

BYLAWS OF
SET, INCORPORATED
(a Michigan nonprofit corporation)
Revised: January 17, 2019

ARTICLE 1
BOARD OF DIRECTORS

Section 1.01 Purpose.

The Board of Directors (the "Board") shall operate this corporation as a nonprofit and non-stock corporation on a directorship basis pursuant to the laws of the State of Michigan and as provided in the Articles of Incorporation, as the same may be amended from time to time.

Section 1.02 Number of Directors.

The business, property and affairs of this corporation shall be managed by a Board consisting of not less than five (5) directors. The number of directors shall be determined by resolution of the directors at the annual meeting, at a regular meeting or at a special meeting called for that purpose.

Section 1.03 Eligibility.

The Executive Director of the Michigan Association of School Boards, or designee, shall be a member of the Board. The remaining board members shall, at all times, during their respective terms be employed by, or seated on, a board of a local or intermediate school district in the state of Michigan, or serve as an employee of an educational management organization which participates in the insurance programs of SET, Incorporated.

Section 1.04 Term of Directors.

At the next annual meeting of the Board, approximately one-third (1/3) of the directors shall be elected for a term expiring at the following annual meeting of the directors, approximately one-third (1/3) shall be elected for a term expiring two (2) years from the date of the meeting and the remaining members shall be elected for a term expiring three (3) years from the date of the meeting. Thereafter, each elected director shall hold office for a term of three (3) years or until his successor is duly elected and qualified.

Section 1.05 Vacancies.

A vacancy shall be considered to exist as a result of any director's death, resignation, term expiration, removal by a vote of the majority of the entire Board, lack of participation as evidenced by absence for more than one half (1/2) of the regular meetings of the Board in any calendar year, or the failure of the director to meet the eligibility requirements, as set forth in Section 1.03. Vacancies shall be filled by the Board of Directors with individuals who are: employed by, or seated on, the board of a local or intermediate school district in the state of Michigan or with an employee of an educational management organization which utilizes the insurance programs of SET.

Section 1.06 Annual and Regular Meetings of the Board.

The secretary shall give notice of all regular meetings by mail or by telephone at least three (3) days prior to the meetings. The first meeting of the fiscal year shall be the annual meeting of the Board.

Section 1.07 Special Meetings of the Board.

Special meetings may be called by the President at any time or shall be called at the written request of not less than forty (40%) percent of the directors. Notice of special meetings may be by mail or by telephone to each director at least four (4) days before the date of any special meeting. Shorter notice can be given with the consent of a majority of the directors unless specific objection is received from any director. The notice for any special meeting shall state the business for which the special meeting is being called, and no other business shall be transacted at that special meeting.

Section 1.08 Quorum.

A quorum of the Board shall consist of not less than three (3) nor less than one-half (1/2) of the directors, whichever number shall be the greater. If a quorum shall not be present at any meeting of the Board, the directors may adjourn the meeting from time to time, without notice other than an announcement at the meetings, until a quorum shall be present.

Section 1.09 Compensation.

Directors, as such, shall not receive any stated salary for their services, but, by resolution of the Board, a fixed fee and expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the Board. Members of special or standing committees may be allowed compensation for attending committee

meetings.

Section 1.10 Presumption of Assent.

A director of the corporation who is present at a meeting of the Board at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof or shall forward the dissent by registered mail to the Secretary of the corporation within two days after the adjournment of the meeting. This right to dissent shall not apply to a director who voted in favor of such action.

Section 1.11 Meetings by Telephone or Similar Communications.

The Board may participate in a meeting by means of conference telephone or similar communications equipment by means of which all directors participating in the meeting can hear each other. Participation in these meetings shall constitute presence in person by each director.

Section 1.12 Resignations.

Any director may resign his office at any time. Any resignation shall be made in writing to take effect from the time of its receipt by the corporation, unless some later time is fixed in the resignation, and then from that time. The acceptance of a resignation shall not be required to make it effective.

ARTICLE 2

OFFICERS

Section 2.01 Number of Officers.

The officers of the corporation shall be a President, a Vice President and a Secretary-Treasurer. The Board may also appoint such other officers and agents, including one or more Vice Presidents, Assistant Secretaries and Assistant Treasurers, as it shall deem necessary to exercise such powers and perform such duties as shall be determined from time to time by the Board.

Section 2.02 Election.

The President, the Vice President and the Secretary-Treasurer shall be elected at the annual meeting by the Board from the directors and shall hold office for a period of

one year or until their successors have been duly elected and qualified.

Section 2.03 Appointment of Officers and Agents; Compensation.

Every officer and agent appointed by the Board shall be appointed on an at will basis only, unless otherwise provided in a written contract of employment specifically approved by the Board. The compensation of all officers shall be established by the Board.

Section 2.04 President.

The President shall call and preside at all meetings of the Board and shall be an ex-officio voting member of any committees established by the Board.

Section 2.05 Vice Presidents.

The Vice Presidents, in order of appointment, shall, in the absence of the President, act in his capacity and with his power and authority.

Section 2.06 Executive Director.

In its discretion, the Board may appoint an Executive Director to be responsible for the overall direction of the Corporation's function and activities, subject only to the policies and directives of the Board and the President.

Section 2.07 Secretary-Treasurer.

The Secretary-Treasurer shall keep the minutes of meetings of the Board, tend to such correspondence as may be assigned to him and have supervision of all funds and securities of the corporation and the deposit of funds in banks selected by the Board. In its discretion, the Board may appoint the Executive Director to transcribe the minutes of the meetings of the Board and to supervise all funds and securities of the Corporation, subject only to the policies and directives of the Board, the President and the Secretary-Treasurer.

Section 2.08 Vice Presidents.

The Board may appoint one or more additional Vice Presidents who shall perform the duties and exercise the powers of the President during his absence, disability or inability to perform the duties of that office. If there is more than one Vice President, they shall act in their order of selection by the Board in performing these duties. In addition, each Vice President shall have such other duties as the Board may, from time to time, delegate to him.

Section 2.09 Assistant Secretaries-Treasurer.

The Board may appoint at least one Assistant Secretary-Treasurer with power to perform the duties of the Secretary-Treasurer during the absence or disability of the Secretary-Treasurer, or his inability to perform the duties of his office, or at the discretion of the Secretary-Treasurer.

Section 2.10 Resignations.

Any officer or director may resign his office at any time. Any resignation shall be made in writing to take effect from the time of its receipt by the corporation, unless some later time is fixed in the resignation, and then from that time. The acceptance of a resignation shall not be required to make it effective.

Section 2.11 Removal.

Any officer or agent elected or appointed by the Board may be removed by the Board with or without cause whenever in the judgment of the Board the best interests of the corporation will be served thereby.

ARTICLE 3 COMMITTEES OF THE BOARD

Section 3.01 Committees of the Board.

From time to time, the Board may create such committees as it may deem advisable in the administration of the corporation. Any committees formed under this section shall have such powers to act as shall be designated by the Board in specific matters. The minutes of any committee established under this section shall be kept and filed with the Secretary-Treasurer of the corporation.

ARTICLE 4 MEMBERSHIP

Section 4.01 Membership.

The members of this corporation shall include, but not be limited to, those Michigan public school districts who are Members on the date that these bylaws were amended. Members may be admitted or terminated in accordance with procedures adopted from time to time by the Board. All public school district members and entities thereof must also be members of the Michigan Association of School Boards, Inc.≡

ARTICLE 5 INDEMNIFICATION OF DIRECTORS, OFFICERS AND OTHERS

Section 5.01 Indemnification of Agents.

The corporation shall indemnify its agents (including, without limitation, its directors, officers, employees and committee members) to the full extent described and permitted under the provisions of Section 561 through 569 of the Michigan nonprofit corporation act, being Act 162, Public Acts of 1982, as now written or as hereafter amended or by such other provisions of the laws of the state of Michigan relating to indemnification as may from time to time be in effect.

Section 5.02 Indemnification not Exclusive Right.

The right of indemnification afforded to the corporation's agents shall not be exclusive of other rights to which they may be legally entitled.

Section 5.03 Insurance.

The corporation may purchase and maintain insurance (and pay the premiums thereon) on behalf of any of the corporation's agents against any liability asserted against him and incurred by him in such capacity or arising out of his status as such, whether or not the corporation would have the power to indemnify him under this Article 5 under provisions of Sections 561 through 569 of the Michigan nonprofit corporation act, being Act 162, Public Acts of 1982, as now written or as hereafter amended.

ARTICLE 6

EXECUTION OF INSTRUMENTS

Section 6.01 Signing of Check and Notes.

The notes of the corporation and all checks, notes, drafts and orders for payment of money shall be signed in the name of the corporation by such officers or agents as the Board shall from time to time designate for that purpose. In the absence of such designation, the signatures of any two of the following officers shall be required: the President or any Vice President and the Secretary-Treasurer or any Assistant Secretary-Treasurer.

Section 6.02 Execution of Written Documents.

The Board shall have power to designate the officers and agents who shall have authority to execute any instrument on behalf of the corporation. In the absence of such designation, the signatures of two of the following officers shall be required: President or any Vice President and the Secretary-Treasurer or any Assistant Secretary-Treasurer.

Section 6.03 Officer to Sign in One Capacity.

No officer shall execute, acknowledge or verify any instrument in more than one

capacity.

Section 6.04 Evidence of Authority.

The certificate or affidavit of the President as to any action taken by the Board or as to the provisions of the bylaws of the corporation in force or as to the acting officers, directors or agents of the corporation or as to the genuineness of the signature of any officer, director or agent shall be sufficient proof thereof and may be relied upon in good faith.

ARTICLE 7
MISCELLANEOUS

Section 7.01 Fiscal Year.

The fiscal year of the corporation shall end on January 31 of each year.

Section 7.02 Reports.

All reports shall cover the fiscal year and shall be completed and submitted at the annual meeting of the Board.

Section 7.03 Voting Shares held in Other Corporations.

In the absence of other arrangements by the Board, shares of stock issued by any other corporation and owned or controlled by this corporation may be voted by the President or Vice President of this corporation at any shareholder's meeting of the other corporation. If neither the President or Vice President is present at a meeting, the shares owned by this corporation may be voted by such person as the President, shall, by duly executed proxy, designate to represent this corporation at the meeting.

Section 7.04 Assumed Names.

The corporation may transact business under such assumed names as filed according to law in the various jurisdictions in which it is registered or qualified to conduct business.

Section 7.05 Contracts between Corporations and Related Persons.

Any contract or other transaction between the corporation and one or more of its directors, or between the corporation and any firm of which one or more of its directors are members or employees, or in which he or they are interested, or between the corporation and any corporation or association of which one or more of its directors are shareholders, members, directors, officers or employees, or in which he or

they are interested, shall be valid for all purposes, notwithstanding the presence of such director or directors at the meeting of the Board of the corporation which acts upon, or in reference to such contract or transaction, and notwithstanding his or their participation in such action, if the fact of such interest shall be disclosed or known to the Board, provided the Board shall authorize, approve and ratify such contract or transaction by a vote of a majority of the directors present. At any such meeting the interested director or directors are to be counted in determining whether a quorum is present, but are not to be counted in calculating the majority of the quorum necessary to carry the vote. This Section shall not be construed to invalidate any contract or other transaction which would otherwise be valid under the common and statutory law applicable thereto.

Section 7.06 Procedures.

The procedures for all meetings conducted pursuant to these bylaws shall be as outlined in Robert's Rules of Order.

Section 7.07 Pronouns.

References in these bylaws to the masculine gender shall include the masculine or feminine gender wherever applicable.

ARTICLE 8

NOTICES

Section 8.01 Notices.

Whenever a notice is required to be given to any director under the provisions of the statutes, the articles of incorporation, these bylaws or a resolution of the Board, the notice shall be given in writing and served personally or by mail, addressed to the director at his last known address as it appears on the records of the corporation, or to any address designated by him for such purpose, with postage thereon prepaid. The notice shall be deemed given at the time it is deposited in a post office or official depository under the exclusive care and custody of the United States Postal Service.

Section 8.02 Waiver of Notice.

Notice of the time, place and purpose of any meetings of the Board or any other notice required under the statutes, the articles of incorporation or these bylaws, may be waived by telegram, radiogram, cablegram or other writing. The waiver of any notice of a meeting of the Board may be waived either before or after the meeting has been held.

ARTICLE 9
AMENDMENTS

Section 9.01

These bylaws may be amended or repealed at any annual, regular or special meeting of the directors at which a quorum is present provided notice of the proposed amendment or repeal is contained in a notice of the meeting extended at least ten (10) days prior thereto. Unless expressly provided to the contrary, any such amendment or repeal shall take immediate effect.

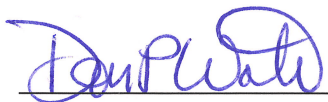
Section 9.02

In each even year, the Board of Directors shall review these bylaws and make recommendations to the Board at its annual meeting the following year.

ADOPTED, APPROVED AND PASSED by the Board of Directors of SET, Inc. on this 17th day of January, 2019.



PRESIDENT



SECRETARY