

1 **BYLAWS**
2 **OF**
3 **ALLIANCE FOR ACADEMIC INTERNAL MEDICINE, INC.**

4
5 (A Delaware non-stock, not-for-profit corporation)
6

7 **ARTICLE I: NAME AND OFFICES**
8

9 **Section 1: Name**
10

11 The name of the corporation is Alliance for Academic Internal Medicine, Inc. (hereinafter
12 referred to as the “Alliance”).
13

14 **Section 2: Offices; Registered Agent**
15

16 The principal office of the Alliance shall be located at 330 John Carlyle Street, Suite 610,
17 Alexandria, VA 22314 or at such other place as the Alliance Board of Directors
18 (collectively the “Board of Directors” and individually a “Director”) shall from time to
19 time designate. A copy of the Certificate of Incorporation, Bylaws, all books, records,
20 minutes, and related documents of the Alliance shall be kept at the principal office at all
21 times. The Alliance shall have and maintain within the State of Delaware and within any
22 jurisdiction in which it is doing business a registered agent whose business address is
23 identical with the registered office of the Alliance in that jurisdiction. The Board of
24 Directors may from time to time, as they see fit, change the Alliance’s registered agent in
25 any jurisdiction.
26

27 **Section 3: Duration**
28

29 The Alliance shall have perpetual existence.
30

31 **ARTICLE II: PURPOSE, Mission, and Vision**
32

33 **Section 1: Purpose**
34

35 Pursuant to the directive of its Founding Members, the Alliance is committed to uniting,
36 preserving, and promoting academic internal medicine; ensuring that academic internal
37 medicine maintains its excellence in educating the next generation of physicians,
38 conducting groundbreaking health research, and providing high-quality care to patients;
39 and developing faculty and staff leaders in Departments of Internal Medicine.
40

41 Notwithstanding the foregoing, the Alliance is organized as an organization described in
42 section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”) and
43 shall be operated consistent with the requirements described in Code section 501(c)(3).
44

45 **Section 2: Mission**
46

AAIM fosters the advancement of learning, discovery, and caring by enhancing the professional growth of academic internal medicine faculty, administrators, and physicians-in-training.

Section 3: Vision

Academic internal medicine, as the home of medical education and research, is the generator of innovation for healthcare, now and for the future.

ARTICLE III: AFFILIATION WITH, INTEGRATION INTO, AND WITHDRAWAL FROM THE ALLIANCE

Section 1: Founding Members

The Founding Members of the Alliance were the following entities:

- Association of Professors of Medicine (APM);
- Association of Program Directors in Internal Medicine (APDIM);
- Association of Subspecialty Professors D/B/A Association of Specialty Professors (ASP);
- Clerkship Directors in Internal Medicine (CDIM); and
- Administrators of Internal Medicine (AIM)

Section 2: Establishment of Founding Member Councils to Represent the Interests of Founding Members Subsequent to Merger into the Alliance

As of July 1, 2013, each of the Founding Members integrated into the Alliance. The interests of each Founding Member are now represented by a Founding Member council ("Founding Member Council"). Founding Members Councils rights and responsibilities are pursuant to each Founding Member's Merger Agreement with the Alliance. For purposes of clarity, where these Bylaws refer to a Founding Member Council with respect to an action taken prior to the merger of the Founding Member or with respect to an officer of the Founding Member Council, such action or officer shall be deemed to have been pursuant to the Founding Member Council even if effected under the Founding Member at the relevant time.

Section 3: Associate Members

- (a) Application to affiliate with the Alliance as an Associate Member shall be open to any academically focused organizations that are committed to the future of academic internal medicine, rather than particular specialties within internal medicine.
- (b) Any entity desiring affiliation pursuant to Article III, Section 3(a) shall only be a Provisional Associate Member after approval of the application by a unanimous

93 vote of the Board of Directors. Entities will be a Provisional Associate Member
94 for a term of one-year. During the one year as a Provisional Associate Member,
95 no voting or Alliance membership rights of any kind will be granted.
96

97 (c) After one year, a Provisional Associate Member shall be eligible to merge into the
98 Alliance by a second unanimous vote of the Board of Directors and therein
99 become an Associate Member (in contrast to a Founding Member). Merger into
100 the Alliance requires transfer of all assets of the merging Associate Member to the
101 Alliance as defined in the Joint Merger Agreement. A merged Associate Member
102 shall always be considered as such and may never be considered a merged
103 Founding Member.
104

105 (d) An Associate Member will have no voting or Board of Directors representation
106 rights of any kind.
107

108 (e) Post-merger, an Associate Member Council will be convened to represent the
109 interests of the former Provisional Associate Member.
110

111 (f) An Associate Member not unanimously approved for merger after one year may
112 request an additional year as a Provisional Associated Member, or is subject to
113 termination, at the discretion of the Board of Directors. The Board of Directors
114 may grant indefinite Provisional Associated Member status at its discretion, on a
115 case-by-case basis.
116

117 **Section 4: Societal Affiliates** 118

119 (a) The Alliance from time-to-time may invite internal medicine subspecialty
120 societies to participate as Societal Affiliates. A Societal Affiliate may choose to
121 partner with a Founding or Associate Member Council on a specific project,
122 program, or activity with the approval of the Board of Directors.
123

124 (b) A Societal Affiliate is not an Associate Member nor a Provisional Associated
125 Member, and will not be granted rights or privileges as such.
126

127 (c) A Societal Affiliate will have no voting or Board of Directors representation
128 rights of any kind.
129

130 **Section 5: Termination of Affiliation With the Alliance** 131

132 (a) A Founding Member may request termination of affiliation with the Alliance
133 pursuant to its notification obligation as outlined in the Alliance and Founding
134 Member's Joint Merger Agreement. Termination of such membership shall be put
135 into effect as of the first day of the month following the 90th day on which the
136 vote to terminate the membership occurs. A terminating Founding Member shall
137 continue to have all responsibilities applicable to its Founding Member Council

138 immediately prior to its termination, as applicable, through the date of its
139 termination.

- 140
141 (b) An Associate Member, acting through its post-merger representative(s), may
142 request termination of membership pursuant to its notification obligation as
143 outlined in the Alliance and Associated Organization's Merger Agreement. The
144 Alliance may terminate and unwind the merger of an Associate Member with or
145 without reason, by a unanimous vote of the Board of Directors. Written notice of
146 such termination shall be provided to the terminated Associate Member's post-
147 merger representative(s). A terminated Associate Member shall continue to have
148 all responsibilities applicable to its Associate Member Council immediately prior
149 to its termination, as applicable, through the date of its termination.

- 150
151
152 (c) A Societal Affiliate may request termination of membership by filing a written
153 request with the Secretary-Treasurer. The terminating Societal Affiliate's notice
154 will take effect immediately following the receipt of the request filed with the
155 Secretary-Treasurer. The Secretary-Treasurer shall provide an annual report to
156 the Board of Directors on all requests for termination of membership.

157 158 **Section 6: Dues for Associated Organizations and Societal Affiliates**

159
160 The Board of Directors may set dues and/or fees for each organizational and/or affiliate
161 category.

162 163 **ARTICLE IV: MEMBERSHIP**

164 165 **Section 1: Membership Requirements**

- 166
167 (a) Each Council (whether a Founding Member Council or an Associate Member
168 Council) may offer membership to a Department of Internal Medicine provided it
169 meets the criteria as defined for a qualifying institution. In the event a
170 Department of Internal Medicine does not enroll or there is not a Department of
171 Internal Medicine at a qualifying institution, an individual may apply for
172 membership provided his or her work responsibilities fit within the scope of the
173 activities of the Alliance, as determined by the Board of Directors in its sole
174 discretion.
- 175
176 (b) The Board of Directors authorizes each Council to use its guiding principles
177 ("Guiding Principles") to define the eligibility criteria for an individual to join, be
178 considered in good standing, or be considered for termination in said Council's
179 constituency. Notwithstanding the foregoing, each Council, to the extent required
180 by the Board of Directors, shall coordinate with the other Councils to ensure that
181 there is (1) consistency among the Alliance's membership requirements as
182 established and applied by each of the Councils and (2) the number of individuals
183 approved for the individual membership category is kept to a minimum.

184
185 **Section 2: Termination of Membership**
186

- 187 (a) Each Council (whether a Founding Member Council or an Associate Member
188 Council) may through its Guiding Principles, define criteria for an individual,
189 representing a Department of Internal Medicine or themselves, to request
190 termination of membership provided such criteria requires filing a written request
191 with the Secretary-Treasurer. The terminating member's notice will take effect
192 immediately following the receipt of the request filed with the Secretary-
193 Treasurer. The Secretary-Treasurer shall provide an annual report to the Board of
194 Directors on all requests for termination of membership.
195
196 (b) Each Council (whether a Founding Member Council or an Associate Member
197 Council) may through its Guiding Principles, establish procedures and
198 requirements for mandatory termination of membership.
199

200 **Section 3: Dues for Members**
201

202 The Board of Directors may set dues and/or membership fees for each membership
203 category.
204

205 **ARTICLE V: BOARD OF DIRECTORS**
206

207 **Section 1: General Powers**
208

209 The business, affairs, and full fiduciary responsibility of the Alliance shall be managed
210 by the Board of Directors, which shall have all voting and management powers with
211 respect to the Alliance.
212

213 **Section 2: Composition of the Board of Directors**
214

215 The Board of Directors shall consist of the Chair, Vice Chair, and Secretary-Treasurer
216 ("Officers"), the president, president-elect, and past president of each Founding Member
217 Council ("Elected Directors"). The Alliance Chief Executive Officer (CEO) & President,
218 Deputy CEO & Executive Vice President (EVP), and Chief Operating Officer (COO) (if
219 any) are "Ex-Officio Positions." Board members will serve as the chairs of the AAIM
220 Finance Committee, Compensation Committee, Compliance Committee, and Governance
221 Committee ("AAIM Board Committee Chairs"). All members of the Board of Directors
222 are voting members except for the Ex-Officio Positions. There shall be up to nineteen
223 (19) voting Directors and up to three (3) non-voting positions on the Board of Directors
224 for a total of twenty-two (22) board members. No individual on the board will have more
225 than one vote regardless of the number of board positions held. Members of the Board of
226 Directors shall be elected in accordance with Section 3 of this Article IV. The initial
227 directors named in the Certificate of Incorporation shall serve on the Board of Directors
228 until Directors are elected as set forth in this Article IV.
229

230 **Section 3: Election of Directors**

231
232 The president, president-elect, and past president of each Founding Member Council
233 (“Elected Directors”) shall be appointed to the Board of Directors. Such appointment
234 shall be effective as of July 1 of each calendar year. For purposes of this Article IV,
235 Directors appointed by a Founding Member before it was followed by a Founding
236 Member Council shall be treated as if they were appointed by a Founding Member
237 Council.
238

239 Provisional Associate Members, Associate Member Councils, Society Affiliates, and
240 individual Members will have no right to elect or appoint any Directors. However, at the
241 discretion of the Board of Directors, representatives of one or more of the foregoing may
242 be invited to attend some or all of the meetings of the Board of Directors but in no way
243 shall these attendees be considered Directors of the Alliance.
244

245 **Section 4: Vacancies**

246
247 If a Director elected by a Founding Member Council resigns, dies, or is removed by an
248 action of the Founding Member Council, such Founding Member Council shall be
249 entitled to elect a new Director. A Director elected to fill a vacancy shall be elected for
250 the unexpired term of his or her predecessor. If the predecessor held an appointed office,
251 the Board of Directors at its discretion will appoint a Director to assume that role. A
252 Founding Member Council may not appoint an Officer of the Board of Directors.
253

254 **Section 5: Meetings**

255
256 The meetings of the Board of Directors shall be held on an as needed basis for the
257 purpose of transacting business as may come outside of a Regular Meeting. Regular
258 Meetings of the Board of Directors shall be held at such time and place as the Board of
259 Directors may determine by resolution. Special Meetings of the Board of Directors may
260 be called at any time by the Chair of the Board of Directors. Directors shall receive
261 advance notice of at least 10 days prior to any Special Meetings; provided, however, that
262 such notice requirement may be waived by the Directors.
263

264 **Section 6: Voting and Quorum**

265
266 Each Director is entitled to one vote. Unless otherwise specifically provided by these
267 Bylaws, all issues shall be decided by an affirmative vote of a quorum of the Directors
268 present and voting. Fifty percent (50%) plus one (1) of the Directors in attendance shall
269 constitute a quorum for the transaction of business provided that there must be at least
270 one Director appointed by each Founding Member Council present to constitute a
271 quorum. Except as specifically provided in these Bylaws or applicable law, the act of a
272 simple majority of the Directors present at any meeting at which there is a quorum shall
273 be the act of the Board of Directors. If a quorum shall not be present at any meeting of
274 the Board of Directors, those Directors present may adjourn the meeting from time to
275 time without notice until a quorum shall be present. Directors may not vote by proxy.

276
277 **Section 7: Participation**
278

279 The Board of Directors may permit any or all Directors to participate in a Regular or
280 Special Meeting by, or conduct the Regular or Special Meeting through the use of, any
281 means of communication by which all Directors may simultaneously hear each other
282 during the Regular or Special Meeting. A Director participating in a Regular or Special
283 meeting by this means is deemed to be present at the meeting.
284

285 **Section 8: Action Without Meeting**
286

287 Any action that may be taken at a Regular or Special Meeting of the Board of Directors
288 may be taken without a Regular or Special Meeting if unanimous consent in writing,
289 setting forth the actions so to be taken, shall be approved by Directors as defined in
290 Section 6 before the action is to become effective and are filed with the Minutes of the
291 Board of Directors. If consent specifies an effective date, it shall be effective as of that
292 date provided that it states the date each Director executed it; otherwise, the consent shall
293 be effective when the last Director approves it and effective no earlier than such date. A
294 Director's consent shall have the same effect as a Regular or Special Meeting vote and
295 may be described as such in any document.
296

297 **Section 9: Compensation**
298

299 No voting Director shall receive compensation from the Alliance for services performed
300 in his or her official capacity, but Directors shall be entitled to reimbursement—as
301 defined in the Alliance Leadership Travel and Business Expense Reimbursement
302 Policy—for reasonable and necessary expenses incurred in the performance of their
303 official duties.
304

305 **Section 10: Special Voting Rules**
306

307 Notwithstanding any provision of the Bylaws to the contrary, a unanimous vote of the
308 Board of Directors is required to adopt any action that (a) amends these Bylaws or the
309 Alliance's Certificate of Incorporation, (b) results in a movement of funds that is in
310 excess of 10% of the Alliance's assets as of the date of the action, or (c) dissolves the
311 Alliance. Approval of the annual operating budget requires a super majority (two-thirds)
312 vote provided a quorum (as defined in Article IV, Section 6) is present. Prior to any vote
313 on the foregoing issues, a Director may request and shall be entitled to receive a delay in
314 the vote to consult his or her Director colleagues appointed by the same Founding
315 Member pursuant to Article IV, Section 3. Such delay shall not exceed 10 business days.
316

317 **ARTICLE VI: OFFICERS AND OFFICIALS**
318

319 **Section 1: Chair and Vice-Chair**
320

- 321 (a) The Chair shall be elected by the Board of Directors from the current directors
322 who have served at least two years on the Board as well as individuals who left
323 the Board of Directors on the previous July 1. The Chair shall be primarily
324 responsible for implementing the policies and procedures established by the
325 Board of Directors and may be granted any other powers or delegated other duties
326 as prescribed from time to time by the Board of Directors. In the absence of the
327 Chair, the Board of Directors will designate an individual to serve as Acting
328 Chair. Such individual shall be a member of the Board of Directors. The Chair is
329 supervised by and reports to the Board of Directors.

330
331 The term of the Chair shall be for one year and may occur after the second year
332 after the individual's initial tenure on the board of directors. The Chair may be re-
333 elected for a second year at the discretion of the Board of Directors. The second
334 year in the current officer role may occur beyond the incumbent's tenure on an
335 association council. The Chair shall have one vote in any applicable situation. If
336 a Chair steps down, is removed from his or her position as a Director, or is unable
337 to fulfill aforementioned responsibilities and duties, the Board of Directors shall
338 elect a new Chair for the remaining term of such former Chair.

- 339
340 (b) The Vice Chair shall be elected by the Board of Directors from the current
341 directors who have served at least one year on the Board of Directors as well as
342 individuals who will left the Board of Directors on the previous July 1. The Vice
343 Chair shall be primarily responsible for assisting the Chair to implement the
344 policies and procedures established by the Board of Directors and may be granted
345 any other powers or delegated other duties as prescribed from time to time by the
346 Board of Directors. The Vice Chair is supervised by and reports to the Board of
347 Directors.

348
349 The term of the Vice Chair shall be for one year and may occur within the first
350 year after the individual's initial tenure on the board of directors. The Vice Chair
351 may be re-elected for a second year as Vice Chair or elected for a term as Chair at
352 the discretion of the Board of Directors. The second year in the current officer
353 role or the first year in the new officer role may occur beyond the incumbent's
354 tenure on an association council. The Vice Chair shall have one vote in any
355 applicable situation. If a Vice Chair steps down, is removed from his or her
356 position as a Director, or is unable to fulfill aforementioned responsibilities and
357 duties, the Board of Directors shall elect a new Vice Chair for the remaining term
358 of such former Vice Chair.

359 360 **Section 2: Secretary-Treasurer**

361
362 The Secretary-Treasurer shall be elected by the Board of Directors from the
363 current directors who have served at least one year on the Board of Directors as
364 well as individuals who will left the Board of Directors on the previous July 1.
365 The Secretary-Treasurer shall always serve as Chair of the Finance Committee
366 and will perform other duties such as, recording proceedings of the Board of

Directors and the membership as well as any other activities as prescribed from time to time by the Board of Directors. The Secretary-Treasurer is supervised by and reports to the Board of Directors.

The term of Secretary-Treasurer shall be for one-year and may occur within the first year after the individual's initial tenure on the board of directors. The Secretary-Treasurer may be re-elected for a second year as Secretary-Treasurer or may be elected for a term as Chair or Vice Chair at the discretion of the Board of Directors. The second year in the current officer role or the first year in the new officer role may occur beyond the incumbent's tenure on an association council. The Secretary-Treasurer shall have one vote in any applicable situation. If a Secretary-Treasurer steps down, is removed from his or her position as a Director, or is unable to fulfill aforementioned responsibilities and duties, the Board of Directors shall elect a new Secretary-Treasurer for the remaining term of such former Secretary-Treasurer.

Section 3: Chief Executive Officer & President, Deputy Chief Executive Officer & EVP, and Chief Operating Officer

- (a) The CEO & President reports to the Board of Directors. As provided in Article IV, Section 2, the CEO & President shall serve as an ex-officio, non-voting member of the Board of Directors. The CEO & President serves as the primary representative of the Alliance to the general public, and performs duties on behalf of the Alliance as directed by the Board of Directors. The CEO & President shall have authority to enter into such documents as described in Article VII, Section 1 subject to any limitations imposed by the Board of Directors. The CEO & President is an employed staff position.
- (b) The Deputy CEO & EVP reports to the CEO & President. As provided in Article IV, Section 2, the Deputy CEO & EVP shall serve as an ex-officio, non-voting member of the Board of Directors. The Deputy CEO & EVP is responsible for the day-to-day operations of the Alliance and managing the Alliance's staff. The Deputy CEO & EVP shall have the authority to enter into such documents as described in Article VII, Section 1 subject to any limitations imposed by the Board of Directors. The Deputy CEO & EVP is an employed staff position.
- (c) The COO reports to the Deputy CEO & EVP. As provided in Article IV, Section 2, the COO shall serve as an ex-officio, non-voting member of the Board of Directors. The COO is responsible for such duties as shall be established by the Deputy CEO & EVP. The COO is an employed staff position. Notwithstanding the foregoing, the Alliance shall not be required to have a COO unless the Board of Directors determines that such a position is necessary by its affirmative action.

Section 4: Additional Officers and Directors

The Board of Directors may also appoint such additional Officers or Directors as the Board of Directors may deem necessary. Such additional Officers or Directors shall be appointed or chosen in the manner prescribed by the Board of Directors. The authority and duties of each Officer or Director shall be those prescribed in the resolution adopted by the Board of Directors establishing the need for that Officer.

Section 5: Removal of Officers and Directors

Any Officer or Director may be removed with or without cause whenever the Board of Directors in its absolute discretion shall consider that the Officer or Director's removal will serve the best interests of the Alliance. Removal of an Officer or Director requires a unanimous vote of the Board of Directors (excluding the Officer or Director being removed) unless the Board of Directors action appointing such Officer or Director, any employment agreement with such Officer, or applicable law otherwise restricts the Board of Directors' ability to remove such Officer or Director.

Section 6: Vacancies

An Officer vacancy created because of death, resignation, removal, disqualification or otherwise, may be filled by an action of the Board of Directors.

ARTICLE VII: STANDING COMMITTEES

Section 1: Executive Committee

The Executive Committee shall consist of the Chair, Vice-Chair, Secretary-Treasurer, and the current president of each Founding Member Council. The Executive Committee has the power to call executive sessions of the Officers and Directors of the Board. The CEO & President, Deputy CEO & EVP, and COO shall serve as ex-officio, non-voting members of the Executive Committee.

The Executive Committee shall be chaired by the Chair of the Board of Directors. The Board of Directors may from time-to-time authorize the Executive Committee to make decisions on its behalf in time-sensitive situations. To the extent consistent with law, the Executive Committee may exercise the authority of the Board of Directors between meetings of the Board of Directors. The Executive Committee may establish its own rules for holding and conducting meetings not inconsistent with law, the Certificate of Incorporation, or Bylaws.

Section 2: Compensation Committee

The Compensation Committee shall consist of the five past presidents of the Founding Members, two at-large members (of which are current or former members of the Founding Member Councils and/or general Alliance membership), and the Deputy CEO & EVP. The Chair of the Compensation Committee will be the most recent past president of the Founding Member Council for AIM, to be confirmed by the Board of

Directors annually. The Chair will serve a one year, nonrenewable term. Founding Member past presidents shall serve one-year terms; at-large Committee members shall serve two-year terms.

Section 3: Compliance Committee

The Compliance Committee shall consist of five members from the Board of Directors, Founding Member Councils, and/or general Alliance membership. The Chair of the Compliance Committee will be appointed by the Board of Directors and will serve a one-year term with the option to renew for an additional year. Committee members shall serve two-year terms.

Section 4: Finance Committee

The Finance Committee shall consist of the five Founding Member treasurers, Secretary-Treasurer of the Board of Directors, the Deputy CEO & EVP, and most senior finance staff person. The Secretary-Treasurer shall serve as Chair of the Finance Committee. The Chair will serve a one-year term but may be re-elected for an additional year. Committee members shall serve three-year terms.

Section 5: Governance and Nominating Committee

The Governance and Nominating Committee shall consist of two sitting members of the Board of Directors and five current or former members of the Founding Members' Councils (one from each Founding Member). The Governance and Nominating Committee Chair shall be an outgoing member of the Board of Directors. The Chair of the Governance and Nominating Committee will be appointed by the Board of Directors and will serve a one-year, nonrenewable term. Committee members will serve a two-year term.

The Governance and Nominating Committee shall be responsible for developing the annual slate of candidates for Officers of the Board and at-large members of the Executive Committee to be voted on by the Board of Directors. The Governance and Nominating Committee will also provide recommendations to the Board of Directors for the Board of Directors Committee Chair and committee member composition as well as recommendations for AAIM Working Committee Chair positions.

Section 6: Other Committees

The Board of Directors may appoint one or more advisory committees, task forces, or working groups consisting of individuals familiar with the needs of the constituencies served by the Alliance and may appoint standing and ad hoc panels to address issues important to academic internal medicine and related to the operations of the Alliance, whether the appointees be Directors or not. The Board of Directors may provide such authority to such ad hoc panels or task forces by written action as the Board of Directors deems appropriate. The Board of Directors may create such other advisory committees or

task forces as it may deem appropriate, appoint membership, and fix and prescribe their rights, duties, power, authority, and terms of office.

Section 7: Authority.

Any Committee may take any action necessary or appropriate to fulfill its purpose if such action is consistent with the law, the Certificate of Incorporation, the Bylaws and is within the scope of the authority granted to the Committee; provided, however, no Committee may:

- (a) Fill vacancies on the Board of Directors or on any of its Committees;
- (b) Amend the Certificate of Incorporation;
- (c) Amend, adopt, or repeal Bylaws;
- (d) Approve a plan of merger or consolidation;
- (e) Approve the sale, lease or exchange, or the mortgage, pledge or other disposition of all or substantially all of the property and assets of the Alliance;
- (f) Approve the dissolution of the Alliance or revoke a voluntary dissolution; or
- (g) Approve or endorse any resolution on behalf of the Alliance.

Section 8: Actions Without Meeting

Any action that may be taken at a meeting of a Committee may be taken without a meeting subject to the same rules as set forth in Article V, Section 8.

Section 9: Operating Procedures

The provisions of these Bylaws that govern meetings, action without meeting, notice and waiver of notice, and quorum and voting requirements of the Board of Directors shall apply to all Committees of the Board of Directors and their members as well. Each Committee may establish its own additional rules of procedure not inconsistent with these Bylaws.

ARTICLE VIII: CONTRACTS, CHECKS, DEPOSITS, FUNDS

All assets and earnings of the Alliance shall be used exclusively for its exempt purposes, including payment of expenses incidental thereto. No part of any net earnings shall inure to the benefit of any employee of the Alliance or be distributed to its Directors, Officers, or any private person, except that the Alliance shall be empowered to pay reasonable compensation for services rendered; and make payments and distributions in furtherance of the purposes set forth in Article II of these bylaws.

Section 1: Contracts

Any (a) employee of the Alliance authorized by the Board of Directors or the Deputy CEO & EVP or (b) Officer(s) of the Alliance may enter into any specific contract or execute and deliver any specific instrument in the name of and on behalf of the Alliance, and such authority may be general or confined to specific instances.

Section 2: Checks, Drafts and Other Methods of Payment

All checks, drafts or other orders of the payment of money, notes or other evidences of indebtedness shall be issued in the name of the Alliance and in such manner as shall from time to time be determined by decision of the Board of Directors or its delegate.

Section 3: Deposits

All funds of the Alliance shall be deposited to the credit of the Alliance in such banks, trust companies or other depositories as the Board of Directors or its delegate may select.

Section 4: Gifts to the Alliance

The Board of Directors may accept on behalf of the Alliance any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Alliance, consistent with the mission and purpose of the Alliance.

ARTICLE IX: MISCELLANEOUS PROVISIONS

Section 1: Fiscal Year

The fiscal year of the Alliance shall begin July 1 and end the following June 30.

Section 2: Review of the Financial Records of the Alliance

Within six (6) months of the conclusion of each fiscal year, the financial records of the Alliance shall be audited or reviewed by a certified public accountant, who shall communicate his or her findings to the Board of Directors (directly or through such of its committees as it may designate) within the same six month time frame.

Section 3: Staff and National Office

The Alliance, acting through the Board of Directors, may hire staff to carry out the operations of the Alliance. Such staff may include a CEO & President, Deputy CEO & EVP, or COO of the Alliance. The Alliance will maintain a national headquarters, to serve as the permanent repository of all Alliance records and membership information.

Section 4: Indemnity

- 596
- 597 (a) To the extent permitted by law, Directors, Officers, and employees of the Alliance
- 598 shall be held harmless and indemnified by the Alliance against all claims and
- 599 liabilities and all costs and expenses, including attorney's fees, reasonably
- 600 incurred or imposed upon that person in connection with or resulting from any
- 601 action, suit or proceeding, or the settlement or compromise thereof, to which that
- 602 person may be made a party by reason of action taken or omitted to be taken by
- 603 that person as a representative, Committee member, Officer or agent of the
- 604 Alliance, in good faith. This right of indemnification shall inure to each person
- 605 whether or not the person is a representative, panel member, Officer, or other
- 606 agent at the time such liabilities, costs, or expenses are imposed or incurred and,
- 607 in the event of death, shall extend to the person's estate and legal representatives.
- 608 Indemnification shall only be provided to the extent permitted under applicable
- 609 law. The Alliance shall provide any indemnification provided by this Article
- 610 VIII, Section 4(a) on a reasonable and timely basis; provided, however, that,
- 611 notwithstanding any provision of this Article VIII, Section 4, such
- 612 indemnification may be paid or provided at a later date as determined at any time
- 613 by the Board of Directors if the Board of Directors determines that it is unable to
- 614 provide such indemnification without adversely affecting the operations of the
- 615 Alliance. All decisions made by the Board of Directors pursuant to the preceding
- 616 sentence shall be at the sole discretion of the Board of Directors.
- 617
- 618 (b) Notwithstanding the foregoing, no indemnification shall be provided in the event
- 619 of a finding by a court of law with competent jurisdiction that any person
- 620 identified pursuant to Article VIII, Section 4(a), acted in a grossly negligent
- 621 manner with respect to any such act otherwise subject to indemnification as set
- 622 forth above. Any amounts advanced prior to a finding of gross negligence as
- 623 described in the preceding sentence shall be repaid in full on a timetable as may
- 624 be negotiated by the Board of Directors with such individual (with such individual
- 625 recused from his or her role as a Director, if he or she is a Director) in the event of
- 626 a finding of gross negligence with respect to the action, inaction, event, or other
- 627 situation for which indemnification was previously provided.
- 628

629 **Section 5: Amendment of Bylaws**

630

631 The power to alter, amend or repeal the Bylaws of the Alliance or to adopt new Bylaws

632 shall be vested in the Board of Directors, but no such action shall be effective until

633 unanimously approved as set forth in Article IV, Section 10.

634

635 **ARTICLE X: DISSOLUTION**

636

637 Upon dissolution of the Alliance for any reason, the total remaining net assets of the

638 Alliance shall be conveyed to a corporation described in Code section 501(c)(3) that is

639 exempt from the payment of federal income taxes pursuant Code section 501(a);

640 provided, further, that if there is no such provision in the Internal Revenue Code at the

641 time of dissolution, then conveyance shall be made to an organization described in and

642 recognized as such under the successor provision thereto on the date of the conveyance.
643 Upon dissolution, no assets shall accrue to any individual Director, past or present.