

**AMENDED & RESTATED
BYLAWS
ASSOCIATION FOR HEALTHCARE RISK MANAGEMENT
OF NEW YORK, INC.**

A corporation governed by the
Not-for-Profit Corporation Law of New York

ARTICLE I – NAME

The name of the organization shall be the ASSOCIATION FOR HEALTHCARE RISK MANAGEMENT OF NEW YORK, INC. (hereinafter called “Association” or “AHRMNY”).

ARTICLE II – PURPOSE

The purpose of the Association shall be as set forth in the Association’s Certificate of Incorporation, as may be amended from time to time. Subject to the foregoing, the purpose of the Association shall be to enhance quality of the delivery of health services and the professional practice of healthcare and healthcare related risk management by:

- A. Conducting educational activities to strengthen the development of healthcare and healthcare-related risk management programs, enhance patient safety and promote professional development of related staff.
- B. Providing a forum for the exchange of ideas and methodologies among members and other health professionals.
- C. Assisting in the development of professional relationships among Association members and other healthcare professionals in order to facilitate free exchange of information for risk management, patient safety and solution of mutual problems and issues.
- D. Providing a forum for healthcare risk management and patient safety issues and explaining the impact of these issues to other appropriate parties, including hospital associations, medical societies, civic groups and other relevant professional organizations.
- E. Acting as a central source of information in New York State on the new developments and trends in healthcare, patient safety and healthcare risk management.

The Association is organized exclusively for charitable, educational and scientific purposes as will qualify it for, and within the meaning of §501(c)(3) or any successor section of the Internal Revenue Code of 1986, as amended, or any successor statute (the “Code”) and §§ 509(a)(1) and/or 509 (a)(2) of said Code. The Association was deemed a charitable tax-exempt organization pursuant to §501(c)(3) of the Code, pursuant to an IRS Determination Letter, received upon application to the IRS for such status, filed on February 14, 2011.

The Association shall conduct its activities so that no part of its income, net earnings, properties or assets, on dissolution or otherwise, shall inure to the benefit of, or be distributable to any member, trustee, Officer or other private person, except that the Association shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in the furtherance of the organization's purposes as provided for in the Bylaws and in accordance with applicable law. The Association shall not, as a substantial part of its activities, attempt to intervene in any political campaign on behalf of any candidate for public office. The participation by an individual who holds or seeks public office, at an Association conference shall not be construed as an endorsement nor does it indicate that the Association supports/sponsors that individual or individual's political party.

Notwithstanding any other provision in said Bylaws, the Association shall not carry on any other activities not permitted to be carried on by a corporation exempt from federal income tax under §501(c)(3) of the Code.

The Association may engage in any activities or exercise any powers that are in furtherance of the stated purposes of the Association. Furthermore, the Association shall have and exercise all rights and powers conferred on corporations under the laws of New York State and specifically under §402 of the New York Not-For-Profit Corporation Law.

The Association may review and comment on issues related to its areas of interest in furtherance of its educational purposes. Members of the Association may suggest related recommendations by forwarding the same for consideration to the Board of Directors of the Association, or in the alternative, recommendations for comment may be made by two-thirds vote of the members present and voting at an authorized meeting, which recommendation or request for comment in turn will be sent to the full membership for an opportunity to comment before Board action thereon. The Association shall issue any comment or statement ("statements") through its Board of Directors, and only if such statements are in furtherance of the purposes of the Association as will continue to qualify it as an exempt organization under § 501(c)(3) of the Code. Nothing herein shall prevent the Association from responding to a request for commentary on issues related to its organizational objectives by lawmakers, regulatory agencies; or quasi-regulatory bodies, such as The Joint Commission (TJC).

ARTICLE III – MEMBERSHIP

Section 1. Type of Membership

The Association's membership shall consist of individual members who continue to meet eligibility requirements as provided in the Bylaws. A Member is a professional who is actively involved in the field of healthcare risk management, or whose job responsibilities include healthcare risk management, or who has an interest in healthcare risk management and patient safety. Members may vote and, with the exception of Director Emeritus designees, hold any elected office in the Association.

Section 2. Establishment of Membership

Membership in the Association is for the calendar year beginning annually on July 1 ("membership year"). Eligible members are encouraged to renew annually before the Association's first event of the membership year (usually in September). Notwithstanding the membership year as set forth above, membership applications for non-Board members received after the earlier of our first event or September 15th will be processed on a rolling basis ("late registration"), and shall become effective upon (a) receipt of a properly completed application form, (b) receipt of appropriate dues, and (c) approval of the application by the chairperson of the Membership Committee in accordance with the Association's Bylaws.

The term of the membership shall be for one year commencing on the date the membership application was approved in accordance with Section 2, immediately above, and shall be renewed each year on such "anniversary date", provided that the conditions in Section 4 below ("Renewal of Membership") have been met. Late registrants are entitled to membership privileges for attending events that fall within the 365 days of their membership.

Section 3. Transfer and Change of Membership

Membership in the Association shall not be transferable to another person.

Section 4. Renewal of Membership

Members of the Association shall have their membership automatically renewed beginning on their anniversary date each year, provided that:

1. an individual continues to meet eligibility requirements as provided in the Bylaws;
2. all dues owed to the Association have been fully paid; and
3. the member has not violated any provision of the Bylaws and is in compliance with same.

Section 5. Termination of Membership

Members may file their resignation from the Association at any time in writing with the Chairperson of the Membership Committee or the President. Membership shall be deemed to terminate upon the expiration of the term for which dues are paid.

ARTICLE IV – DUES

Annual dues of the Association shall be established by the Board of Directors, Existing members and applicants for new membership, shall remit full dues by July 1 of the membership year. No portion of the dues paid by any member shall be refundable if their membership is terminated for any reason. Members shall not have distributive rights in the assets of the Association upon dissolution.

ARTICLE V – MEETINGS OF MEMBERS

Section 1. Annual Meeting

The members of the Association shall meet at least annually for the election of directors and for the transaction of such other business and affairs of the Association as may be set forth in the notice of meeting. The Annual meeting of the members of the Association shall be held in June of each year or such other date and at such time and at such place within or without the State of New York as designated by the Board of Directors from time to time and specified in the notice of the meeting.

Section 2. Special Meetings

Special meetings of the Association may be called by the Board of Directors. These meetings shall be limited to consideration of subjects listed in the official notice for such meetings, unless it is otherwise ordered by the unanimous consent of the members present and voting. The Secretary of the Association shall notify the

membership by electronic media or by mail of the special meetings no less than 15 days prior to the date of the meeting.

Special meetings may also be called by ten percent (10%) of the members entitled to vote at such meetings. Demand by the requisite number of members shall be made in writing. Notice of the demand shall be given to the Secretary of the Association by first class certified mail, return receipt requested and shall specify the subject, date and month thereof, which shall in no case be less than two (2) months, or greater than three (3) months, from the date of receipt of such demand. The Secretary, upon receipt, shall promptly give notice of such meeting to the membership in accordance with Section 3 of this Article. Any member in good standing may initiate the call for a special meeting and seek to constitute 10% of the members to request such a meeting and may then give such notice as required by Section 3.

Section 3. Notice of Meetings.

A. Notice. Written notice of each meeting of the members shall be given, personally or by mail, facsimile telecommunications or electronic mail, not less than 10 or more than 50 days before the date of the meeting, to each member. If mailed, such notice shall be deposited in the United States mail, with first-class postage thereon prepaid, directed to the member at his or her address as it appears on the record of members. If sent by facsimile telecommunication or mailed electronically, such notice is given when directed to the member's fax number or electronic mail address as it appears on the record of members, or, to such fax number or other electronic mail address as filed with the Secretary of the Association. Notwithstanding the foregoing, such notice shall not be deemed to have been given electronically (1) if the Association is unable to deliver two consecutive notices to the member by facsimile telecommunication or electronic mail; or (2) the Association otherwise becomes aware that notice cannot be delivered to the member by facsimile telecommunication or electronic mail. The notice shall state the place, date and hour of the meeting, the purpose or purposes for which the meeting is called and, unless it is the annual meeting, indicate that the notice is being issued by or at the direction of the person calling the meeting. Such notice shall also include a description of any substantive issue for which a vote will be taken at the same meeting; provided, however that the notice need not refer to the approval of minutes or to other matters normally incident to the conduct of the meeting. Except for such matters, the business which may be transacted at the meeting shall be confined to business which is related to the purpose or purposes set forth in the notice.

B. Waiver of Notice. The attendance of any member at a meeting, in person or by proxy, without protesting prior to the conclusion of the meeting the lack of notice of such meeting, shall constitute a waiver of notice. In addition, notice of meeting need not be given to a member if the member submits a waiver of notice, in person or by proxy, whether before or after the meeting. Waiver of notice may be written or electronic. If written, the waiver must be executed by the member or the member's authorized officer, director, employee, or agent by signing such waiver or causing his or her signature to be affixed to such waiver by any reasonable means, including, but not limited to facsimile signature. If electronic, the transmission of the waiver must be sent by electronic mail and set forth, or be submitted with, information from which it can reasonably be determined that the transmission was authorized by the member.

Section 4. Voting

A. Eligibility to Vote. Each member in good standing shall be entitled at every meeting of members to one vote on all matters appropriate for consideration by the Association's membership.

B. Voting. Directors elected at any meeting of members shall, except as otherwise provided by law or the certificate of incorporation, be elected by a plurality of the votes cast. All other corporate action to be taken

by vote of the members shall, except as otherwise provided by law, the certificate of incorporation or these by-laws, be authorized by a majority of the votes cast. The vote for directors, or upon any question before a meeting of the members, shall not be by proxy ballot unless the person presiding at such meeting shall so direct or any member shall so demand.

C. Written Consent of the Members Without a Meeting. Whenever by law members are required or permitted to take any action by vote, such action may be taken without a meeting on written consent, setting forth the action so taken, signed by all of the members eligible to vote. Written consent thus given by all of the members shall have the same effect as a unanimous vote of the members. Such consent may be written or electronic. If written, the consent must be executed by the member or the member's authorized officer, director, employee or agent by signing such consent or causing his or her signature to be affixed to such consent by any reasonable means including but not limited to facsimile signature. If electronic, the transmission of the consent must be sent by electronic mail and set forth, or be submitted with, information from which it can reasonably be determined that the transmission was authorized by the member.

Section 5. Quorum

The quorum at a duly called meeting of the Association membership shall consist of ten percent (10%) of the total number of members.

Section 6. Organization

The President of the Association shall preside at all meetings of the members or, in the absence of a President, the President-elect shall preside. In the absence of the President or the President-elect, a chairperson will be chosen by the members present. The Secretary of the Association shall act as Secretary at all meetings of the members but, in the absence of the Secretary, the presiding officer may appoint any person to act as Secretary of the meeting. The order of business and all other matters of procedure at every meeting of members may be determined by the presiding officer.

Section 7. Reports

The Board of Directors shall present at each annual meeting of members a report, verified by the President and Treasurer or by a majority of the directors or certified by an independent public or certified public accountant or a firm of such accountants selected by the Board or Audit Committee (if any), showing in appropriate detail the following:

- a) The assets and liabilities, including the funds, of the Association as of the end of twelve month fiscal period of the Association terminating not more than six months prior to said meeting.
- b) The principal changes in assets and liabilities, including trust funds, during said fiscal period.
- c) The revenue or receipts of the Association, both unrestricted and restricted to particular purposes, during said fiscal period.
- d) The expenses or disbursements of the Association, for both general and restricted purposes, during said fiscal period.

The number of members of the Association as of the date of the report, together with a statement of increase or decrease in such number during said fiscal period, and a statement of the place where the names and places of residence of the current members may be found.

Such report shall be filed with the records of the Association and a copy or an abstract thereof shall be entered in the minutes of the proceedings of the annual meeting at which the report is presented.

ARTICLE VI – BOARD OF DIRECTORS

Section 1. Eligibility

Members of the Association in good standing and in compliance with all provisions of the Bylaws shall be eligible to serve a term or terms of office on the Board of Directors (“Board”) of the Association in accordance with the provisions of this Article VI. All of the directors will be at least 18 years of age.

Section 2. Composition and Number

The Board of Directors shall be composed of not less than twelve (12) or more than twenty-five (25) directors, which number shall include the Ex-officio Director (defined below); the exact number will be determined from time to time by the Board. The immediate past-President, for so long as he or she remains a member in good-standing of the Association, shall serve for a two year term as an ex-officio voting member of the Board of Directors (the “Ex-officio Director”) immediately following the expiration of his or her term as President. The Board may increase or decrease the number of Directors of the Association by a vote of the majority of the entire Board, but the number of voting Directors constituting the entire Board may not be less than three. No decrease in the number of Directors will shorten the term of any incumbent Director. Except as otherwise provided by law, as used in these Bylaws, the term “entire Board of Directors” means the total number of Directors entitled to vote which the Association would have if there were no vacant Director positions (i.e., the number of Directors set by the Board, so long as there are three or more, and if not so set by the Board, the number of Directors that were elected as of the most recently held election of Directors, as well as any Directors, excluding the Ex-officio Director, whose terms have not yet expired).

Section 3. Election, Term and Classification

A. Elected Directors. Except as otherwise provided by law or these Bylaws and except for the Ex-officio Director, Directors of the Association shall be elected at each annual meeting of members or at any meeting of the members held in lieu of such annual meeting, which meeting, for the purposes of these Bylaws, shall be deemed the annual meeting of members, and shall hold office until the expiration of the term of office of such directors and until successors have been elected and qualified. Elected Directors shall consist of two groups of approximately equal number, with one group being elected in odd numbered years and the other group being elected in even numbered years, as determined by the Board of Directors. The term of office of each elected Director shall be two (2) years and shall expire in successive years and until successors have been elected and qualified. A Director shall be eligible for re-election for further office, subject to any limitations placed on *Directors Emeritus*.

B. Directors Emeritus. The Board may at any time, or from time to time, elect Directors Emeritus in such numbers as the Board may determine. Directors Emeritus shall be offered by nomination from time to time, to be vetted by the Nominating Committee, subject to approval by formal resolution of the Board, to a Director who has served at least three terms (six years), as either a Director and/or Officer of the Association. *Directors Emeritus* shall be given notice of all Board meetings but shall not be required to attend, shall not be counted for the purpose of a quorum, and shall not vote or have any liability with respect to any action taken by the Board. Each Director Emeritus shall be elected to serve a term of two years; provided, however that no Director Emeritus will be permitted to serve for more than 2 consecutive 2- year terms. Except as

otherwise provided herein, he or she shall enjoy the rights and privileges of membership. A candidate for Director Emeritus designation may not participate in the vetting of candidates for Director Emeritus designation by the Nominating Committee and no Director Emeritus may serve as an officer of the Association.

C. Election. The election of Directors, other than *Director(s) Emeritus*, may be conducted by mail or electronic means utilizing a proxy ballot format designated by the Board. A proxy ballot listing candidates proposed by the Nominating Committee shall be transmitted to each eligible voting member of the Association by the Secretary not less than thirty (30) days prior to the annual meeting. The proxy ballots shall be cast and tabulated ("tallied") by the Secretary or a designated election service approved by the Board and reported to the Board of Directors. The results of the election shall be communicated to the membership at the annual meeting of the members as established pursuant to Article V, Section 1, whereupon the newly elected Directors shall be installed. Each Director so elected shall hold office until the annual meeting at which his or her respective term expires, or until his/her earlier resignation or removal. Nothing in this section shall be construed to limit re-election of Directors in accordance with the provisions for the same in these Bylaws.

Section 4. Powers

Except as otherwise provided by law, the certificate of incorporation of the Association or these Bylaws, the activities, property and affairs of the Association will be managed by the Board of Directors. The Board of Directors shall have the responsibility to develop plans, objectives and purposes for the Association, establish standing ad hoc committees in line with the purposes and objectives of the Association and to review recommendations of these committees; establish and/or approve the dates, locations, formats and programs of Association meetings and other educational endeavors.

The Board of Directors shall have all implied powers to carry out the purposes and objectives of the Association, and their actions shall at all times be in conformity with the Bylaws and certificate of incorporation of the Association.

Section 5. Vacancies; Resignation; Removal

A. Vacancies. The Board of Directors shall have authority to fill any vacancy on the Board and may exercise the authority to fill such vacancy by appointment of an eligible member of the Association for the unexpired term. Newly created directorships resulting from an increase in the number of Directors and vacancies occurring in the Board for any reason will be filled by a vote of a majority of the Directors then in office, even if less than a quorum exists, or any such newly created directorships and vacancies occurring in the Board of Directors for any reason may be filled by vote of the members at any meeting of members, notice of which shall have referred to the proposed election. If any such newly created directorships or vacancies occurring in the Board of Directors for any reason shall not be filled prior to the next annual meeting of members, they shall be filled by vote of the members at the annual meeting of members. A Director elected to fill a vacancy, unless elected by the members, shall hold office until the next meeting of members at which the election of Directors is in the regular order of business, and until his or her successor has been elected and qualified.

B. Resignation. Any Director of the Association may resign at any time by giving his or her resignation in writing to the President, a Vice President or the Secretary. A resignation will be effective upon delivery unless it specifies an effective date, in which case the resignation is effective at the time specified. Unless the resignation specifies otherwise, Board acceptance of the resignation is not necessary to make it effective.

C. Removal. Any Director may be removed for cause by the affirmative vote of a majority of the Board at any meeting of the Board, notice of which will have referred to the proposed action. Any Director may be removed for any reason, with or without cause, by the Members at any meeting of the Members, notice of which will have referred to the proposed action.

Section 6. Meetings of the Board

A. Meetings. Regular meetings of the Board, for the transaction of business set forth in the notice of the meeting, will be held at a time and place, within or without the State of New York, determined by the Board and specified in the notice of the meeting. The Board of Directors shall meet not less than twice a year. Additional Special meetings of the Board may be called by the President and must be called on written request by three or more Directors. Such request will state the purpose or purposes for which the special meeting is to be called. Each special meeting of the Board will be held at a time and place determined by the person calling the meeting and specified in the notice of the meeting.

B. Notice. Notice of such meetings will be given personally, by electronic communication, by fax or ordinary mail. A Director's attendance at a meeting without protesting, before or at the commencement of such meeting, the lack of notice to him or her also constitutes waiver of notice. Notice of a meeting need not be given to any Director if a written or electronic waiver of notice, executed by him/her before or after the meeting, is filed with the records of the meeting. If written, the waiver must be executed by the Director signing such waiver or causing his or her signature to be affixed to such waiver by any reasonable means including but not limited to facsimile signature. If electronic, the transmission of the consent must be sent by electronic mail and set forth, or be submitted with, information from which it can reasonably be determined that the transmission was authorized by the Director. Otherwise, notice at least seventy-two (72) hours in advance of the meeting shall be reasonable and sufficient.

C. Quorum. A quorum shall consist of not less than a majority of the Directors then in office.]

D. Attendance. Board members are expected to attend every regularly scheduled Board meeting, and where possible, every meeting for which seventy-two (72) hour advance written notice has been provided. A minimum attendance at 50% of the year's regularly scheduled meetings is a requirement for eligibility for continued Board membership. Board members who fail to comply with this obligation are subject to removal by the Board at its discretion, by a vote of a majority of the Board members. Seats of Board members removed by the Board pursuant to this provision shall be declared vacant and filled in accordance with these Bylaws.

E. Presence at Meeting by Remote Means. Except as otherwise required by these Bylaws, the Directors may participate in a meeting by conference telephone, or similar communications equipment or by electronic video screen communication or other method of media approved by the Board such as conference-video link, as long as all persons participating in the meeting can hear each other, or communicate with each other in real time and each Director can participate in all matters before the Board or committee, including, without limitation, the ability to propose, object to, and vote upon a specific action to be taken by the Board or committee. Nothing in this section shall be construed as requiring the Association to bear the cost and expenses of the use of such media.

ORDER OF BOARD MEETINGS:

1. Roll Call
2. Reading of the Minutes of the preceding meeting

3. Reports of Committees
4. Reports of Officers
5. Old and Unfinished Business
6. New Business
7. Adjournments

Section 7. Action by the Board

Except as otherwise provided by law, the certificate of incorporation or these Bylaws, the vote of a majority of the Directors present will decide any question that may come before the meeting. A majority of the Directors present, whether or not a quorum is present, may adjourn any meeting to another time or place without notice other than announcement at the meeting of the time and place to which the meeting is adjourned.

Section 8. Action of Board of Directors by Written Consent

Any action required or permitted to be taken by the Board of Directors or any committee thereof may be taken without a meeting, if all the members of the Board consent in writing, transmitted electronically, by fax or in writing, to the adoption of a resolution authorizing the action. If written, the consent must be executed by the director by signing such consent or causing his or her signature to be affixed to such consent by any reasonable means including, but not limited to, facsimile signature. If electronic, the transmission of the consent must be sent by electronic mail and set forth, or be submitted with, information from which it can reasonably be determined that the transmission was authorized by the Director. The resolution and the written consents thereto by the Board of Directors shall be filed with the minutes of the proceedings of the Board of Directors.

Section 9. Compensation

No Directors or Officers of this Association shall receive, directly or indirectly, any salary, or other compensation therefrom either as an Officer or Director, or in any other capacity, unless authorized by the concurring vote of all the disinterested Directors.

Section 10. Confidentiality

It is the policy of the Corporation that the directors treat as confidential the proceedings of all Board and committee meetings, and all information concerning the business activities of the Corporation, except as otherwise authorized by the Board or until there has been general public disclosure, or unless the information is a matter of public record or common knowledge.

Section 11. Independent Directors

A. As used in these Bylaws, and subject to any amendments to such meaning currently set forth in Section 102(a)(21) of the NPCL, the term "Independent Director" means a director who:

- (i) is not, and has not been within the last three years, an employee or a key person of the corporation or an affiliate of the corporation, and does not have a relative who is, or has been within the last three years, a key person of the corporation or an affiliate of the corporation;
- (ii) has not received, and does not have a relative who has received, in any of the last three fiscal years, more than ten thousand dollars in direct compensation from the corporation or an affiliate of the corporation;

- (iii) is not a current employee of or does not have a substantial financial interest in, and does not have a relative who is a current officer of or has a substantial financial interest in, any entity that has provided payments, property or services to, or received payments, property or services from, the corporation or an affiliate of the corporation if the amount paid by the corporation to the entity or received by the corporation from the entity for such property or services, in any of the last three fiscal years, exceeded the lesser of ten thousand dollars or two percent of such entity's consolidated gross revenues if the entity's consolidated gross revenue was less than five hundred thousand dollars; twenty-five thousand dollars if the entity's consolidated gross revenue was five hundred thousand dollars or more but less than ten million dollars; one hundred thousand dollars if the entity's consolidated gross revenue was ten million dollars or more; or
- (iv) is not and does not have a relative who is a current owner, whether wholly or partially, director, officer or employee of the corporation's outside auditor or who has worked on the corporation's audit at any time during the past three years.

For purposes of the foregoing, the term "compensation" does not include reimbursement for expenses reasonably incurred as a director or reasonable compensation for service as a director as permitted by Section 202(a) of the NPCL; and the term "payment" does not include charitable contributions, dues or fees paid to the Association for services which the Association performs as part of its nonprofit purposes, or payments made by the Association at fixed or non-negotiable rates or amounts for services received, provided that such services by and to the Association are available to individual members of the public on the same terms, and such services received by the Association are not available from another source.

B. The Audit Committee, if any, or the Independent Directors on the Board or a committee of the Board comprised solely of Independent Directors will oversee the Association's audit matters as may be required from time to time in accordance with the terms of Article VIII, Section 4 of these Bylaws and Section 712-a of the NPCL, as may be amended.

ARTICLE VII – OFFICERS

Section 1. Officers

The Officers of the Association shall be a President, President-elect, Secretary, Treasurer and Assistant Treasurer. With the exception of *Directors Emeritus*, members of the Association in good standing who are also Directors shall be eligible for elected office in the Association, as set forth herein, provided that the Office of Treasurer must be held by a Director who has served for at least one year on the Board of Directors. At its annual meeting, the Board of Directors will elect from among its members a President, President-elect, Secretary, and Treasurer. Each of the Officers shall be a member in good standing of the Association and a Director of the Board. The Board may from time to time elect an Assistant Treasurer from among the Directors on the Board and/or additional officers having titles, authority and duties determined by the Board. The office of Assistant Treasurer may be vacant at the discretion of the Board, except that the Board may not remove a duly appointed or elected Assistant Treasurer except as provided for under these Bylaws. In the event of activating the position of Assistant Treasurer, the Board shall have the authority to appoint an Assistant Treasurer to serve until the next annual meeting of members. The Board may direct the Nominating Committee to make candidate recommendations for all officer positions, including the position of Assistant Treasurer, in accordance with Article VII, Section 9. No employee of the Association may serve as President of the Board or hold any other title with similar responsibilities.

Section 2. Election and Term of Officers

All Officers shall serve for a term of one year until the next annual meeting of the members and until their successors have been elected and qualified. The Officer's term shall be limited to two (2) consecutive terms for any same office, with the exception of a candidate for Treasurer who may be annually re-elected, but shall be limited to serving no more than three consecutive terms for said office.

The President-elect shall take office as President at the end of the sitting President's term or resignation or removal from office. The election of Officers from among the Directors shall be conducted on notice by mail or by electronic means, utilizing a proxy ballot format designated by the Board. A proxy ballot listing candidates proposed by the Nominating Committee shall be transmitted to each eligible voting member of the Association by the Secretary not less than 30 days prior to the annual meeting of members. The Secretary shall cause the proxy ballot votes to be cast and tabulated and the same shall be reported to the Board of Directors as soon as possible. Electronic submission of proxy ballots may be provided for at the discretion of the Board, in accordance with prevailing standards, which may include the use of a reliable vendor for the same. The results of the election shall be communicated to the membership at the annual meeting of members. The new Officers and Directors shall take office commencing on the day of the annual meeting of the members of the Association.

Section 3. Removal

Any Officer of the Association elected or appointed by the Board of Directors may be removed, with or without cause, by a vote of a majority of Board members. If an Officer is removed as a Director pursuant to Article VI, Section 5.C., such Director shall be deemed automatically removed from any Officer position held thereby.

Section 4. Resignation. Any Officer may resign at any time by giving a resignation in writing to the Board, the President or the Secretary. A resignation will be effective upon delivery unless it specifies an effective date, in which case the resignation is effective at the time specified. Unless the resignation specifies otherwise, Board acceptance of the resignation is not necessary to make it effective.

Section 5. Duties of Officers May Be Delegated. Except as specifically provided for in Section 10 of this Article, if an Officer is absent or unable to perform his or her duties, or for any other reason that the Board deems sufficient, the Board, except where otherwise provided by law or these Bylaws, may delegate the powers or duties of any Officer to any other Officer or to any Director.

Section 6. Officers Holding Two or More Offices. Any two or more Board offices, except those of President and Secretary, may be held by the same person, but no Officer will execute or verify any instrument in more than one capacity if such instrument is required by law or otherwise to be executed or verified by two or more Officers.

Section 7. Compensation. No officer will be compensated for serving as an Officer, except that the Association may reimburse officers for expenses necessarily incurred in effecting one or more of the corporate purposes of the Association, provided that such expenses are approved by the President or the Board. Expenses incurred by the President will be approved by the Board.

Section 8. Duties of the President

The President of the Association shall act as a chairperson of the Board of Directors and shall preside at all meetings of the Board and at all annual and special meetings of the Association. The President-elect shall perform the duties of the office of the President whenever the President shall be unable to do so. No less than annually, the President shall submit a report, in writing, to the Board of Directors and membership of the

Association in accordance with Article V, Section 7 of these Bylaws. The report shall include a summary of reports from the Treasurer and chairpersons of all standing and ad hoc committees.

Section 9. Vacancies

If the office of the President becomes vacant, the President-elect shall immediately assume the office of the presidency for the duration of the unexpired term, and shall continue to serve as President for the subsequent term, for which he or she had been elected. If both the offices of President and President-elect become vacant at the same time, the Board of Directors shall appoint the Secretary as President pro-temporae to serve for the remaining portion of the unexpired presidential term. If the Secretary is unable or unwilling to assume the office of the President, the Board of Directors may nominate candidates for the offices then vacant, and notice shall be given to the membership for a special election to fill the unexpired terms of office. At the next regular election cycle of the Association, a President and President-elect shall be nominated and elected, in accordance with the provisions of the Bylaws. In the event of activating the position of Assistant Treasurer, the Board shall have the authority to appoint an Assistant Treasurer to serve until the next election. The Board may direct the Nominating Committee to make candidate recommendations for the position of Assistant Treasurer.

Section 10. Duties of the Secretary

The Secretary shall maintain the office minutes and records of the Association and cause them to be stored with other records and filings of the Association.

Section 11. Duties of the Treasurer and Assistant Treasurer

The Treasurer shall be responsible for maintaining the financial records of the organization including banking and investment accounts, and for providing a quarterly report to the Board of Directors as well as an annual report to the Board of Directors and membership of the Association. The Treasurer may, in accordance with the directives of the Board of Directors, delegate the maintenance of records and/or preparation of reports to the Assistant Treasurer. There shall be no delegation of authority to the Assistant Treasurer for banking and/or financial transactions, unless there is a specific resolution by the Board of Directors for such delegation of duty.

Section 12. Duties of the Assistant Treasurer

The Assistant Treasurer will assist in the maintaining of the organization's financial records and the preparation of reports, as directed by the Treasurer and/or Board of Directors.

ARTICLE VIII – COMMITTEES

Committees of the Board and Committees of the Association shall perform delegated functions on behalf of the membership and Board of Directors, as set forth herein.

Section 1. Nominating Committee

The Nominating Committee shall be a Committee of the Association composed of the past-President, the President-elect and three members selected from the Board of Directors and/or from the roster of *Directors Emeritus*, appointed by the President.

Upon approval of the Board, there shall be addressed to the membership, in writing, a general call for suggested nominees by the Nominating Committee for members of the Board of Directors. The proxy ballot shall also provide for write-in candidates.

Section 2. Terms

The term of members serving on all committees of the Board and committees of the Association shall be for one year. Committee members shall be eligible for reappointment by the President. The Board of Directors shall vote to approve or disapprove the recommendations of the committees of the Board and committees of the Association, unless the Committee of the Board is otherwise empowered to act under these Bylaws.

Section 3. Committees of the Board

The Board, by resolution or resolutions adopted by a majority of the entire Board, may designate from among its members an Executive Committee and such other committees of the Board as it may deem advisable. The Board shall appoint the members of each committee of the Board. Each such committee of the Board will consist of 3 or more Directors, and all members of committees of the Board must be Directors. Each committee of the Board will serve at the pleasure of the Board and will have, to the extent provided in the resolution establishing the committee, all the authority of the Board except as otherwise provided by law. There shall be committees of the Board appointed annually by the President as follow:

1. Finance Committee. The Finance Committee shall be composed of the Treasurer, who shall be chairperson, the President, the Assistant Treasurer (if any) and at least one member of the Board of Directors for its review.

2. Nominating Committee. The Nominating Committee shall be as described in Section 1 of this Article.

Section 4. Executive Committee

The Executive Committee, if appointed, will be a committee of the Board that consists of three or more Directors who are also Officers of the Association. Except as otherwise provided by law, the members of the Executive Committee shall be appointed by a majority of the entire Board or a higher vote, if required by law. In the interim between meetings of the Board, the Executive Committee has all the authority of the Board except as otherwise provided by law. All acts done and power and authority conferred by the Executive Committee within the scope of its authority are deemed to be, and may be specified as being, the acts of and under the authority of the Board.

Section 5. Audit Committee

If, at any time, the Association raises more than \$750,000 in annual total support before July 1, 2021; and more than \$1 Million in annual total support after July 1, 2021, then it shall appoint an Audit Committee, which will be a committee of the Board and will consist solely of Independent Directors as defined in Article VI, Section 11. The Audit Committee shall oversee the accounting and financial reporting processes of the Association and any audit of the Association's financial statements. In addition, the Audit Committee shall annually retain or renew the retention of an independent auditor to conduct the audit and, upon completion thereof, review the results of the audit and any related management letter with the independent auditor. In addition, if, at any time, the Association raises more than \$1 Million in annual total support, such Audit Committee shall also comply with all the additional audit oversight obligations in accordance with Section 712-A of the NPCL, as may be amended from time to time.

Section 6. Committees of the Association

In addition to committees of the Board, the Board may create committees of the Association to serve at the pleasure of the Board and to perform tasks assigned by the Board. Persons other than Directors may be members of committees of the Association. Committees of the Association have no authority to act on behalf of the Board or to bind the Board. From time to time, the President of the Association may appoint committees of the Association authorized by the Board of Directors for purposes compatible with the objectives of the Association to explore public policy initiatives in keeping with the mission of the Association. There shall also be committees of the Association appointed annually by the President as follow:

1. Membership Committee. The Membership Committee shall include an Officer or Director appointed by the President, and serving as chairperson. The Membership Committee will review criteria for membership and membership benefits and trends from time to time. The committee shall carry out all other membership responsibilities as provided in the Bylaws.
2. Education Committee. The Education Committee shall be composed of at least three (3) members, one of whom shall be an Officer or Director who is appointed by the President and serves as chairperson of the committee. The committee will coordinate the planning and implementation of Association programs and meetings.
3. Bylaws Committee. The Bylaws Committee shall be composed of at least three (3) members, one of whom shall be an Officer or Director appointed by the President and serving as the chairperson of the committee. The committee shall annually review Bylaws of the Association, taking into consideration comments and recommendations solicited from the membership.
4. Public Relations. The Public Relations Committee shall be composed primarily of active members, one of whom shall be an Officer or Director appointed by the President and serving as chairperson. The Committee shall serve to oversee the following functions:
 - a) maintenance of the website; provision of electronic *news* to members; communication of organization's activities and conferences to media outlets/publications; communication with regulatory agencies to provide input on behalf of the Association; and the committee shall report activities to the Board at least quarterly.
 - b) The committee shall serve in public relations matters relating to the Association, but shall not offer commentary on behalf of the Association without the consent of the President and/or Board of Directors for such commentary.
5. Publications Committee. The Publications Committee shall be composed of Officers, Directors and members. The chairperson shall be an Officer or Director appointed by the President. The committee shall prepare the *AHRMNY RISK MANAGEMENT QUARTERLY*, in accordance with *AHRMNY* guidelines established therefor.
6. Fundraising Committee. The Fundraising Committee shall be composed of Officers, Directors and members appointed by the President or by the Board.

Section 7. Acts and Proceedings

Each committee will keep regular minutes of its proceedings and report its actions to the Board when required.

Section 8. Meetings of Committees

Committees will meet at such times and places as the chairperson of the committee determines and the notice of the meeting specifies. Meetings of committees of the Board will be governed by the provisions of Sections 6.c and e, 7, 8, 9 and 10 of Article VI of these Bylaws, which govern meetings of the entire Board.

ARTICLE IX – CONFLICT OF INTEREST OF DIRECTORS AND OFFICERS

The Directors and Officers of the Association shall make written disclosure each year, of actual or potential conflicts of interest, in accordance with applicable law. The Directors and Officers of the Association shall administer the affairs of the Association honestly and economically and exercise their best care, skill and judgment for the benefit of the Association, in accordance with the Conflicts of Interest Policy set forth below.

The Directors and Officers shall exercise the utmost good faith in all transactions relating to their duties in the Association. In their dealings with and on behalf of the Association, they are held to a strict rule of honest and fair dealing with the Association. They shall not use their position or knowledge gained therefrom so that a conflict might arise between the Association's interest and that of the individual. The Conflicts of Interest Policy shall be posted with the Association's Bylaws on the organization's website.

ARTICLE X – AMENDMENTS

These Bylaws may be altered or amended at any meeting of the Board of Directors by a two-thirds vote of the Board members present, provided notice has been given in writing (which includes electronic transmission) to the Board at the meeting immediately preceding the one at which the vote shall be taken, or by certified mail at least twenty (20) days prior to the meeting at which the vote shall be taken, and that such notice is also given to the members by e-mail and posting on the Association's website, at least twenty (20) days before a vote shall be taken on such amendments.

Recommendations for amendments to the Bylaws may be proposed by at least twenty-five (25) members of the Association in good standing. Amendments so proposed (by petition of at least twenty-five (25) members) shall be filed with the Secretary and shall be reviewed and considered by the Board of Directors within sixty (60) days of the Secretary's receipt of the same. Proposals for amendments approved pursuant to this provision shall be presented to the regular membership at the next Annual Meeting.

ARTICLE XI – BANK ACCOUNT

Banking and other investment accounts of the Association shall be maintained by the Treasurer. Transactions on these accounts shall be authorized by the Treasurer. Transactions which exceed One Thousand Dollars (\$1,000.00) must be authorized by a minimum of two Officers of the Association, one of which may be the Treasurer. In the event that authorization for a transaction exceeding \$1,000.00 is given by the Treasurer, the same must also be approved by the President, President-elect or Secretary.

ARTICLE XII – FISCAL YEAR

The fiscal year of the Association shall be the same as the membership year – July 1st to June 30 of the following year, unless otherwise determined by the Board.

ARTICLE XIII – LOANS TO DIRECTORS AND OFFICERS

No loans will be made by the Association to its directors or officers.

ARTICLE XIV – AFFILIATIONS WITH OTHER ASSOCIATIONS

To facilitate communications and liaison with related professional associations, the Board of Directors shall seek to establish formal affiliations with appropriate organizations. Such organizations include, but are not limited to, the American Society for Healthcare Risk Management. The Board of Directors shall have the power to authorize the signing of formal written agreements establishing such relationships, but only when such affiliations are in furtherance of the purposes of the Association for Healthcare Risk Management of New York. Such affiliations shall not interfere with the separate corporate status of the Association, or its qualifications as an exempt organization under §501(c)(3) of the Code.

ARTICLE XV – GIFTS

The Board or any authorized Officer, employee or agent of the Association may accept on behalf of the Association any contribution, gift, bequest or devise for any general or special purpose or purposes of the Association.

ARTICLE XVI – DISTRIBUTION OF ASSETS ON DISSOLUTION

The Association is one which does not contemplate pecuniary gain or profit to the members, Directors or Officers thereof, and is organized solely for nonprofit purposes. On the termination and dissolution of the Association, after payment of, or adequate provision for, the debts and obligations of the organization, the remaining assets shall be distributed to a nonprofit fund, foundation or corporation, which is organized exclusively for charitable, educational or scientific purposes and which has established its tax exempt status under §501(c)(3) of the Code. If the Association holds any assets in trust, such assets shall be disposed of in such manner as may be directed by a decree of the appropriate court within New York State in which this organization's principal office is located.

Dated: March 8, 2018

APPENDIX A

AHRMNY CONFLICT OF INTEREST POLICY

A. Purpose

The purpose of the conflict of interest policy is to protect the interest of the Association of for Healthcare Risk Management of New York, Inc. (the "Association") when it is contemplating entering into a Related Party Transaction, or other transaction or arrangement that might benefit the private interest of an Officer, Director or Key Person of the Association or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflicts of interest applicable to the Association.

B. Definitions

1. "Related Party" means (i) Any director, officer or key person of the Association or any affiliate of the Association; (ii) any relative of any director, officer, or key person of the Association or any affiliate; or (iii) any entity in which an individual described in clause (i) or (ii) has a 35% or greater ownership or beneficial interest or, in the case of a partnership or professional corporation, a direct or indirect ownership interest in excess of 5%. Said information shall be disclosed to the Association by a director upon joining the Board and annually thereafter.
2. "Related Party Transaction" means any transaction, agreement, or other arrangement in which a "related party" has a financial interest and in which the Association or any of its affiliates is a participant, except that a transaction shall not be a related party transaction if: (i) the transaction or the related party's financial interest in the transaction is de minimis, (ii) the transaction would not customarily be reviewed by the board or boards of similar organizations in the ordinary course of business and is available to others on the same or similar terms, or (iii) the transaction constitutes a benefit provided to a related party solely as a member of a class of the beneficiaries that the Association intends to benefit as part of the accomplishment of its mission which benefit is available to all similarly situated members of the same class on the same terms.
3. "Affiliate" means any entity controlled by, or in control of, such Association.
4. "Financial Interest" – A person has a financial interest if the person has, directly or indirectly, through business, investment or family:
 - a. An ownership or investment interest in any entity with which the Association has a transaction or arrangement;
 - b. A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement; or
 - c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Association is negotiating a transaction or arrangement. "Compensation" includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest.

5. A "Conflict of Interest" shall exist (i) when an Interested Person has a Financial Interest in a proposed transaction, (ii) with respect to all proposed Related Party Transactions; or (iii) if the Deciding Body makes the determination, in its sole discretion, that a Conflict of Interest exists.
6. "Deciding Body" means the Board of Directors of the Association, or a committee of the Board thereof, which is responsible for overseeing the implementation of and compliance with the Association's Conflict of Interest Policy.
7. "Key Person" means any person other than a director or officer, whether or not an employee of the Association, who (i) has responsibilities, or exercises powers or influence over the Association as a whole similar to the responsibilities, powers, or influence of directors and officers; (ii) manages the Association, or a segment of the Association that represents a substantial portion of the activities, assets, income or expenses of the Association; or (iii) alone or with others controls or determines a substantial portion of the Association's capital expenditures or operating budget.
8. "Relative" of an individual means (i) his or her spouse or domestic partner as defined in section twenty-nine hundred ninety-four-a of the public health law; (ii) his or her ancestors, brothers and sisters (whether whole or half-blood), children (whether natural or adopted), grandchildren, great-grandchildren; or (iii) the spouse or domestic partner of his or her brothers, sisters, children, grandchildren, and great-grandchildren.
9. "Interested Person": An Interested Person is any (i) Related Party; or (ii) any director, officer, Key Person or member of a committee with Board-delegated powers, who has a direct or indirect Financial Interest, or who has any other interest or relationship that could reasonably be viewed as having the potential to affect his or her decision-making judgment.

C. Procedures

1. Duty to Disclose – In connection with any actual or possible conflict of interest, an interested party must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Deciding Body.
2. Determining Whether a Conflict of Interest Exists – After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.
3. Procedures for Addressing the Conflict of Interest - The Deciding Body will determine by a majority vote of the disinterested directors whether the transaction or arrangement is fair, reasonable and in the Association's best interest. In conformity with the above determination it will make its decision as to whether to enter into the transaction or arrangement.
4. Additional Procedures for Addressing Certain Conflicts of Interest. The Association shall not enter into a Related Party Transaction unless the transaction is determined by the Deciding Body to be fair, reasonable and in the Association's best interest at the time of such determination. Any director, officer, or Key Person who has an interest in a Related Party Transaction shall disclose in good faith to the Deciding Body the material facts concerning such interest. In addition, with respect to any Related Party Transaction in which a Related Party has a substantial Financial Interest, the Deciding

Body shall: (i) prior to entering into the transaction, consider alternative transactions to the extent available; (ii) approve the transaction by not less than a majority vote of the directors or committee members present at the meeting; and (iii) contemporaneously document in writing the basis for the Deciding Body's approval, including its consideration of any alternative transactions.

5. No Improper Attempts to Influence Vote. The Interested Person with the Conflict of Interest is prohibited from making any attempt to influence improperly the deliberation or voting on the matter giving rise to the Conflict of Interest.

6. Violations of the Conflicts of Interest Policy. If the Deciding Body has reasonable cause to believe that an individual has failed to disclose actual or possible Conflicts of Interest, it will inform the individual of the basis for such belief and afford the individual an opportunity to explain the alleged failure to disclose. If, after hearing the individual's response and after making further investigation as warranted by the circumstances, the Deciding Body determines the individual has failed to disclose an actual or possible Conflict of Interest, it will take appropriate disciplinary and corrective action.

D. Records of Proceedings

The minutes of the Deciding Body's meeting shall contain:

- a. the names of persons who disclosed or otherwise were found to have a Financial Interest in connection with an actual or possible Conflict of Interest, the nature of the Financial Interest, any action taken to determine whether a Conflict of Interest was present, the Deciding Body's decision as to whether a Conflict of Interest in fact existed; and
- b. the names of persons who were present for discussions, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

E. Compensation

- a. A voting member of the governing board who receives compensation or other payment, directly or indirectly, from the Association for services is precluded from voting on matters pertaining to that member's Compensation.
- b. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation or other payment, directly or indirectly from the Association for services is precluded from voting on matters pertaining to that member's Compensation.
- c. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

- d. Notwithstanding the forgoing, no director will be prohibited from deliberating or voting concerning Compensation for service on the Board that is to be made available or provided to all directors of the Corporation on the same or substantially similar terms.

F. Annual Statements

Each director, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

- a. Has received a copy of the conflicts of interest policy;
- b. Has read and understands the policy;
- c. Has agreed to comply with the policy; and
- d. Understands the Association is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax exempt purposes.

In addition, each director shall initially (prior to his or her initial election) and annually thereafter complete, sign and submit to the Secretary of the Association (or a designated compliance officer) a written statement identifying, to the best of his or her knowledge, any entity of which such director is an officer, director, trustee, member, owner (either as a sole proprietor or a partner), or employee and with which the Association has a relationship, and any transaction in which the Association is a participant and in which the director might have a Conflict of Interest. The Secretary of the Association (or a designated compliance officer) shall provide a copy of all completed statements to the Chair of the Deciding Body.

G. Periodic Reviews

To ensure the Association operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic review shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information and the result of arm's length bargaining; and
- b. Whether partnerships, joint ventures and arrangements with management organizations conform to the Organization's written policies are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

H. Use of Outside Experts

When conducting the periodic reviews as provided for herein, the Association may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of its responsibility for ensuring periodic reviews are conducted.

Dated; March 8, 2018