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August 21, 1995

Sheryl Pimlott, Executive Director  
Pathway Family Center  
Plum Hollow Office Park  
22180 West Nine Mile Road  
Southfield, MI 48034-6007

Dear Ms. Pimlott:

We have acted as Counsel for Pathway Family Center, a Michigan Not-For-Profit Corporation, in connection with the review of the nature of the relationship between Pathway Family Center and the Host Home Association, a separate legal entity which is exempt from Federal Income Taxation under Section 501(c)(7) of the Internal Revenue Code of 1986, as amended.

We have examined the original or a copy, certified or otherwise identified to our satisfaction as a true copy of each of the following documents:

1. Host Home Association New Parent Information and Host Home Waiver Form.
2. Host Home Association Rules and Regulations Manual.

It is our understanding that, while all of the participating members of the Host Home Association have children who are enrolled in Pathway Family Center's non-residential treatment program, Pathway Family Center has neither legal nor financial ties with the Host Home Association. It is our further understanding that Pathway Family Center interacts with the Host Home Association, but on a consultative basis only in order to insure that there is a consistent application of Pathway Family Center's treatment model both on and off the premises.

The Host Home Association New Parent Information and Host Home Waiver Form contains clear and concise indemnification language pursuant to which each member of the Host Home Association holds Pathway Family Center harmless and not legally liable for any and all activities undertaken by or on behalf of Pathway's clients after program hours and off premises of Pathway Family Center. Accordingly, it is our opinion that Pathway Family Center is completely indemnified against any legal

**\* PFC STAFF DECIDE WHO HOSTS NEW CLIENTS,  
NOT ANYONE ELSE. N.H.A. IS COMPLETELY  
TIED TO PFC, REGARDLESS OF LEGAL SPEAK.**

Ms. Sheryl Pimlott

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liability in connection with such activities by any member who has executed the Waiver Form.

Our examination of law relevant to the matters herein is limited to Michigan Law. We have not made an independent review of any laws of any state other than Michigan. Accordingly, we express no opinion governed by the laws of any other state or jurisdiction.

This opinion is solely for your benefit in connection with our examination of the legal relationship between Pathway Family Center and the Host Home Association and may not be quoted or relied on, or copies delivered to, any other person, or used for any other purpose, without prior written consent.

Very truly yours,

VLCKO, LANE, PAYNE & BRODER, P.C.

By: 

Lynn Stevens Naoum

LSN/slr