

BYLAWS
OF
MORLEY FOUNDATION

ARTICLE I.
STATEMENT OF PURPOSES

Section 1. Mission Statement. Morley Foundation is a philanthropic, non-profit organization whose purpose is to responsibly invest resources and grant monies to legitimate needs in the areas of welfare, health, education, civic improvement and the humanities.

Section 2. Objectives. This corporation is organized exclusively for charitable, scientific, and educational purposes, and its activities shall be conducted for the aforesaid purposes in such manner that no part of its net earnings shall inure to the benefit of any Trustee, officer, or individual.

Section 3. Legal Structure. This corporation is established as a Michigan nonprofit directorship corporation.

ARTICLE II.
MEETINGS

Section 1. Place of Meeting. Any or all meetings of the Board of Trustees of this corporation may be held within or without the State of Michigan: Provided, that no meeting shall be held at a place other than the registered office in Michigan except pursuant to bylaw or resolution adopted by the Board of Trustees.

Section 2. Annual Meeting of Board of Trustees. The annual meeting of the Board of Trustees shall be held in each year during the months of April or May, at a date established by the Board of Trustees. One of the purposes of said meeting shall be the election of a Board of Trustees.

Section 3. Notice of Annual Meeting of Trustees. At least ten (10) days prior to the date under Section 2 of this article for the holding of the annual meeting of Trustees, notice of the time, place and purposes of such meeting shall be given to each Trustee either personally, or by mail, or by electronic transmission, including, but not limited to fax and email.

Section 4. Delayed Annual Meeting. If, for any reason; the annual meeting of the Trustees shall not be held on the day hereinbefore designated, such meeting may be called and held as a special meeting, and the same proceedings may be had thereat as at an annual meeting: Provided, however, that the notice of such meeting shall be the same as herein required for the annual meeting, namely, not less than a ten (10) day notice.

Section 5. Order of Business at Annual Meeting. The order of business at the annual meeting of the Trustees shall be as follows:

- (a) Roll call
- (b) Reading notice and proof of mailing
- (c) Reading of minutes of last preceding meeting
- (d) Report of President
- (e) Report of Secretary
- (f) Report of Treasurer
- (g) Election of Trustees
- (h) Transaction of other business mentioned in the notice
- (i) Adjournment

Provided, that in the absence of any objection, the presiding officer may vary the order of business at discretion.

Section 6. Regular Meetings of the Board. Regular meetings of the Board of Trustees shall be held not less frequently than once in each quarter at such time and place as the Board of Trustees shall from time to time determine. Notice of regular meetings shall be given in the same manner as notice of the annual meeting.

Section 7. Special Meetings of the Board. Special meetings of the Board of Trustees may be held upon the call of the President of the Board of Trustees, or any four (4) Members of the Board, upon twenty-four hours' notice specifying the time, place and general purposes of the meeting. Such notice shall be given to each Trustee in the same manner as notice of the annual meeting.

Section 8. Waiver of Notice. Notice of any meeting may be waived in the same manner as notice may be given aforesaid. Attendance at any such meeting shall constitute waiver of notice of such meeting.

Section 9. Action by Written Consent. Action required or permitted to be taken under authorization voted at a Board meeting may be taken without a meeting if, before or after the action, all members of the Board then in office consent to the action in writing. The written consents must be filed with the minutes of the Board or committee. The consent has the same effect as a vote of the Board for all purposes.

Section 10. Meeting Attendance Requirements. Each member of the Board of Trustees shall attend, in person, at least one-half of the meetings held by the Board of Trustees during each calendar year. Any trustee who fails to satisfy these requirements may be removed from membership on the Board of Trustees by action of the Board. Upon giving adequate advance notice, Trustees may request the opportunity to attend a meeting by conference telephone, or other comparable electronic means, when there is reasonable opportunity to make arrangements for same. Attendance by such electronic means shall not be counted in determining a Trustee's compliance with minimum meeting attendance requirements set forth above.

Section 11. Electronic Transmission. Upon giving adequate advance notice, Trustees may request the opportunity to attend a meeting by conference telephone, or other comparable electronic means, when there is reasonable opportunity to make arrangements for same. Attendance by such electronic means shall not be counted in determining a Trustee's compliance with minimum meeting attendance requirements as set forth in Section 10 hereof.

ARTICLE III. QUORUM

Section 1. Quorum of Trustees. A majority of the Trustees shall constitute a quorum.

ARTICLE IV. VOTING, ELECTIONS, AND PROXIES

Section 1. Voting. Each member of the Board of Trustees shall have one vote upon all questions presented for action at any meeting of the Board of Trustees.

Section 2. Proxies. Trustees may not vote by proxy.

ARTICLE V. BOARD OF TRUSTEES

Section 1. Number and Term of Trustees. The property and affairs of this corporation shall be managed by a Board of Trustees composed of not less than five (5) nor more than fifteen (15) persons. The total number of Trustees shall be established from time to time by the Board of Trustees. Trustees shall be elected by the Board of Trustees at the annual meeting, and shall serve for terms of three (3) years and until their successors are chosen and qualified, with the three (3) year terms being staggered so that approximately one third (1/3) of the Trustees are elected each year. At all times a majority of the Trustees shall be descendants of Ralph Chase Morley, Sr. To the extent

reasonably practical in the selection of Trustees, there shall be a general objective to maintain representation from each of the four original descendants of Ralph Chase Morley, Sr., provided that such descendants are otherwise qualified and able to serve. If at any time a majority of the Trustees are persons who are not direct descendants of Ralph Chase Morley, Sr., then the provisions of Article IX, Section 6 shall automatically be implemented within two years.

Section 2. Qualifications of Trustees. Each Trustee shall be at least eighteen years of age, and must affirmatively demonstrate that he/she is a knowledgeable and effective individual; that he/she has a concerned purpose to promote the expressed goals of the corporation; that he/she will unselfishly strive to achieve such expressed goals rather than personal objectives or the objectives of any special interest groups; and that he/she has the willingness to devote the necessary time to carry out the duties and responsibilities of a Trustee of this corporation. In selecting members for the Board of Trustees, consideration shall be given to the candidate's willingness to accept responsibility for governance, including availability to participate actively in Board of Trustees' activities related to the corporation; areas of interest and expertise; and experience in organizational and community activities.

Section 3. Vacancies. Vacancies in the Board of Trustees shall be filled by appointment made by the remaining Trustees.

Section 4. Action by Unanimous Written Consent. If and when the Trustees shall severally or collectively consent in writing to any action to be taken by the corporation, such action shall be as valid corporate action as though it had been authorized at a meeting of the Board of Trustees.

Section 5. Power to Elect Officers. The Board of Trustees shall select a President, one or more Vice Presidents, a Secretary and a treasurer. No officer except the President need be a member of the Board, but a Vice President who is not a Trustee shall not succeed to nor fill the office of President.

Section 6. Power to Appoint Other Officers and Agents. The Board of Trustees shall have power to appoint such other officers and agents as the Board may deem necessary for transaction of the affairs of the corporation.

Section 7. Removal of Trustees, Officers, and Agents. Any Trustee, officer, or agent may be removed, with or without cause, from office by a vote of two thirds (2/3) of all the Trustees voting affirmatively.

Section 8. Power to Fill Vacancies. The Board shall have the power to fill any vacancy in any office occurring for any reason whatsoever.

Section 9. Power to Require Bonds. The Board of Trustees may require any officer or agent to file with the corporation a satisfactory bond conditioned for faithful performance of his duties.

Section 10. Compensation. Trustees, and officers shall receive no compensation for service in such office unless specifically fixed by resolution of the Board of Trustees.

Section 11. Indemnification. This corporation shall indemnify and reimburse any person for expenses actually incurred by him/her, and liabilities imposed upon him/her, in connection with or arising out of any claim, action, proceeding, or suit, civil or criminal, administrative, or investigative, and whether formal or informal, or any threat thereof, in which he/she may be involved by reason of his/her being or having been a Trustee, director, or officer of this corporation, or by reason of service to any other corporation, firm, or organization, whether for profit or not for profit, which he/she served as a director, officer, partner, or Trustee at the request of this corporation. Such indemnification and reimbursement shall be to the maximum extent permitted by, and in accordance with, the relevant provisions of the Michigan Nonprofit Corporation Act. The right of indemnification herein provided shall apply whether or not such person indemnified is serving in such capacity at the time such costs, expenses, or liabilities are incurred or imposed. Neither this corporation nor its Trustees, directors, or officers shall be liable to anyone for any determination of such Trustees, directors, or officers as to the existence or absence of conduct which would provide a basis for making or refusing to make any payment hereunder or for taking or omitting to take any other action hereunder, in reliance upon the advice of counsel. A court of competent jurisdiction may make a determination as to the right of a person to indemnification and reimbursement hereunder in any specific case upon the application of such person, despite the failure or refusal of the Trustees, directors, or members to make provision therefor. The foregoing right of indemnification and reimbursement shall not be exclusive of other rights to which such person may be entitled as a matter of law, and shall inure to the benefit of his/her heirs and personal representatives. The right of indemnification herein provided shall be applicable only to the extent that such liabilities, expenses, and costs are not otherwise covered by or through collectible policies of insurance which may be carried by or for the benefit of such person, or this corporation, or any other corporation or organization.

Section 12. Conflict of Interest Policy. The Board of Trustees shall establish, implement, and monitor a formal conflict of interest policy covering members of the Board of Trustees, employees, consultants, and others who provide services or furnish goods to the Corporation.

ARTICLE VI.
HONORARY MEMBERS

Section 1. Honorary Members. Honorary Members shall be selected from those persons who have demonstrated a definitive interest in the objectives of the corporation by distinguished service, but who do not desire to serve in an active capacity. Nominations for honorary memberships may be submitted to the Board of Trustees, which may grant such membership to those persons who are determined to be qualified. Honorary Members shall be entitled to receive mailings and general information from the corporation, and may be invited, at the discretion of the Board of Trustees, to attend meetings or other events for life; provided, however, that Honorary members shall not be entitled to vote at any such meetings or participate in proactive trustee grant programs.

ARTICLE VII.
OFFICERS

Section 1. President. The President shall be selected by, and from the membership of, the Board of Trustees. He shall be the chief executive officer of the corporation. He shall preside over all meetings of the Board of Trustees. He shall have general and active management of the affairs of the corporation, and shall see that all orders and resolutions of the Board are carried into effect. He shall be ex officio a member of all standing committees, and shall have the general powers and duties of supervision and management usually vested in the office of President of a corporation.

Section 2. Vice Presidents. At least one Vice President shall be chosen from the membership of the Board. Such Vice Presidents as are Board members, in the order of their seniority shall perform the duties and exercise the powers of the President during the absence or disability of the President.

Section 3. Secretary. The Secretary shall attend all meetings of the members and of the Board of Trustees, and of the executive committee, and shall preserve in books of the corporation true minutes of the proceedings of all such meetings. He shall safely keep in his custody the seal of the corporation and shall have authority to affix the same to all instruments where its use is required. He shall give all notices required by statute, bylaw, or resolution. He shall perform such other duties as may be delegated to him by the Board of Trustees or by the executive committee.

Section 4. Treasurer. The Treasurer shall have custody of all corporate funds and securities and shall keep in books belonging to the corporation full and accurate accounts of all receipts and disbursements. He shall deposit all monies, securities, and other valuable effects in the name of the corporation, in such depositories as may be designated for that purpose by the Board of Trustees. He shall disburse the funds of

the corporation as may be ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and Trustees at the regular meetings of the Board, and whenever requested by them, an account of all his transactions as Treasurer and of the financial condition of the corporation. If required by the Board he shall deliver to the President of the corporation, and shall keep in force, a bond in form amount and with a surety or sureties satisfactory to the Board, conditioned for faithful performance of the duties of his office, and for restoration to the corporation in case of his death, resignation, retirement, or removal from office, of all books, papers, vouchers, money, and property of whatever kind in his possession or under his control belonging to the corporation.

Section 5. Assistant or Subordinate Officers. Such assistant or subordinate officers as the Board of Trustees may establish shall perform such duties as may be prescribed or assigned by the President or the Board of Trustees.

Section 6. Delegation of Duties. Upon authorization by the Board of Trustees, officers may delegate specified duties and functions to other persons, provided, however, that such officer shall remain fully responsible and accountable for the proper performance of such duties.

ARTICLE VIII. COMMITTEES

Section 1. Executive Committee. The Executive Committee shall consist of the President, Vice President, Secretary, and Treasurer of the corporation. During the intervals between meetings of the Board of Trustees, and subject to such limitations as may be imposed by law, the Articles of Incorporation, or these Bylaws, the Executive Committee shall have and may exercise all the authority of the Board of Trustees in the management of the corporation, except that no action shall be taken which shall conflict with the express policies of the Board of Trustees. The President shall be the Chairman of the Executive Committee. A simple majority of the total members of the Executive Committee shall constitute a quorum, and a majority vote of any such quorum shall be necessary for the transaction of any business by the meeting.

Section 2. Other Committees. Other Committees, either standing or ad hoc, may be established from time to time by the Board of Trustees for such purposes as the circumstances warrant. The chairmen and members of such committees shall be designated by the President.

Section 3. General Provisions. Meetings of committees may be called by the committee chairman or by the President, to be held at such time and place as shall be designated by the committee chairman. The Board of Trustees shall have the power at any time to increase or decrease the number of members of any committees. The

Board of Trustees shall have the power at any time to appoint or remove members from such committees, and to fill any vacancies on such committees.

ARTICLE IX. MISCELLANEOUS

Section 1. Checks, etc. All checks, drafts and orders for payment of money shall be signed in the name of the corporation.

Section 2. Contracts, Conveyances, etc. When the execution of any contract, conveyance, or other instrument has been authorized without specification of the executing officers, the President, or any Vice President, and the Secretary, or Assistant Secretary, may execute the same in the name and behalf of this corporation and may affix the corporate seal thereto. The Board of Trustees shall have power to designate the officers and agents who shall have authority to execute any instrument in behalf of this corporation.

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

Section 4. Gifts. The Board of Trustees may accept on behalf of the corporation any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the corporation. All endowments and other assets shall be invested and administered in such manner as the Board of Trustees may direct. All gifts of property other than cash or marketable securities shall be subject to prior approval by the Board of Trustees.

Section 5. Fiscal Agents. The Board of Trustees shall be authorized, in its discretion, to designate and employ such fiscal agents, custodians, financial advisors, or other fiduciaries to administer and invest such funds, assets, and endowments of the corporation, as the Board of Trustees may from time to time determine.

Section 6. Disposition upon Dissolution. In the event of dissolution, all of the Corporation's remaining assets, real and personal, shall be distributed to such organizations as are qualified as tax exempt under Section 501(c)(3) of the Internal Revenue Code, as amended, or the corresponding provisions of any future United States Internal Revenue law, and no property shall be distributed to any individual, whether or not associated with this Corporation.

Section 7. Net Earnings. No portion of the net earnings shall be paid to or inure to the benefit of any member of this corporation or any other individual.

Section 8. Fiscal Year. The fiscal year of the Corporation shall begin on the 1st day of January of each year and end upon the 31st day of December of each year.

Section 9. Automatic Dissolution. If at any time a majority of the members of the Board of Trustees are persons who are not direct descendants of Ralph Chase Morley, Sr., then the occurrence of such event shall automatically trigger the implementation of a plan of liquidation of the Morley Foundation. Such plan shall require total liquidation of the assets of the corporation over a period of thirty-six (36) months, with the corporation being dissolved upon completion of the distribution of assets. All such distributions of assets shall be in accordance with the provisions of Section 6 of this Article IX. The provisions of this Section 9 and the related provisions of Article V, Section 2, shall not be subject to amendment except by unanimous vote of all Board members who are direct descendants of Ralph Chase Morley, Sr.

ARTICLE X. POWER OF BOARD TO BORROW MONEY

The Board of Trustees shall have full power and authority to borrow money whenever in the discretion of the Board the exercise of said power is required in the general interests of this corporation, and in such case the Board of Trustees may authorize the proper officers of this corporation to make, execute and deliver in the name and behalf of this corporation such notes, bonds, and other evidence of indebtedness as said Board shall deem proper, and said Board shall have full power to mortgage the property of this corporation, or any part thereof, as security for such indebtedness.

ARTICLE XI. AMENDMENT OF BYLAWS

Section 1. Amendments, How Effected. These bylaws may be amended, altered, changed, added to, or repealed by the affirmative vote of a majority of the Board of Trustees, if the amendment, alteration, change, addition, or repeal be proposed at a regular or special meeting of the Board and adopted at a subsequent regular meeting.