
ARTICLES OF INCORPORATION
- as amended -
of the
MISSOURI HOSPITAL ASSOCIATION
A General Not-For-Profit Corporation

ARTICLE I.
NAME

The name of the Corporation shall be Missouri Hospital Association.

ARTICLE II.
LOCATION

The Corporation shall be located at 4712 Country Club Drive, west of Jefferson City, Cole County, Missouri.

ARTICLE III.
DURATION

The duration of the Corporation shall be perpetual.

ARTICLE IV.
PURPOSE

The Association shall be a mutual benefit Corporation with members under the laws of Missouri, and its purpose shall be to promote the health and welfare of the citizens of Missouri by assisting member institutions in offering high-quality health care services. The Association shall serve as an advocate and representative of hospitals in improving the methods of health care delivery and financing. The Association shall promote efficiency and effectiveness in the delivery and financing of health care services to patients. It shall encourage continuing professional education and scientific research, assist in the health education of the public, promote health careers, maintain such affiliations as shall be mutually beneficial, cooperate with other organizations as appropriate and provide leadership for hospitals.

ARTICLE V.
REGISTERED OFFICE

The registered office of the Corporation is 4712 Country Club Drive, Jefferson City, Missouri 65109-4541 and mailing address is P.O. Box 60, Jefferson City, Missouri 65102-0060 and its registered agent at said office is Herb B. Kuhn.

The date of the meeting of the members at which said resolution was adopted was November 6, 1981. The total number of members entitled to vote upon said resolution was 159. The vote for adoption of the resolution was unanimous.

**ARTICLE VI.
DISPOSITION OF THE
ASSETS OF THE ASSOCIATION
UPON DISSOLUTION**

Upon dissolution of the Association and after the affairs of the Association have been wound up, including payment of outstanding debts, the assets of the Association shall be distributed to its institutional members with a right to vote, as provided in the Association's Bylaws, as of the date of the vote by the Association Board of Trustees to recommend dissolution to the membership. The proposal for dissolution shall contain a recommendation for distribution of such assets.

BYLAWS
- as amended -
of the
MISSOURI HOSPITAL ASSOCIATION
A General Not-For-Profit Corporation

ARTICLE I.
MEMBERSHIP

Section 1. Institutional Membership.

Institutional membership shall be available to hospitals which provide diagnosis or treatment of persons. Such institutional members shall be defined as category one or category two.

- (1) Category one shall include:
 - (a) general and specialty hospitals licensed or eligible for state licensure as hospitals, which primarily provide care for persons who normally require a relatively short period of hospitalization.
 - (b) hospitals owned or operated by the government of the United States located in Missouri and in states adjacent to Missouri or owned or operated by the government of the State of Missouri which do not or cannot qualify for membership under paragraph (1) a. of this section.
 - (c). hospitals in states adjacent to the State of Missouri which pay full institutional dues established by the Board with all rights and obligations pertaining thereto, except as otherwise limited by these Bylaws.
- (2) Category two shall include organizations which are in the process of constructing a new hospital.

No hospital which is individually licensed by the State of Missouri may be a member of the Association except as an institutional member as defined in (1) above.

All individually licensed institutions in Missouri, which are part of or connected with a multi hospital system, shall be required to be members or apply for membership if any similarly connected institution in Missouri is a member or applies for membership. Compliance with the requirements of this paragraph is a prerequisite to consideration for membership of hospitals located in states adjacent to Missouri which are part of a multi hospital system with member institutions located in Missouri; provided, however, the provisions of this paragraph shall not apply to:

- (1) a licensed hospital in which a member or members individually have an ownership interest of less than fifty percent; or,
- (2) a hospital operated by the Missouri Department of Mental Health or an agency of the federal government.

Section 2. Individual Membership.

- (1) Individual Member. Individual membership shall be available to persons who apply for individual membership and are approved by the President.
- (2) Honorary Member. An honorary member is an individual who has been, with his or her consent, selected by the Board to be an honorary member of the Association.

Individuals holding individual memberships shall be nonvoting members.

Section 3. Associate Membership.

Non-institutional associate membership shall be available to organizations whose purpose and objectives are complementary to and not in conflict with the purpose and objectives of the Association. Associate members shall be approved by the Board and shall be nonvoting members. The Board may approve unique associate membership categories with separate membership criteria and dues structures for each category.

Section 4. District Membership by Non-Missouri Hospitals.

Hospitals located in states adjacent to the State of Missouri may become members of a District Council provided for in Article IX of these Bylaws, the choice of district being the most geographically and politically appropriate for said hospital, subject to approval of the Board. Membership in a District Council shall not be contingent upon membership in the Association, but such District Council membership shall be subject to the policies of the district which the hospital joins, including dues, which may be established by the Board.

Section 5. Application for and Election to Membership.

With the exception of individual and honorary memberships, application for the memberships listed in this Article shall be made in writing to the President. Upon the approval of the Board and the payment of the first annual dues hereinafter specified, the institution or organization shall be a member.

**ARTICLE II.
ANNUAL DUES**

Section 1. Institutional Members.

- (1) The schedule of dues of all institutional members shall be determined by the Board.
- (2) Annual dues shall be computed on the institutional member's most recently audited fiscal year.

Section 2. Individual Members.

- (1) Annual dues for individual members shall be determined by the Board.
- (2) Honorary members shall not be required to pay dues.

Section 3. Associate Members.

Annual dues for associate members shall be determined by the Board.

Section 4. District Members (Non-Missouri Hospitals).

Annual dues for district members (non-Missouri Hospitals) shall be determined by the Board.

Section 5. Dues Payable.

All annual dues are payable on or before January 31, of each year.

**ARTICLE III.
BOARD OF TRUSTEES**

Section 1. Members.

The Association shall be governed by a Board of Trustees with the members possessing various qualifications and subject to certain restrictions and modes of selection as hereinafter set forth in this Article.

Section 2. General Qualifications.

Membership on the Board shall be limited to individuals who are:

- (1) The Chief Executive Officer of any category one institutional member as described in Article I, Section 1(1) of these Bylaws.
- (2) The Chief Executive Officer or other Senior Executive Officer of a multi hospital system that includes at least one category one institutional member described in Article I, Section 1(1) of these Bylaws, provided, however, that any such Chief Executive Officer or Senior Executive Officer must have his or her principal office located in the State of Missouri and must have direct responsibility for the hospital operations in the State of Missouri for such multi hospital system. As used in these Bylaws, the term “multi hospital system” means any combination of two or more hospitals within the State of Missouri resulting from ownership or operating lease in which ultimate corporate decision-making authority on issues such as, but not limited to, system policy, financial issues and strategic planning resides with a single governing Board. The term “multi hospital system” also shall include hospitals that have a management agreement whereby the Chief Executive Officer is an employee of such system; however, the term shall not include a hospital affiliated with a multi hospital system where such hospital retains authority to employ its Chief Executive Officer. This paragraph also encompasses and includes the Chief Executive Officer of a subsidiary multi hospital system more particularly described in Section 3(3)(b) of this Article.
- (3) An individual who is a trustee member of the governing board of a category one institutional member or multi hospital system and who is neither a Chief Executive Officer of a member or multi hospital system nor a member of the medical staff of any such entity, as those terms are described and defined in these Bylaws.
- (4) An individual who is a member of the medical staff of a category one institutional member

who is neither a Chief Executive Officer of such a member or multi hospital system, as those terms are described and defined in these Bylaws.

- (5) The Chair-Elect, the Chair and the Past Chair.
- (6) The President, ex officio, with vote.

Section 3. Designation of Permanent Members of the Board of Trustees.

- (1) The Chief Executive Officer of a category one institutional member or multi hospital system, as defined in this Article, the annual expenses of which are equal to or exceed \$405 million as disclosed on the financial section of the most recent Missouri Department of Health and Senior Services Annual Licensure Survey completed by all of the members for purposes of dues assessment shall hold a permanent seat on the Board. The expense threshold of \$405 million shall be adjusted annually by medical CPI as determined by the Bureau of Labor Statistics of the United States Department of Labor, or successor agency, December to December, applicable to the member's most recently audited fiscal year. The base year survey for this calculation occurred in 2002 and based on 2000 expenses of \$250 million.
- (2) The Chief Executive Officer of a category one institutional member is ineligible for membership on the Board under this section if such member is a part of a multi hospital system, as defined in this Article, regardless of the annual expenses of said institutional member, except as otherwise provided in this Article.
- (3) Notwithstanding any provision of this section to the contrary:
 - (a) Chief Executive Officers entitled to sit on the Board by virtue of this Article may designate a Senior Executive Officer as defined in this Article to sit in their place.
 - (b) In the event that a multi hospital system qualified to place its Chief Executive Officer on the Board pursuant to this Article has one or more subsidiary organizations that would, but for their ownership by the multi hospital system, independently qualify to place their Chief Executive Officer or Senior Executive Officer on the Board pursuant to this section, the Chief Executive Officer of the multi hospital system may designate one such subsidiary organization's Chief Executive Officer or Senior Executive Officer, as the case may be, to sit on the Board in lieu of such multi hospital system's Chief Executive Officer or Senior Executive Officer.
- (4) Eligibility for designation for permanent membership of the Board will change any time the expenses of a category one institutional member or multi hospital system described herein either meet or fail to meet the required threshold, as adjusted.

Section 4. Election of At-Large Members of the Board of Trustees.

- (1) The Nominating Committee shall select a slate of three (3) candidates for the office of At-Large Trustee and recommend their election at the annual business meeting of the Association. Such trustees, upon election, shall take office on January 1 following their election. In considering nominations for this office, the Nominating Committee shall consider, among such other factors as the Committee may deem appropriate, the representational balance of the Board, assuring to the extent possible that the diversity of Association membership is reflected in its membership, as well as the experience and ability of potential nominees to contribute to the fulfillment of the Association's mission. At a minimum, consideration of the diversity of Association membership shall take into account public hospitals, rural hospitals, specialty hospitals and hospitals located in markets and communities of varying sizes. The Trustees elected pursuant to this paragraph shall serve a

three (3) year term and be eligible to succeed themselves for two additional three (3) year terms, but may thereafter be eligible for nomination as an At-Large member only after the passage of one (1) year after the end of nine (9) successive years of service.

- (2) The Nominating Committee also shall nominate and place on its slate of candidates recommended for election at the annual meeting of the Association a trustee and physician, as described in paragraphs (3) and (4) of Section 2 of this Article, respectively. At-Large Trustees elected pursuant to this paragraph shall serve one-year terms and be eligible to succeed themselves for two additional one (1) year terms, but may thereafter be eligible for nomination and election as Trustee of the Association upon passage of one (1) year after such three (3) year term of service.
- (3) Suggestions for nominations for At-Large members of the Board may be made by institutional members in writing, endorsed by five institutional members. Such suggestions must be received by the President no later than sixty (60) days prior to the annual business meeting of the Association. The President shall transmit any such suggestions to the Nominating Committee for consideration.
- (4) Otherwise eligible individuals who are chief executives, senior executives as that term is defined in this Article, medical staff members or trustees of category one institutional members that are owned, leased or managed by an organization or subsidiary organization whose Chief Executive Officer or Senior Executive Officer is entitled to a permanent seat on the Board pursuant to this section shall not be eligible for election to the Board as At-Large Trustees.

Section 5. Election of Trustees from Association Districts.

- (1) Category one institutional members located in each Association District as described in Article IX of these Bylaws shall elect one member to the Board each from their respective districts pursuant to the process described in this section. The Trustees elected pursuant to this paragraph shall serve a three (3) year term and be eligible to succeed themselves for one additional three (3) year term, but may thereafter be eligible for nomination and election as a Trustee only after the passage of one (1) year after the end of six (6) successive years of service.
- (2) Election Date. The President shall annually select an election date for district elections, which shall be a date no later than thirty (30) days prior to the Association's annual business meeting.
- (3) Nominations. No later than sixty (60) days prior to the election date established pursuant to this section of the bylaws, the President shall call for nominations from the districts with an open seat on the Board. The Chief Executive Officer of any institutional member in such a district may submit a name in nomination for election to the Board. Nominations received no later than thirty (30) days prior to the election will be counted. The two nominees receiving the highest number of nominating votes in the district in which the election will occur shall be placed in nomination. In the event that more than two individuals receive the highest number of nominating votes, a runoff will be conducted among those with the same number of votes. (Examples of this circumstance include if three individuals receive the greatest number of nominating votes, or alternatively, if two or more individuals receive the second highest number of nominating votes.) The runoff shall be concluded no later than seven (7) days after the close of the regular nominating period, and may be conducted by phone, fax or other means in order to expedite the conclusion of the nominating process. In the event the runoff produces a tie, the nominee shall be determined by the flip of a coin conducted by the

Chair, assisted by the President and legal counsel of the Association in such a manner as the Chair shall determine is fair and creditable under the circumstances. In the event only one nominee receives votes, the nominee shall be declared elected and the remaining requirements of this section shall be dispensed with.

- (4) Election. As soon as possible after the close of the nominating process, but no later than twenty (20) days prior to the election, the President shall have prepared printed ballots containing the names and office addresses of the nominees and the date of the election. One (1) ballot each, along with a signature card, shall be mailed to the institutional members in good standing in the district where the election is being held. The ballot and signature card shall be identically numbered. The voter shall print or type his or her name on the signature card, sign his or her name and mail or otherwise deliver it, together with the ballot, to the President.
- (5) Canvassing the Ballots. The Chair, or in his or her absence the Past Chair, assisted by the President and legal counsel of the Association shall be responsible for canvassing the ballots received by the close of business on the designated election day. Ballots will be considered valid only if accompanied by a signature card properly and completely filled out. The Chair or in his or her absence, the Past Chair, may participate either in person or via telephone.
- (6) Declaration of Election and Tie Votes. The nominee receiving the highest number of votes in each district shall be declared elected. In the event of a tie vote, a new ballot shall be sent to the members in the district in which the election is being held within seven (7) days of the date the first set of ballots is canvassed. A return of such ballots shall be required within two (2) weeks of their mailing by the President. Canvassing shall be conducted as soon as possible after return of said votes in the manner described for the original canvassing. In the event the tie continues to be unresolved, the winner shall be determined by the flip of a coin conducted by the Chair, assisted by the President and legal counsel of the Association in such manner as the said Chair shall determine is fair and creditable under the circumstances.

Section 6. American Hospital Association Delegates.

- (1) The Board, upon recommendation of the Chair, shall elect two (2) delegates and two (2) alternate delegates to the American Hospital Association (AHA) Regional Policy Board (RPB) or successor organization or entity of the AHA.
- (2) Delegates and alternate delegates shall be voting members of the Board. In the event a delegate or alternate delegate elected by the Board is not already a member, such delegate or alternate delegate shall automatically become a member of the Board.
- (3) Delegate and alternate delegates shall be eligible to serve terms of three (3) years and may not succeed themselves. However, an individual serving as alternate delegate may succeed to the office of delegate.

Section 7. General Provisions Concerning Members of the Board of Trustees.

- (1) In addition to the Trustee elected to the Board by an Association District pursuant to Section 5 of this Article, the membership of the Board shall include at least one additional member from a category one institutional member or multi hospital system located in each such Association District, not including the President, selected by any process provided for in these Bylaws.
- (2) At least four (4) members of the Board, including Chair officers, selected or designated by any process provided for in these Bylaws, shall represent category one institutional members

of the Association with licensed bed capacity as determined by the Missouri Department of Health and Senior Services equal to or less than one hundred (100) beds, which are small and rural hospitals. The term “small and rural hospital” shall include hospitals not located in Metropolitan Statistical Areas (MSA) as designated by the United States Bureau of the Census (or such other designation as may in the future be given to such geographic areas). Notwithstanding their location in an MSA, the following hospitals shall be considered “small and rural” for purposes of these bylaws: Mercy Hospital Carthage, Carthage; Ray County Memorial Hospital, Richmond; Cameron Regional Medical Center, Inc., Cameron; Lafayette Regional Health Center, Lexington; Cass Regional Medical Center, Harrisonville; Freeman Neosho Hospital, Neosho; Mercy Hospital Lincoln, Troy; Missouri Baptist Sullivan Hospital, Sullivan; Bates County Memorial Hospital, Butler; Ellett Memorial Hospital, Appleton City; Fulton Medical Center, LLC, Fulton; Washington County Memorial Hospital, Potosi; Citizens Memorial Hospital, Bolivar; and Belton Regional Medical Center, Belton.

- (3) Vacancies.
 - (a) In the event of a vacancy in any elected position on the Board, the Chair shall appoint an individual with the approval of the Board to fill the current term. Such appointment shall be from the same class of individuals as the previous member of the Board and ensure continued compliance with the provisions of this section.
 - (b) The appointment shall be for the remainder of the existing term. If one-half or more than one-half of the uncompleted term remains at the time the vacancy occurs, the term shall be determined to be a full term in applying the term limit provisions provided for in this Article. If less than one-half of such term remains at the time the vacancy occurs, the time of service of the Trustee appointed to fill the vacancy shall not apply to such term limit provisions.
- (4) In the event an elected member of the Board, whether elected from a district of the Association or at-large, is elected to the office of Chair-Elect, the member’s elected office shall be declared vacant and shall be filled as in the case of any other vacancy on the Board.
- (5) In the event an elected member of the Board, whether elected from a district of the Association or at-large, is elected to the office of Chair-Elect, the term or terms of office associated with the office of Chair-Elect shall be deemed to constitute the passage of the required interval of time necessary for an individual to be eligible for nomination and election to the Board for subsequent terms, either from a district or as an At-Large Trustee under the term limits set forth in this Article.

Section 8. Powers and Quorum.

- (1) The administrative powers of the Association shall be vested in the Board. The Board shall have charge, control and management of the property, affairs and funds of the Association and the power and authority to do and perform all acts and functions not inconsistent with these Bylaws or with any action taken by the Association.
- (2) A majority of the Board shall constitute a quorum for the transaction of business. In the event a quorum is not present at any meeting of the Board, the Trustees so assembled may transact business. Any vote taken by less than a majority of the Board shall subsequently be submitted to all absent Trustees for ratification and shall be effective upon approval of a majority of the Board.
- (3) Notwithstanding other requirements of this section to the contrary, a vote of no less than two-thirds (2/3) of the total members of the Board shall be necessary to make recommendations for approval of changes in these Bylaws to the membership and for changes in membership

dues structure.

Section 9. Attendance at Board Meetings.

Trustees shall be allowed a maximum of two unexcused absences from regular and special Board meetings in the aggregate in any calendar year. Accrual of a third unexcused absence will result in expulsion from the Board, subject to a majority vote of the members of the Board. Any Trustee who has a reason for absence from a regular or special Board meeting shall transmit this reason either orally or in writing to the Chair, who will, in consultation with the President, determine whether the excuse is determined acceptable. If the excuse is determined to be unacceptable, the absence shall be recorded as unexcused in the minutes of the meeting from which the Trustee is absent.

Section 10. Removal of Trustees.

- (1) Removal of trustees is governed by the applicable sections of the Missouri Not for Profit Corporation Law. In summary, for purposes of notification and information and in no way by limitation, these provisions require trustees elected by members to only be removed by the class of members that elected them (e.g., Chair, Chair-Elect, Past Chair and At-Large Trustees only may be removed by a statewide vote of the members, trustees elected by a district only may be removed by a districtwide vote); trustees appointed may only be removed by the appointing authority (e.g., the Chair); trustees whose positions are designated in the Bylaws may only be removed by amending the Bylaws (e.g., trustees with permanent seats); and trustees may be removed by initiating a proceeding in circuit court; all of these requirements being subject to the procedures and other provisions found in the aforementioned statute. It is hereby specifically provided in these Bylaws that any changes to the Missouri Not-For-Profit Corporation Law enacted by the Missouri General Assembly concerning the subject described in this section shall be incorporated by reference herein as may be changed or only amended in the manner which might be authorized by such changes.
- (2) In addition to the rights and prerogatives provided to any trustee subject to removal under the Missouri Not-For-Profit Corporation Law, such trustee shall have the right to be advised in writing of any initiative to remove him or her and may be granted, if requested within thirty (30) days of receiving such advice, a hearing or other opportunity to address the members or appointing authority, as the case may be, responsible for designating, electing, or appointing the trustee to the Board for his or her current term prior to final action being taken concerning the trustee's removal. A request for such hearing or opportunity to address members shall be made in writing to the President.

ARTICLE IV. OFFICERS, COMMITTEES AND TASK FORCES OF THE BOARD OF TRUSTEES

Section 1. Board Officers.

The officers of the Board shall be a Chair, Chair-Elect, Past Chair, Secretary and Treasurer, each of whom shall be voting members. The Chair-Elect shall automatically become Chair upon the expiration of the respective Chair's term of office. The Chair-Elect also shall succeed to the

office of Chair if such office becomes vacant for any reason prior to the expiration of the current term. The individual succeeding to Chair under circumstances other than expiration of the current Chair's term shall continue in that office through the expiration of the term as Chair anticipated when such individual was elected as Chair-Elect. The Chair-Elect shall be elected annually by the members of the Association as provided in Article V hereof.

Section 2. Chair.

The Chair of the Board shall be installed at the Association's annual meeting and take office on January 1 of the following year, after which he or she shall preside at all meetings, whether of the Association or of the Board, and shall be an ex officio member of all committees.

Section 3. Chair-Elect.

The Chair-Elect shall act as Chair in the absence of the Chair and, when so acting, shall have the power and authority of the Chair.

Section 4. Secretary.

The Secretary of the Board shall be elected by the Board from the members of the Board and shall act as Secretary of both the Board and the Association. The Secretary, or a designated member of the Association's staff, shall be responsible for sending appropriate notices of all meetings of the Board and the Association and shall be responsible for recording and reporting all meetings.

Section 5. Treasurer.

The Treasurer shall be elected by the Board from the members of the Board and shall have custody of all funds of the Association and, acting with the Executive and Finance and Budget Committees, shall see that a true and accurate accounting of the financial transactions of the Association is made and that reports thereof are presented to the Board and the Association.

Section 6. President and Chief Executive Officer.

The President, who is the Chief Executive Officer of the Association, shall be selected and appointed by the Board and shall be a voting member of the Board. He or she shall be responsible to the Board and shall administer, direct and coordinate all Association activities in accordance with policies established by the Board. The President shall be a member, ex officio with vote, of all committees, councils, task forces, work groups or similar bodies of the Association, and may appoint designees to serve in his or her place. He or she also is specifically authorized to sit on the Boards of Trustees and the Boards of Directors of other organizations with the approval of the Chair.

Section 7. Committees of the Board of Trustees.

(1) Executive Committee. The Executive Committee shall serve for one (1) year and shall be composed of the officers of the Board, President and two (2) other members of the Board elected by the Board. The Executive Committee shall be responsible to the Board, shall

conduct Association business and act for the Board in the interim periods between meetings of the Board and shall report back to the Board all actions taken.

(2) Standing Committees. There shall be the following standing committees: Audit, Bylaws, Finance and Budget, Investment and Nominating, which members shall be appointed by the Chair. The Chair, when appointing committee chairs and members, shall consider the Association's governance documents to ensure appropriate representation. Each standing committee shall consist of at least three (3) members of the Association. Appointments shall be for terms of one (1) year and until successor appointees qualify. Committee members may serve unlimited consecutive terms. Other committees may be appointed by the Chair with the consent of the Board as deemed necessary. Their duties shall be determined by the Board.

(a) Audit Committee. The Audit Committee shall consist of the Treasurer of the Association and such other members, including a Committee Chair, as shall be appointed by the Chair of the Board, with the consent of the Board. The CFO of the Association shall be a member of the committee, ex officio, without vote.

(b) Bylaws Committee. The Chair of the Board shall appoint the Bylaws Committee Chair, along with the members of the Bylaws Committee, with the consent of the Board.

(c) Finance and Budget Committee. The Treasurer of the Association shall act as Chair for the Finance and Budget Committee, and the Chair of the Board shall appoint the members of committee, with the consent of the Board.

(d) Investment Committee. The Treasurer of the Association shall act as Chair for the Investment Committee, and the Chair of the Board shall appoint the members, with the consent of the Board. The CFO of the Association also shall be a member of the committee.

(e) Nominating Committee. The Nominating Committee shall consist of the Chair, Chair-Elect, immediate Past Chair, President and such additional member(s) necessary to ensure a committee composition as follows:

- (1) a committee member who represents a hospital or health system in the Kansas City MSA;
- (2) a committee member who represents a hospital or health system in the St. Louis MSA;
- (3) a committee member who represents a category one institutional member that is a "small and rural hospital" as defined in Article III, Section 7(2) of these Bylaws; and
- (4) a committee member who represents a category one institutional member, but does not satisfy the elements of (1), (2) or (3).

The Chair shall appoint such additional members identified in paragraphs (1) through (4) above with the approval of the Board. Each such member shall serve a one (1) year term and be eligible for reappointment for up to two (2) additional successive one (1) year terms. The Nominating Committee shall have the following responsibilities:

- (1) To make nominations for the office of Chair-Elect and At-Large Trustees.
- (2) To make necessary reports to the Association and assist in carrying out election of the Chair-Elect and the At-Large Trustees at annual or special meetings.

The Chair of the Board shall serve as the Chair of the Nominating Committee.

A majority of the members of any committee shall constitute a quorum for the transaction of business. In the event a quorum is not present at any meeting of any committee, the

members so assembled may transact business. Any vote taken by less than a majority of the committee members shall subsequently be submitted to all absent members for ratification and shall be effective upon approval of a majority of the committee members.

Section 8. Association Policy Development.

Task Forces. The Chair of the Board from time to time may appoint task forces to study particular issues of concern to the Association. A Chair of any such task force shall be selected and appointed by the Chair of the Board at the time of the appointment of the task force. A task force appointed in this manner shall have the responsibility to review, study and make recommendations to the Board concerning the issue or issues assigned to it. The Chair of the task force may appear at a meeting of the Board to present and discuss specific recommendations of the task force, but such person shall not have a vote. The Board shall be notified upon the creation of a task force.

- (1) Duration of Task Forces. There shall be no specific term for the existence of task forces, but it is the intention of these Bylaws that task forces go out of existence when the purpose for which the task force was created is fulfilled. In any event, all task forces in existence at the end of each calendar year shall be reviewed by the Chair for the ensuing year and a decision made whether to continue the existence of the task force and whether to reappoint the Chair and members of the task force or to make modifications in the membership of the task force if the task force continues.
- (2) The Board, in its complete discretion, may from time to time ask the District Councils provided for in Article IX of these Bylaws to consider and provide recommendations to the Board on specific issues. This shall be in addition to the reports provided for in said Article IX.

Section 9. Removal of Officers.

- (1) Chair, Chair-Elect, and Past Chair. The Chair, Chair-Elect or Past Chair may be removed from office upon a vote of two-thirds (2/3) of the institutional members of the Association.
- (2) Other Officers. Officers other than the Chair, Chair-Elect or Past Chair may be removed from office upon a vote of two-thirds (2/3) of the members of the Board, provided, however, that the President shall serve at the pleasure of the Board, subject to terms and conditions approved by the Board.

ARTICLE V. NOMINATION AND ELECTION OF CHAIR-ELECT

Section 1.

Nominations for Chair-Elect shall be made by the Nominating Committee at the annual meeting of the Association. Recommendations for one (1) or more nominees for such office may be made to the Nominating Committee by the Chief Executive Officer of any member hospital in good standing in category one as defined in Article I hereof.

Section 2.

Nominations for Chair-Elect may be made from the floor of the meeting at which the election is held.

Section 3.

Upon the occurrence of a vacancy in the office of Chair-Elect, the Chair shall call as soon as practicable a special meeting of the membership to select a new Chair-Elect who shall serve out the remaining portion of the term of the vacated office. The procedure for conducting the election under this section shall be in accordance with the procedures set forth in Sections 1 and 2 of this Article for election of a Chair-Elect at the annual meeting.

ARTICLE VI. MEETINGS

Section 1. Association.

- (1) Annual. There shall be an annual meeting of the institutional members of the Association, which month and the time and place in the State of Missouri to be determined annually by the Board. Such meeting shall be announced by written notice to the membership, in the official publication of the Association, by written notice mailed at least thirty (30) days before the date so fixed or by electronic communication at least thirty (30) days before the date so fixed. Newly elected members of the Board and officers shall assume office at the beginning of the fiscal year following the annual meeting.
- (2) Special. Special meetings of the institutional members of the Association may be called by the Chair, or in his or her absence by the Chair-Elect, and when at least ten (10) institutional members sign a petition addressed to the Chair requesting a special meeting for a stated purpose. The Chair, or in his or her absence the Chair-Elect, shall determine the time and place of such special meetings and upon request by the Chair, the President shall give written notice to the members of such meeting not less than ten (10) days before the date of the meeting, which notice shall state the purpose of the meeting. No other business than that indicated in the written notice shall be transacted at such special meeting.

Section 2. Board of Trustees.

- (1) Regular Meetings. The Board shall meet at least five (5) times yearly. The time and place of the Board meetings shall be determined by the Board.
- (2) Special Meetings. Special meetings of the Board may be called from time to time by the Chair, the President or five (5) members of the Board upon such notice as may be required by the Missouri Nonprofit Corporation Act.

Section 3. Conduct of Meetings.

The Chair of the Board, or in his or her absence the Chair-Elect, shall preside at all meetings of the members. Robert's Rules of Order Revised shall govern the conduct of all meetings of the members except as otherwise provided in these Bylaws.

- (1) Emergency. In the event of an emergency condition which prevents or makes unwise, in the judgment of a majority of the Trustees, the holding of the annual meeting, the Board may determine that the election of officers and the transaction of other essential business will be conducted by mail.
- (2) Quorum. Twenty-five (25) percent of the voting representatives (or their respective designees) of institutional members shall constitute a quorum at any meeting of the members of the Association. In the event voting by mail is substituted for voting in person, as provided in (1) hereof, the mail vote of twenty-five (25) percent of the voting representatives (or their respective voting alternates) of institutional members shall constitute a quorum for the conduct of business by mail.
- (3) Voting.
 - (a) Each institutional member shall be entitled to one (1) vote at any duly called meeting of the Association.
 - (b) The Chief Executive Officer or his or her designee shall cast the vote of an institutional member.
 - (c) The name of any designee mentioned in (b) above shall be transmitted to the President in writing and in such a manner as to assure that it is received by the President prior to the opening of the meeting in question.
 - (d) All members of the Association, including personal and associate members and non-voting representatives of institutional members, shall have the privilege of the floor at all meetings of the members of the Association, without the right to vote.

**ARTICLE VII.
RESIGNATION, TERMINATION,
CENSURE, SUSPENSION, EXPULSION OR
REINSTATEMENT OF MEMBERS**

Section 1. Resignation.

Any member may resign in writing at any time, except that there shall be no refund of dues paid nor forgiveness of unpaid dues.

Section 2. Termination.

The membership of any member who has not paid annual dues by April 30 of any year shall be automatically terminated upon fifteen (15) days' notice and the opportunity to make full payment, except in those cases in which the Board, for good cause shown, authorizes such membership to continue.

Section 3. Investigation, Censure, Suspension or Expulsion — Hearing upon Request — Procedure.

- (1) Whenever, by a two-thirds majority vote of the members of the Board, it is determined that the conduct or action of any member described in Article I, Sections 1 and 2, warrants an investigation by the Board to determine whether formal proceedings should be instituted against the member in question, such member shall be notified in writing by certified mail of

the fact that the Board, by a vote of at least two-thirds of its total number, has decided that it should be determined whether formal proceedings should be instituted by the Board to censure, suspend or expel the member in question. In such writing, the Board shall set forth the specific reasons for the investigation being conducted by the Board, including the specific conduct, acts or actions, or lack thereof by the member in question which prompted the investigation by the Board. The Board shall request such member, through its duly authorized representative, to appear before the Board at a time and place specified in such writing to answer questions or present to the Board any facts pertaining to the subject matter of the proposed inquiry.

- (2) Following the date so specified, the Board shall determine whether it shall proceed to take action against the member, which may include censure, suspension or expulsion of such member from the Association. Any such action may only be taken by a vote of at least two-thirds vote of the total number of Board members.
- (3) If the Board determines to proceed against the member in question, such member shall be notified by the Chair, in writing sent by certified mail, of the action taken by the Board, of the specific reasons for the proposed action(s), including the specific conduct, acts or actions by the member which caused the action by the Board.
- (4) If the member desires a hearing with respect to the charges made, he shall make a written request addressed to the President, within thirty (30) days after the date on which the notice was mailed to the last known address of the member.
- (5) The failure of the member, so notified, to request a hearing within the time specified in (4) above, shall constitute a waiver of his or her right to the hearing.
- (6) Within ten (10) days after receipt by the President of a request for a hearing, the President, after consultation with the Chair of the Board, shall arrange for a time and place for a hearing and notify the member in writing, provided, however, that the hearing shall not be set at a time less than ten (10) or more than twenty (20) days from the date on which the President received the request for a hearing from the offender.
- (7) The notice of the hearing shall state in plain and concise language the act or acts with which the offender is charged, and any other subject matter necessary to make clear the reason(s) for the Board's proposed action against the offender.
- (8) An ad hoc hearing committee composed of hospital administrators and trustees, of not less than five (5) members, none of whom shall be members of the Board, shall be appointed by the Chair of the Board, one of whom shall be designated by the Chair of the Board as the Chair of the ad hoc hearing committee.
- (9) There shall be at least a majority of the members of the hearing committee present at the hearing.
- (10) An accurate record of the hearing shall be made either by a court reporter or by an electronic recording unit, the expense of which shall be borne by the Association.
- (11) No hearing shall be conducted in the absence of the offender. If an offender fails to appear at a hearing of which he or she has been duly notified, without good cause, his or her failure to appear shall constitute a waiver of the right to a hearing and an acceptance of the action of the Board.
- (12) At the hearing, the member may be accompanied by a lawyer or other person of his or her choosing. A lawyer representing the Association may be present at the hearing.
- (13) The Chair of the hearing committee or a hearing officer designated by the Chair, shall preside and conduct the hearing in such a manner as will assure that all participants have an opportunity to present any relevant evidence and testimony which they desire to offer.
- (14) The Board shall appoint one of its members, who with the assistance of the Association's

- lawyer, if desired, shall present the evidence in support of its action against the member.
- (15) The Chair or the hearing officer, as the case may be, shall not apply rules of law or evidence relating to the examination of witnesses or the presentation or admissibility of evidence. Any relevant fact or circumstance shall be considered. A member may submit, at any time prior to, at the hearing or within ten (10) days thereafter, memoranda which shall be made a part of the record in the case.
 - (16) The hearing committee may recess and reconvene the hearing for the convenience of the participants or for consultation or to allow a party to obtain additional evidence.
 - (17) Upon the conclusion of the hearing, the hearing committee shall at a time agreed upon within the limits provided in (18) hereof, consider the matter outside the presence of the member and reach a decision.
 - (18) Within twenty (20) days after the completion of the hearing, the hearing committee shall prepare a written report, decision and recommendation and forward such to the member and to the members of the Board. Such decision, report and recommendation shall either affirm or reverse the action of the Board.
 - (19) The report and recommendation of the hearing committee shall be final and binding on the Board.
 - (20) The member may take any action with respect to the decision as he or she may determine is proper and lawful under the circumstances, including, an appeal to or the institution of an action in a court of competent jurisdiction.

Section 4. Reinstatement.

Upon application, a suspended or expelled member may be reinstated by a majority affirmative vote of the total membership of the Board.

ARTICLE VIII. INDEMNIFICATION

Section 1. Right to Indemnification.

Subject to the restrictions set forth in Section 2 of this Article, each person who is or has been a Trustee or officer of the Association or any member of any committee provided for under these Bylaws shall be indemnified by the Association against his or her expenses, including attorneys' fees necessarily incurred in connection with the defense or settlement of any action, suit or proceeding to which he or she is a party or threatened to be made a party, alone or together with others, by reason of his or her role as a Trustee, officer or member of any committee provided for under these Bylaws.

Each such person also shall be reimbursed by the corporation for any amounts paid by such person in satisfaction of any judgment or settlement in connection with any such action, suit or proceeding, unless the amount of such judgment or settlement is payable to the Association itself or unless such person shall be adjudged in such action, suit or proceeding to be liable for misconduct or bad faith in the performance of his or her duties to the Association.

The foregoing right of indemnification shall be in addition to any other rights to which such person may be entitled as a matter of law.

The Association may, by action of its Board, provide indemnification to selected employees and agents of the Association with the same scope and effect as the foregoing indemnification of Trustees, officers, and committee members or with such other scope and effect as the resolution authorizing the indemnity may provide.

Section 2. Certain Limits on Indemnity.

Notwithstanding anything contained in this Article to the contrary, the Association shall not be liable, unless otherwise provided by separate written agreement, by law or other written provision for indemnity, to provide indemnity or to make any payment in connection with any claim made against a Trustee, officer or committee member:

- (1) For which payment is actually made to the Trustee, officer or committee member under a valid and collectible insurance policy.
- (2) For amounts paid in settlement of any proceeding affected without the written consent of the Association.
- (3) If it is finally adjudged by a court of competent jurisdiction, other tribunal or arbitration panel that such person's conduct with respect to which a claim for indemnity is made was knowingly fraudulent, deliberately dishonest or constituted willful misconduct.
- (4) For any lawsuit or legal proceeding initiated by such person without authorization of the Board.
- (5) To satisfy judgments, expenses (including attorneys' fees) or settlements arising out of a criminal proceeding or an action, proceeding, cross claim, counter claim or third-party claim brought by or in the right of the Association against the person claiming indemnity in which such person has been finally adjudicated and found guilty, or entered a plea of guilty or nolo contendere.

Section 3. Rights to Indemnity Shall be Contractual and Continuing.

The provisions of this Article shall be deemed to be a contract between this Association and each person who serves as a Trustee, officer or committee member at any time while such provisions are in effect; they shall continue as to a person who has ceased to be a Trustee, officer or committee member as to service rendered in such role(s); and they shall inure to the benefit of his or her heirs, executors and administrators.

Section 4. General Provisions Regarding Indemnification.

- (1) In the event of payment under this Indemnity, the Association shall be subrogated to the extent of such payment to all of the rights of recovery of the payee or other person on whose behalf the payment was made.
- (2) The Association shall be entitled to participate, at its expense, in any proceeding for which a Trustee, officer or committee member may be entitled to indemnity, and it may assume the defense thereof with counsel satisfactory to the Trustee, officer or committee member unless the Trustee, officer or committee member reasonably concludes that there may be a conflict of interest between such person and the Association in the conduct of such defense.
- (3) If a claim under this Article is not paid in full by the Association within ninety (90) days after such claim has been submitted in writing to the Association to recover the unpaid amount of the claim, to obtain specific performance of any obligation of the Association to advance

expenses (it being understood that the legal remedy for the breach of any such obligation is not adequate) and/or to obtain other equitable and/or legal relief and, if successful in whole or in part, the claimant also shall be entitled to recover from the Association the expense (including reasonable attorneys' fees) of prosecuting any such claim. The fact that the claim may be covered by a valid and collectible insurance policy shall not be an effective defense to any such claim against the Association unless the claimant has in fact already received payment under such policy.

- (4) In acting upon a request for the Association to pay the expenses (including reasonable attorneys' fees and expenses) incurred in defending any such proceeding in advance of its final disposition, the Board shall not require security for the undertaking to reimburse and shall be required, if an undertaking is provided, to authorize such payment unless such payment would render the Association insolvent.
- (5) Non-Exclusivity of Rights. The right to indemnification and the payment of expenses incurred in defending a proceeding in advance of its final disposition conferred in this Article shall not be exclusive of any other right, which any person may have or hereafter acquire under this Article, any statute, provision of the Articles of Association, Bylaw, agreement or vote of the Board; or otherwise.
- (6) Insurance. The Association may maintain an insurance policy, at its expense, to protect itself and any Trustee, officer, committee member, employee or agent of the Association against any expense, liability or loss, whether or not the Association would have the power to indemnify such person against such expense, liability or loss under applicable law.
- (7) Retroactivity. The provisions of this Article shall apply retroactively to services rendered as a director or officer prior to the adoption of this Article.
- (8) Severability. Should any provision of this Article, for any reason be finally adjusted by any court of competent jurisdiction to be invalid or unenforceable, such judgment shall not affect, impair or invalidate the remainder of the provisions of this Article, but shall be confined in operation to the provision determined invalid, void or unenforceable.

ARTICLE IX. DISTRICT DESIGNATIONS, ORGANIZATIONS AND MEETINGS

Section 1. Districts of the Association.

Effective January 1, 2017, the Association shall be divided into six (6) districts, which shall respectively consist of the following counties, cities and designated hospitals.

DISTRICT NO. 1

Adair, Andrew, Atchison, Buchanan, Caldwell, Carroll, Clinton, Daviess, De Kalb, Excelsior Springs Hospital (or its successor) located in Clay County, Gentry, Grundy, Harrison, Holt, Lafayette, Linn, Livingston, Macon, Mercer, Nodaway, Putnam, Ray, Schuyler, Scotland, Sullivan, Worth.

DISTRICT NO. 2

Cass, Clay (except Excelsior Springs Hospital or its successor) Henry (except Royal Oaks Hospital or its successor), Jackson, Johnson, Platte.

DISTRICT NO. 3

Audrain, Boone, Callaway, Camden, Chariton, Clark, Cole, Cooper, Crawford, Dent, Gasconade, Howard, Knox, Lewis, Maries, Marion, Miller, Moniteau, Monroe, Montgomery, Morgan, Osage, Pettis, Phelps, Pike, Pulaski, Ralls, Randolph, Royal Oaks Hospital or its successor located in Henry County, Saline, Shelby.

DISTRICT NO. 4

Franklin, Jefferson, Lincoln, St. Charles, St. Louis, St. Louis City, Warren.

DISTRICT NO. 5

Barry, Barton, Bates, Benton, Cedar, Christian, Dade, Dallas, Douglas, Greene, Hickory, Howell, Jasper, Laclede, Lawrence, McDonald, Newton, Ozark, Polk, St. Clair, Stone, Taney, Texas, Vernon, Webster, Wright.

DISTRICT NO. 6

Bollinger, Butler, Cape Girardeau, Carter, Dunklin, Iron, Madison, Mississippi, New Madrid, Oregon, Pemiscot, Perry, Reynolds, Ripley, Scott, Shannon, St. Francois, Ste. Genevieve, Stoddard, Washington, Wayne.

Section 2. District Organizations and Meetings.

- (1) Hospitals which are members of a recognized Association District may organize a council or association and hold meetings. They may elect to develop and adopt Bylaws, which are complementary to and not in conflict with the Articles of Incorporation and Bylaws of the Association.
- (2) Reports from such councils or associations shall be made by a District Trustee, or his or her designee, to the Board and actions taken by the Board shall be reported to the councils or associations by the appropriate District Trustee or by the President, or their designees. If a report, statement, or position of a council or association falls outside of the policies of the Association or is inconsistent with the policies of the Association, such documents or positions may not be released until the council or association and the Association jointly discuss the matter and a unified position is developed or other courses of action are determined.

**ARTICLE X.
AGREEMENTS OF AFFILIATION**

Section 1.

The Association may enter into agreements of affiliation with organizations whose membership consists of individuals who are in health or hospital occupations.

Section 2.

Each agreement of affiliation shall be for a period of one (1) year or as otherwise approved by the Board. It shall be renewed each year, provided that the provisions of the affiliation agreement have been fulfilled. Either party may terminate the affiliation agreement by giving thirty (30) day notice in writing to the other party.

Section 3.

Members of affiliated organizations may become personal members of the Association as prescribed in Article I, Section 2(1) and payment of dues as prescribed in Article II, Section 2.

**ARTICLE XI.
FISCAL YEAR**

The fiscal year of the Association shall be January 1 through December 31.

**ARTICLE XII.
RESOLUTIONS**

All resolutions to be presented at annual or special meetings of the Association shall be presented in writing to the President no later than noon of the day thirty (30) days prior to the first day of the annual or special meeting in which the resolutions are to be considered. Resolutions submitted within the specified time shall be circulated to institutional members of the Association at least twenty (20) days prior to such annual or special meeting.

**ARTICLE XIII.
AMENDMENTS**

The foregoing Bylaws may be amended in accordance with the following procedure:

- (1) A motion to amend the Bylaws in a specified manner may be submitted in writing to the President by the Board, Executive Committee, Bylaws Committee or by a petition signed by at least five (5) voting representatives of institutional members in good standing.
- (2) Any motion to amend as provided in (1) hereof, including the proposed amendment, shall be submitted in writing to the President at least sixty (60) days prior to the date of the meeting of the members of the Association at which the proposed amendment is to be considered.

- (3) The President forthwith shall transmit any such proposed amendment, including proposals developed by the President independent of the sources described in paragraph (1) of this Article XIII, to the Association's Bylaws Committee. The Bylaws Committee shall consider and make its recommendation concerning the proposed amendment to the Board at least thirty (30) days prior to the date of the meeting at which the proposed amendment is to be considered.
- (4) The Board, after receiving and considering the recommendation of the Bylaws Committee, shall recommend to the membership either that the proposed amendment be approved or that it be approved on condition that it be changed in a specified manner, or that it be disapproved. Any motion that the recommendation of the Bylaws Committee be recommended to the membership for consideration or a recommendation with a specified change be recommended to the membership for consideration shall be approved by at least two-thirds (2/3) of the members of the Board.
- (5) The President shall cause a written notice to be mailed, via postal service or electronic communication to all members of the Association, which notice shall contain the amendment as proposed, the recommendations of the Board concerning it and the date, time and place of the meeting, either regular or special, at which the proposed amendment will be adopted as submitted, adopted on condition as specified above, or disapproved. Such notice shall be mailed to each member not less than ten (10) days nor more than sixty (60) days prior to the date of such meeting.
- (6) A two-thirds (2/3) affirmative vote of the voting representatives of the institutional members who are present and voting or their proxies as provided in the Association's Bylaws, shall be required for the adoption of a motion to amend. However, in the event that amendments to the Association's Bylaws alter or change the rights and prerogatives of members of a district created pursuant to these Bylaws, a two-thirds majority of those voting from the affected district or districts also shall be required.

Last Amended November 2, 2016