

CONSTITUTION
OF
MICHIGAN
SELF-INSURERS'
ASSOCIATION

ARTICLE I
NAME

The name of this organization shall be MICHIGAN SELF-INSURERS' ASSOCIATION.

ARTICLE II
OBJECTIVES
(As Amended May 3, 1979)

The objectives of the Association are as follows:

To furnish opportunities for its members; to confer upon and discuss the many questions arising under the Workers' Disability Compensation Law and its related fields.

To furnish to its members at a minimum expense, information regarding the administration of, and decisions of, such laws of various states.

To promote the general welfare of its members and their employees in relation to such laws.

To extend and perpetuate the policy of sound and conservative self-insurance.

To enable its members to cooperate with the constituted authorities under such laws to the end that the greatest success in their operation may be achieved.

To exchange information freely relative to the prevention of accidents, with the view of reducing their numbers.

ARTICLE III
MEMBERS
(As Amended November 3, 1989)

Section 1. Active Membership

Any person, governmental division, school, hospital, firm or corporation being a self-insurer, group self-insurer, or insured employer with high deductible under the provisions of the Workers' Disability Compensation Law of Michigan, may be elected to membership of this Association upon a two-thirds vote of the Board of Managers. The membership of any member shall be automatically terminated in the

event that such member shall cease to be a self-insurer, group self-insurer, or insured employer with high deductible under said law unless such member seeks and is approved by the Board of Managers for Class C associate membership.

Section 2. Associate Membership
(As Amended November 3, 1989)

Associate membership may be granted to the following upon approval of their application by a two-thirds vote of the Board of Managers:

- CLASS A. Any profit organization representing self-insured employers.
- CLASS B. Any attorney representing self-insured employers.
- CLASS C. Any person, governmental division, school, hospital, firm or corporation which is insured under the provisions of the Workers' Disability Compensation law of Michigan whose interests are compatible with those of self-insurers.

Section 3. Subsidiary Corporations
(As Amended May 3, 1979)

Parent, subsidiary or affiliated corporations which are members of this Association may elect to pay dues as a single unit based upon the combined total average number of employees covered by workers' compensation in the State of Michigan during the preceding year, provided that in such circumstances only the dues paying or designated members of the group shall be entitled to vote.

Section 4. Removal or Withdrawal
(As Amended November 3, 1989)

After giving the member of an opportunity to be heard, the Board of Managers, by a two-thirds vote of its members, may remove or suspend any member for cause. Failure of a member to pay dues shall constitute cause for suspension of membership. In case of removal, the Treasurer shall refund to the member so removed, the proportion of dues for the unexpired portion of the year for which they were paid. Any member in good standing may withdraw from this Association on written notice to the Executive Secretary.

ARTICLE IV
FINANCES

Section 1. Dues
(As Amended November 3, 1979)

At the first meeting of the Board of Managers in each fiscal year, the Board shall fix the dues of active

members for the ensuing year, but shall not exceed the following amounts for Michigan employees:

1 to 100 employees	\$100.00
101 to 250 employees	150.00
251 to 500 employees	200.00
501 to 1,000 employees	250.00
1,001 to 2,000 employees	300.00
2,001 to 3,500 employees	350.00
3,501 to 5,000 employees	400.00
5,001 to 7,500 employees	450.00
7,501 to 10,000 employees	500.00
10,001 to 15,000 employees	550.00
15,001 to 25,000 employees	600.00
25,001 employees and over	650.00

The dues of associate members shall be determined by the Board of Managers as follows:

- CLASS A members – 50% of the maximum dues rate scheduled above without assessment.
- CLASS B members – \$100.00 per attorney without assessment.
- CLASS C members – 50% of the maximum dues rate scheduled above without assessment but not less than \$100.00.

Section 2. Treasurer's Report

Prior to the annual meeting of the Association, the Treasurer shall prepare a statement of receipts and disbursements during the twelve months ending August 31 of each year, together with a balance sheet showing assets and liabilities at the end of such period. These statements shall be approved by the Finance Committee and the Chairperson, and shall be made available to the members at the annual meeting.

Section 3. Limitation of Liability

No individual, officer or member of the Board of Managers shall incur any debt or liability in the name of the Association or in its behalf or for its interest except as duly authorized as hereinafter provided, and any individual, officer or member of the Board of Managers incurring any such unauthorized debt or obligation shall be personally liable for such debt or liability and shall hold this Association and its members harmless from the same.

ARTICLE V
MANAGEMENT

Section 1. Number
(As Amended October 21, 1988)

The Board of Managers shall be composed of not more than 17 (seventeen) nor less than 6 (six) active

members. Not more than 3/4 (three-fourths) of the Board of Managers shall be representatives of firms whose main operations are in the Metropolitan District. For this purpose, the Metropolitan District shall be considered to consist of the counties of Wayne, Macomb and Oakland.

Section 2. Election, Term of Office and Vacancies

The members of the Board of Managers shall be elected at the Annual Meeting of the Association and shall serve for a term of one year, or until their successors have been elected. A vacancy in the Board of Managers for any cause shall be filled for the unexpired portion of the term by the Board of Managers.

Section 3. Power and Duties

The entire and exclusive management of this Association shall be vested in the Board of Managers. Without in any way limiting the generality of the foregoing, the Board of Managers may make such rules and by-laws as it may determine to be necessary or desirable; it may authorize such expenditures, salaries or allowances as in its judgment may be required to carry on the work of the Association; it may from time to time appoint such committees, agents or employees as it shall deem necessary, each of whom shall hold office for such period, have such authority and perform such duties as the Board of Managers may from time to time determine.

Section 4. Executive Committee

The Board of Managers shall elect from among its number an Executive Committee consisting of five members, of which the Chairperson shall be a member and the presiding officer. A majority of the Executive Committee shall have and possess all the power of the Board of Managers in the interval between meetings of the Board, except the power to fill vacancies on the Board or the Executive Committee. The Executive Committee shall report its action to the Board of Managers at each meeting of the latter.

Section 5. Legislative Committee

The Chairperson of the Board of Managers shall appoint a Legislative Committee which shall consist of five members, of which the Chairperson shall be a member and which shall meet periodically during the year. It shall be the duty of this committee to study proposed or pending legislation in the light of the objectives of this Association and shall submit recommendations thereon.

Section 6. Finance Committee

The Chairperson of the Board of Managers shall appoint from the Board, a Finance Committee consisting of three members which shall advise and consult with

the Treasurer from time to time regarding the financial affairs of the Association. It shall be the duty of this committee to audit the accounts of the Treasurer and certify to the correctness thereof at least once a year.

ARTICLE VI OFFICERS

Section 1. Number (As Amended May 3, 1979)

The officers of this Association shall be the Chairperson, the Vice Chairperson, the Second Vice Chairperson, the Executive Secretary and the Treasurer.

Section 2. Election, Term of Office and Vacancies

The officers of this Association shall be chosen annually by the Board of Managers at their annual meeting and shall at all times be subject to the orders, rules and regulations of said Board. Each officer shall serve for a term of one year, or until his successors have been duly chosen and qualified, or until he shall resign. A vacancy in any office for any cause shall be filled for the unexpired portion of the term by the Board of Managers.

Section 3. Chairperson

The Chairperson shall be the Executive Officer of the Association and shall preside at meetings of the Association, its Board of Managers and its Executive Committee, and shall perform such other duties as are usually performed by a principal Executive Officer.

Section 4. Vice Chairperson

The Vice Chairperson, in absence of the Chairperson, shall perform the duties of the Chairperson and, in the case of vacancy in the office of the Chairperson, the Vice Chairperson shall perform the duties of that office until a Chairperson shall have been elected.

Section 4a. Second Vice Chairperson (Enacted October 26, 1990)

The Second Vice Chairperson, in the absence of the Chairperson and the Vice Chairperson, shall perform the duties of the Chairperson and the Vice Chairperson and, in the case of vacancies in the offices of Chairperson or Vice Chairperson, shall perform the duties of that office until the appropriate Chairperson or Vice Chairperson shall have been elected. The Second Vice Chairperson shall also have the responsibility of Director over all Association programs, conferences, and seminars, maintaining supervisory authority over conference chairpersons and conference committee members.

Section 5. Executive Secretary (As Amended May 3, 1979)

The Executive Secretary shall be the secretary of the Association and shall keep the minutes of the meetings of the Association, of the Board of Managers and the Executive Committee. He shall give all notices required to be given and shall keep an accurate record of the proceedings and activities of the Association. In addition, he shall perform such other duties as may be assigned to him by the Board of Managers, the Executive Committee or the Chairperson. The Executive Secretary need not be a member of the Board of Managers.

Section 6. Treasurer

The Treasurer shall be bonded and have custody of and be responsible for all the funds of the Association, and deposit such funds in the name of the Association in such banks, trust companies, or other depositories as the Board of Managers may direct. He shall at all reasonable times exhibit his books of accounts and records to the Board of Managers; he shall render a statement of the condition of the finances of the Association at the Annual Meeting of the Association, and at such other times as may be required of him; he shall receive and give receipt for moneys due and payable to the Association and, in general, perform all the duties incident to the Office of Treasurer.

ARTICLE VII MEETINGS

Section 1. Association (As Amended May 3, 1979)

The annual meeting of the Association shall be held in the last calendar quarter of each year on a date to be fixed by the Board of Managers or the Executive Committee thereof. Special meetings of the Association may be called at any time by the Chairperson and upon the request of seven members. It shall be the duty of the Chairperson to call a special meeting. At least twenty days notice of the annual or special meeting shall be mailed to each member by the Executive Secretary. Seven or more members shall constitute a quorum at such meetings. At all meetings, each active member shall be entitled to one vote, to be cast by his duly accredited representative. Notice of any special meeting may be waived by any member, either in writing or attendance at the meeting.

Section 2. Board of Managers (As Amended May 3, 1979)

The annual meeting of the Board of Managers of the Association shall be held on the same day as the annual meeting of the Association. Special meetings

of the Board of Managers shall be called by the Chairperson or by the Executive Secretary at the request of any member of the Board. A majority of the Board of Managers shall constitute a quorum at either the annual meeting or a special meeting. Notice of any special meeting may be waived by any member of the Board, either in writing or attendance at the meeting.

ARTICLE VIII AMENDMENTS

Section 1. Procedure

This constitution may be revised or amended at any time by a vote of two-thirds of the Board of Managers, but any such revision or amendment shall not become effective until ratified by two-thirds of the members. Such vote may be by mail. Amendments may also be made by a two-thirds vote of the members present at the annual meeting provided that notice of such proposed change or amendment shall be given to each member at least two weeks prior to such annual meeting.

BY-LAWS

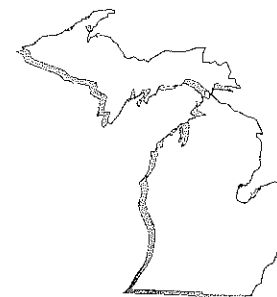
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(Enacted March 7, 1979)

ARTICLE V MANAGEMENT

Section 3. Powers and Duties

(a) Members of the Board of Managers shall provide written notification of any change in the named representative of their respective entity and shall further, in writing, designate any temporary or interim replacement empowered to attend Board meetings, or meetings of committees or subcommittees in which the principal Board member is active, such written notification to further designate whether such temporary or interim replacement possesses voting authority to be exercised on behalf of said Board member during his temporary or interim absence. This by-law shall not alter the power of the Board of Managers to unilaterally fill the unexpired portion of any term of any Board member in accordance with Article V, Section 2, hereof.



CONSTITUTION

OF

MICHIGAN SELF-INSURERS' ASSOCIATION

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