

**BYLAWS
of the
REFORMED HERITAGE CHRISTIAN SCHOOL ASSOCIATION**

Preamble

Believing that children belong not to the State, nor to the Church, nor even ultimately to the Family, but to God; and believing that God entrusts children to parents and gives parents the primary right and responsibility to provide God-centered Christian education for their children; we hereby make and adopt the following Corporate Bylaws:

Article I - Name and Office

- A. Name: This Corporation shall be known as the Reformed Heritage Christian School Association (hereinafter referred to as "this Association").
- B. Principle Office: The principle office of this Association in the State of Michigan shall be located in Kalamazoo County. This Association may have other offices, either within or without the State of Michigan as the Board of Directors may designate or as the business of this Association may require.
- C. Registered Office: The registered office of this Association may be, but need not be, identical with the principle office in the State of Michigan, and the address of the registered office may be changed from time to time by the Board of Directors.

Article II - Purpose

The purpose of this Association is to promote and provide educational instruction and guidance in conformity with Article III of these Bylaws. Through these means students may be equipped to take their place in the home, the church, society, and their vocation in a manner that is covenantally faithful and honoring to God. This Association is established by parental authority and not by civil nor ecclesiastical authority. This Association does not contemplate financial gain or profit.

Article III - Basis and Principles

The basis of this Association is the Scriptures of the Old and New Testaments. We hold that the following Ecumenical creeds are true to Scripture: Apostles Creed, Athanasian Creed, and Nicene Creed. The association also holds to the explanation of Scriptures as found in the Belgic Confession, the Canons of Dort, and the Heidelberg Catechism. These documents are incorporated herein by reference and stand as part of these Bylaws as though fully set forth herein. 11-17-11

- A. The Canons of Dort express the following essential truths regarding our salvation:
 - 1. Total Depravity: By nature we are dead in sin. Because of this we cannot save ourselves or even will to be saved, nor can do anything truly good of ourselves (Eph. 2:1, 5; Col. 2:13; Prov. 21:4).
 - 2. Unconditional Election: The ultimate cause of our salvation is that God chose us "before the foundation of the world" to be His in Christ and that it was of no merit of our own (Eph. 1:4ff; Rom. 9:10ff; John 15:16).
 - 3. Limited and Complete Atonement: Christ fully paid for the sins of the elect and saves them only (Matt. 1:21; John 10:11, 14-16, 26; John 17:2, 6, 9, 14, 20).
 - 4. Irresistible Grace: The inward call of the Holy Spirit is not limited by man's will, but God changes that will causing him to believe in Christ unto salvation and good works (John 5:21; Eph. 2:5ff; John 6:37-40,44,45,64,65; Acts 13:48; 16:14; Rom. 8:30; Phil 2:12,13).

5. Perseverance of the Saints: Those whom God chose to salvation through faith in Christ will not finally fall away, for He will surely preserve them (John 6:35-40; 10:27-30; 1 Peter 1:4, 5; Rom. 8:35-39).

B. Additional Distinctives:

1. The Bible: The Holy Scriptures of the Old and New Testaments are God's inspired, infallible, inerrant revelation. The nature of Biblical authority is Divine; the extent of Biblical authority is total. The meaning of Scripture is not subjective, does not depend on man's interpretation or understanding, but rather its meaning is objective, unchanging, perspicuous, and defined by God Himself (II Peter 1:20-21; II Tim. 3:15-17).
2. Creation: The Father, by the Word (Christ), created the universe and all creatures as it seemed good unto Him. Everything besides God has been made by God, always depends upon God and is governed and upheld by His Providence. The creation was accomplished in six ordinary, literal days (Ex. 20:11) from no preexisting substance (Heb. 11:3), so that both naturalistic and theistic evolution must be rejected.
3. Antithesis: Since the fall, there have been two opposing spiritual forces laying claim to God's creation. This antithesis between Christianity and the world is all-inclusive, cutting across the whole spectrum of life. Therefore, it is impossible to be neutral concerning the totalitarian claims of Christ. All areas of life in all their aspects belong to Him and are to be brought under His redemptive Lordship. Therefore, textbooks written from a Christian perspective should be used to reinforce Biblical principles.
4. The Covenant: God calls to Himself a people whom He saves, adopts them as His own children and establishes a relationship of friendship with them. He made His gospel promise to Abraham, the "father of believers", when He said, "In You all the nations shall be blessed", and He fulfilled that promise in sending Christ, the Redeemer of sinners, in order that "the blessing of Abraham might come" upon those nations through their faith in Christ (Gal. 3:8,9,14). This Covenant, symbolized in baptism, is to believers in Christ and their children (Acts 2:38, 39). Therefore, Christian parents are to receive their children as a trust from the Lord (Mark 9:37) and bring them up "in the training and admonition of the Lord" (Mark 10:13, 14; Eph. 6:4).
5. Human Relationships: God created man in His own image. He created man male and female (Gen. 1:27), forming the first woman, Eve, from a rib taken from the side of the first man Adam (Gen. 2:21-22). God at that time instituted marriage between one man and one woman as a creation ordinance. He commanded husband and wife to be fruitful and multiply, and He blessed them with children, thus instituting the family as a foundational unit in human society. All human relationships are to be regulated and maintained according to God's Word:
 - a. Children are to be obedient to and are to honor their parents; parents are to lovingly discipline their children, raising them in the fear and admonition of the Lord (Deut. 6; Prov. 3:11-12, 13:24, 19:18; Eph. 6:1-4; Col. 3:20-21).
 - b. Male headship involves leadership, authority, and responsibility, and is to be expressed in marriage and in family relationships (Eph. 5:21-33, 6:4; Col. 3: 18, 19; Titus 2:3-5) and in the Church (I Cor. 11:3-10, 14:34-38; I Tim. 2:11-15, 3:2-5, 12).
 - c. Sexual activity outside of the marriage bond is sin (Heb. 13:4; 1 Thess. 4:1-8).
 - d. Not only homosexual activity, but also homosexual lusts and passions are "vile," "against nature," and sinful in God's sight (Rom. 1:24-27).

Thus we do reject egalitarian philosophies such as feminism and homosexuality as being contrary to God's Word.

6. Schooling: The primary responsibility for education rests upon the parents. They may delegate part of their authority to a tutor or a school which is able to assist them in their God-given task. The authority of the teacher is derived from the fact that he acts as representative of the parent (in loco parentis). Nevertheless, there should be considerable interaction between the school and the home, and parents should be regularly and personally involved in their child (ren)'s classroom experience in accordance with the established policies as published in the school Handbook.

Article IV -- Association Membership

A. Full Membership:

1. The requirements for full membership are:
 - a. That a person annually subscribe in writing to Articles II and III of these bylaws.
 - b. That a person be a member in good standing of a church that formally holds to the Three Forms of Unity (the Belgic Confession, the Canons of Dort, and the Heidelberg Catechism) or the Westminster Confessions.
 - c. That a person pays an annual fee as determined by this Association.
 - d. That a person abides by the by-laws and decisions of this Association.
 - e. That a person lives a life consistent with their Christian confession.
2. Full membership can be granted or terminated only by a two-thirds majority vote of the members present at any meeting of the association.
3. Failure of any full member to comply with the requirements of this article shall serve as grounds to terminate his membership.
4. Full members may vote at association meetings if they are 21 years or older and the head of a household (or the representative of the head of a household).

B. Associate Membership: Associate members consist of parents who do not subscribe to Articles II and III of these Bylaws, but have a child (ren) enrolled in the school. Although associate members do not possess all the privileges of full membership, including voting, they are encouraged to participate in the school activities and attend Association meetings.

C. Transfer of Membership: Membership in the Association is non-transferable.

Article V -- Association Meetings

A. Annual Meetings: This Association shall hold two stated meetings each year, one to be held near the beginning of the school year, and the other near the end of the school year. The Board of Directors shall set the exact time and place of such meetings. The Board shall prepare the agenda.

B. Notice: Written notice of the time, place, and purpose of the each Association meeting shall be sent to each full and associate member at least ten (10) days, and no more than sixty (60) days, prior to the meeting. Nothing may be transacted at a stated Association meeting except the particular business specified on the agenda, except as otherwise provided in these Bylaws.

C. Proposals: Full members of this association may present their proposals at the fall or spring stated meeting, provided that a copy of the proposal has been filed with the Board of Directors at least 30 days prior to the stated meeting and their proposal has the support of at least five full members. Association members having proposals affecting the Articles of these Bylaws must present their

proposals to the Board of Directors at least 90 days prior to the stated meeting. The Board shall place all such proposals on the agenda.

- D. Fall Meeting: At the Fall stated meeting, reports on the activity and progress of the school shall be rendered by the Administrator and by the Secretary and Treasurer of the Board.
- E. Spring Meeting: The Spring stated meeting of this Association shall be the principle business session of the year. At this meeting, the annual election of Board members shall take place, and the Board shall present a budget for the ensuing fiscal year. The fiscal year shall be from July 1 through June 30.
- F. Special Meetings: Special meetings may be called at any time by the President or Secretary of the Board, and shall be called at any time by the President provided such a meeting is requested in writing by at least ten percent (10%) of the voting members. Such a request must state the reason(s) for calling the meeting. Written notice of each special meeting must be given to each member of the Association at least ten (10) days prior to the meeting. This notice must also include a statement of the reason(s) for calling such a meeting. Nothing may be transacted at a special meeting besides the particular business for which the meeting has been called.
- G. Quorum: Twenty percent (20%) of the voting members of this association shall constitute a quorum at a duly called meeting. Proxy ballots shall be included when determining a quorum.
- H. Elections: All decisions and elections shall be made by written ballot or signed proxy unless otherwise decided at the meeting. Proxy ballots must be submitted in a sealed envelope with signature on outside. A majority of the votes cast (i.e. one-half of the votes plus one) shall determine the issues in each case, except where otherwise required by these Bylaws or by Robert's Rules of Order.
- I. List of Members: A complete list of the members (full and associate), showing the address of each member shall be prepared by the secretary. Such list shall be subject to the inspection of any member. Such list shall be *prima facie* evidence as to who are the members entitled to examine the list and to vote at the meeting.

Article VI -- Board of Directors

- A. General Powers: The Board of Directors shall manage the business and affairs of the Association.
- B. Qualifications: All members of the Board of Directors must (1) be a male, full member of this Association at the time of their election; (2) meet the requirements in Article III of these Bylaws; (3) all board members that have children eligible to attend school must have their child(ren) enrolled. Should a board member elect to remove all of their children from Reformed Heritage Christian School during their term of office, they, for the well-being of the school, will automatically resign their board position effective immediately unless the board deems otherwise due to special circumstances. 11/13
- C. Number and Term: A Board of Directors consisting of four (4) or more men shall be chosen by the organization at its first stated meeting. The Board shall be divided into three (3) classes with respect to the times for which they shall severally hold office; one class consisting of two (2) members, a second class consisting of one (1) members, and a third class consisting of one (1) member. In order that the Board members may retire in proper succession, voters at the first stated meeting shall elect two (2) Board members for three (3) years, one (1) for two (2) years, and one (1) for one (1) year. At each Spring stated meeting of the Association thereafter, successors shall be elected for each class of directors whose term expires in that year, such successors to hold office for a term of three (3) years, so that the term of office of one class of directors shall expire in each year. Each director of each class shall hold office for a term of three (3) years and thereafter until his successor shall be elected and shall have qualified, except any person elected by the Board of Directors to fill a vacancy shall sit only until the next succeeding Spring stated meeting of the Association at which meeting either a successor shall

be elected by the members to fill the un-expired term for which the vacancy exists, or the election of a successor by the Board shall be ratified.

D. Nominations:

1. At the fall stated meeting, names will be solicited for the purpose of nominating men for election to a full three-year term on the Board of Directors at the ensuing spring stated meeting of this Association, or in the case of a vacancy, for the un-expired term for which the vacancy exists.
2. Following the fall stated meeting, the Board will review each name submitted to determine whether the individual satisfies the qualifications for membership on the Board of Directors (as set forth in Article VI, Section B of these Bylaws). Members of the Board may supply additional names of qualified individuals. The consent of each nominee must be obtained.
3. The Board shall present at the ensuing spring stated meeting of this Association a slate of nominees for election. In addition, the slate of nominees must also be presented to Association members in the written notice of the spring stated meeting.

E. Resignations and Vacancies:

1. Any director may resign at any time by submitting his written resignation to the President or the Secretary. Such resignation shall be effective upon receipt by the President or the Secretary unless otherwise specified therein.
2. Should any vacancy or vacancies occur in the Board of Directors, the remaining directors, even though less than a quorum may, by majority vote, fill the vacancy or vacancies. Each director so elected by the Board shall hold office until his successor shall be elected by the voting members of the corporation at the next spring meeting of the Association and shall have qualified.

F. Meetings of the Board of Directors:

1. The Board of Directors shall hold one stated meeting each month school is in session, at such time and place as shall be designated by the Board of Directors.
2. Special meetings of the Board may be called at any time by the President and shall also be called by him on the written request of any two (2) directors. Such a request must specify the reason(s) for calling the meeting. Nothing may be transacted at a special meeting except the particular business for which the meeting has been called.
3. Written or oral notice of each stated meeting of the Board of Directors shall be given to each director by the Secretary of this Association at least seven (7) days prior to the date of the meeting. Such notice shall specify the exact time and place of the meeting. Written or oral notice of each special meeting of the Board, specifying the reason(s) for calling the meeting, shall be given at least twenty-four (24) hours prior to the meeting. Such notice shall specify the exact time and place of the meeting.
4. Any director who fails to attend three (3) consecutive meetings (stated or special) of the Board of Directors without adequate explanation of his absence from each such meeting shall be subject to removal as a director upon the vote of the other members of the Board. In the event of any such removal, the vacancy so created shall be filled in accordance with the provision of Article VI, Section E of these Bylaws.
5. At all meetings of the Board of Directors, a quorum for the transaction of business shall consist of three (3) members of the Board. Unless otherwise provided in these Bylaws or Robert's

Rules of Order, or by law, an affirmative vote of not less than a majority of the total votes of all directors present and voting shall be necessary to adopt any measure. Board decisions shall require at least two (2) votes in favor. The President is permitted to vote at all times.

6. Meetings of the Board of Directors may be open to Full Association members. Confidential matters should be taken care of in a closed executive session.
7. Order of Procedure at all Board meetings:
 - * Opening Scripture and Prayer
 - * Roll Call
 - * Reading of Minutes of Previous Meeting
 - * Reading of Papers and Correspondence
 - * Report of the Administrator
 - * Report of Standing Committees
 - * Report of Special Committees
 - * Consideration of Unfinished Business
 - * Consideration of New Business
 - * Reading of Concept Minutes
 - * Adjournment and Closing Prayer
- G. Presence by Means of Telephone: A Director shall be deemed to be present in person at a meeting of the Board of Directors if he participates in the meeting by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other.
- H. Duties of the Board of Directors:
 1. The Board shall determine school policies in harmony with these Bylaws and in accordance with the decisions of this Association.
 2. The Board shall select an Administrator and teaching staff qualified to carry out the educational program and policies of the school.
 3. The Board shall devise ways and means of obtaining the necessary funds for operating the school, maintain accurate records, and determine how these funds shall be distributed.
 4. The Board shall appoint one of its own members to visit the school at least two times a school year to assure itself of the faithful carrying out of the school's educational program and policies.
 5. The Board shall annually appoint out of its membership such committees as it may deem necessary for the performance of its duties. Additional committee members may be appointed from within the membership of this Association.
- I. Compensation: The Directors shall serve as such without compensation.

Article VII - Officers of the Board and Their Duties

- A. Number and Elections: At the first stated meeting of the Board of Directors each year subsequent to the spring stated meeting of this Association, the Board shall elect the following four officers: President, Vice-President, Secretary, and Treasurer. The Board additionally may elect an Assistant Secretary and Assistant Treasurer. The same person, except the offices of President and Secretary, may hold any two or more offices.

- B. Term of Office: Each officer shall be elected to, and shall hold office for a term of one year and shall continue until his successor shall have qualified or until his death or until he shall have been removed in the manner hereinafter provided.
- C. Resignation: Any officer may resign at any time by submitting his written resignation to the President or the Secretary. Such resignation shall be effective upon receipt by the President or the Secretary unless otherwise specified therein.
- D. Removal: Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors, whenever in its judgments the best interests of the Association shall be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment shall not of itself create contract rights.
- E. Vacancies: Should any vacancy or vacancies occur in the officers, the Board shall fill the vacancy or vacancies for the un-expired term or terms. Each officer so elected by the Board shall hold office until his successor shall be elected by the Board and shall have qualified.
- F. Compensation: The officers shall serve as such without compensation.
- G. President: The President shall be the principal executive officer of the Association and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the Association; and shall preside over meetings of the Board and the Members; shall appoint committee chairmen. The President is an ex-officio member of all committees and shall be notified of all meetings. He may sign, with the secretary or any other proper officer of this Association thereunto authorized by the Board of Directors any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these bylaws or some other law to be otherwise signed or executed and in general shall perform all duties incident to the office of President and such other duties and may be prescribed by the Board of Directors from time to time.
- H. Vice-President: The Vice-President shall assist the President whenever possible in the discharge of his duties and shall perform other such duties as may from time to time be prescribed by the Board. In the event of the absence or incapacity of the President, the Vice-President shall take his place.
- I. Secretary: The Secretary shall take care of the official documents of this Association, conduct all correspondence, and enter into the records of this Association the minutes of all the meetings of the Board and of this Association after they have been approved.
- J. Treasurer: The Treasurer is responsible for accounting for the Association's funds and makes all disbursements from the General Fund. He shall see to it that all funds received by the Association are properly accounted for and deposited in the name of this Association in a bank or banks approved by the Board. He shall see to it that no disbursements of Association funds shall be made except by check. He shall see to it that no payment is made without the approval of the Board. The Treasurer shall report regarding the finances of this Association at the monthly meeting of the Board and at the stated meeting of the organization as herein previously defined.

The Board may give responsibility to another member of the Board (e.g. Building Fund Treasurer or an Assistant Treasurer) to administer specific Association funds and accounts. The Board may give a full Association member serving on a school committee (e.g. Public Relations) limited responsibility to administer accounts set up for specific purposes related to the school committee's work. All

disbursements shall be made by check, and no disbursement shall be made without approval of the Board. Regular, detailed reports from such Assistant Treasurers or Committee Account administrators shall be made to the Treasurer and Board.

Article VIII - Committees of the Board and Their Duties

A. Education Committee:

1. Consider all matters relative to the education program and policies of the school and make recommendations concerning the same to the Board.
2. Investigate the qualifications and candidates for administrative and teaching positions and make recommendations concerning such candidates to the Board for appointment and concerning salaries of such candidates.
3. Monitor the scholastic quality and Christian character of the instruction given; the course of study, discipline, equipment, etc., and make recommendations to the Board concerning these and related matters.

B. Finance Committee:

1. Recommend to the Board a budget for the ensuing year.
2. Recommend to the Board salaries for staff members.
3. Recommend to the Board the cost of tuition for school children.
4. Recommend to the Board membership fees for Association members.
5. Recommend to the Board the manner in which the school is to be maintained financially, indicating the various sources of income and how funds are to be collected from these sources.

C. Building Committee:

1. Make recommendations to the Board regarding location and operation for the physical plant of the school.
2. Concern itself with all phases of the proper care, maintenance, and adequacy of the physical equipment of the school and make recommendation to the Board concerning these matters.

D. Public Relations Committee:

1. Recommend to the Board means of publicizing and promoting the cause of Christian education in general and Reformed Heritage Christian School in particular.
2. Make necessary arrangements to make use of such means.
3. Recommend to the Board means of the school's fundraisers.

E. Transportation Committee:

1. Recommend to the Board a plan for the coordination of transportation of students to and from school.

2. Make the necessary arrangements for the implementation of such a plan.

Article IX - Finances

The funds necessary for the operation of the Association shall be raised through tuition, donation, membership fees and other means approved by the board. The Board, subject to the approval of the association, shall fix the tuition rate. No fundraising of any kind shall be undertaken without the prior approval of the Board of Directors.

This Association does not accept and will not accept funds and/or vouchers from Federal, State, or local government, whether these funds are paid directly to the school or to the parents for payment to the school.

The Board of Directors shall be responsible for the maintenance of accurate and detailed records and accounts of all properties held in the name of the organization, and of all investments, receivables, disbursements, and other transactions. These books, accounts, and records shall be open to inspection and audit by a person or persons designated by the Board of Directors at any reasonable time, and a review by an independent, financial consultant shall be made annually.

Article X - The Staff

- A. The Board shall appoint the Administrator and teachers after a careful consideration of their spiritual and academic qualifications. They shall be appointed for such terms and with such salary and other conditions (except as herein expressly provided) as the Board may determine.
- B. All member of the staff must: (a) declare their unconditional agreement with Articles II and III of these Bylaws; (b) be Scripturally sound in their teaching and shall lead exemplary lives; (c) be members in good standing of a church which embraces the doctrines of the infallibility and inerrancy of the Word of God, the Scriptures of the Old and New Testaments, and the system of Biblical doctrine set forth in the Belgic Confession, the Canons of Dort, and Heidelberg Catechism or the Westminster Standards.
- C. All staff as well as the Board shall abide by the terms of the contract entered into by both parties. The Board has the authority to dismiss any member of the staff who proves to be unsuited for the work because such person's administration, instruction, or personal conduct conflicts with the purpose, basis, or principles of this Association.
- D. The Board shall determine the school term. Holidays and vacations shall be allowed as decided upon by the Board.
- E. The substance of this Article shall be made a part of all contracts entered into with members of the staff.

Article XI- Admissions

- A. **Nondiscriminatory Policy:** The Association shall admit students of any sex, race, color, national and ethnic origin to all the rights, privileges, programs, and activities generally accorded or made available to students at the school. It shall not discriminate on the basis of gender, race, color, national and ethnic origin in administration of its education policies, admissions policies, and other school-administered programs.
- B. **Admissions:**
 1. Enrollment in the Association's school shall be granted to the children of parent(s) who 1) subscribe annually in writing to Articles II and III of these Bylaws, and 2) have membership in a

church that formally embraces the system of doctrine set forth in the Belgic Confession, the Canons of Dort, and the Heidelberg Catechism or the Westminster Standards.

2. Enrollment in the Association's school may be granted to the children of parent(s) who do not subscribe to Articles II and III of these Bylaws, but who do regularly attend as evangelical Christian church and annually subscribe to the following Statement of Faith:
 - a. We believe that God wrote the Bible through men and therefore it is true and without mistakes.
 - b. We believe that there is one God who always existed in three persons: Father, Son and Holy Spirit.
 - c. We believe that Jesus Christ is both God and Man, that He was born of a virgin, lived a sinless life, died for our sins, arose from the dead, ascended to heaven, and will return in power and glory.
 - d. We believe that God created the world and man good, that man fell into sin, and that sin is so serious that we must be born again by the Holy Spirit to be saved.
 - e. We believe that both the saved and the lost shall rise again, the saved for heaven, the lost for hell.
 - f. We believe in the spiritual unity of all believers in Christ.
 3. Application Process: Parents who desire to send their children to this school should fill out an application. The Board (or a committee of it) may request an interview with the parents in order to inquire into the matters mentioned above. Parents will be asked to indicate their written agreement with the above requirements annually upon registration of the children for the following school year. The Board shall make final approval for admission.
- C. Parents' Obligation: Since it is important that there be harmony between the training of home and school, parents should endeavor to provide a Christian home by having family worship, attending public worship, and guiding and restricting children's conduct and recreations (including such matters as reading, radio, and television programs, as well as other recreations) in accordance with the Christian standards laid down in God's Word.
- D. Expulsion: Parents must consent to have their children trained according to the standards of the school, and recognize the right of the Board to expel any pupil who does not abide by the rules of the school or who is detrimental to the Christian character of the school.

Article XII - Indemnification

- A. Actions against Directors and Officers: Subject to the other provisions of these bylaws, the Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Association) by reason of the fact that he is or was a Director or officer of the Association, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement, actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interest of the Association, or its members, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his 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, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interest of the Association, or its members, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.
- B. Actions by Association: Subject to the other provisions of these bylaws, the Association shall indemnify any person who was or is a party of or is threatened to be made a party to any threatened, pending or

completed action or suit by or in the right of the Association or procure a judgment in its favor by reason of the fact that he is or was a Director or officer of the Association, or is or was serving at the request of the Association as a Director or officer of another Association, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interest of the Association, or its members, and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Association unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.

- C. Expenses: To the extent that a person who is a Director or officer of the Association or who is a Director or officer of another Association, partnership, joint venture, trust or other enterprise in which he is serving at the request of the Association, has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Sections A and B of this Article XII, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.
- D. Good Faith: Any indemnification under Sections A and B or this Article XII unless ordered by a court) shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the person is proper in the circumstances because he has met the applicable standard of conduct set forth in said Sections A and B. Such determination shall be made in any of the following ways: (1) by the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding; (2) if such a quorum is not obtainable, or even it obtainable a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion; or (3) by the members.
- E. Prepayment: Expenses incurred in defending a civil or criminal action, suit or proceeding described in Section A and B of this Article XII may be paid by the Association in advance of the final disposition of such action, suit or proceeding as authorized in the manner provided in Section C of this Article XII upon receipt of an undertaking by or on behalf of the person for whom such expenses are being paid to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Association.
- F. Persons Not Directors or Officers: Persons for whom indemnification is not provided in Sections A and B of this Article XII, but who are employees or agents of the Association or are serving at the request of the Association as employees or agents of another Association, partnership, joint venture, trust or enterprise may be indemnified to the extent authorized at any time or from time to time by the Board of Directors or the Association subject, however, to the limitations set forth in this Article XII.
- G. Persons Who Have Ceased To Hold Office: The indemnification provided in this Article XII shall continue as to a person who had ceased to be a Director or officer and shall inure to the benefit of the heirs and personal representatives of such a person.
- H. Implied Contract: The assumption by a person of a term of office as a Director or officer of the Association or, at the request of the Association, as a Director or officer of another Association, partnership, joint venture, trust, or other enterprise shall constitute a contract, entitling such a person, during such term of office, to all of the rights and privileges of indemnification afforded by this Article XII as in effect as of the date of his assumption of such term of office, but such contract shall not prevent

the amendment of this Article XII in respect to any future term of office of such persons or in respect of any other person.

- I. Insurance: The Association shall have power to purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the Association, or is or was serving at the request of the Association, as a Director, officer, employee or agent of another Association, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability under the provisions of this Article XII or of the Michigan Non-Profit Corporation Act.
- J. Invalidity of Part: The invalidity or unenforceability of any provision of the Article XII shall not affect the validity or enforceability of any other provision hereof.

Article XIII - Amendments

These bylaws may be amended at any regular meeting of the members of this Association (providing that ten (10) days previous notice is sent to each member stating the desired change) by the affirmative action of not less than a three-fourths (3/4) vote of the members of this Association present and voting at such regular meeting.

The substance of Articles II, III, and XIII of these bylaws are not subject to change.

Article XIV - Dissolution

- A. Dissolution of Operations: A three-fourths (3/4) vote of the Board is required on a decision to stop operation. This action requires one-month prior written notice to all members of this Association. Notice shall give the principle reason(s) for the proposed action and a complete financial report.
- B. Disposal of Assets: In case of the dissolution of this Association, all assets, real and personal, belonging to this Association shall, after liquidation, be donated to such a Christian educational or charitable organization, qualified as tax exempt under section 501(c)(3) of the Internal Revenue Code or the corresponding provisions of any future United States Revenue Law, as this Association may determine.