemnification provided by this Section.
- 9.4. Definition. For the purpose of this Article, “other enterprises” shall include employee benefit plans; “fines” shall include any excise taxes assessed on a person with respect to an employee benefit plan; and “serving at the request of the Council” shall include any service as a director, officer, employee, or agent of the Council that imposes duties on, or involves services by, the director or officer with respect to an employee benefit plan, its participants, or its beneficiaries; and a person who acted in good faith and in a manner the person reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be considered to have acted in a manner “not opposed to the best interests of the Council or its members.”
- 9.5. Contract Right; Limitation on Indemnity. The right to indemnification conferred in this Article shall be a contract right and shall apply to services of a director or officer as an employee or agent of the Council as well as in the person’s capacity as a director or officer. Except as provided in Section 3 of this Article, the Council shall have no obligations under this Article to indemnify any person in connection with any proceeding, or part thereof, initiated by the person without authorization by the board of directors.

- 9.6. Determination That Indemnification is Proper. Any indemnification under this Article (unless ordered by a court) shall be made by the Council only as authorized in the specific case upon a determination that indemnification of the person is proper in the circumstances because the person has met the applicable standard of conduct set forth in Section 1 or 2 of this Article, whichever is applicable, and upon an evaluation of the reasonableness of expense and amounts paid in settlement. The determination and evaluation shall be made in any of the following ways:
- (a) By a majority vote of a quorum of the board consisting of directors who are not parties or threatened to be made parties to the action, suit, or proceeding.
  - (b) If the quorum described in clause (a) above is not obtainable, then by majority vote of a committee of two or more directors who are not at the time parties or threatened to be made parties to the action, suit, or proceeding.
  - (c) By independent legal counsel in a written opinion, which counsel shall be selected in one of the following ways: (i) by the board or its committee in the manner prescribed in subparagraph (a) or (b); or (ii) if a quorum of the board cannot be obtained under subparagraph (a) and a committee cannot be designated under subparagraph (b), by the board.
  - (d) By the members, except for members who are also directors, officers, employees, or agents who are parties or threatened to be made parties to the action, suit, or proceeding.
- 9.7. Proportionate Indemnity. If a person is entitled to indemnification under this Article for a portion of expenses, including attorney fees, judgments, penalties, fines, and amounts paid in settlement, but not for the total amount, the Council shall indemnify the person for the portion of the expenses, judgments, penalties, fines, or amounts paid in settlement for which the person is entitled to be indemnified.
- 9.8. Expense Advance. The Council may pay or reimburse the reasonable expenses incurred by a person referred to in Section 1 or 2 of this Article who is a party or threatened to be made a party to an action, suit, or proceeding in advance of final disposition of the proceeding if all of the following apply: (a) the person furnishes the Council a written affirmation of his or her good faith belief that he or she has met the applicable standard of conduct set forth in Section 1 or 2 of this Article; (b) the person furnishes the Council a written undertaking executed personally, or on his or her belief, to repay the advance if it is ultimately determined that he or she did not meet the standard of conduct; and (c) a determination is made that the facts then known to those making the determination would not preclude indemnification under Section 1 or 2 of this Article. The authorization of payment must be made in the manner specified in Section 6 of this Article.
- 9.9. Non-Exclusivity of Rights. The indemnification or advancement of expenses provided under this Article is not exclusive of other rights to which a person seeking indemnification or advancement of expenses may be entitled under a contractual arrangement with the

Council. However, the total amount of expenses advanced or indemnified from all sources combined shall not exceed the amount of actual expenses incurred by the person seeking indemnification or advancement of expenses.

- 9.10. Indemnification of Employees and Agents of the Council. The Council may, to the extent authorized from time to time by the board of directors, grant rights to indemnification and to the advancement of expenses to any employee or agent of the Council to the fullest extent of the provisions of this Article with respect to the indemnification and advancement of expenses of directors and officers of the Council.
- 9.11. Former Directors and Officers. The indemnification provided in this Article continues for a person who has ceased to be a director or officer and shall inure to the benefit of the heirs, executors, and administrators of the person.
- 9.12. Insurance. The Council may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, or agent of the Council, or is or was serving at the request of the Council as a director, officer, partner, trustee, employee, or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against the person and incurred by him or her in any such capacity or arising out of his or her status as such, whether or not the Council would have power to indemnify the person against the liability under these bylaws or the laws of the State of Michigan.
- 9.13. Changes in Michigan Law. If there is any change of the Michigan statutory provisions applicable to the Council relating to the subject matter of this Article, then the indemnification to which any person shall be entitled under this Article shall be determined by the changed provisions, but only to the extent that the change permits the Council to provide broader indemnification rights than the provisions permitted the Council to provide before the change. Subject to the next Section, the board of directors is authorized to amend these bylaws to conform to any such changed statutory provisions.
- 9.14. Amendment or Repeal of Article. No amendment or repeal of this article shall apply to or have any effect on any director or officer of the Council for or with respect to any acts or omissions of the director or officer occurring before the amendment or repeal.
- 9.15. Impact of Tax Exempt Status. The rights to indemnification set forth in this Article are expressly conditioned upon such rights not violating the Council's status as a tax exempt organization described in §501(c)(3) of the Internal Revenue Code of 1986, as amended.

## ARTICLE 10 AMENDMENTS TO BYLAWS

- 10.1. Adoption. New Bylaws may be adopted, amended, or repealed or these Bylaws may be amended or repealed by the Board of Directors, subject to membership ratification as hereinafter provided, except those items specified in these Bylaws (if any) as not being subject to amendment.

- 10.2. Ratification by Members. All amendments to the Bylaws must be ratified by the vote of at least two-thirds of the total number of members of the Council and shall be effective only upon such ratification.
- 10.3. Inspection of Bylaws. The original copy of these Bylaws, as amended or otherwise altered to date, certified by the Secretary of the Council, shall at all times be kept in the principal office of the Council for the transaction of business, and shall be open to inspection by the members at all reasonable time during office hours.

STATE OF MICHIGAN       } SS.  
COUNTY OF OAKLAND

I, Michelle C. Dittmer, hereby certify that I am the duly elected Secretary of DETROIT METRO SKATING COUNCIL ("Council"); that attached hereto are the Bylaws of the Council, and that such have been duly enacted and are in full force and effect as of the date hereof.

Dated: 3/31/99

I, Dorothy A. Tank, hereby certify that I am the duly elected Secretary of DETROIT METRO SKATING COUNCIL ("Council"); that attached hereto are the Bylaws of the Council, and that such have been duly enacted and are in full force and effect as of the date hereof.

Dated: January 12, 2009