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July 2, 2014

Federal Election Commission
Office of General Counsel
999 E. Street, N.W.
Washington, D.C. 20463

RE: Request for an FEC Advisory Opinion

Dear Sir or Madam:

Pursuant to 2 U.S.C. §437f, Henry Ford Health System Government Affairs Services Political Action Committee (the "HFHS PAC") requests an Advisory Opinion from the Federal Election Commission (the "FEC") regarding the applicability of the Federal Election Campaign Act of 1971, as amended (the "Act"), being 2 U.S.C. §431, et seq. and the underlying Code of Federal Regulation ("CFR") regarding solicitation of contributions from individuals with regard to expenditures to federal candidates and committees.

I. INTRODUCTION

HFHS PAC is a "separate segregated fund" formed in accordance with 2 U.S.C. §441b(b)(2)(C). Henry Ford Health System Government Affairs Services ("HFHS GAS"), a Michigan nonprofit corporation is the "connected organization" and a wholly owned subsidiary of Henry Ford Health System ("HFHS"). HFHS PAC would like to solicit employees of HFHS and each HFHS Subsidiary (as defined below) either as part of the restricted class or expanded class. Further, HFHS PAC would like to solicit such individuals not allowed to be solicited

under provisions of the Michigan Campaign Finance Act as amended (the "MCFA"), being MCLA 169.20, et seq.

II. BACKGROUND

HFHS, is a Michigan nonprofit directorship basis corporation and is classified by the Internal Revenue Service (the "IRS") as tax-exempt under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "IRC") and further as a "publicly supported" organization within the meaning of IRC Section 170(b)(1)(A)(iii) and IRC Section 509(a)(1). HFHS and its subsidiaries are part of a comprehensive, regional, integrated health care system based on a health-management model offering a full range of services including diagnosis, treatment, research, education, medical equipment, home health care and health care serving southeast Michigan.¹

HFHS and other organizations tax-exempt under IRC Section 501(c)(3) are absolutely prohibited from directly or indirectly participating in, or intervening in, any political campaign on behalf of (or in opposition to) any candidate for elective public office. Contributions to political campaign funds or public statements of position (verbal or written) made on behalf of the organization in favor of or in opposition to any candidate for public office clearly violate the prohibition against political campaign activity. See United States v. Dykema, 666 F.2d 1096, 1101 (7th Cir. 1981); Association of the Bar of the City of New York v. Commissioner, 858 F.2d 876 (2d Cir. 1988), cert. denied, 490 U.S. 1030 (1989), G.C.M. 39694 (Jan. 22, 1988), and PLR 9609007 (Dec. 6, 1995). Furthermore, an IRC Section 501(c)(3) organization cannot establish a separate segregated fund commonly referred to as a political action committee under IRC Section 527 ("PAC") to conduct political intervention activities that it could not conduct directly. See S. Rep No. 93-1357, 1975-1 C.B. 517, 534.

In order to comply with IRC Section 501(c)(3) and obtain definitive guidance with regard to issues surrounding the organization and operation of a PAC, HFHS sought a Private Letter Ruling ("PLR") from the IRS with regard to a structure whereby HFHS would establish a wholly-owned membership basis nonprofit subsidiary, which in turn would establish separate segregated funds to conduct political activity in support of federal, state, district and local party candidates and committees. In PLR 201127013 (April 15, 2011) (the "HFHS PLR"), the IRS ruled: (1) HFHS's establishment and operation of a PAC does not constitute participation or intervention in a political campaign and will not result in HFHS losing tax-exempt status under IRC Section 501(c)(3); and (2) HFHS's establishment and operating of a voluntary payroll deduction plan for employees to allow contributions to the PAC does not constitute an intervention in a political campaign and will not result in HFHS losing tax-exempt status under IRC Section 501(c)(3).

As discussed above, the HFHS PLR contemplated the formation of a new nonprofit corporation whose sole voting member is HFHS and where all other members are non-voting. In

¹ HFHS also operates under numerous assumed names all of which include the name "Henry Ford."

Michigan nonprofit corporations are governed by the Michigan Nonprofit Corporation Act, MCLA 450.2101 et seq. (the "Michigan Act"). Section 302 of the Michigan Act provides that a corporation shall be organized upon a stock or nonstock basis and corporation organized upon a nonstock basis shall be organized upon a membership basis or a directorship basis. See MCLA 450.2302. Section 304 of the Michigan Act provides for the organization and operation of membership basis corporations whereby voting members have the right to elect and remove members of the board of directors and officers.

The Act and CFR define a membership organization as a trade association, cooperative, or corporation without capital stock, or a local, national or international labor organization that: 1) is composed of members, some or all of whom are vested with the power and authority to operate or administer the organization; 2) expressly states the qualifications and requirements for membership; 3) makes its articles, bylaws or other organizational documents available to its members upon request; 4) expressly solicits persons to become members; 5) expressly acknowledges the acceptance of membership such as by sending a membership card or including the member's name on a membership list; and 6) is not organized primarily for the purpose of influencing a federal election. 11 CFR §114.1(e)(1); 11 CFR §100.134(e). The CFR defines "members" as persons who satisfy the requirements for membership in a membership organization, affirmatively accept the membership organization's invitation to become a member, and either: 1) have a significant financial attachment to the organization, such as a significant investment or ownership stake; 2) pay membership dues on at least an annual basis; or 3) have a significant organizational attachment to the membership organization which includes affirmation of membership on at least an annual basis and direct participatory rights in the governance of the organization. 11 CFR §114.1(e)(2)(i)-(iii) and §100.134(f)(1)-(3).

In accordance with the structure as approved by the IRS, HFHS GAS was incorporated on October 31, 2013 as a Michigan nonprofit membership basis corporation and is expected to apply for tax-exempt status under IRC Section 501(c)(4) as a social welfare organization. The HFHS GAS Articles of Incorporation are attached hereto as Exhibit A. The primary purpose of HFHS GAS is to serve as a legislative, regulatory and advocacy service for HFHS and its subsidiaries (collectively the "GAS Services") with an incidental purpose of serving as a sponsor and organizer of a PAC. The bylaws of HFHS GAS provide for an eleven member Board of Directors (the "GAS Board"), all of whom also serve on the Board of Trustees of HFHS. The Bylaws of HFHS GAS are attached hereto as Exhibit B. The Treasurer of HFHS serves as the Treasurer of HFHS GAS. HFHS GAS expressly states the qualifications and requirements for membership in its articles, bylaws, constitution or other formal organizational documents.

The sole initial member of HFHS GAS is HFHS, who will be at all times the sole voting member of HFHS GAS. HFHS GAS is composed of members who are vested with the power and authority to operate or administer the organization pursuant to the organization's articles, bylaws, constitution or other formal organizational documents. However, HFHS GAS has only one member at present, HFHS, which has broad authority over the affairs of HFHS GAS. It is possible that HFHS GAS may have additional members to include HFHS subsidiaries but all such members will be non-voting. HFHS GAS does not expressly solicit persons to become

members. HFHS GAS is not organized primarily for the purpose of influencing the nomination for election, or election, of any individual to Federal office.

Under HFHS GAS's Articles of Incorporation and Bylaws, HFHS has the ability to elect and remove members of the GAS Board and officers. HFHS GAS will not have any employees or real property and all GAS Services will be provided by HFHS employees using space leased from HFHS. GAS will be included as a subsidiary on the consolidated financial statement and tax return of HFHS. HFHS GAS will contract for certain compliance activities with regard to the contributions and expenditures of the HFHS PAC. HFHS GAS makes its articles, bylaws, constitution, or other formal organizational documents available to its member upon request. HFHS GAS does not presently have any publications. However, the minutes of the Board meeting, corporate organization documents and, as required, any governmental filings show HFHS as the sole member. Should any publications be developed, HFHS GAS will acknowledge its sole member, being HFHS. HFHS GAS is a corporation without capital stock. With respect to the factors at 11 C.F.R. § 114.1(e)(1) regarding whether a corporation without capital stock qualifies as a "membership organization" and may thus establish an SSF.

The HFHS PAC, initially named the Henry Ford Health System Political Action Committee, was organized on November 5, 2013 as a federal separate segregated fund by filing FEC Form 1, Statement of Organization with the FEC and was assigned Committee ID #C00552141. On November 18, 2013, the HFHS PAC registered in the State of Michigan as an independent committee pursuant to the Section of 8(3) of the MCFA by filing a Statement of Organization Form for Independent and Political Committees with the Michigan Department of State, Bureau of Elections (the "Bureau"), who assigned Committee ID #516553. On January 16, 2014, as required by 2 U.S.C. §432(c)(5) and 11 CFR §102.14(c), the HFHS PAC filed an amended FEC Form 1 with the FEC to change its name to "Henry Ford Health System Government Affairs Services Political Action Committee" and to allow use of the abbreviated name of "Henry Ford Health System PAC." On January 16, 2014, the HFHS PAC filed an amendment to the Statement of Organization with the Bureau for a change of name to the "Henry Ford Health System Government Affairs Services Political Action Committee" and to allow use of the abbreviated name of "Henry Ford Health System PAC." On April 3, 2014, the HFHS PAC filed a second amendment to the Statement of Organization with the Bureau to register as a state separate segregated fund in accordance with Section 55(1) of the MCFA for support of state, local and district candidates and committees (the "State SSF"): See MCLA 169.255. A copy of MCLA 169.255 is attached hereto as Exhibit C. The HFHS PAC has adopted Bylaws for governance and operations to include a Board of Directors (the "PAC Board") and officers which will include members of the board of directors and officers of HFHS GAS. The treasurer of HFHS GAS will serve as the treasurer of the HFHS PAC and State SSF.

HFHS GAS is not expected to have any employees and all individuals to be solicited will be either employees of HFHS and certain of its wholly owned subsidiaries to include: Henry Ford Macomb Hospital Corporation ("HFMC"), a Delaware nonprofit stock basis corporation; Henry Ford Wyandotte Hospital ("HFWH"), a Michigan nonprofit membership basis corporation; Health Alliance Plan ("HAP"), a Michigan nonprofit membership basis corporation; and Henry

Ford Physicians Network (“HFPN”), a Michigan nonprofit membership basis corporation; each “HFHS Subsidiary.” HFHS is either the sole member or sole shareholder of each HFHS Subsidiary with the authority to elect and remove all members of the Board of Trustees and officers. There is a varying degree of cross-over membership between the HFHS Board of Trustees and the Board of Trustees of each HFHS Subsidiary. There are ongoing transfers of funds, goods and personnel between and among HFHS and each a HFHS Subsidiary. Each HFHS Subsidiary is included on a consolidated financial statement and tax return of HFHS.

III. DISCUSSION

HFHS AND EACH HFHS SUBSIDIARY ARE AFFILIATES OF HFHS GAS

The Act and the CFR permit a separate segregated fund to solicit the shareholders (and their families) of the corporation that establishes and administers the separate segregated fund, as well as the shareholders (and their families) of its subsidiaries, branches, divisions and affiliates. See 2 U.S.C. §441b(b)(4)(A)(i) and 11 CFR §114.5(g)(1). The terms “subsidiaries” and “affiliates” are not defined in the CFR. In Advisory Opinion 1982-18 (April 26, 1982), the FEC considered a situation where a separate segregated fund established by a corporation, which is a subsidiary of a parent corporation owned by individuals with such parent having other subsidiaries. In that case the separate segregated fund proposed to solicit the individual shareholders of the parent corporation as well as individual employees of the parent corporation and the parent’s other subsidiaries and their subsidiaries. The FEC concluded that the separate segregated funds may solicit from all of the proposed individuals because the connected organization and the parent are affiliated entities, i.e. parent corporation and wholly owned subsidiary. See also Advisory Opinion 1978-75 (October 30, 1978) and Advisory Opinion 1982-48 (September 14, 1984).

While HFHS, as a directorship basis corporation, does not have any individual shareholders, Advisory Opinion 1982-18 appears to allow the HFHS PAC to solicit employees of HFHS, as the parent of HFHS GAS and each HFHS Subsidiary, as subsidiaries of HFHS. HFHS acknowledges that any separate segregated fund established by a HFHS Subsidiary would be deemed affiliated committees under the Act. See U.S.C. §441a(a)(5); 11 CFR §100.5(g)(2) and 11 CFR §110.3(a)(1)(i). Accordingly, the Health Alliance PAC, FEC Committee ID# C00410670 sponsored by the Health Alliance Plan, a HFHS Subsidiary, will be treated for purposes of solicitation and contribution limits as an affiliated committee pursuant to CFR §100.5(g)(2).

FEDERAL LAW PREEMPTS STATE OF MICHIGAN LAW WITH REGARD TO THE SOLICITATION OF THE UNRESTRICTED OR EXPANDED CLASS.

Once HFHS and each HFHS Subsidiary are held to be “affiliates” of HFHS GAS then the Act regulates the timing and individuals from whom the HFHS PAC is permitted to solicit contributions and sets forth two classes, one being a restricted class and the other being an unrestricted or expanded class. With regard to the restricted class, 2 U.S.C. 441b(4)(A)(i) and 11 CFR §114.5(g) provide, in relevant part, that executive and administrative personnel (and their

families) may be solicited at any time. 11 CFR §114.1(c) provides, in relevant part, that “executive and administrative personnel” are defined as individuals employed by a corporation who are paid on a salary rather than hourly basis and who have policy making, managerial, professional, or supervisory responsibilities. This definition of executive or administrative personnel includes individuals who run the corporation’s business, such as officers and other executives. See 11 CFR §114.1(c)(1)(i) and Advisory Opinion 2001-04 (April 19, 2001). With regard to the unrestricted class, 2 U.S.C. §441b(b)(4)(B) and 11 CFR §114.6 provide, in relevant part, that employees who do not qualify as executive and administrative personnel (and their families) may also be solicited but the solicitation of such individuals is limited to twice a year. The FEC has held for purpose of solicitation that the term “family” includes mother, father, sons, and daughters that live in the same household. See Advisory Opinion 1980-102 (October 1, 1980). The HFHS PLR allowed payroll deduction from all employees, however, in accordance with 11 CFR §114.6(e), payroll withholding will be limited to the restricted class. The twice a year solicitation rule for the expanded class also applies to employees of the corporation’s affiliates. See Advisory Opinion 1990-25 (December 14, 1990).

The MCFA regulates individuals from whom a separate segregated fund is permitted to solicit contributions. The MCFA provides, in relevant part, that contributions for a separate segregated fund established by a corporation organized on a nonprofit basis may be solicited from any of the following persons or their spouses: (1) officers or directors of members of the corporation or (2) employees of the corporation who have policy making, managerial, professional, supervisory, or administrative non-clerical responsibilities. See MCLA 169.255(3). Contributions can be solicited and obtained via automatic voluntary payroll deduction. See MCLA 169.255 (6). At this time, the only member of HFHS GAS is HFHS, therefore, employees of a HFHS Subsidiary are not permitted to be solicited under the MCFA. The MCLA can be interpreted as not allowing for solicitation of what would generally constitute under the Act an “expanded” or “unrestricted class” and does not extend beyond spouses. The MCFA does allow for solicitation of directors, however, directors of HFHS and a director of a HFHS Subsidiary (other than those that otherwise qualify as executive or administrative personnel) will not be solicited until such time, if ever, that they are compensated and allowed to be solicited under the Act. See Advisory Opinion 1985-35 (November 22, 1985).

The HFHS PAC will conduct solicitations of employees in accordance with 2 U.S.C 441b(b)(4)(A)(i) and 2 U.S.C. §441b(b)(4)(B). The HFHS PAC may also accept unsolicited contributions that are otherwise allowable from the general public. The HFHS PAC will establish three separate bank depository accounts at a financial institution. The first HFHS PAC account will include deposits of funds raised from the solicitation of employees of HFHS that are included in the restricted class and unsolicited contributions received from the general public (the “Federal Account #1”). The second HFHS PAC account will include deposits of funds raised from the solicitation of the expanded class and employees of a HFHS Subsidiary (the “Federal Account #2). The third HFHS PAC account will be established for the State SSF (the “State Account”). It is not expected that either solicited or unsolicited contributions will be earmarked by the contributor for any particular federal, state, district or local candidate or committee. There is nothing in the MCFA which would prohibit transfers from the Federal Account to the State Account. All transfers from Federal Account #1 to the State Account must

be approved by the PAC Board and will only be made from funds received from such employees as allowed under the MCLA 169.255(3). The State Account will be used for expenditures in support of state, district and local party candidates and committees as determined by the PAC Board. There will be no fund transfers from the State Account back to a Federal Account. Any fund transfers between Federal Account #1 to the State Account will be itemized in reports to the FEC. See 2 U.S.C 434(b)(5)(C) and 11 CFR §104.3(b)(1)(ii). The State Account will file reports as required by Section 26 of the MCFA. See MCLA 169.226. Solicitations for federal activity would be made in accordance with federal law and those for state activity would be made in accordance with state law. All funds would go first into either Federal Account. Solicitations for funds to be transferred from either Federal Account to the State Account for use in connection with state activity would meet legal requirements under both federal law and state of Michigan law.

Federal law provides, in relevant part, that the provisions of the Act, and of rules prescribed under the Act, supersede and preempt any provision of state law with respect to election to federal office. See 2 U.S.C. §453. The supremacy clause of the U.S. Constitution requires that where there is a clear collision between state and federal law, or a conflict between federal law and the application of an otherwise valid state enactment, federal law will prevail. Hamm v. City of Rock Hill, 379 U.S. 306, 311-312 (1964). It will not be presumed that a federal statute was intended to supersede the exercise of a given power by a state unless there is a clear manifestation of intention to do so since the exercise of federal supremacy will not lightly be presumed. Swartz v. State of Texas, 344 U.S. 199, 202-203 (1952). It is clear that Congress intended "to make certain that the federal law is construed to occupy the field with respect to elections to federal office and that federal law will be the sole authority under which such elections will be regulated." H.R. Conf. Rep. No. 1438, 93d Cong., 2d Sess. 10 (1974). The Conference Committee Report goes on to state that, "[t]he provisions of the conference substitute make it clear that the federal law occupies the field with respect to criminal sanctions relating to limitations on campaign expenditures, the sources of campaign funds used in federal races, the conduct of federal campaigns, and similar offenses...." Id. at 69. See also 11 CFR §108.7(b). In Advisory Opinion 1982-29 (April 30, 1982), the FEC held that a PAC that only contributes to federal candidates would be allowed to use payroll deduction since the Act would supersede or preempt any state law prohibiting the proposed use of payroll deduction. If the method of solicitation cannot be controlled by state law, then the same analysis should be applied to class of employees that are allowed to be solicited provided that the contributions are only used in support of federal candidates and committees. See also, Advisory Opinion 1980-47 (May 13, 1980); Advisory Opinion 1978-66 (September 19, 1978); Advisory Opinion 1978-54 (September 1, 1978) and Advisory Opinion 1978-24 (May 12, 1978).

IV. QUESTIONS PRESENTED

1. May HFHS PAC solicit employees of HFHS and each HFHS Subsidiary either as part of the restricted class or expanded class?
2. Do such solicitations by the HFHS PAC supersede provisions of MCLA 169.201, et seq. with regard to funds that are used to support federal candidates and committees based on federal preemptive provisions?

V. CONCLUSION

The HFHS PAC is a separate segregated fund established by HFHS GAS which is a subsidiary of HFHS with HFHS having HFHS Subsidiaries. HFHS PAC proposes to solicit individual employees of HFHS and HFHS Subsidiaries for expenditures for federal candidates and committees. A holding that HFHS and each HFHS Subsidiary should be considered affiliates of HFHS GAS is consistent with 2 U.S.C. §441b (b)(4)(A)(I); 11 CFR §114.5(g)(1) and guidance from the FEC. Therefore, the HFHS PAC should be entitled to solicit employees of HFHS and HFHS Subsidiaries. The HFHS PAC will use two separate federal accounts into which all contributions will be deposited. The keeping of separate accounts will allow all employee solicitation that is not allowed under MCLA 169.255(3) to be placed in a separate account and only used in support of federal candidates and committees. Therefore, provided that such funds are expended for federal candidates and committees, the HFHS PAC should be entitled to solicit all employees as allowed under the Act even though such employees are not allowed to be solicited under MCLA 169.255(3) based on federal preemptive provisions as set forth in 2 U.S.C. §453, court rulings and guidance from the FEC.

Sincerely,

FIEDLER & TENNEY, P.C.



Charles A. Fiedler

EXHIBIT A

Articles of Incorporation

Henry Ford Health System Government Affairs Services

Michigan Department of Licensing and Regulatory Affairs

Filing Endorsement

This is to Certify that the ARTICLES OF INCORPORATION - NONPROFIT

for

HENRY FORD HEALTH SYSTEM GOVERNMENT AFFAIRS SERVICES

ID NUMBER: 71436J

received by facsimile transmission on October 30, 2013 is hereby endorsed

Filed on October 31, 2013 by the Administrator.

The document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.



In testimony whereof, I have hereunto set my hand and affixed the Seal of the Department, in the City of Lansing, this 31ST day of October, 2013.

***Alan J. Scheffe, Director
Corporations, Securities & Commercial Licensing Bureau***

**ARTICLES OF INCORPORATION
OF
HENRY FORD HEALTH SYSTEM GOVERNMENT AFFAIRS SERVICES
(A Michigan Nonprofit Corporation)**

Pursuant to the provisions of Act 162, Public Acts of 1982, as amended ("Michigan Nonprofit Corporation Act"), the undersigned corporation (the "Corporation") executes the following Articles.

ARTICLE I

The name of the Corporation is **HENRY FORD HEALTH SYSTEM GOVERNMENT AFFAIRS SERVICES**.

ARTICLE II

A. The Corporation is organized to operate and act exclusively for social welfare purposes under Section 501(c)(4) of the Internal Revenue Code of 1986, as amended ("Code"), including the following purposes. For purposes of these Articles of Incorporation ("Articles"), every reference to a section of the Code shall be deemed to include a reference to a corresponding section of any future federal tax code.

1. To the extent that such activities may be carried on by corporations exempt from federal income tax under Section 501(c)(4) of the Code, to promote the welfare of the people of the state of Michigan with emphasis on Southeast Michigan by helping Henry Ford Health System, a Michigan non-profit corporation ("Henry Ford Health System"), and its for-profit and non-profit subsidiaries (collectively "HFHS") to provide the highest possible quality and quantity of health care.
2. To the extent that such activities may be carried on by corporations exempt from federal income tax under Section 501(c)(4) of the Code, to represent HFHS in government matters at all levels.
3. To the extent that such activities may be carried on by corporations exempt from federal income tax under Section 501(c)(4) of the Code, to engage in programs of fact finding and reporting with respect to matters that may have an impact on HFHS as well as the greater community it serves.

4. To the extent that such activities may be carried on by corporations exempt from federal income tax under Section 501(c)(4) of the Code, to render and perform any lawful service and function beneficial to or in the best interest of HFHS.

5. To the extent that such activities may be carried on by corporations exempt from federal income tax under Section 501(c)(4) of the Code, to encourage the enactment or amendment of any law, rule or regulation of the United States of America or the state of Michigan or any board, bureau or commission thereof, which enactment or amendment the Corporation funds to the in the interest of HFHS and improving the health status of the community it serves.

6. To the extent that such activities may be carried on by corporations exempt from federal income tax under Section 501(c)(4) of the Code, to serve as the sponsor or organizer (also known as a connected organization) of a separate segregated fund established under the Federal Election Campaign Finance Act of 1971, as amended to be called "Henry Ford Health System Political Action Committee" (the "Committee") with such Committee to be registered in the State of Michigan pursuant to the Michigan Campaign Finance Act, as amended, and to engage in such other permitted activities with regard to the administration of the Committee.

7. To receive and administer assets exclusively for social welfare purposes and to dispose of same exclusively in furtherance of the foregoing purposes.

8. To conduct any and all such activities and to exercise any and all such powers necessary or desirable to the achievement of the foregoing purposes as may be conferred under the Nonprofit Corporation Act and may be necessary or expedient for the administration of the affairs and attainment of the purposes of the Corporation, including without limitation, the employment of individuals, consultants and others.

B. Notwithstanding any other provisions of these Articles, the Corporation shall not, except to an insubstantial degree, carry on any activity not permitted to be carried on by a corporation exempt from federal income tax under Section 501(c)(4) of the Code.

ARTICLE III

A. The Corporation is organized on a nonstock basis.

B. The description and value of the real property assets are: NONE

C. The description and value of personal property assets are: NONE

D. The Corporation is funded under the following general plan: fees or contractual payments to be received from organizations or entities, income from investments, grants, contributions, and other sources, which may be available.

E. The Corporation is organized on a membership basis, initially with one entity member and possible future members to join (individually a "Member" and collectively the "Members"). The sole voting Member of the Corporation with authority to elect and remove all members of board of directors or the Corporation is Henry Ford Health System. All other Members shall be non-voting.

ARTICLE IV

A. The address and mailing address, including street, number, city, and county of the registered office of the Corporation in the State of Michigan is One Ford Place, Detroit, Michigan 48202, City of Detroit, County of Wayne, State of Michigan, United States.

B. The name of the resident agent of the Corporation in the State of Michigan at such address is Edie Eisenmann.

ARTICLE V

The period of duration of the Corporation is perpetual

ARTICLE VI

A. No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, its directors, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article II hereof.

B. Upon the dissolution of the Corporation, after paying or providing for the payment of all liabilities of the Corporation, the Corporation's assets shall be distributed to Henry Ford Health System or one or more exempt purposes within the meaning of Section 501(c)(3) of the Code. Any such assets not so disposed of shall be disposed of by a court of competent jurisdiction of the county in which the principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE VII

The Corporation may adopt, amend or repeal bylaws (the "Bylaws") so long as the Bylaws are not inconsistent with the Michigan Nonprofit Corporation Act or the provisions of these Articles.

ARTICLE VIII

A. Except as provided herein, the number, qualifications, classifications, terms of office, manner of election or removal, time and place of meeting, and the powers and duties of the directors of the Corporation shall be as prescribed in the Bylaws.

B. The Members, directors or officers of the Corporation shall not have any title to or interest in the property or earnings of the Corporation in an individual or private capacity and no part of the net earnings of this Corporation shall be distributed to, or inure to the benefit of, any Member, director, or officer of this Corporation, contributor, or private individual.

ARTICLE IX

A. No member of the Corporation's board of directors who is a volunteer director, as that term is defined in the Michigan Nonprofit Corporation Act, and no volunteer officer of the Corporation shall be personally liable to the Corporation for monetary damages for breach of the volunteer director's or volunteer officer's fiduciary duty. However, this provision does not eliminate or limit the liability of a volunteer director or volunteer officer for any of the following:

1. A breach of the volunteer director's or volunteer officer's duty of loyalty to the Corporation.
2. Acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law.
3. A violation of section 551(1) of the Michigan Nonprofit Corporation Act.
4. A transaction from which the volunteer director or volunteer officer derived an improper personal benefit.
5. An act or omission occurring before the effective date of this Article.
6. An act or omission that is grossly negligent.

B. The Corporation assumes all liability to any person other than the Corporation for all acts or omissions of a volunteer director occurring on or after the effective date of this Article incurred in the good faith performance of the volunteer director's duties; provided, that the Corporation shall not be considered to have assumed any liability of a volunteer director to the extent such assumption is inconsistent with the status of the Corporation as an organization described in Section 501(c)(4) of the Code, or results in the imposition of tax under Section 4958 of the Code.

C. The Corporation assumes the liability for all acts or omissions of a volunteer officer or other volunteer of the Corporation occurring on or after the effective date of this Article if all of the following are met:

1. The volunteer officer or other volunteer was acting or reasonably believed he or she was acting within the scope of his or her authority.
2. The volunteer officer or other volunteer was acting in good faith.
3. The conduct of the volunteer officer or other volunteer did not amount to gross negligence or willful and wanton misconduct.

4. The conduct of the volunteer officer or other volunteer was not an intentional tort.
5. The conduct of the volunteer officer or other volunteer was not a tort arising out of the ownership, maintenance, or use of a motor vehicle for which tort liability may be imposed as provided in section 3135 of the insurance code of 1956, Act No. 218 of the Public Acts of 1956, being section 500.3135 of the Michigan Compiled Laws.

D. Provided, that the Corporation shall not be considered to have assumed any liability of a volunteer officer or other volunteer to the extent such assumption is inconsistent with the status of the Corporation as an organization described in Section 501(c)(4) of the Code, or results in the imposition of tax under Section 4958 of the Code.

E. If the Michigan Nonprofit Corporation Act is amended after this Article becomes effective to authorize the further elimination, limitation or assumption of the liability of directors, officers or volunteers of nonprofit organizations, the liability of the Corporation's directors, officers and volunteers, in addition to the elimination, limitation and assumption of liability contained in this Article, shall be eliminated, limited or assumed by the Corporation to the fullest extent permitted by the Michigan Nonprofit Corporation Act as so amended, except to the extent such elimination, limitation or assumption is inconsistent with the status of the Corporation as an organization described in Section 501(c)(4) of the Code, or results in the imposition of tax under Section 4958 of the Code. No amendment or repeal of this Article shall apply to or have any effect on the liability or alleged liability of any director, officer or volunteer of the Corporation for or with respect to any acts or omissions of such director, officer or volunteer of the Corporation occurring prior to the effective date of such amendment or repeal.

ARTICLE X

The Corporation shall indemnify its directors, officers, employees and agents to the fullest extent permitted by the Michigan Nonprofit Corporation Act.

ARTICLE XI

These Articles may be amended or restated by an affirmative vote or consent of Henry Ford Health System in accordance with the Bylaws and by the filing of an amendment or restatement with the appropriate office or agency of the State of Michigan.

ARTICLE XII

The sole incorporator is Charles A. Fiedler of 120 N. Washington Square, Suite 805, Lansing, Michigan, 48933.

IN WITNESS WHEREOF, I, the sole incorporator, hereby sign my name this 30th day of October, 2013.


Charles A. Fiedler

DOCUMENT TO BE RETURNED TO:
120 N. Washington Square, Suite 805
Lansing, Michigan 48933

NAME OF ORGANIZATION
REMITTING FEES:
Fiedler & Tenney, P.C.

PREPARER'S NAME AND
PHONE NUMBER:
Charles A. Fiedler
517-488-8281

HENRY FORD HEALTH SYSTEM GOVERNMENT AFFAIRS SERVICES BYLAWS

These Bylaws of the Henry Ford Health System Government Affairs Services, a Michigan nonprofit corporation formed to receive and administer funds exclusively for social welfare purposes, on a membership basis hereinafter referred to as the Corporation, are stated effective November ____, 2013.

ARTICLE I MEMBERS

1.1. Classes. There shall be two classes of membership in the Corporation namely, *Voting Member and Non-Voting Members, collectively the "Members."*

1.2. Henry Ford Health System or Voting Member. The sole voting member of the Corporation entitled to vote for the election of the Board of Directors shall be Henry Ford Health System, a Michigan nonprofit corporation ("HFHS" or "Voting Member").

1.3. Affiliate Members. Any affiliate entity of HFHS shall be eligible for membership ("Affiliate Members") upon approval by HFHS. Affiliate Members shall be nonvoting and shall not be entitled to vote for the election of Directors.

1.4. Fees. A membership fee may be initiated by the Board of Directors of such amount as shall be determined by the Board of Directors. The Board of Directors may establish prorated fees for Members who join the Corporation after the midpoint of the fiscal year.

1.5. Activities. A Member shall be entitled to participate in such activities of the Corporation as may be designated from time to time by the Board of Directors.

1.6. Withdrawal. Any Affiliate Member may voluntarily withdraw from the Corporation at any time upon thirty (30) calendar days notice to the Corporation, its rights and continuing obligations upon such occurrence to be determined by HFHS.

1.7. Removal. Any Affiliate Member may be removed as a Member by HFHS.

1.8. Transfer. No membership or right arising from membership shall be transferred. All membership rights cease on a Member's dissolution.

1.9. Reserved Powers. The following powers and authority relative to the business and operations of the Corporation shall be reserved exclusively to the Voting Member:

1.9.1 Amend the Articles of Incorporation or these Bylaws.

1.9.2 Adopt an agreement of merger or consolidation, or approve the sale, lease or exchange of all or substantially all of the Corporation's property and assets.

1.9.3 Admit new members or terminate the membership of a Member.

1.9.4 Appoint or remove a Director or the Chair of the Board of Directors, or fill any vacancy thereto.

1.9.5 Dissolve the Corporation or revoke the dissolution of the Corporation.

1.9.6 Approve capital and operating budgets.

1.9.7 Investment of Corporation assets.

1.9.8 Borrow money, mortgage and create other liens on its property as security for its debts or other lawful engagements, and guarantee debts of others.

1.9.9 Any other powers that by law cannot be delegated by the Member.

Section 1.10. Action by Member. The HFHS shall act by and through its Board of Trustees, or pursuant to authority granted by the Member's Board of Directors to the Member's Chief Executive Officer and/or to such other Officer or Officers of the Member as the Member's Board of Directors may determine.

ARTICLE II

MEMBERSHIP MEETINGS

Section 2.1. Place of Meetings. All meetings of the Members may be held at the principal office of the Corporation or at such other place, within or without the State of Michigan, as may be determined by the HFHS Board of Trustees

Section 2.2. Annual Meeting. The annual meeting of the Members shall be held at such time on such day within such month as shall be fixed by the HFHS Board of Trustees for the election of Directors and such other business as may come before the meeting.

Section 2.3. Special Meetings. Special meetings of the Members for any purpose or purposes, may be called by the Chair of the HFHS Board of Trustees (if the office is filled) or the President or by the Board of Directors, and shall be called by the Chair of the Board of Directors (if the office is filled) or the President.

Section 2.4. Notice of Meeting. Notice of the time, place, and purposes of a meeting of Members shall be given not less than ten (10) calendar days nor more than sixty (60) calendar days before the date of the meeting, to each Member of record.

Section 2.5. Action Without A Meeting. Any action required or permitted to be taken under authorization voted at a meeting of the Members, may be taken without a meeting and without a vote if, before or after the action, HFHS consents to the action in writing. The written consents shall be filed with the minutes of the proceedings of the HFHS Board of Trustees, or a Committee of the HFHS Board of Trustees.

Section 2.6. Quorum. The presence of HFHS constitutes a quorum for the transaction of business at any meeting of the Members, but if HFHS is not present at the meeting a majority of the Affiliate Members may adjourn the meeting without further notice.

Section 2.7. Voting. HFHS is entitled to one (1) vote on each matter submitted to a vote. A vote may be cast either orally or in writing. Except as otherwise provided in these Bylaws, the vote of HFHS at a meeting at which HFHS is present constitutes the action of the Member.

Section 2.8. Participation in Meetings by Telecommunications. HFHS may participate in a meeting by means of conference telephone or similar communications equipment through which all persons participating in the meeting can communicate with the other participants. Participation in a meeting pursuant to this Section constitutes presence in person at the meeting.

Section 2.9. Conduct of Meetings. The Chair of the Board of Directors (if the office is filled) shall act as Chair of and preside at all meetings of Members. In the event of his or her absence or disability, another member of the Board of Directors shall serve as Chair of the meeting. The Secretary of the Corporation shall act as secretary of each meeting of Members, but in his or her absence, the Chair shall appoint some person to act as secretary of the meeting and to keep a record of the proceedings thereof for entry in the minute book of the Corporation. Should any questions arise regarding the procedure at any meeting, it shall be resolved by reference to "Robert's Rules of Order Revised."

ARTICLE III **BOARD OF DIRECTORS**

Section 3.1. General Powers. The business and affairs of the Corporation shall be managed by or under the direction of its Board of Directors which may exercise all such powers of the Corporation and do all such lawful acts and things that are not by the Nonprofit Corporation Act or the Articles of Incorporation directed or required to be exercised or done by the Members. As used in these Bylaws, Board of Directors shall also mean and be construed as Board of Trustees of the Corporation.

Section 3.2. Number. The business and affairs of the Corporation shall be under the management and strategic direction of a Board of Directors which shall number exactly eleven (11) natural persons.

Section 3.3. Terms. The standard term for Directors shall be for three (3) years. Terms shall be staggered so that approximately one-third (1/3) of the Directors shall be appointed each year. As appropriate to maintain staggered terms, initial terms may be for less than three (3) years. Absent extraordinary circumstances, a person is ineligible to serve as a Director for one (1) year after serving as a Director for three (3) consecutive full terms.

Section 3.4. Vacancies. If a vacancy, including a vacancy resulting from an increase in the number of Directors, occurs on the Board of Directors, the vacancy may be filled by HFHS. A vacancy to be filled because of an increase in the number of Directors or to fill a vacancy may be filled by HFHS for a term of office continuing only until the next election of Directors.

Section 3.5. Resignation. A Director may resign by notice to the Corporation. The resignation is effective upon its receipt by the Corporation or a later time as set forth in the notice of resignation.

Section 3.6. Removal. HFHS may remove one (1) or more Directors, with or without cause effective at such time as set forth in the resolution of removal.

Section 3.7 Chair. The Chair of the Board of Directors shall be a Director and shall be appointed by the Voting Member. The standard initial term of appointment for Chair of the Board of Directors shall be three (3) years. Thereafter a person shall be eligible for reappointment to three (3) consecutive one (1) year terms as Chair.

3.7.1 Limitation. Absent extraordinary circumstances, a person is ineligible to serve as Chair for one (1) year after serving as Chair for six (6) consecutive full years.

3.7.2 Eligibility. While serving as Chair, the underlying Director term limit shall continue to elapse, but appointment and eligibility for service as Chair shall supersede the expiration of eligibility as a Director and, in such event, the Chair shall continue to serve as a Director during his or her term(s) as Chair.

3.7.3 Service Following Appointment. Following service as Chair, a person may continue to serve as a Director if his or her underlying Director term has not expired. If the underlying Director term has expired, a retiring Chair shall be ineligible for reappointment as a Director for a period of one (1) year.

Section 3.8. Place of Meetings. All meetings of the Board of Directors shall be held at the principal office of the Corporation or such other place either in or outside the State of Michigan as shall be determined by the Board of Directors.

Section 3.9. Annual Meeting. The annual meeting of the Board of Directors shall be held immediately after and at the same place as, the annual meeting of Members, or within ten (10) calendar days of such time, if such later time is deemed advisable.

Section 3.10. Special Meetings. Special meetings of the Board of Directors may be called by the Chair of the Board of Directors (if the office is filled) or the President or by any two (2) Directors.

Section 3.11. Notice of Meeting. Notice of a special meeting of the Board of Directors, or a Committee (as defined in Section 7.1 of these Bylaws), stating the place, date and hour of the meeting shall be given not less than ten (10) or more than sixty (60) calendar days before the date of the meeting.

Section 3.12. Action Without A Meeting. Any action required or permitted to be taken under authorization voted at a meeting of the Board of Directors, or a Committee, may be taken without a meeting and without a vote if, before or after the action, a majority of the members of

the Board of Directors then in office, or of the Committee, consent to the action in writing. The written consents shall be filed with the minutes of the proceedings of the Board of Directors, or a Committee of the Board of Directors.

Section 3.13. Quorum. A majority of the Board of Directors or Committee constitutes a quorum for the transaction of business at any meeting of the Board of Directors, but if less than a majority is present at the meeting a majority of the Directors present may adjourn the meeting without further notice.

Section 3.14. Voting. Each member of the Board of Directors or Committee is entitled to one (1) vote on each matter submitted to a vote. A vote may be cast either orally or in writing. Except as otherwise provided in these Bylaws, a vote of a majority of the members of the Board of Directors or Committee present at a meeting at which a quorum is present constitutes the action of the Board of Directors or a Committee.

Section 3.15. Participation in Meetings by Telecommunications. A member of the Board of Directors, or a Committee, may participate in a meeting by means of conference telephone or similar communications equipment through which all persons participating in the meeting can communicate with the other participants. Participation in a meeting pursuant to this Section constitutes presence in person at the meeting.

Section 3.16. Compensation. A Director of the Corporation shall not receive anything of value from the Corporation for serving as a Director other than reasonable per diem compensation and reimbursement for actual, reasonable, and necessary expenses incurred by a Director in his or her capacity as a Director.

Section 3.17. Conduct of Meetings. At all meetings of the Board of Directors, the Chair of the Board of Directors (if the office is filled) shall preside. If there is not a Chair, or if the Chair is absent, then a Chair chosen by the Board of Directors shall preside. The Secretary of the Corporation shall act as secretary of each meeting of the Board of Directors, but in his or her absence, the Chair shall appoint some person to act as secretary of the meeting and to keep a record of the proceedings thereof for entry in the minute book of the Corporation. Should any questions arise regarding the procedure at any meeting, it shall be resolved by reference to "Robert's Rules of Order Revised."

Section 3.18. Proxies. Directors and Committee Members may not vote by proxy and no proxy may be counted to determine whether or not a quorum is present at any meeting of the Board of Directors or Committee.

ARTICLE IV COMMITTEES

Section 4.1. Establishment. The Board of Directors may by resolution establish Committees to perform such functions as are set forth in the resolution and are not restricted by law, the Articles of Incorporation or these Bylaws.

Section 4.2. Composition. Committee members shall be appointed by the Board of Directors upon recommendation of the Chair of the Board of Directors. Each Committee shall

consist of one (1) or more Directors, and may include other persons who are not Directors. In the event that the Board of Directors establishes an Executive Committee, all members of the Executive Committee shall be Directors. Absent extraordinary circumstances, the Chair of each Committee shall be a Director. The Chair of the Board of Directors shall receive notice of all meetings of each Committee and may attend any and all meetings of each Committee. The President may by resolution be a member of a Committee.

Section 4.3. Committee Powers. A Committee may exercise any or all of the powers and authority of the Board of Directors consistent with the establishing resolution; provided, however, that a Committee shall not have the powers reserved to the HFHS or restricted by law, the Articles of Incorporation or these Bylaws.

Section 4.4. Discharge of Duties. Any person appointed as a member of a Committee shall discharge his or her duties consistent with the standards established for directors, trustees and officers by law, the Articles of Incorporation, these Bylaws, the Board of Directors or the HFHS.

ARTICLE V **NOTICES**

Section 5.1. How Given. When a notice or communication is required or permitted by the Nonprofit Corporation Act to be given it shall be in writing and given personally or mailed, except as otherwise provided by Nonprofit Corporation Act, to the person to whom it is directed at the address designated by him or her for that purpose, or if none is designated, at his or her last known address. The notice or communication is given when deposited, with postage thereon prepaid, in a post office or official depository under the exclusive care and custody of the United States postal service. The mailing shall be certified or registered mail return receipt requested, or other first class mail except where otherwise provided in the Nonprofit Corporation Act.

Section 5.2. Waiver. When, under the Nonprofit Corporation Act or the Articles of Incorporation or of these Bylaws, or by the terms of an agreement or instrument, the Corporation, or the Board of Directors or any Committee of Directors, may take action after notice to any person or after lapse of a prescribed period of time, the action may be taken without notice and without lapse of the period of time, if at any time before or after the action is completed, the person entitled to notice or to participate in the action to be taken submits a signed waiver of the requirements. A Director's attendance at or participation in a meeting waives any required notice to him or her of the meeting unless he or she at the beginning of the meeting, or upon his or her arrival, objects to the meeting or the transacting of business at the meeting and does not thereafter vote for or assent to any action taken at the meeting.

ARTICLE VI **OFFICERS**

Section 6.1. Number. The Officers of the Corporation shall be a President, a Secretary and a Treasurer, each of whom shall be elected by the HFHS. Any two (2) or more offices may be held by the same person.

Section 6.2. Removal. An Officer, elected or appointed by the HFHS may be removed by the Board of Directors with or without cause. The removal of an Officer shall be without prejudice to his or her contract rights, if any. The election or appointment of an Officer does not of itself create contract rights.

Section 6.3. Resignation. An Officer may resign by notice to the Corporation. The resignation is effective upon its receipt by the Corporation or at a subsequent time specified in the notice of resignation.

Section 6.4. Vacancies. A vacancy in any Office may be filled by the HFHS the unexpired portion of the term.

Section 6.5. President. The President shall, in the absence or disability of the Chair of the Board of Directors, perform the duties of the Chair of the Board of Directors.

Section 6.6. Other Officers. The other Officers of the Corporation shall each have such powers and perform such duties in the management of the affairs, property and business of the Corporation as customarily pertain to their respective offices, except as otherwise provided by law, the Articles of Incorporation or these Bylaws. Such Officers shall perform such other duties as may be authorized from time to time by the Board of Directors.

ARTICLE VII **INDEMNIFICATION**

Section 7.1. Indemnification, Non-Derivative Actions. The Corporation has the power to indemnify a person who was or is a party or is threatened to be made a party to a threatened, pending or completed action, suit, or proceeding, whether civil, criminal, administrative or investigative and whether formal or informal, other than an action by or in the right of the Corporation, by reason of the fact that he or she is or was a Director, Officer, employee or agent of the Corporation or is or was serving at the request of the Corporation as a Director, Officer, partner, trustee, employee, or agent of another foreign or domestic Corporation, partnership, joint venture, trust or other enterprise, whether for profit or not, against expenses, including attorneys fees, judgments, penalties, fines, and amounts paid in settlement actually and reasonably incurred by him or her in connection with 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 or its Members, and with respect to a criminal action or proceeding, if the person had no reasonable cause to believe his or her conduct was unlawful. The termination of an action, suit, or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent, does not of itself create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Corporation or its Members and with respect to a criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

Section 7.2. Indemnification, Derivative Actions. The Corporation has the power to indemnify a person who was or is a party or is threatened to be made a party to a threatened, pending or completed action or suit by or in the right of the Corporation, to procure a judgment in its favor by reason of the fact that he or she is or was a Director, Officer, employee or agent of

the Corporation or is or was serving at the request of the Corporation as a Director, Officer, partner, trustee, employee or agent of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise, whether for profit or not, against expenses, including attorneys fees and amounts paid in settlement actually and reasonably 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 or its Members. Indemnification shall not be made for a claim, issue, or matter in which the person has been found liable to the Corporation except to the extent authorized in Section 7.6 hereof.

Section 7.3. Expenses, Successful Defense. To the extent that a Director, Officer, employee or agent of the Corporation has been successful on the merits or otherwise in defense of an action, suit, or proceeding referred to in Sections 7.1 or 7.2 hereof, or in defense of a claim, issue, or matter in the action, suit or proceeding, he or she shall be indemnified against actual and reasonable expenses, including attorneys fees incurred by him or her in connection with the action, suit or proceeding and an action, suit, or proceeding brought to enforce the mandatory indemnification provided in this Section.

Section 7.4. Determination that Indemnification is Proper. An indemnification under Sections 7.1 or 7.2 hereof, unless ordered by the court, shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the Director, Officer, employee, or agent is proper in the circumstances because he or she has met the applicable standard of conduct set forth in Sections 7.1 and 7.2 hereof and upon an evaluation of the reasonableness of expenses and amounts paid in settlement. This determination shall be made in any of the following ways:

- (a) By a majority vote of a quorum of the Board of Directors consisting of Directors who are not parties or threatened to be made parties to the action, suit, or proceeding.
- (b) If a quorum cannot be obtained under subdivision (a) of this Section, then by majority vote of a Committee duly designated by the Board of Directors and consisting solely of two (2) or more Directors not at the time parties, or threatened to be made parties to the action, suit, or proceeding. All Directors may participate in the designation of a Committee.
- (c) By independent legal counsel in a written opinion, which counsel shall be selected in one (1) of the following ways:
 - (i) Selected by the Board of Directors or its Committee in the manner prescribed under subdivision (a) or (b) of this Section.
 - (ii) If a quorum of the Board of Directors cannot be obtained under subdivision (a) of this Section, and a Committee cannot be designated under subdivision (b) of this Section, by the Board of Directors. All Directors may participate in the selection of independent legal counsel.

If a person is entitled to indemnification under Sections 7.1 or 7.2 hereof for a portion of expenses, including reasonable attorneys fees, judgments, penalties, fines and amounts paid in

settlement, but not for the total amount, the Corporation may 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.

Section 7.5. Expenses. The Corporation may pay or reimburse the reasonable expenses incurred by a Director, Officer, employee, or agent who is a party or threatened to be made a party to an action, suit or proceeding in advance of final disposition of the proceeding if all of the following apply:

- (a) The person furnishes the Corporation a written affirmation of his or her good faith belief that he or she has met the applicable standard of conduct set forth in Sections 7.1 and 7.2 hereof.
- (b) The person furnishes the Corporation a written undertaking, executed personally or on his or her behalf, to repay the advance if it is ultimately determined that he or she did not meet the standard of conduct.
- (c) A determination is made that the facts then known to those making the determination would not preclude indemnification under the Nonprofit Corporation Act.

The undertaking required under subdivision (b) of this Section must be an unlimited general obligation of the person but need not be secured. Determinations of payments under this Section shall be made in the manner specified in Section 10.4 hereof.

Section 7.6. Application, Order, Limitation. A Director, Officer, employee, or agent of the Corporation who is a party or threatened to be made a party to an action, suit, or proceeding may apply for indemnification to the court conducting the proceeding or to another court of competent jurisdiction. On receipt of an application, the court after giving any notice it considers necessary may order indemnification if it determines that the person is fairly and reasonably entitled to indemnification in view of all the relevant circumstances, whether or not he or she met the applicable standard of conduct set forth in Sections 7.1 and 7.2 hereof or was adjudged liable as described in Section 7.2 hereof, but if he or she was adjudged liable, his or her indemnification is limited to reasonable expenses incurred.

Section 7.7. Other Rights of Directors and Officers. The indemnification or advancement of expenses provided under Sections 7.1 through 7.6 hereof is not exclusive of other rights to which a person seeking indemnification or payment of expenses may be entitled under the Articles of Incorporation, these Bylaws or a contractual agreement. 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 payment of expenses.

Section 7.8. Former Directors and Officers. The indemnification provided for in Sections 7.1 through 7.6 hereof continues as to a person who ceases to be a Director, Officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of the person.

Section 7.9. Insurance. The Corporation shall have the power to purchase and maintain insurance on behalf of any person who is or was a Director, Officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a Director, Officer, partner, trustee, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him or her 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 him or her against liability under Sections 7.1 through 7.6 hereof.

Section 7.10. Changes in Law. In the event of any change to the Nonprofit Corporation Act relating to the subject matter of Article X of these Bylaws, the indemnification to which any person shall be entitled hereunder shall be determined by such changed provisions. The Board of Directors is authorized to amend this Bylaw to conform to any such changed statutory provisions.

ARTICLE VIII MISCELLANEOUS

Section 8.1. Funds. The funds of the Corporation shall be deposited in such bank or trust companies as may be designated by the Board of Directors. Such deposits shall be made subject to withdrawal on the signatures of such person or persons as the Board of Directors shall designate from time to time.

Section 8.2. Books and Records. The Officers, agents and employees of the Corporation shall maintain such books, records and accounts of the Corporation's business and affairs as shall be appropriate, or as shall be required by law, the Articles of Incorporation, these Bylaws, the Board of Directors or the Member.

Section 8.3. Execution of Instruments. All corporate instruments and documents shall be signed or countersigned, executed, verified or acknowledged by an Officer or Officers or such other person or persons as may be prescribed by law or as the Board of Directors or Chief Executive Officer may from time to time designate, consistent with the policies established by the Member.

Section 8.4. Fiscal Year. The fiscal year of the Corporation shall be a calendar year.

Section 8.5. Corporate Seal. The Board of Directors is authorized to adopt a form of seal for the Corporation. The affixing or imprinting by the Secretary of the Corporation of a seal on any document shall be conclusive evidence of the approval of the form of such seal by the Directors.

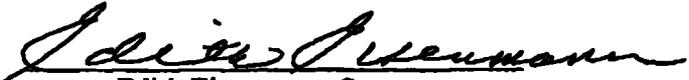
ARTICLE IX AMENDMENT TO BYLAWS

Section 9.1. Amendment. These Bylaws may be adopted, amended, or repealed by and vote of HFHS, provided that such Bylaws are not in conflict with the Articles of Incorporation, as amended and restated, the Nonprofit Corporation Act or other applicable law.

CERTIFICATION

I, Edith Eisenmann, Secretary of Henry Ford Health System Government Affairs Services, a Michigan nonprofit corporation, DO HEREBY CERTIFY that the foregoing is a true and correct copy of the Corporation's Bylaws as adopted by the Board of Directors of the Corporation on November 5, 2013, and that such Bylaws have not been altered or repealed and are in full force and effect on the date set forth below.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Corporate Seal of the Corporation this 5th day of November, 2013.


Edith Eisenmann, Secretary

MICHIGAN CAMPAIGN FINANCE ACT (EXCERPT)

Act 388 of 1976

169.255 Segregated fund for political purposes; establishment by corporation, joint stock company, domestic dependent sovereign, or labor organization; limitations; solicitation of contributions; prohibited practices; penalty; violation; civil fine.

Sec. 55. (1) A corporation organized on a for profit or nonprofit basis, a joint stock company, a domestic dependent sovereign, or a labor organization formed under the laws of this or another state or foreign country may make an expenditure for the establishment and administration and solicitation of contributions to a separate segregated fund to be used for political purposes. A separate segregated fund established under this section shall be limited to making contributions to, and expenditures on behalf of, candidate committees, ballot question committees, political party committees, political committees, independent committees, and other separate segregated funds.

(2) Contributions for a separate segregated fund established by a corporation, organized on a for profit basis, or a joint stock company under this section may be solicited from any of the following persons or their spouses:

(a) Stockholders of the corporation or company.

(b) Officers and directors of the corporation or company.

(c) Employees of the corporation or company who have policy making, managerial, professional, supervisory, or administrative nonclerical responsibilities.

(3) Contributions for a separate segregated fund established under this section by a corporation organized on a nonprofit basis may be solicited from any of the following persons or their spouses:

(a) Members of the corporation who are individuals.

(b) Stockholders or members of members of the corporation.

(c) Officers or directors of members of the corporation.

(d) Employees of the members of the corporation who have policy making, managerial, professional, supervisory, or administrative nonclerical responsibilities.

(e) Employees of the corporation who have policy making, managerial, professional, supervisory, or administrative nonclerical responsibilities.

(4) Contributions for a separate segregated fund established under this section by a labor organization may be solicited from any of the following persons or their spouses:

(a) Members of the labor organization who are individuals.

(b) Officers or directors of the labor organization.

(c) Employees of the labor organization who have policy making, managerial, professional, supervisory, or administrative nonclerical responsibilities.

(5) Contributions for a separate segregated fund established under this section by a domestic dependent sovereign may be solicited from an individual who is a member of any domestic dependent sovereign.

(6) Contributions shall not be obtained for a separate segregated fund established under this section by use of coercion or physical force, by making a contribution a condition of employment or membership, or by using or threatening to use job discrimination or financial reprisals. A corporation organized on a for profit or nonprofit basis, a joint stock company, a domestic dependent sovereign, or a labor organization shall not solicit or obtain contributions for a separate segregated fund established under this section from an individual described in subsection (2), (3), (4), or (5) on an automatic or passive basis including but not limited to a payroll deduction plan or reverse checkoff method. A corporation organized on a for profit or nonprofit basis, a joint stock company, a domestic dependent sovereign, or a labor organization may solicit or obtain contributions for a separate segregated fund established under this section from an individual described in subsection (2), (3), (4), or (5) on an automatic basis, including but not limited to a payroll deduction plan, only if the individual who is contributing to the fund affirmatively consents to the contribution at least once in every calendar year.

(7) A person who knowingly violates this section is guilty of a felony punishable, if the person is an individual, by a fine of not more than \$5,000.00 or imprisonment for not more than 3 years, or both, or, if the person is not an individual, by a fine of not more than \$10,000.00.

(8) If a corporation, joint stock company, domestic dependent sovereign, or labor organization that obtains contributions for a separate segregated fund from individuals described in subsection (2), (3), (4), or (5) pays to 1 or more of those individuals a bonus or other remuneration for the purpose of reimbursing those contributions, then that corporation, joint stock company, domestic dependent sovereign, or labor organization is subject to a civil fine equal to 2 times the total contributions obtained from all individuals for the separate segregated fund during that calendar year.

History: 1976, Act 388, Eff. June 1, 1977;—Am. 1994, Act 117, Eff. Apr. 1, 1995;—Am. 1995, Act 264, Eff. Mar. 28, 1996;—Am. 2012, Act 277, Imd. Eff. July 3, 2012;—Am. 2013, Act 252, Imd. Eff. Dec. 27, 2013.

Compiler's note: Section 2 of Act 264 of 1995 provides:

"If any portion of this amendatory act or the application of this amendatory act to any person or circumstance is found to be invalid by a court, the invalidity does not affect the remaining portions or applications of this amendatory act that can be given effect without the invalid portion or application, if those remaining portions are not determined by the court to be inoperable. To this end, this amendatory act is declared to be severable."