

**BYLAWS
OF
GRAND RAPIDS MODEL RAILROAD HISTORICAL SOCIETY**

**ARTICLE I
NAME AND PURPOSE**

Section 1. **Name.** The name of the organization shall be GRAND RAPIDS MODEL RAILROAD HISTORICAL SOCIETY. It may also be informally known as "GRMRHS".

Section 2. **Purpose.**

(a) The purpose of this organization is to promote the history of railroad, promote and preserve the hobby of model railroading, railroading in the Grand Rapids area, providing a forum for the exchange of information about railroads in general, and to educate the public about railroads and their historical significance through the establishment of a museum.

(b) The organization is organized and shall be operated exclusively for charitable, scientific and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue code of 1986, as amended, or the corresponding provisions of any future federal tax laws. In furtherance, and only in furtherance, of these enumerated purposes and subject to the limitations provided herein, the Corporation may engage in any lawful activity. The principal purpose of the Corporation will be to receive and administer funds for the aforementioned purposes.

ARTICLE II OFFICES

Section 1. **Offices.** The principal office and registered agent for the transaction of business of the organization is to be continually maintained in the City of Grand Rapids, Kent County, Michigan .

Branch or subordinated offices may, at any time, be established by the Board of Directors at any place or places where the organization is qualified to operate.

**ARTICLE III
MEMBERS**

Section 1. **Qualification.** Membership shall be open to all who subscribe to the purposes and objectives of the Corporation. Upon making application for regular membership and it being approved by the affirmative vote of a majority of the Board of Directors, such person shall be elected as a regular member.

Regular members shall actively pursue the purposes of the Corporation and shall be entitled to vote in the election of Directors and on all other matters submitted to a vote of the members by an affirmative vote of a majority of the Board of Directors.

Section 2. **Termination of Membership.** The Board of Directors, by affirmative vote of

two-thirds (2/3) of all of the members of the Board, may suspend or expel a member for cause after an appropriate hearing.

Section 3. **Resignation by Member.** Any member may resign by filing a written resignation with the Secretary of the Corporation.

Section 4. **Transfer of Membership.** Membership in this Corporation is not transferable or assignable.

Section 5. **No Certificates.** No membership certificate of the Corporation shall be required.

Section 6. **Membership Fees.** Membership fees may be set by the affirmative action of the Board of Directors. When annual dues are instituted, yearly renewal of the membership shall be required. Failure to renew membership dues will constitute automatic termination of regular membership. Reinstatement will occur when dues have been paid in full.

ARTICLE IV MEETINGS OF MEMBERS

Section 1. **Annual Meetings.** An annual meeting of the members, for the purpose of electing Directors and for the transaction of such other business as may come before the meeting, shall be held each year on first Tuesday in the month of March, unless otherwise designated by the President or if such day be a legal holiday. In the event such day be a legal holiday, the meeting shall be held on the next such business day after the legal holiday or, as the President of the Corporation may designate.

Section 2. **Special Meetings.** Special meetings of the members may be called by the Board of Directors, by the President, or by any five (5) members and shall be held on such date as may be specified in the notice of the meeting.

Section 3. **Place of Meetings.** The Board of Directors may designate any place as the place of meeting for an annual meeting or for any special meeting called by the Board of Directors. If no designation is made or if a special meeting be otherwise called, the place of the meeting shall be the registered office of the Corporation .

Section 4. **Notice of Meetings.** Written notice of all meetings of members stating the time, place and purposes thereof shall be given to each member at least Ten (10) but not more than Sixty (60) days before the date fixed for the meeting, either personally or by mail (notice by mail shall be deemed given when mailed). At each annual meeting of the members, the Directors shall present a report verified by the President and the Treasurer or by a majority of the Directors showing the whole amount of real and personal property owned by the Corporation, where located and where and how invested; the amount and nature of the property acquired during the year immediately preceding the date of the fiscal year, and the manner of acquisition; the amount applied, appropriated or expended during the fiscal year immediately preceding purchase date and objects or persons for which appropriations or expenditures have been made, which report shall be filed with the records of the Corporation and a summary thereof entered in the Minutes and proceedings of the annual meeting.

Notice of any meeting need not be given to any member who signs a Waiver of Notice before or after the meeting. The attendance of a member at a meeting without protesting at the beginning of the meeting, shall constitute a Waiver of Notice by him.

Section 5. **Quorum.** The members holding fifty one (51 %) percent of the votes which may be cast at any annual meeting shall constitute a quorum at such meeting. If there shall be no quorum, the members present by majority vote, may adjourn the meeting, from time to time, until a quorum shall be present. Once a quorum shall have been determined to be present, the members present in person or by proxy at any meeting may continue to do business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum.

Section 6. **Vote Required.** When an action, other than the election of Directors is to be taken by vote of the members, it shall be authorized by a majority of the votes cast, unless a greater plurality is required by the Articles of Incorporation or express provision of statute. Except as otherwise provided by the Articles of Incorporation, Directors shall be elected by a plurality of the votes cast at an election.

Section 7. **Voting Rights.** Except as otherwise provided by the Articles of Incorporation, each member shall, at every meeting of members, be entitled to one (1) vote in person or by proxy, but no proxy shall be voted on after three (3) years from its date, unless the proxy provides for a longer period.

Section 8. **Conduct of Meetings.** The Chairman of the Board of Directors shall conduct the annual meeting and any special meetings. Meetings of members generally shall follow accepted rules of parliamentary procedure, subject to the following:

- (a) The Chairman shall have absolute authority over matters of procedure and there shall be no appeal from the ruling of the Chairman. If, in his absolute discretion, the Chairman deems it advisable to dispense with the rules of parliamentary procedure as to any one meeting of shareholders or part thereof, he shall so state and shall clearly state the rules under which the meeting or appropriate part thereof shall be conducted;
- (b) If disorder should arise which prevents the continuation of the legitimate business of the meeting, the Chairman may quit the chair and announce the adjournment of the meeting, and upon his so doing, the meeting is immediately adjourned;
- (c) The Chairman may ask or require that anyone not a bona fide member or proxy leave the meeting;
- (d) A resolution or motion shall be considered for vote only if proposed by a member or a duly authorized proxy and seconded by a member or duly authorized proxy other than the individual who proposed the resolution or motion;
- (e) Except as the Chairman may permit, no matter shall be presented to the meeting which has not been submitted for inclusion in the agenda within Ten (10) days after the date of mailing of notice of the meeting.

Section 9. **Informal Action by Members.** Any action required to be taken at a meeting of the members of the Corporation or any other action which may be taken at a meeting of members may be taken without a meeting if a consent, in writing, setting forth the action so taken, shall be signed by all of the members entitled to vote with respect to the subject matter thereof.

ARTICLE V NUMBER AND QUALIFICATION OF DIRECTORS

Section 1. **Powers.** The business of the Corporation shall be managed by its Board of Directors which may exercise all such powers of the Corporation and do all such lawful acts and things as are not by statute or by the Articles of Incorporation or by these Bylaws directed or required to be exercised or done by the members.

Section 2. **Number of Directors.** The number of Directors which shall constitute the whole Board shall be not less than three (3) members nor more than nine (9) members. Each Director shall hold office until the next annual meeting of members and/or until his successor shall have been duly elected and qualified. The number of Directors may be increased or decreased by action of two-thirds (2/3) of the Board of Directors to any number, from time to time, but shall not be decreased to fewer than three (3) Board members. A Director need not be a citizen of the United States or a resident of the State of Michigan.

Section 3. **Nomination.** The Board of Directors shall appoint a nominating committee which shall submit a list of potential directors to the Board as the term of the Directors expires. The Board of Directors shall then submit a final list of nominees to the members for consideration and vote.

Section 4. **Vacancies.** Vacancies and newly created directorships resulting from any increase in the authorized number of Directors may be filled by a majority of the Directors after the vacancy has occurred, though less than a quorum, and the Directors so chosen shall hold office for the unexpired term in respect of which such vacancy occurred.

Section 5. **Compensation of Directors.** No compensation shall be paid to Directors as such for their services, but expenses of attendance at regular and special meetings may be paid by the Corporation.

Section 6. **Resignation.** Any Director may resign at any time and such resignation shall take effect upon receipt thereof by the Corporation, or such subsequent time as set forth in the notice of resignation .

Section 7. **Termination.** The Board of Directors, by affirmative vote of two thirds (2/3), may suspend or expel a Director for cause. Further, termination of a Director is automatic for absence of three (3) consecutive regular meetings of the Board of Directors.

ARTICLE VI
MEETING OF DIRECTORS

Section 1. **Places of Meetings.** The Board of Directors of the Corporation may hold meetings, both regular and special, either within or without the State of Michigan.

Section 2. **Regular Meetings.** A regular meeting of the Board of Directors shall be held without other notice than by this Bylaw immediately after the annual meeting of members. The Board of Directors may provide, by resolution, the time and place, either within or without the State of Michigan, for the holding of additional regular meetings of the Board without other notice than such resolution.

Section 3. **Special Meetings.** Special meetings of the Board of Directors may be called by, or at the request of, the Chairman of the Board, the President, or by any two (2) Directors on two (2) days' written notice to each Director, either personally, by mail or by telegram. The person or persons authorized to call such special meeting of the Board may fix any place as the place for holding any special meeting of the Board.

Section 4. **Notice.** Notice of any special meeting of the Board of Directors shall be given at least two (2) days previously thereto by written notice delivered personally or sent by mail or telegram to each Director at his address as shown on the records of the Corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail and sealed in an envelope so addressed with postage thereon prepaid. Any Director may waive notice of any meeting. The attendance of any Director at any meeting shall constitute a waiver of notice of such meeting, except for a Director who attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these Bylaws ..

Section 5. **Quorum.** A majority of the Board of Directors then in office shall constitute a quorum for the transaction of business at any meeting of the Board provided that if less than a majority of the Directors are present at a meeting, a majority of the Directors present may adjourn the meeting, from time to time, without further notice. The act of a majority of the Directors present at a meeting, at which a quorum is present, shall be the act of the Board of Directors, except for otherwise provided by law or by the Articles of Incorporation or by these Bylaws.

Section 6. **Action Without a Meeting.** Unless otherwise restricted by the Articles of Incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting if, before or after the action, a written consent thereto is signed by all members of the Board and such written consent is filed with the Minutes or proceedings of the Board. Such consent shall have the same effect as a vote of the Board for all purposes.

Section 7. **Meeting by Telephone or Similar Equipment.** The Board of Directors may participate in a meeting of such Board or committee, by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear

each other and participation in a meeting pursuant to this Section shall constitute presence in person at such meeting.

ARTICLE VII OFFICERS

Section 1. **Officers.** The officers of the Corporation shall be a Chairman of the Board of Directors, a President, one or more Vice Presidents (the number thereof to be determined by the Board of Directors), a Secretary and a Treasurer.

Section 2. **Appointment.** Immediately following each annual meeting, the Board of Directors shall meet and appoint the officers of the Corporation. Any two (2) or more offices may be held by the same person, except the offices of the President and the Secretary. The term of office of each officer shall be for one (1) year or until their successors are duly appointed and qualified. Any officer may be removed by the Board of Directors for cause or without cause. Any officer may resign his office at any time, and such resignation shall take effect upon receipt of written notice thereof by the Corporation, unless otherwise specified in the resignation. If any office becomes vacant for any reason, the vacancy shall be filled by the Board.

Section 3. **Chairman of the Board.** The Chairman of the Board shall, when present, preside at all meetings of the Directors and members. He shall have such other duties and powers as may be imposed or given by the Board.

Section 4. **President.** The President shall be the chief executive officer of the Corporation and unless there shall be a Chairman of the Board or, if there be one, in the event of his death, resignation, absence or inability, shall preside at all meetings of the members and, if he shall be a Director, at all meetings of the Board of Directors. He shall have final authority, subject to the control of the Board of Directors, over the general policy and business of the Corporation and shall have the general control and management of the business and affairs of the Corporation. The President shall have the power, subject to the control of the Board of Directors, to appoint or discharge and to prescribe the duties and to fix the compensation of such agents and employees of the Corporation as he may deem necessary. He shall make and sign bonds, mortgages and other contracts and agreements in the name of and on behalf of the Corporation, except when he or the Board of Directors, by resolution, instructs the same to be done by some other officer or agent. He shall see that all orders and resolutions of the Board of Directors are carried into effect and shall perform all other duties necessary or appropriate to his office; subject, however, to his right and the right of the Directors to delegate any specific powers to any other officer or officers of the Corporation.

Section 5. **Vice Presidents.** Each Vice President shall have such title and powers and perform such duties as may be assigned to him from time to time by the President or the Board of Directors. In case of the absence or inability to act of the President, the duties of his office shall, unless otherwise specified by these Bylaws, be performed by the Vice Presidents in the order of seniority or priority established by the Board or by the President, unless and until the Board shall otherwise direct and, when so acting, the duly authorized Vice President shall have all the powers of and be subject to the restrictions upon the President.

Section 6. **Secretary.** The Secretary shall cause to be maintained Minutes of all meetings of the Board and of the members and shall keep a record of all votes at such meetings. The Secretary shall give or see to the giving of notice of all meetings of the members and of the Board of Directors and shall perform such other duties as may be prescribed by the Board of Directors or the President.

Section 7. **Treasurer.** The Treasurer shall have the custody of the corporate funds and securities, except as otherwise provided by the Board and shall cause to be kept full and accurate accounts of receipts and disbursements in books belonging to the Corporation and shall deposit all moneys and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Directors. He shall disburse the funds of the Corporation as may be ordered by the Board. The books kept by the Treasurer shall at all times be open to the inspection of any member of the Corporation. The Treasurer shall render such statements of his accounts to the Board of Directors and President as they may require and he shall make a full report at each annual meeting of the Board of Directors. He may be required to give bond for the faithful discharge of his duties in such form as the Board of Directors may require the expense of such bond to be paid by the Corporation.

Section 8. **Assistant Secretaries and Treasurers.** There may be elected one or more Assistant Secretaries and Assistant Treasurers who may, in the absence, disability or nonfeasance of the Secretary or Treasurer, perform the duties and exercise the powers of such persons respectively.

Section 9. **Other Officers.** All other officers as may from time to time be appointed by the Board of Directors pursuant to this Article, shall perform such duties and exercise such authority as the Board of Directors or the President shall prescribe.

Section 10. **Absence of Officer.** In the case of the absence of any officer or for any other reason that the Board may deem sufficient, the President or the Board may delegate for the time being, the powers or duties of such officer to any other officer or to any Director.

ARTICLE VIII COMMITTEES

Section 1. **Committees of Directors.** The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate one (1) or more committees, each of which shall consist of two (2) or more Directors and, to the extent provided in said resolution and not restricted by law, shall have the authority of the Board of Directors in the management of the Corporation; but the designation of such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors or any individual Director of any responsibility imposed upon it or him by law.

Section 2. **Other Committees.** Other committees not having the authority of the Board of Directors in the Corporation may be designated by resolution adopted by a majority of the Directors present at a meeting at which is quorum is present. Members of each such committee

need not be a member of the Corporation or a member of the Board of Directors; provided, however, that each such committee shall have at least one (1) member who is a Director or officer of the Corporation. Any member thereof may be removed by the person or persons authorized to appoint such member whenever, in their judgment, the best interest of the Corporation shall be served by such removal.

Section 3. **Term of Office.** Each member of a committee shall continue as such until the next annual meeting of the members of the Corporation or until his successor is appointed, unless the committee shall be sooner terminated or unless such member be removed from such committee.

Section 4. **Chairman.** One (1) member of each committee shall be appointed Chairman by the President of the Corporation.

Section 5. **Quorum.** Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall consist of a quorum and the act of a majority of the members present at a meeting at which a quorum is present, shall be the act of the committee.

ARTICLE IX INTERESTED OFFICERS AND DIRECTORS

Section 1. **Transactions.** No contract or transaction between the Corporation and one or more of its Directors or officers or between the Corporation and any other corporation, partnership, association or other organization in which one or more of its Directors or officers are Directors or officers or have a financial interest shall be void or voidable solely for this reason or solely because the Director or officer is present at, or participates in, the meeting of the Board of Directors or committee thereof which authorizes the contract or transaction or solely because his or their votes are counted for such purpose if:

- (a) The material facts, as to his or her relationship or interest, and as to the Contract or transaction, are disclosed or are known to the Board of Directors or the committee and the Board or committee, in good faith, authorizes the contract or transaction by the affirmative vote of a majority of disinterested Directors or committee members even though the disinterested Directors be left without a quorum; or
- (b) The material facts as to his or her relationship or interest as to the contract or transaction are disclosed or are known to the members entitled to vote thereon and the contract or transaction is specifically approved, in good faith, by a vote of the members; or
- (c) The contract or transaction is fair as to the Corporation as of the time it is authorized, approved or ratified by the Board of Directors, a committee thereof or the members.

ARTICLE X INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 1. **Indemnification of Directors and Officers: Claims by Third Parties.**

The Corporation shall, to the fullest extent authorized by the Michigan Non-Profit Corporation Act, as amended, indemnify a Director or officer (the "Indemnitee") who was or is a party or who is threatened to be made a party to a threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative and whether formal or informal, other than an action by or in the right of the Corporation, by reason of the fact that he or she is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, 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 attorneys' 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 Indemnitee acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation, or its members and, with respect to a criminal action or proceeding, if the Indemnitee 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 upon a plea of nolo contendere, or its equivalent, does not, of itself, create a presumption that the Indemnitee did not act in good faith and in a manner which he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation, or its members and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

Section 2. Indemnification of Directors and Officers: Claims Brought by or in the Right of the Corporation. The Corporation shall, to the fullest extent authorized by the Michigan Non-Profit Corporation Act, as amended, indemnify a director or officer (the "Indemnitee") who was or is a party to or is threatened to be made a party to a threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he or she is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, 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 attorneys' fees), and amounts paid in settlement incurred by the person in connection with the action or suit, if the Indemnitee acted in good faith and in a manner the person reasonably believed to be in, or not opposed to, the best interests of the Corporation or its members. However, indemnification shall not be made for a claim, issue or matter in which the Indemnitee has been found liable to the Corporation unless and only to the extent that the court in which the action or suit was brought has determined upon application that, despite the adjudication of liability but in view of all circumstances of the case, the Indemnitee is fairly and reasonably entitled to indemnification for the expense which the court considered proper.

Section 3. Advancement of Expenses. Expenses incurred in defending a civil or criminal action, suit or proceeding described in Sections 1 and 2 above shall be paid by the Corporation, promptly after request by the Indemnitee in advance of the final disposition of the action, suit or proceeding upon receipt of an undertaking by or on behalf of the Indemnitee to repay the expenses if it is ultimately determined that the Indemnitee is not entitled to be indemnified by the Corporation. The undertaking shall be by unlimited general obligation of the Indemnitee on whose behalf advances are made, shall not be required to be secured and shall be accepted without reference to financial ability to pay. In the event the Corporation fails to advance such

expense as required hereunder within Thirty (30) days of the request therefor, the Indemnitee shall be entitled also to collect interest thereon at the rate of eight (8 %) percent per annum from the date of the request.

Section 4. **Approval of Indemnification.** An indemnification under Section 1 or 2 hereof, unless ordered by a court, shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the Indemnitee is proper in the circumstances because he or she has met the applicable standard or conduct set forth in Sections 1 and 2. This determination shall be made in one of the following ways, as designated by the Indemnitee in his or her sole discretion:

- (a) By a majority vote of a quorum of the Board consisting of directors who were not parties to the action, suit or proceeding;
- (b) If the quorum described in Sub-Paragraph (a) above is not obtainable, then by a majority vote of a committee of directors who are not parties to the action; provided, the committee shall consist of not less than two (2) disinterested directors;
- (c) By independent legal counsel in a written opinion; or
- (d) By the members.

Upon written request by the Indemnitee for indemnification (which request shall designate a method of determination described above), the Corporation shall, at its expense, take all actions necessary to make the determination (utilizing the method of determination designated by the Indemnitee) as expeditiously as possible but within not later than One Hundred Eighty (180) days (or at the next members' meeting if that method is designated) after such request. The Indemnitee shall have the right to petition a court of appropriate jurisdiction: (i) to make the determination if the Corporation fails to do so within the time allotted; or (ii) to review the determination if the determination denies indemnification in whole or in part.

ARTICLE XI CONTRACTS, CHECKS, DEPOSITS AND FUNDS

Section 1. **Contracts.** The Board of Directors may authorize any officer or agent of the Corporation, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of, and on behalf of the Corporation, and such authority may be general or confined to specific incidence.

Section 2. **Checks, Drafts, Etc.** All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or agent of the Corporation and in such manner as shall, from time to time, be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer or Assistant Treasurer

and countersigned by the Chairman of the Board, the President or a Vice President of the Corporation.

Section 3. **Deposits.** All funds of the Corporation shall be deposited, from time to time, to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select.

Section 4. **Gifts.** The Board of Directors, the Chairman of the Board or the President may accept, on behalf of the Corporation, any contribution, gift, bequest or devise for the general purposes or any special purpose of the Corporation.

ARTICLE XII BOOKS AND RECORDS

Section 1. **Books and Records.** The Corporation shall keep correct and complete books and records of account and shall also keep Minutes of the proceedings of its members, Board of Directors and committees having any authority of the Board of Directors and shall keep such books and records at the principal office of the Corporation. All books and records of the Corporation may be inspected by any member, or his agent or attorney, for any proper purpose at any reasonable time.

ARTICLE XIII ENDOWMENT FUND

Section 1. **Organization.** The Board of Directors may create a committee for the establishment and management of an endowment fund. The committee shall be composed of five (5) members of the Corporation which shall consist of the following persons:

- (a) President;
- (b) Chairman of the Board;
- (c) Treasurer;
- (d) Two (2) appointments by the Board of Directors.

Section 2. **Operation and Purpose.** The property, affairs and business of the endowment fund shall be kept separate and apart from any other operating fund of the Corporation and shall be managed by the endowment fund committee. The endowment fund committee shall establish operating guidelines for the management and distribution of funds entrusted to it consistent with the tax exempt purposes of the Corporation.

Section 3. **Funds Received and Disbursed.** The endowment fund committee shall have the full power to accept, manage and disburse any restricted or otherwise designated gifts or donations which are given to either the endowment fund directly or to the Corporation for restricted purposes. The endowment fund committee shall have the full power to invest and reinvest any and all funds of the endowment fund and to take any necessary action on behalf of

the endowment fund. The committee shall use the income and such principal as allowed by the terms of the designated gift for those purposes agreed to between the endowment fund committee and the donor.

Section 4. **Conditions of Gift.** If a gift or other contribution is accepted with conditions or restrictions upon the use of principal and/or income, the endowment fund committee shall, subject to applicable Internal Revenue Service guidelines, be obligated to abide by such terms and conditions once accepted. However, no such funds or gifts shall be managed which are not allowed pursuant to the Corporation's tax exempt purpose. No distribution shall be made which shall be inconsistent with the applicable provisions of the Internal Revenue Code of 1986, as amended.

ARTICLE XIV FISCAL YEAR

The fiscal year of the Corporation shall end on the last day of December of each year.

ARTICLE XV DISSOLUTION

Upon the dissolution or liquidation of the Corporation, the assets shall be distributed among such organizations as shall qualify at the time as an exempt organization within the meaning of Section 501(c)(3) of the Internal Revenue Code as the Board of Directors may determine. Any such assets not so disposed of shall be disposed of by the Kent County Circuit Court, Kent County, Michigan exclusively for such purposes.

ARTICLE XVI AMENDMENTS TO BYLAWS

These Bylaws may be amended, altered, changed, added to or repealed at any regular meeting of the members or of the Board of Directors or at any special meeting of the members or of the Board of Directors; except any Bylaw adopted by the members which expressly so states shall not be altered, amended or repealed by the Board of Directors.