

**SECOND AMENDMENT TO
ART INSTITUTE SERVICE AGREEMENT BETWEEN
THE MACOMB COUNTY ART INSTITUTE AUTHORITY
AND DETROIT INSTITUTE OF ARTS, INC.**

This Second Amendment (this "Amendment") to Art Institute Service Agreement (the "Agreement") between the Macomb County Art Institute Authority, a Michigan public body corporate (the "Authority"), organized pursuant to Articles of Incorporation filed by the County of Macomb, a Michigan municipal corporation, and Detroit Institute of Arts, Inc., a Michigan not-for-profit corporation (the "DIA"), is adopted by the Authority and the DIA.

WHEREAS, the DIA operates the museum commonly known as The Detroit Institute of Arts (the "Museum").

WHEREAS, the DIA is operated under the direction of its executive staff which consists of a Director, a Chief Operating Officer and a Chief Financial Officer (collectively, the "DIA Executives").

WHEREAS, the support of the citizens of the County of Macomb ("Macomb County") resulted in the passage of a millage that has been critical to the Museum's financial stability and operations.

WHEREAS, as the recipient of funds from the public through Macomb County's millage, the DIA wishes to implement several measures to ensure greater visibility into its compensation practices and to address certain related concerns raised by the Authority (collectively, the "Compensation Protocols").

WHEREAS, the DIA and the Authority have agreed that the Compensation Protocols be codified in this Amendment.

WHEREAS, all capitalized terms used but not defined in this Amendment are defined in the Agreement.

NOW, THEREFORE, the parties agree that the Agreement is amended as follows effective as of January 1, 2015:

1. A new Section 2.10 is added as follows:

2.10 DIA Compensation Protocols.

A. The DIA will continue to use performance objectives and metrics in setting the DIA Executives' compensation goals and in judging the performance of the DIA Executives and will remain cognizant of local conditions and public funding through the regional millage in establishing its compensation levels.

- B. The DIA will not pay increases in base compensation or pay any bonuses to DIA Executives unless otherwise agreed by the Authority, except to the extent such base compensation increases or such bonuses are paid out of funds that are donated to the DIA, the designated use of which specifically includes compensation to the DIA's senior executives.
- C. Decisions regarding compensation payable by the DIA to newly hired DIA Executives first will be reviewed with representatives of the Authority before being implemented, and, if not approved by the Authority, will not be implemented, except to the extent such compensation is at or below the fiftieth percentile of compensation paid to executives in comparable United States art museums or, if in excess of such permitted amounts, is paid out of funds that are donated to the DIA, the designated use of which specifically includes compensation to senior executives.
- D. Any modifications to the Compensation Protocols will be reviewed with representatives of the Authority, and no such modifications will be implemented without the approval of the Authority.

2. A new Section 2.11 is added as follows:

2.11 Additional Procedures.

- A. The Authority will schedule a minimum of three meetings with the DIA each calendar year at dates and times agreed to by the DIA as follows:
 - 1. There will be a meeting early in the first quarter of the calendar year at which the DIA will review with the Authority the programming that the DIA then contemplates conducting in Macomb County during that calendar year. The DIA will consider programming suggestions by the Authority before final programming decisions are implemented.

In its review of the contemplated Macomb County programming the DIA will identify all programming that is a continuation or adaptation of programming that was conducted in Macomb County in the previous year and all programming that was not conducted in Macomb County in the previous year.

The DIA also will estimate the anticipated projected investment in such Macomb County programming for the calendar year. The DIA shall provide the list of programming and detailed material projected investment to the Authority no less than 5 days prior to the first meeting. The Authority shall provide to the DIA its programming preferences and the DIA will give due consideration to implementing such programming.

2. There will be a meeting in the second quarter of the calendar year at which the DIA will review with the Authority all programming that the DIA conducted in Macomb County during the previous calendar year. In its review of the previous year's programming, the DIA will report on the benefits of the programming, the DIA's intentions regarding the continuation, adaptation or cessation of such programming and the amount invested by the DIA in such programming. At the meeting the DIA and the Authority also will review the annual report prepared by Plante Moran (or another major independent accounting firm selected by the Authority) on the DIA's investments in Macomb County programming and the DIA's response to the accounting report, specifically, a comparison of those investments to the annual financial targets that are set forth in the Agreement, including:
 - the \$75,000 school field trip program set-aside pursuant to Section 2 of the Agreement
 - the \$50,000 annual senior program subsidy pursuant to Section 4 of the Agreement
 - the \$75,000 community collaboration set-aside pursuant to Section 5 of the Agreement
3. There will be a meeting in the third quarter of the calendar year at which the DIA will provide an interim report to the Authority on that year's Macomb County programming, including an estimate of the DIA's detailed material investments in such programming for that calendar year to ensure that the Authority is informed and the programs are meeting expectations. Any shortfall in funds allocated pursuant to the Agreement will be applied to the next calendar year.
4. Within sixty (60) days of the close of a calendar year the DIA shall allow Plante Moran (or another major independent auditor selected by the Authority) to conduct a review designed to determine whether the programs set forth in the annual service plan have been performed. The costs of such review shall be charged against the tax levy raised in Macomb County and otherwise deliverable to the DIA pursuant to the Service Agreement.

B. The DIA will send out two newsletters each year reporting on DIA events, including activities in Macomb County. The DIA will also invite the Authority and Macomb County Commissioners to all exhibition openings and make them aware in advance of other public events taking place at the DIA so that they can attend as often as possible.

3. A new Section 2.12 is added as follows:

2.12 Term of Compensation Protocols and Additional Procedures. The Compensation Protocols and Additional Procedures will remain in effect for as long as millage funds from the residents of Macomb County are used to support the operation of the DIA.

4. Other than as is set forth in this Amendment, the Agreement shall remain in full force and effect.

5. This Amendment constitutes the entire agreement and understanding among the parties with respect to the subject matter hereof and supersedes any prior understandings, agreements, or representations by or among the parties, written or oral, to the extent they relate in any way to the subject matter hereof.

6. This Amendment is governed by and will be construed in accordance with the laws of the State of Michigan.

WITNESSES

DETROIT INSTITUTE OF ARTS, INC.

Jill K. Smith
[Signature]

By: [Signature] Date: 4-13-15
Its: COO

WITNESSES

MACOMB COUNTY ART INSTITUTE
AUTHORITY

Jill K. Smith
Ruth Givens

By: [Signature] Date: 4-13-15
Its: Chairman