

Approved November 2, 2016 as amended Bylaws

NATIONAL ASSOCIATION OF STATE LONG-TERM CARE OMBUDSMAN PROGRAMS

ARTICLE I

Purposes of the Corporation

1.01 Purposes. The NATIONAL ASSOCIATION OF STATE LONG-TERM CARE OMBUDSMAN PROGRAMS is organized to:

- a) Improve the quality of life of long-term care consumers through strong, effective state ombudsman programs;
- b) Improve the quality of care of long-term care consumers by maintaining collaborative relationships with consumer and advocacy organizations, governmental bodies, and health care providers;
- c) Provide information to policy makers on the impact of regulations, policies, and legislation on long-term care consumers and ombudsman programs;
- d) Provide for the professional development of state ombudsman program staff through national conferences and mentoring for state ombudsman programs; and
- e) Exchange information among state ombudsman programs by serving as a resource center and clearinghouse.

The Corporation is a nonprofit organization that will be financed under a general plan which may include, without limitation, contributions from the general public, fund raising activities, loans and grants from third parties, and income from investments, as the Board of Directors shall deem necessary and appropriate to further the purposes of the Corporation.

The Corporation is organized exclusively for charitable purposes, including for such purposes, receiving and administering funds and making distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

ARTICLE II

Location

2.01 Principal Office. The principal office of the Corporation shall be located in the Township of Lansing, County of Ingham, State of Michigan. Other corporate offices, either within or outside the State of Michigan, may be designated by the Board of Directors.

2.02 Registered Office. The registered office of the Corporation may also be, but need not be, the principal office named above. The registered office shall be maintained in the State of Michigan as required by the State of Michigan Nonprofit Corporation Act, and the address of such registered office may be changed from time to time by the Board of Directors.

ARTICLE III

Membership

3.01 Corporate Structural Basis. The Corporation is organized on a nonstock, membership basis within the meaning of section 450.2202 of the Michigan Nonprofit Corporation Act, as amended.

3.02 Membership. Membership in the Corporation shall be open to all persons as described in sections 3.03 and 3.04 who have an interest in long-term care ombudsmanship and whose membership dues have been paid unless they are otherwise exempt from payment of membership dues as stated in these bylaws.

3.03 Regular Membership. Any and all of the state long-term care ombudsman programs identified with the Long-Term Care Ombudsman Program under the Older Americans Act and whose dues are paid in full are eligible for regular membership. The term *state* includes the District of Columbia, Puerto Rico and Guam. Regular members have the right to vote in the election for the Board of Directors and Officers, and are eligible to hold office in the Corporation. Each state program shall be represented by the individual with the title of State Long-Term Care Ombudsman or a designee of the individual.

3.04 Honorary Membership. Honorary membership shall be available to any person who is nominated by the Executive Committee and receives approval of the Board of Directors present at a regularly scheduled meeting of the Board of Directors. Honorary members may be chosen from time to time to recognize special achievement in long-term care advocacy. Honorary members do not have voting rights. Honorary members may not hold a Board of Director's or Officer's position. Honorary members may, however, be asked to serve in an advisory capacity or on a committee.

3.05 Membership Year. The membership year will begin the 1st day of January and terminate on the 31st day of December.

3.06 Membership Dues. Annual membership dues shall be established by a vote of the membership. Membership dues are required to be paid by the end of the membership year. Dues may be paid by either the state ombudsman program member or by the individual State Long-Term Care Ombudsman.

Program Membership Dues. Membership dues shall be paid by the State Long- Term Care Ombudsman Program or by an individual State Long-Term Care Ombudsman. Payment of dues by one will cover the other.

3.07 Voting Rights. Each program member is entitled to one (1) vote in the election for directors, officers, and on each matter submitted to the membership for a vote by the Board of Directors. Absentee ballots shall be counted for the election of officers or directors of the Corporation so long as the nominating committee can verify that the absentee ballot was cast by an eligible voting member. Honorary members do not have voting rights.

3.08 Voting by Proxy. A member entitled to vote may authorize other persons to act for the member by executing a written proxy on a form approved by the Corporation. The Corporation shall provide the proxy form for any member requesting it. The proxy is revocable at the pleasure of the member. The proxy is not valid after three (3) years from its date of signature unless otherwise provided in the proxy.

3.09 Standing. A member is considered in good standing if the conditions of membership as set forth in this Article are met and all membership dues are paid by the end of the membership year.

3.10 Disciplinary Procedures. Any member whose actions tend to injure the good name of the Corporation, disturb its well-being, or hamper the Corporation in its work may be censured, suspended, or expelled by the Board of Directors. The Board of Directors, by affirmative vote of two-thirds (2/3) of all members of the Board, may censure, suspend, or expel a member.

3.11 Transferability of Membership. Membership shall not be transferable and shall be terminated by resignation, expulsion, or failure to pay dues.

3.12 Annual Membership Meeting. The annual membership meeting of the members for the election of directors and officers shall be held each Spring, by the first weekend in May. If the annual membership meeting is not held at that time, the Board shall cause the meeting to be held as soon thereafter as is convenient. Written notice of the time, place, and purpose of the annual meeting of the members shall be given not less than ten (10) days or more than sixty (60) days before the date of the meeting. The annual meeting shall include reports of the executive and standing committees and other necessary business.

3.13 Special Meetings. Special meetings of the membership may be called by order of the Board of Directors, or by the President, or upon written request of not less than twenty (20) percent of the voting members of the Corporation. Should the President fail within fifteen (15) days of the order to call the meeting, it shall be the duty of the Secretary to call the meeting. Notice of a special meeting shall set forth the purpose(s) of the meeting. The call for such special membership meeting shall be sent to each member at least fifteen (15) days before the date set for the meeting.

Notwithstanding any such provision in the bylaws, upon application of the holders of not less than ten (10) percent of all members entitled to vote at a meeting, the circuit court for the county in which the registered office is located, for good cause shown, may order a special meeting of members to be called and held at such a time and a place, upon such notice, and for the transaction of such business as may be designated in the order. At any such meeting ordered to be called by the court, the members present in person or by absentee ballot and having voting powers constitute a quorum for transaction of the business designated in the court order.

3.14 Notice of Meetings. Written notice of the time, place, and purposes of a membership meeting shall be given in accordance with these bylaws. Notice shall be given either personally or by first-class mail or email to each member of record entitled to vote at the meeting at his or her last address as it appears on the books of the Corporation. Alternatively, notice may be published in the Corporation's newsletter, provided that the newsletter is published at least semiannually and is mailed to the members entitled to vote at the meeting not less than ten (10) days nor more than sixty (60) days before the date of the meeting.

3.15 Quorum. Ten (10) State Long-Term Care Ombudsmen of the regular membership eligible to vote, each of whom represents a different state, constitutes a quorum for the transaction of business at any meeting of the membership.

3.16 Manner of Acting. When an action is to be taken by vote of the members, other than the election of Board members, it shall be authorized by a majority of the votes cast when a quorum is present. In an election for the Board of Directors, the vote of the members shall be authorized by a plurality of the ballots cast.

ARTICLE IV

Board of Directors

4.01 General Powers. The business, property, and affairs of the Corporation shall be managed by the Board of Directors, including the hiring of any Executive Director.

4.02 Number. There shall be not less than ten (10) or more than twenty-six (26) Board members as shall be fixed from time to time by the Board of Directors. The Board of Directors shall consist of five (5) Officers: the President, First Vice President, Second Vice President, Secretary and Treasurer; four (4) Directors-at-Large; and one (1) Ex-Officio Board member, the immediate past President.

4.03 Executive Committee. The Executive Committee shall make policy and procedure decisions. This information shall be presented to the Board of Directors at the next meeting of the Board. The Executive Committee shall consist of five (5) Officers as elected by the membership.

4.04 Election and Tenure. The voting members shall elect the Board of Directors of the Corporation.

a) The term of office for the elected Board of Directors shall be two (2) years.

1. Officers shall be elected in even numbered years;
2. Directors-at-Large shall be elected in odd numbered years; and
3. The treasurer shall be elected every five (5) years.

b) A member shall be entitled to vote for all Officers and Directors-at-Large who are seeking election.

c) Elected Directors shall assume the duties of their office immediately upon their election at the annual membership meeting.

4.05 Resignation. Any Director may resign at any time by providing written notice to the Corporation and the President. The resignation will be effective on receipt of the notice or at a later time designated in the notice. A successor to fill the vacancy shall be appointed as provided in section 4.07 of these Bylaws. Directors may hold office without being a resident of the State of Michigan.

4.06 Removal. Any Director may be removed with or without cause by a majority vote of the full membership entitled to vote. The removal of a Director shall be without prejudice to the contract rights of the Director, if any. The election or appointment of a Director does not of itself create contract rights.

4.07 Board Vacancies. A vacancy on the Board may be filled with a person selected by a majority vote of the remaining Directors of the Board. The Board member filling the vacancy shall serve until the next annual membership meeting for the election of the Board of Directors. If a Board member is also a Director-at-Large, the Board of Directors shall appoint a member who meets at-large criteria described in section 8.01 of these Bylaws to fill the vacant Board seat.

4.08 Regular Meetings. The Board of Directors shall hold regular meetings, not less than two (2) times each year, at a time and place determined by resolution of the Board. Meetings of the Board of Directors shall be called by the President. Notice of the time and place of any meeting shall be given to each Director at least fourteen (14) days before the meeting. The Board of Directors may provide for other meetings by resolution, and the meetings need not be held within the State of Michigan.

4.09 Special Meetings. Upon the written request of five (5) members of the Board, the President or the Secretary shall call a special meeting of the Board, the purpose of which shall be specified in the notice. The notice shall specify the business that is to be transacted at the

special meeting. Notice of the time, place, and purpose of special meetings shall be given to each Director, seven (7) days before the meeting.

4.10 Statement of Purpose. The business to be transacted at, and the purpose of, any regular or special meeting of the Board must be specified in the notice for that meeting.

4.11 Waiver of Notice. Directors may waive notice of any special meeting. Any Director attending a special meeting shall be deemed to have waived notice of the meeting unless attendance is for the express purpose of objecting to the transaction of any business because the meeting is not properly called or convened.

4.12 Meeting by Telephone or Similar Equipment. Any meeting may be conducted by conference telephone or any similar communications equipment through which all persons participating in the meeting can hear each other. Participation in a meeting under this section constitutes presence in person at the meeting.

4.13 Quorum. A majority of the Directors then in office, not including the Ex-Officio Board member (the immediate past President), constitutes a quorum for the transaction of business at any meeting of the Board. Actions voted on by a majority of Directors present at a meeting where a quorum is present shall constitute authorized actions of the Board. In the absence of a quorum, an assemblage of Board members may receive and discuss information related to the Corporation, but must refer matter requiring a vote to the full Board, to the Executive Committee, or to the full membership of the Corporation.

4.14 Consent to Corporate Actions. Any action required or permitted to be taken by authorization of the Board may be taken without a meeting if, before or after the action, all Directors consent to the action in writing. Written consents shall be filed with the minutes of the Board's proceeding.

4.15 Presumption of Assent. A Director of the Corporation shall be deemed to have assented to an action taken by the Board of Directors unless he or she makes his or her dissent known during the meeting at which action was taken and his or her dissent is recorded in the minutes of the meeting, or unless the dissenting Director, immediately after the meeting, shall send by registered mail, to the Secretary of the Corporation, a written dissent against the action. No Director who affirmatively votes for any action may later dissent to that action.

ARTICLE V

Conflict of Interest Policy

5.01 Policy. It is the policy of the National Association of State Long-Term Care Ombudsman Programs (hereafter referred to as the "Association"), that no officer or agent of the Association, or any other interested person shall have a conflict of interest as defined in this

policy. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Definitions

5.02 Interested Person. Any director or principal officer, who has a direct or indirect financial interest, as defined below, is an interested person.

5.03 Financial Interest. A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a. An ownership or investment interest in any entity with which the Association has a transaction or arrangement,
- b. A compensation arrangement with the Association or with any entity or individual with which the Association has a transaction or arrangement, or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Association is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Section 5.03, a person who has a financial interest may have a conflict of interest only if the appropriate governing board decides that a conflict of interest exists.

Procedures

5.04 Duty to Disclose. In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors considering the proposed transaction or arrangement.

5.05 Determining Whether a Conflict of Interest Exists. After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board members shall decide if a conflict of interest exists.

5.06 Procedures for Addressing the Conflict of Interest. The following procedures shall be used to address conflicts of interest.

- a. An interested person may make a presentation at the governing board meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

b. The chairperson of the governing board shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

c. After exercising due diligence, the governing board shall determine whether the Association can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Association's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

e. All records of any proceedings under this section shall remain strictly confidential unless disclosure of such information is required by law or unless consent of the individuals involved to disclose the information is affirmed.

5.07 Violations of the Conflicts of Interest Policy. The following actions shall be taken if there are violations of this policy.

a. If the governing board has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Records of Proceedings

5.08 Minutes. The minutes of the governing board shall contain:

a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's decision as to whether a conflict of interest in fact existed.

b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Compensation

5.09 Compensation.

- a. A voting member of the governing board who receives compensation, directly or indirectly, from the Association for services is precluded from voting on matters pertaining to that member's compensation.
- b. A voting member of any committee whose area of responsibility includes compensation matters and/or who receives compensation, directly or indirectly, from the Association for services is precluded from voting on matters pertaining to that member's compensation.
- c. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Association, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Annual Statements

5.10 Statements. Each director and principal officer shall annually sign a statement which affirms such person:

- a. Has received a copy of the conflict of interest policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands that the Association is qualified as a 501(c)(3) organization and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Periodic Reviews

5.11 Reviews. To ensure the Association operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Association's written policies, are properly recorded, reflect reasonable

investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

Use of Outside Experts

5.12 Experts. When conducting the periodic reviews as provided for in Section 5.11, the Association may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

ARTICLE VI

Committees

6.01 General Powers. The Board, by resolution adopted by a vote of a majority of its Directors, may designate one or more committees, each committee consisting of one or more Directors. The Board may also designate one or more Directors as alternate committee members who may replace an absent or disqualified member at a committee meeting. A committee shall consist of two (2) or more officers and as many general members as deemed appropriate by the committee chairman. If a committee member is absent or disqualified from voting, then members present at a meeting who are not disqualified from voting may, whether or not they constitute a quorum, unanimously appoint an alternate committee member to act at the committee meeting in place of the absent or disqualified member. All committees designated by the Board shall serve at the pleasure of the Board.

A committee designated by the Board may exercise any powers of the Board in managing the Corporation's business and affairs to the extent provided by resolution of the Board. However, no committee shall have the power to:

- a) Amend the Articles of Incorporation,
- b) Adopt an agreement of merger or consolidation,
- c) Amend the Bylaws of the Corporation,
- d) Fill vacancies on the Board, or
- e) Fix compensation of the Directors for serving on the Board or on a committee.

6.02 Meetings. Committees shall meet as directed by the Board, and their meetings shall be governed by the rules provided in Article IV for meetings of the Board. Minutes shall be recorded at each committee meeting and shall be presented to the Board.

6.03 Consent to Committee Actions. Any action required or permitted to be taken by authorization of a committee may be taken without a meeting if, before or after the action, a

majority of the members of the committee consent to the action in writing. Written consents shall be filed with the minutes of the committee's proceedings.

6.04 Committee Members. The First and Second Vice President shall serve as members of each standing committee. Each additional committee member shall be appointed by the Executive Committee. All members, regular and honorary, are eligible to serve on standing committees.

6.05 Removal of Standing Committee Members. The Board of Directors may remove any committee member from a committee with two-thirds (2/3) vote of the Board.

6.06 Standing Committees. The standing committees of the Corporation are Federal Affairs, Finance, and Professional Development.

6.07 Duties of Standing Committees. All standing committees shall prepare and submit reports as may be directed by the Board of Directors or the President, and perform such other duties as are relevant and directed by the President, Board of Directors, and Bylaws.

a) **Advocacy Committee.** The Advocacy Committee shall study and address issues relating to long-term care. This includes, but is not limited to, promoting the advancement of the ombudsman profession, creating and implementing ombudsman programs, and establishing a positive impact on the lives and needs of long-term care residents. The Advocacy Committee shall be a self-acting committee, who works in conjunction with the membership on various issues relating to long-term care.

b) **Finance Committee.** The Finance Committee shall address the Corporation's financial concerns including membership dues, fundraising, and financial management. The Finance Committee shall seek means of securing funds for the operation of the Corporation and prepare and present to the Board of Directors an annual budget. The Finance Committee shall be chaired by the Treasurer.

c) **Professional Development Committee.** The Professional Development Committee shall study and address the Corporation's purpose of aiding its members in the development of their administrative, management, and professional skills as long-term care ombudsmen, and the protection and advancement of the integrity of state long-term care ombudsman programs.

6.08 Ad Hoc Committees. The Board of Directors may appoint such temporary ad hoc committees as are deemed necessary to further the goals and objectives of the Corporation. The existence of these committees shall end when their purpose for formation is complete.

ARTICLE VII

Officers

7.01 Number. The officers of the Corporation shall consist of a President, a First Vice President, a Second Vice President, a Secretary, and a Treasurer.

7.02 Nominating Committee. A nomination Committee of not less than two (2) members shall be appointed by the Board of Directors at least two months before the annual membership meeting to insure that there is at least one (1) nominee for each office. Nominations shall also be accepted from the floor at the time of the election. Election procedures shall be set and supervised by the Nominating Committee.

7.03 Election and Terms of Office. The officers shall be selected for nomination from among the Corporation's voting members. The officers of the Corporation shall be elected at the annual membership meeting for election of directors and officers for a term of two (2) years or until the next membership election. The elected officers shall assume the duties of their office immediately upon their election at the annual membership meeting.

7.04 Resignation. Any officer may resign at any time by providing written notice to the Corporation and to the President. The resignation will be effective upon receipt of the notice or at a later time designated in the notice. A successor shall be appointed as provided in section 7.06 of the Bylaws.

7.05 Removal. An officer elected by the members may be removed, with or without cause, only by a majority vote of the members. The removal of an officer shall be without prejudice to the contract rights of the officer, if any. The election or appointment of an officer does not of itself create contract rights.

7.06 Vacancies. The Board of Directors may fill a vacancy in any office because of death, resignation, or removal of any officer of the Corporation. The officer filling the vacancy shall serve until the next membership election of officers.

7.07 General Duties of All Officers. Officers are responsible for attending all meetings of the Board of Directors unless excused by the President. They are also responsible for providing such reports as the President or Board of Directors may request.

7.08 President. The President is the chief executive officer of the Corporation and shall have authority over the general control and management of the business and affairs of the Corporation, subject to the control of the Board of Directors. The President may sign with the Secretary or other executive officer any instruments necessary to the operations of the Corporation, unless the signing of the documents has been delegated by the Board of Directors to some other officer of the Corporation, or unless the signing is prohibited by law to be so signed or required by law to be otherwise signed. Other duties include:

- a) Preside at the meetings of the Board of Directors, and all meetings of the Corporation.
- b) Appoint, with the advice and consent of the Board, such committees as are deemed necessary to carry on the functions of the Corporation.
- c) Review any correspondence or issue that needs a policy interpretation or position statement.
- d) Approve any correspondence sent on the Corporation's letterhead.

7.09 The First Vice President. The First Vice President shall perform all duties assigned by the President or by the Board of Directors. The First Vice President shall assume the duties of the President in the event of the President's death, resignation, removal, disqualification, or inability or refusal to act until the time the members can duly elect a new President. Other duties of the First Vice President include:

- a) Ensuring that reports from the standing committees are available at all Board meetings; and
- b) Being a member of all standing committees.

7.10 Second Vice President. The Second Vice President shall perform such duties as may be assigned by the President or the Board of Directors. The Second Vice President, after appointment by the Board, shall assume the duties of the First Vice President in the event that officer assumes the duties of the President, or that office is otherwise vacated due to death, resignation, or inability of the First Vice President to perform duties of that office. The Second Vice President shall be a member of all standing committees.

7.11 Secretary. The Secretary shall:

- a) Keep minutes of the meetings of the Board of Directors in the minutes book(s) provided for that purpose.
- b) Be responsible for providing notice to each Director of all meetings as required by law, the Articles of Incorporation, or these Bylaws.
- c) Be the custodian of the corporate records and the Corporate Seal, and affix the seal to all documents which require it.
- d) Keep a register containing the address of each officer and Director, the address to be provided to the Secretary.
- e) Sign any documents with the President or Vice President that the law requires the secretary to sign.

f) Perform all duties incident to the office of Secretary, or any other duties assigned to the Secretary from time to time by the Board of Directors or the President.

Treasurer. The Treasurer shall:

a) Be in charge of, have custody over, and be responsible for all the funds and securities of the Corporation.

b) Receive and issue receipts for any money due and payable to the Corporation from any and all sources.

c) Deposit any and all money in the Corporation's name in accordance with Article IX of these Bylaws.

d) Assure that accurate books and records are kept of corporate receipts and disbursements.

e) Retain appropriate financial records and reports for a minimum of seven (7) years, or for as long as may be required by applicable IRS rules governing the association. Any records not retained will be destroyed in a secure manner.

f) Perform all duties incident to the office of Treasurer or any duties designated from time to time by the Board of Directors or the President.

g) The Board of Directors may require the Treasurer to post a bond for the faithful discharge of the Treasurer's duties in an amount and with sureties as determined by the Board of Directors.

7.13 Assistant Secretaries and Treasurers. The Board of Directors may appoint or elect Assistant Secretaries or Treasurers as deemed necessary and in the best interest of the Corporation.

ARTICLE VIII

Directors-at-Large

8.01 Nomination, Election and Terms of Office. The Nominating Committee as described in section 7.02 of these Bylaws shall consider the following criteria for nomination and selection of a Director-at-Large:

a) geographic area and state structure that adds diversity to the makeup of the Board of Directors;

b) years of experience as a state long-term care ombudsman; and

c) professional interests and experience.

The Directors-at-Large shall be elected for a term of two years by a vote of the Corporation's eligible voting members at the annual membership meeting held in odd numbered years except Directors-at-Large elected at the April 2016 annual membership meeting shall serve a term of three years.

8.02 Resignation. Any Director-at-Large may resign at any time by providing written notice to the Corporation and the President. The resignation will be effective upon receipt of the notice or at a later time designated in the notice. A successor shall be appointed as provided in section 7.04 of these Bylaws.

8.03 Removal. Any Director-at-Large may be removed with or without cause by a majority vote of the full membership entitled to vote. The removal of a Director-at-Large shall be without prejudice to the contract rights of the Director-at-Large, if any. The election or appointment of a Director-at-Large does not of itself create contract rights.

8.04 Vacancies. The Board of Directors may fill a vacancy because of death, resignation, or removal of any Director-at-Large. The Director-at-Large filling the vacancy shall serve until the next membership election held in an odd numbered year.

8.05 General Duties of Directors-at-Large. Directors-at-Large are responsible for attending all meetings of the Board of Directors, unless excused by the President. They are also responsible for providing such reports as the President or Board of Directors may request.

8.06 Specific Duties of Directors-at-Large. Directors-at-Large shall represent the interests and concerns of the members at-large. Specific duties of Directors-at-Large shall be reviewed and finalized by the Board of Directors prior to the annual membership meeting at which Directors-at-Large are elected.

ARTICLE IX

Contracts, Loans, Checks, and Deposits

9.01 Contracts. The Board of Directors may authorize any officer or agent of the Corporation to enter into contracts on behalf of and in the name of the Corporation. The Board of Directors may also authorize any officer or agent of the Corporation to execute and deliver any instrument in the name of and on behalf of the Corporation.

9.02 Loans. The Board of Directors may, by resolution, authorize that loans shall be contracted for or that evidence of indebtedness shall be issued in the name of the Corporation. This is the only manner by which loans or evidence of indebtedness shall be authorized. Authorization may be general or limited to specific instances.

9.03 Checks and Drafts. The Board of Directors shall determine, by resolution, which officer or officers, agent or agents of the Corporation shall have the authority and duty to sign all checks, drafts, or other orders for the payment of money issued in the name of the Corporation.

9.04 Deposits. Any funds of the Corporation not being used in any other manner for the benefit of the Corporation shall be deposited to the credit and in the name of the Corporation in a manner the Board of Directors shall select from time to time.

ARTICLE X

Indemnification

10.01 Non-derivative Actions. Subject to all of the other provisions of this article, the Corporation may indemnify any person, as described in (a) or (b) below, 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 formal or informal (other than an action by or in the right of the Corporation). The indemnification shall apply only to a person who was or is:

- a) A Director or officer of the Corporation, or
- b) 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 for profit.

The person may be indemnified and held harmless against expenses (including attorney fees), judgments, penalties, fines, and amounts paid in settlement actually and reasonably incurred by the person in connection with the action, suit, or proceeding, if the person 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. With respect to any criminal action or proceeding, the person must have had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, or conviction or on a plea of nolo contendere or its equivalent, shall not by itself create a presumption that:

- a) The person did not act 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
- b) With respect to any criminal action or proceeding, the person had reasonable cause to believe that his or her conduct was unlawful.

10.02 Derivative Actions. Subject to all of the provisions of this article, the Corporation may 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 Corporation to procure a judgment in its favor because the person was or is:

- a) A Director or officer of the Corporation, or
- b) Serving at the request of the Corporation as a director, officer, partner, joint venture, trust, or other enterprise, whether or not for profit.

The person may be indemnified and held harmless against expenses (including actual and reasonable attorney fees) and amounts paid in settlement 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 Corporation.

However, indemnification shall not be made for any claim, issue, or matter in which the person 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 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 expenses that the court considers proper.

10.03 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 sections 10.01 or 10.02 of this article, or in defense of any claim, issue, or matter in the action, suit, or proceeding, the person may be indemnified against expenses (including actual and reasonable attorney fees) incurred in connection with the action and in any proceeding brought to enforce the mandatory indemnification provided by this article.

10.04 Contract Right; Limitation on Indemnity. Any 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 Corporation as well as in the person's capacity as a Director or officer. Except as provided in section 10.03 of this article, the Corporation 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.

10.05 Determination That Indemnification Is Proper. Any indemnification under sections 10.01 or 10.02 of this article (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case. The Corporation must determine that indemnification of the person is proper in the circumstances because the person has met the applicable standard of conduct set forth in sections 10.01 or 10.02 whichever is applicable. Determination shall be made in any of the following ways:

- 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 clause (a) above cannot be obtained, then by a committee of not less than two disinterested Directors who are not parties to the action,
- c) By independent legal counsel in a written opinion.

10.06 Proportionate Indemnity. If a person is entitled to indemnification under sections 10.01 or 10.02 of 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 Corporation 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.

10.07 Expense Advance. Expenses incurred in defending a civil or criminal action, suit, or proceeding described in sections 10.01 or 10.02 of this article may be paid by the Corporation in advance of the final disposition of the action, suit, or proceeding, on receipt of an undertaking by or on behalf of the person involved to repay the expenses, if it is ultimately determined that the person is not entitled to be indemnified by the Corporation. The undertaking shall be an unlimited general obligation of the person on whose behalf advances are made, but need not be secured.

10.08 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 Corporation. 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.

10.09 Indemnification of Employees and Agents of the Corporation. The Corporation may, to the extent authorized from time to time by the Board, grant rights to indemnification Approved and to the advancement of expenses to any employee or agent of the Corporation 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 Corporation.

10.10 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 that person.

10.11 Insurance. The Corporation may purchase and maintain insurance on behalf of any person who was or is:

- a) A Director, officer, employee, or agent of the Corporation, or
- b) Serving at the request of the Corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise.

The insurance may protect 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 Corporation would have power to indemnify against such liability under this article or the laws of the State of Michigan.

10.12 Changes in Michigan Law. If there are any changes in the Michigan statutory provisions applicable to the Corporation and relating to the subject matter of this article, then the indemnification to which any person shall be entitled shall be determined by the changed provisions, but only to the extent that any change permits the Corporation to provide broader indemnification rights than the provisions permitted the Corporation to provide before the change.

ARTICLE XI

Compensation

11.01 Compensation. When authorized by the Executive Committee, a person shall be reasonably compensated for services rendered to the Corporation as an officer, employee, agent, consultant, or independent contractor, except as prohibited by these Bylaws.

ARTICLE XII

Fiscal Year

12.01 Fiscal Year, Generally. The Corporation's fiscal year shall begin on the 1st day of January and end on the 31st day of December of each and every year.

ARTICLE XIII

Notice

13.01 Notice. When notice is required, it shall be given in person or by first-class mail.

13.02 Waiver of Notice. A waiver of notice in writing, signed by the person entitled to notice, either before or after the time stated herein, shall be deemed the equivalent of the giving of notice when notice is required to be given to any Director under these Bylaws or the Articles of Incorporation of this Corporation or the Michigan Nonprofit Corporation Act.

ARTICLE XIV

Amendments

14.01 Amendments. At any regular or special meeting, the Board of Directors, by a vote of a majority of the Directors, may alter, amend, or repeal provisions in these Bylaws which do not effect membership voting rights or change the decision-making authority of the Corporation. Any changes to these Bylaws which do affect membership voting rights or change the decision-making authority of the Corporation shall be presented to the membership for a vote. Copies of the proposed changes must be sent to each member not less than thirty (30) days before the date of the meeting of the Corporation at which they will be considered; or upon approval of the Board by mail ballot by a majority of the voting members, provided that the proposed changes are mailed to the voting members not less than thirty (30) days before the date specified for the return of the ballot.

ARTICLE XV

Parliamentary Authority

15.01 Rules. The rules contained in the current Robert's Rules of Order, Newly Revised shall govern the Board in all cases to which they are applicable and in which they are not inconsistent with these Bylaws and any special rules of order the Board may adopt.

APPROVED

November 2, 2016 *ORIGINAL SIGNATURE REDACTED*

Date Secretary