

**BYLAWS OF**  
**THE MICHIGAN BROADBAND COOPERATIVE**

**ARTICLE 1**

**INTRODUCTION AND PURPOSE**

**Section 1.01 Introduction.**

These Bylaws contain the rules by which the Michigan Broadband Cooperative, a Michigan consumer cooperative (hereinafter the "Corporation") will govern its internal affairs and the methods by which it will evidence its external actions. These Bylaws have been prepared in accordance with the Michigan Consumer Cooperative Act, Act 62 of 1982, Chapter 11 (the "Act"). Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the Act shall govern the construction of these Bylaws.

**Section 1.02 Purposes of the Corporation.**

The purposes for which the Corporation is organized are:

The Corporation is organized under the Act for the purposes of engaging in any lawful business to acquire, produce, manufacture, furnish, or distribute any goods or services on a cooperative basis for the mutual benefit of its members and patrons, or the members and patrons of any member, or both.

The specific purpose of the Corporation is to organize, develop, construct, operate, maintain and market a fiber optic cable network and vertical assets for wireless data transmission within the State of Michigan, in order to promote economic development of this region for the benefit of all of its citizens.

In furtherance of the foregoing purposes, and in addition to the foregoing purposes, the Corporation shall have and may exercise all of the rights, powers and privileges now or hereafter conferred upon a cooperative organized under the laws of Michigan. In addition, it may do everything necessary, suitable, proper, convenient or expedient for the accomplishment of any of its cooperative purposes, in Michigan or elsewhere.

**Section 1.03 Principal Office.**

The principal office of the Corporation shall be located at 9941 Beeman Rd., Chelsea, MI. The Board of Directors of the Corporation may change the principal office of the Corporation from time to time. The Board of Directors may at any time establish branch or subordinate offices wherever the Corporation is qualified to conduct its activities.

**Section 1.04 Other Offices.**

The Board of Directors may establish other offices in or outside the state of Michigan.

**ARTICLE 2**

**BOARD**

**Section 2.01 General Powers.**

The business, property, and affairs of the corporation shall be managed by the Board of Directors.

**Section 2.02 Number.**

There shall be not less than 4 nor more than twelve (12) Directors on the board as shall be fixed from time to time by the Board of Directors. When voting, in the event of a tie the President holds the deciding vote.

**Section 2.03 Term.**

Each Director of the Corporation shall hold office for a term of two (2) years, unless such term is ended due to the Director's death, resignation, or removal. The only exception to this clause will be the first year following the founding of The Corporation, in which half of the Directors will serve a one (1) year term. These Directors can volunteer or be appointed by voting procedures.

**Section 2.04 Resignation.**

Any Director may resign at any time by providing written notice to the Corporation. The resignation will be effective on receipt of the notice or at a later time designated in the notice. A successor shall be appointed as provided in section 2.06 of the bylaws.

**Section 2.05 Removal.**

Any Director who shall be absent from three (3) consecutive meetings of the Board of Directors may be removed from the Board of Directors by a majority vote of the board.

a. Removal for cause. A Director may be removed from the Board of Directors if a majority of the Directors, including the Director cited for removal, vote for his or her removal for cause. Cause shall exist if a board member is found to be one of the following:

- Derelict in his or her duties as a board member
- In conflict of interest with the Corporation
- Found guilty of a felony.

The Board Chairperson will notify this board member of his or her dereliction in duty by providing verbal or written notice to the board.

### **Section 2.06 Board Vacancies.**

A vacancy on the board may be filled with a person selected by the remaining Directors of the board.

## **ARTICLE 3**

### **COMMITTEES**

#### **Section 3.01 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 and volunteers not on the board with skill sets that compliment the work of the committee. 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. 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. Committee positions shall be for one year and committee chairs will be established at the annual meeting.

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.

### **Section 3.02 Meetings.**

Committees shall meet as directed by the board, and their meetings shall be governed by the rules provided in article 5 for meetings of the board.

Minutes shall be recorded at each committee meeting and shall be presented to the board.

### **Section 3.03 Consent to Committee Actions.**

Any action required or permitted to be taken pursuant to authorization of a committee may be taken without a meeting if, before or after the action, all members of the committee consent to the action in writing. Written consents shall be filed with the minutes of the committee's proceedings.

## **ARTICLE 4**

### **OFFICERS**

#### **Section 4.01 Number.**

The officers of the corporation shall be appointed by the board at the annual meeting. The officers shall be a president (board chair), vice president, a secretary and a treasurer. Two or more offices may be held by the same person, but such person shall not execute, acknowledge, or verify an instrument in more than one capacity if the instrument is required by law.

#### **Section 4.02 Term of Office.**

Each officer shall hold office for a period of one (1) year until a successor is appointed and qualified. An officer may resign at any time by providing written notice to the corporation. Notice of resignation is effective on receipt or at a later time designated in the notice.

#### **Section 4.03 Removal.**

An officer appointed by the board may be removed with or without cause by vote of a majority of the board. The removal shall be without prejudice to the person's contract rights, if any. Appointment to an office does not of itself create contract rights. An officer shall be removed from his or her appointed office if he or she is also a member of the Board of Directors that has been removed from the Board of Directors.

**Section 4.04 Vacancies.**

A vacancy in any office for any reason may be filled by the board.

**Section 4.05 President.**

The President shall preside at all board meetings. The President shall be 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. The President shall have power to appoint or discharge employees, agents, or independent contractors, to determine their duties, and to fix their compensation. The President shall sign all corporate documents and agreements on behalf of the corporation, unless the President or the board instructs that the signing be done with or by some other officer, agent, or employee. The President, with assistance from the Vice President, shall see that all actions taken by the board are executed and shall perform all other duties incident to the office. This is subject, however, to the President's right and the right of the board to delegate any specific power to any other officer of the corporation.

**Section 4.06 Vice President.**

The Vice President shall have the power to perform duties for the corporation and will work to ensure engagement of the board members. If the President is absent or unable to perform his or her duties, the Vice President shall perform the President's duties until the board directs otherwise. The Vice President shall perform all duties incident to the office.

**Section 4.07 Secretary.**

The secretary shall (a) keep minutes of board meetings; (b) be responsible for providing notice to each Director as required by law, the articles of incorporation, or these bylaws; (c) be the custodian of corporate records; (d) keep a register of the names and addresses of each officer and Director; and (e) perform all duties incident to the office and other duties assigned by the President.

**Section 4.08 Treasurer.**

The treasurer shall (a) have charge and custody over corporate funds and securities; (b) keep accurate books and records of corporate receipts and disbursements; (c) deposit all moneys and securities received by the corporation at such depositories in the corporation's name that may be designated by the board; (d) complete all required corporate filings; and (e) perform all duties incident to the office and other duties assigned by the President.

**ARTICLE 5**

**MEMBERSHIP**

**Section 5.01 Requirements for Membership.**

Any applicant, that is an individual or legal entity recognized by the laws of the United States, may seek membership in The Corporation by:

- (a) Executing an application for membership and service, and if required by the Board of Directors, a service agreement, under which it agrees to purchase broadband products or services (the "Services") from or through The Corporation as specified by the Articles of Incorporation, these Bylaws, and the Board of Directors; and
- (b) Agreeing to comply with and be bound by the Articles of Incorporation, these Bylaws and any amendments thereto and any rules and regulations adopted by the Board of Directors; and
- (c) Paying any membership fee and such other assessments and charges as approved by the Board of Directors from time to time; and
- (d) Being accepted into membership by action of the Board of Directors, which, in its sole discretion, may reject an application for membership if it finds that the applicant, or its application for membership, has not met the requirements or qualifications specified in these Bylaws, or in the rules or regulations adopted by the Board of Directors.

The Class B members shall purchase Services if it is feasible for them to do so, as determined in their reasonable discretion. Class A and Class F

members which choose not to purchase Services shall be exempt from such requirement set forth in the provisions of subsection (a) hereof.

**Section 5.02 Limitation of Membership.**

No Member may hold more than one membership in The Corporation, and no membership in The Corporation shall be transferable; except that, in case of a merger or consolidation, membership may be vested in the successor corporation, provided the successor corporation shall be eligible for membership, shall agree to purchase Services from The Corporation, and shall agree to comply with and be bound by the Articles of Incorporation of The Corporation, these Bylaws and any amendments, and such rules and regulations as may be adopted by the Board of Directors.

**Section 5.03 Membership Certificates.**

Membership in The Corporation shall be evidenced by a membership certificate in the form and with such provisions as shall be determined by the Board of Directors. The certificate shall be signed by the Chairman of the Board of Directors and by the Secretary with the corporate seal affixed. In case a certificate is lost, destroyed or mutilated, a new certificate may be issued upon such terms and conditions as the Board of Directors may prescribe.

**Section 5.04 Term.**

All classes of membership shall have a term ending on the date the Member is no longer purchasing Services from The Corporation, provided that the term of membership of Class A or Class F members which choose not to purchase Services shall end upon their withdrawal or expulsion as a Class A or Class F member of The Corporation.

**Section 5.05 Classes of Membership.**

Members of The Corporation shall be divided into six (6) classes, designated as Class A, Class B, Class C, Class D, Class E, and Class F, respectively. There shall be no limit as to the number of Members the Corporation may admit.

Class A shall consist of municipalities, including villages, towns, cities, townships, counties, and similar entities.

Class B shall include individual purchasers of Services from The Corporation or it's members for non-commercial use.

Class C shall consist of telecommunication carriers, internet service providers, certified local exchange carriers and other such wholesale purchasers of Services.

Class D shall consist of community anchor institutions including governmental, research, medical facility and development purchasers of Services, including without limitation, all levels of educational institutions and schools, both public and private, and educational research institutes, foundations and similar entities.

Class E shall consist of commercial and industrial purchasers of Services.

Class F shall consist of such entities which have agreed to share with the Corporation, or have otherwise agreed to convey, assign, lease or license to the Corporation, a portion of their respective assets, rights or privileges, on such terms and conditions which have been determined by the Board of Directors, in its sole discretion, to be of substantial current or future benefit to the Corporation, and in furtherance of the purposes of the Corporation. To the extent that any such entity otherwise may qualify for membership in another membership class, the Board of Directors may designate such entity as a Class F member. If the Board of Directors, in its sole discretion, determines that an applicant's proposed sharing of its assets, rights or privileges is not of substantial current or future benefit to the Corporation, then the Board of Directors may decline to accept such application for Class F membership.

Each Member shall pay for all Services used by it at such time and at such rates or prices as shall be approved by the Board of Directors. It is expressly understood that amounts paid for Services in excess of the cost of service are furnished by the Member as capital and each Member shall be credited with capital so furnished, as provided by these Bylaws.

#### **Section 5.06 Good Standing.**

Those Members which have paid the required dues, fees, assessments and charges in accordance with these Bylaws and any rules and regulations of the Corporation, and which are not suspended, shall be Members in good standing. Good Standing shall be attained by close of business on August 31<sup>st</sup> of each year in order for a Member to have an eligible voting delegate at the Annual Membership Meeting.



### **Section 5.07 Termination of Membership.**

If a Member violates the conditions of membership or (except in the case of a Class A or Class F member which choose not to purchase Services) ceases purchasing Services from The Corporation, its membership in The Corporation may be terminated by the Board of Directors. The expulsion of a Member shall be effected as follows:

(a) The Board of Directors may, by the affirmative vote of not less than two-thirds (2/3) of all the Directors, expel any Member which fails to comply with any of the provisions of the Articles of Incorporation, Bylaws, conditions of membership, service agreement or rules and regulations adopted by the Board of Directors, but only if that Member shall have been given written notice by the Secretary of The Corporation that such failure makes it liable to expulsion from membership and the failure shall have continued for a period of time established by the Board of Directors after such notice was given, which shall not be less than ten (10) days.

(b) Termination of membership or withdrawal from membership in any manner shall not release a Member from any debts, liabilities or any outstanding, continuing, or residual contractual obligations to or through The Corporation. Payments made to The Corporation for any such debts, liabilities, or outstanding, continuing or residual contractual obligations shall be regarded as payments for services and obligations incurred as a Member and will be classified as member income to The Corporation.

### **Section 5.08 Membership Fees and Dues.**

The Board of Directors may fix fees, dues, rates or assessments to be paid by Members of The Corporation as and when the same are required in the judgment of the Board of Directors. The dues, rates and assessments, when fixed, shall become obligations of the Members of The Corporation and failure to pay the same may be an occasion for termination of membership of the delinquent Member.

### **Section 5.09 Property Interest of Members.**

Members shall have no individual or separate interest in the property or assets of The Corporation except, upon dissolution, after all debts and liabilities of The Corporation shall have been paid. Any remaining property and assets of The Corporation shall be distributed to MERIT Network.

## ARTICLE 6

### MEETINGS

#### **Section 6.01 Annual Meeting of the Directors.**

An annual meeting of the Board of Directors, at which election of officers shall take place and other business may be transacted, shall be held at the same site as, and immediately following the adjournment of, the annual meeting of the Members of The Corporation.

#### **Section 6.02 Special Meetings.**

Special meetings of the Board of Directors may be called by the President of the Board or by any six (6) Directors. It shall be the duty of the Secretary to cause notice of such meeting to be given as provided. Those who called the meeting shall fix the time and place.

#### **Section 6.03 Place and Notice of Meetings.**

Regular meetings of the Board of Directors may be held at any place within or outside the State of Michigan that has been designated from time to time by resolution of the Board of Directors. In the absence of such a designation, regular meetings shall be held at the principal office of the Corporation. Special meetings of the Board of Directors shall be held at any place within or outside the State of Michigan that has been designated in the notice of the meeting or, if not stated in the notice or if there is no notice, at the principal office of the Corporation. Notice of the time, place and purpose of any regular or special meeting of the Board of Directors shall be given not less than ten (10) days nor more than forty-five (45) days prior the meeting date, by written notice, delivered personally or mailed to each Director at their last known address. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail with postage prepaid. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except in case a Director shall attend a meeting for the express purpose of objecting to the transaction of any business because the meeting shall not have been lawfully called or convened.

**Section 6.04 Quorum.**

A majority of the Board of Directors shall constitute a quorum. If less than a majority of the Directors is present at a meeting, a majority of the Directors present may adjourn the meeting. The Secretary shall notify any absent Directors of the time and place of such adjourned meeting. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors unless otherwise stipulated by these Bylaws, the Articles of Incorporation or State law.

**Section 6.05 Voting.**

The President shall chair Directors' meetings. If the President is not available, the Vice President shall chair the Directors' meeting. Each Director shall be entitled to only one (1) vote, and no more, upon each matter submitted to a vote. Votes may be oral, by show of hands, or by ballot. Each Director will be allowed one vote by proxy per year.

**Section 6.06 Participation by Telephone at Board Meetings.**

Unless otherwise restricted in these Bylaws, the Directors may participate in meetings of the Board of Directors and shall be deemed to be present at such meetings as though physically present if they are participating by means of a conference telephone, internet-based video conference or similar communications equipment by which all persons participating at the meeting can hear each other and respond to matters properly brought before the meeting. Directors participating by such communications means shall be deemed present for all purposes including determination of quorum.

**Section 6.07 Adjourned Meetings.**

A majority of the Directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place. Notice of the time and place of holding an adjourned meeting need not be given, unless the meeting is adjourned for more than twenty-four (24) hours, in which case notice of the time and place shall be given before the time of the adjourned meeting, in the manner specified in Section 6.03, to the Directors who were not present at the time of the adjournment.

**Section 6.08 Action Without a Meeting.**

Any action required or permitted to be taken by the Board of Directors may be taken without a meeting, if all members of the Board of Directors shall individually or collectively consent in writing to that action. The action by written consent shall have the same force and effect as a unanimous vote of the Board of Directors. The written consent or consents shall be filed with the minutes of the proceedings of the Board of Directors.

**ARTICLE 7**

**CORPORATE DOCUMENT PROCEDURE**

**Section 7.01 Generally.**

All corporate documents (including agreements, insurance contracts, checks, notes, disbursements, loans, and other debt obligations) shall not be signed by any officer, designated agent, or attorney-in-fact unless authorized by the board or by these bylaws.

**Section 7.02 Limited Presidential Authority.**

The President shall have the limited authority to bind the corporation to transactions without board authority for those transactions which (a) further the corporation's benevolent purposes, (b) are in the best interests of the corporation, and (c) do not exceed the aggregate amount of Twenty-five hundred (\$2500) dollars per transaction.

**Section 7.03 Notice of Transaction.**

Any transaction that exceeds Twenty-five hundred dollars (\$2,500.00) shall not be a valid corporate action unless the transaction is approved by a majority of the Board of Directors following (a) a presentation of the transaction at a meeting of the Board of Directors, or (b) circulation of the particular transaction among the Board of Directors via electronic mail with an appropriate notice to the board members of an immediate action required. In the event a particular transaction is circulated among the Board of Directors via electronic mail, the transaction shall not be approved if any one Director objects to the requested transaction. In the event a Director has objected to a particular transaction circulated, the transaction may only be approved at a meeting of the Board of Directors.

## ARTICLE 8

### NON-PROFIT OPERATION

#### **Section 8.01 Non-Profit Policy.**

The Corporation shall at all times be operated on a cooperative non-profit basis for the mutual benefit of its Members.

#### **Section 8.02 Patronage Capital.**

(a) No Members of The Corporation shall receive capital interests in the Corporation. Amounts received from Members and patrons in excess of operating costs and expenses at the moment of receipt by The Corporation are received with the understanding that they will be invested in the ongoing operation of the Corporation, and the Members and patrons retain no capital interest or ownership.

(b) All amounts received by The Corporation from its other activities including, but not limited to, investments, rentals and other incidental services, in excess of costs and expenses properly chargeable against such activities shall, insofar as permitted by law, be (1) used to offset any losses incurred during the current or any prior fiscal year and (2) to the extent not needed for that purpose, retained or allocated, at the Board of Director's discretion, for future investment in the Corporation.

#### **Section 8.03 Contractual Character of Operations.**

The Members of The Corporation, by dealing with The Corporation, acknowledge that the terms of the Articles of Incorporation and Bylaws shall constitute and be a contract between The Corporation and each Member, and both The Corporation and the Members are bound by such contract, as fully as though each Member has individually signed a separate instrument containing those terms and provisions.

## ARTICLE 9

### DISPOSITION OF PROPERTY

#### **Section 9.01 Manner of Disposition.**

The Corporation may not sell, lease or otherwise dispose of any of its property other than (1) property which, in the judgment of the Board of Directors, neither is nor will be necessary or useful in operating and

maintaining The Corporation's system and which, in any one year, shall not exceed ten percent (10%) in value of all of the property of The Corporation, or (2), unless authorized to do so by the votes of more than two-thirds (2/3) of its Members and the notice of such proposed sale, lease or other disposition shall have been contained in the notice of the meeting; provided, however, that The Corporation may mortgage or otherwise encumber its assets by a vote of at least two-thirds (2/3) of the Board of Directors.

## **ARTICLE 10**

### **INDEMNIFICATION**

#### **Section 10.01 Directors and Officers.**

The Corporation shall indemnify any Director or officer of The Corporation against expenses (including legal fees), judgments, fines, and amounts paid in settlement, actually and reasonably incurred, to the fullest extent now or hereafter permitted by law in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, brought or threatened to be brought against a person by reason of performance as a Director or officer of The Corporation or affiliated corporations or in any other capacity on behalf of The Corporation or affiliated corporations. The Board of Directors, by resolution adopted in each specific instance, may similarly indemnify any person other than a Director or officer of The Corporation for liabilities incurred in connection with services rendered for or at the request of The Corporation or affiliated corporations. The provisions of this section shall be applicable to all actions, suits or proceedings commenced after its adoption, whether such arise out of acts or omissions which occurred prior or subsequent to such adoption and shall continue as to a person who has ceased to be a Director or officer or to render services for or at the request of The Corporation and shall inure to the benefit of the heirs, executors, and administrators of such a person. The rights of indemnification provided for herein shall not be deemed the exclusive rights to which any Director, officer, employee or agent of The Corporation may be entitled. The Corporation may pay the expenses incurred by any person entitled to be indemnified by The Corporation in defending a civil or criminal action, suit or proceeding in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking, by or on behalf of such person, to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by The Corporation as authorized by law.

**Section 10.02 Limitation of Liability.**

The Directors and officers of the cooperative shall not have personal liability for any acts or omissions, and shall otherwise have immunity from personal liability, except in circumstances as expressly provided by the laws of the State of Michigan.

**ARTICLE 11**

**FISCAL POLICY**

**Section 11.01 Contracts.**

Except as otherwise provided in these Bylaws, the Board of Directors may authorize any officer or officers, agent or agents to enter into any contract or execute and deliver any instrument in the name and on behalf of The Corporation, and such authority may be general or confined to specific instances.

**Section 11.02 Checks, Drafts, etc..**

All checks, drafts, wire transfers or other orders for the payment of money, and all notes, bonds or other evidences of indebtedness issued in the name of The Corporation shall be signed by such officer or officers, agent or agents, employee or employees of The Corporation and in such manner as shall be determined by resolution of the Board of Directors.

**Section 11.03 Deposits.**

All funds of The Corporation shall be deposited to the credit of The Corporation in such banks or financial institutions as the Board of Directors may select.

**Section 11.04 Fiscal Year.**

The fiscal year of The Corporation shall end on December 31.

**Section 11.05 Accounting System and Reports.**

The Corporation's accounting shall be conducted in accordance with generally accepted accounting principles in effect in the United States from time to time, as well as the requirements and regulations of any state or federal agencies from whom The Corporation has received a grant of funds.

**Section 11.06 Contracts in Which Directors Have Interest.**

Any contract or other transaction between The Corporation and one or more of its Directors, or between The Corporation and any firm of which one or

more of its Directors are shareholders, members, Directors, officers, or employees, or in which they are interested, shall be valid for all purposes, notwithstanding the presence of the Director or Directors at the meeting of the Board of Directors that acts upon the contract or transaction, and notwithstanding their participation in the action, if the fact of such interest shall be disclosed or known to the Board of Directors and the Board of Directors shall, nevertheless, authorize or ratify the contract or transaction. The interested Director or Directors shall be counted in determining whether a quorum is present and shall be entitled to vote on such authorization or ratification. This section shall not be construed to invalidate any contract or other transaction that would otherwise be valid under the common and statutory law applicable to it.

**Section 11.07 Employment of Related Persons.**

No relative, whether by marriage or blood, of a Director closer in degree of kindred than first cousin shall become an employee of The Corporation while such existing Director remains a Director. This provision shall not affect any employee who is in the excluded category prior to the adoption of the section or placed in the excluded category by marriage which occurs subsequent to the Director's election.

**ARTICLE 12**

**MEMBERSHIP IN OTHER ORGANIZATIONS**

**Section 12.01 Requirements.**

The Corporation shall not become a member of or purchase stock in any other organization without the approval of the Board of Directors.

**ARTICLE 13**

**AMENDMENT OF BYLAWS**

**Section 13.01 Method of Amendment.**

In accordance with the provisions of the Act, the Board of Directors named in the Articles of Incorporation shall have the power to alter, amend or repeal these Bylaws until successor Directors are duly chosen and qualified. These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by a vote of the Members, at any annual Members' meeting or at any special Members' meeting. At the first annual meeting of the Members,



a proposed bylaw amendment shall be presented to authorize and permit the Board of Directors to adopt and amend any of the Bylaws of the Corporation.

## **ARTICLE 14**

### **CONFLICT OF INTEREST**

#### **Section 14.01 Conflict of Interest.**

Whenever a Director or officer has a financial or personal interest in any matter coming before the Board of Directors, the affected person shall a) fully disclose the nature of the interest and b) withdraw from discussion, lobbying, and voting on the matter. Any transaction or vote involving a potential conflict of interest shall be approved only when a majority of disinterested Directors determine that it is in the best interest of the corporation to do so. The minutes of meetings at which such votes are taken shall record such disclosure, abstention and rationale for approval.