

**BYLAWS
OF
CALIFORNIA ASSOCIATION OF HEALTH INFORMATION EXCHANGES
A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION**

**ARTICLE 1
NAME AND OFFICES**

Section 1.1 Name of Corporation. The name of this corporation is California Association of Health Information Exchanges, (hereafter referred to as the “Corporation”).

Section 1.2 Principal Office. The principal office of the Corporation for the transaction of its business shall be located in Contra Costa County, California.

Section 1.3 Change of Address. The county of the Corporation's principal office can be changed only by amendment of these Bylaws and not otherwise. The Board of Directors may, however, change the principal office from one location to another within the named county by noting the changed address and effective date below, and such changes of address shall not be deemed an amendment of these bylaws.

_____	Dated: _____
_____	Dated: _____
_____	Dated: _____

Section 1.4 Other Offices. The Corporation may also have offices at such other places, within California where it is qualified to do business, as its business may require and as the Board of Directors may, from time to time, designate.

**ARTICLE 2
PURPOSES**

Section 2.1 Definitions

California Data Use and Reciprocal Support Agreement (CalDURSA). The specific multi-party agreement and its Joinder Agreement that is executed by participants who wish to enable their voluntary participation in health information exchange activities with other participants.

Community Health Information Organization. An HIO which is open to participation by all healthcare stakeholders in the community and is governed by representatives of participating stakeholders.

eHealth Exchange. A group of federal agencies and non-federal organizations promoting secure, trusted and interoperable health information exchange.

Enterprise Health Information Organization. An HIO which is designed to facilitate exchange among affiliated healthcare stakeholders and governed by the affiliation entity.

Founders of the Corporation. The organizations represented by the group of individuals who assembled in San Diego on March 14, 2013 and subsequently, to organize the corporation, and who formally agreed on the filing of the Articles of Incorporation. The Founders of the Corporation are listed in Appendix A to these Bylaws.

Health Information Exchange (HIE). The act of exchanging health information.

Health Information Organization (HIO). An organization which facilitates the exchange of health information.

Section 2.2 General Purpose. The Corporation is organized under the Nonprofit Corporation Law of the State of California for charitable, educational and scientific purposes with the intention that it qualify for tax exemption pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as the same may be amended from time to time. Without limiting the generality of the foregoing, the specific purpose of this Corporation is as specified in the Articles of Incorporation. The Corporation shall do all things that may be necessary, appropriate or convenient to the achievement of the purposes stated in the Articles of Incorporation and which may lawfully be done by a nonprofit under and pursuant to the laws of the State of California and which are not otherwise prohibited by its Articles of Incorporation or these Bylaws as the same may be amended from time to time.

Section 2.3 Objectives. The primary objective of the Corporation is to establish voluntary and cooperative governance and guidance for trusted health information exchange in California. The Corporation will pattern its governance process based on the Healthway Coordinating Committee, but will identify and supplement California's governance process with those additional functions participants require in order to achieve a trusted exchange relationship with each other in California. Specifically, the objectives are to:

- (i) Support initiatives of common interest to health information organizations in the state of California.
- (ii) Develop and maintain a statewide network for trusted exchange of health information in California.
- (iii) Continue to refine the CAHIE-developed California-based multi-party trust agreement (CalDURSA) which will allow all signing parties to interoperate using the statewide network and identified national standards.
- (iv) Provide new health information exchanges with assistance in onboarding to California's network.
- (v) Support the technical infrastructure required to enable exchange among health information organizations.
- (vi) Ensure that the exchange of protected health information among health information exchanges in California is secure and that it is done in a manner that respects the privacy rights of individuals;
- (vii) Support development of additional transaction patterns beyond Exchange, including Direct Secure Messaging, Healthcare Provider Directories, and other transaction patterns which will simplify and promote secure messaging.

- (viii) For those members who have need for exchange outside of California, support their participation in the National Association for Trusted Exchange (NATE) and/or eHealth Exchange.

ARTICLE 3 MEMBERS

Section 3.1 Members. This Corporation shall have no voting members within the meaning of section 5056 of the California Nonprofit Corporation Law. However, the Board of Directors may, in its discretion, establish non-voting membership along with the requirements for membership and the rights and obligations of members. The CAHIE Membership Policy shall contain such membership terms, conditions, and requirements.

ARTICLE 4 MANAGEMENT OF THE CORPORATION

Section 4.1 General Authority. Subject to the provisions of the Articles of Incorporation, the California Nonprofit Corporation Law and any other applicable laws, the business and affairs of the Corporation shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board of Directors (the “Board”). The Board may delegate the management of the activities of the Corporation to any person or persons, management company or committee however composed, provided that the activities and affairs of the Corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board. If a separate committee is created for the governance of the California Trusted Exchange Network, it will also be subject to the direction of the Board.

Section 4.2 Specific Powers. Without limiting the general powers set forth above, the Board shall have the power to do any of the following:

- (i) Appoint and remove, at the pleasure of the Board, the Corporation’s committee members, officers, agents and employees; prescribe powers and duties for them that are consistent with the law, with the Articles of Incorporation, and with these Bylaws; fix their compensation, and require security for the faithful performance of their duties.
- (ii) Borrow money and incur indebtedness on behalf of the Corporation and cause to be executed and delivered for the Corporation’s purposes, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, and other evidences of debt and securities.

Section 4.3 Duties. Each Director shall perform his or her duties as a Director (and as a member of any committee or other advisory group, when applicable), in good faith, in a manner such Director believes to be in the best interests of the Corporation and with such care, including the exercise of reasonable inquiry as to any matter, as an ordinary prudent person in a like situation would use under similar circumstances. Directors shall use their best efforts to attend all meetings of the Board including regular and special meetings, either in person, telephonically or by electronic means. Directors may be excused in advance from a Board meeting. Those who have

unexcused absences from three (3) consecutive regular Board meetings, or one-fourth (1/4) or more of all Board meetings during a 12-month period may be removed from the Board.

Section 4.4 Selection of the Initial Board of Directors. The Founders of the Corporation shall appoint the initial Board of Directors at the organizational meeting following the adoption of these Bylaws. The initial Board of Directors shall consist of eleven (11) Directors who shall be selected as follows:

- (i) Four Directors from Enterprise Health Information Organizations;
- (ii) Four Directors from Community Health Information Organizations;
- (iii) One Director who represents the operational aspects of the California Trusted Exchange Network and who may also be the Corporation's Executive Director;
- (iv) One Director representing the State of California, designated by the Secretary, California Health and Human Services Agency; and
- (v) One Director who represents either an Enterprise or a Community HIO who will also serve as the Board's Chairperson.

Section 4.5 Staggered Terms. The initial term of office of the Initial Board will be staggered as follows: four of the Directors will have a term of one year, another four will serve for a term of two years and the remaining Directors will have a term of three years, and in each case, subject to the provisions contained herein for removal, resignation and filling of vacancies. The initial term for each Director appointed to the Initial Board shall be determined by vote of the Founders. If the Founders cannot agree, then the term for each Director shall be determined by lot.

Section 4.6 Term of Office. Subsequent to the Initial Staggered Board, the term of Office of each successor Director shall be three (3) years, and except in cases of removal or resignation, each Director shall continue to serve until such time as his or her successor is qualified and elected. In no event may a Director serve on the Board for more than two consecutive three year Terms.

Section 4.7 Number of Directors. The authorized number of Directors shall not be less than nine (9), and not more than fifteen (15). The Directors may increase or decrease the number of Directors to serve within these limits from time to time at the annual meeting of Directors. A reduction in the number of Directors shall not have the effect of removing any Director before the expiration of such Director's term as provided herein.

Section 4.8 Minimum Qualifications For Directors. The qualifications for a Director may be determined by resolution of the Board from time to time. Any qualifications or requirements for the selection of Directors that are adopted after the election of a Director to the Board shall not serve as cause for removal of a Director then in office and in good standing.

Section 4.9 Vacancies. A vacancy on the Board shall be deemed to exist on the occurrence of any of the following: (i) the death, resignation, or removal of any Director; (ii) whenever the number of authorized Directors is increased; or (iii) the failure of the Board, at any meeting at which any Director or Directors are to be elected, to elect the full authorized number of Directors. A vacancy may be filled by the vote of a Majority of the Directors then in office at a

regular or special meeting of the Board.

Section 4.10 Resignation. Any Director may resign by giving written notice to the Chairperson, the Executive Director, the Secretary, or the Board. A written resignation will be effective on the later of (i) the date it is delivered or (ii) the effective date specified in the written notice. Notwithstanding the foregoing, no Director may resign, except upon notice to the Attorney General of the State of California, if such resignation would leave the Corporation without a duly elected Director in charge of its affairs.

Section 4.11 Removal. Any Director may be removed from office, with or without cause, by the vote of a majority of the other Directors then in office. In addition, unless excused by the Chairperson or the Secretary, any Director who has unexcused absences or who fails or ceases to meet any required qualifications in effect at the beginning of that Director's current Term of Office, may be removed from office by a majority vote of the Directors then in office at a regular or special meeting of the Board at which a quorum is present. (See Section 7.1 Quorum for Meetings.)

Section 4.12 Compensation. The Corporation shall not compensate Directors, Officers of the Board, or members of committees for services rendered to the Corporation in such capacities. Directors, Officers of the Board, and members of committees may be reimbursed for expenses incurred in the performance of their duties to the Corporation, in reasonable amounts as approved by the Board.

ARTICLE 5 MEETING AND NOTICE REQUIREMENTS

Section 5.1 Annual Organizational Meeting. The Directors shall hold an organizational meeting once a year at the principal office, or at such other designated location, for the purpose of electing or removing Directors and/or Committee members and appointing or removing Officers. Notice of the annual meeting shall not be required except when the location, date or time has not been previously fixed by resolution of the Board.

Section 5.2 Regular Meetings. Regular meetings of the Board may be held at such times as the Board of Directors may by resolution, designate from time to time, with a minimum frequency of once per quarter.

Section 5.3 Special Meetings. Special Meetings of the Board may be called by the Chairperson, the Executive Director, or three Directors. Notice of a special meeting shall be given to all Directors in the manner provided herein for Notice. Such Notice must be given not less than forty-eight (48) hours prior to the date and time set for the Special Meeting.

Section 5.4 Place of Meetings. In-person meetings (whether annual, regular, special or adjourned) of the Board shall be held at the principal office of the Corporation or at such other place as may be designated from time to time by the Board.

Section 5.5 Notice of Meetings. Notice of the date, time and place of all meetings of the Board may be given by any of the following methods: (i) by personal delivery either orally or in writing, (ii) by first class mail, postage pre-paid, (iii) telephone, including voice message, (iv), facsimile, or (v) electronic mail. Notices shall be sent or given to the Director at the address, phone or facsimile number or email address shown on the records of the Corporation not less than forty-eight hours before the meeting. Notwithstanding the foregoing, regular meetings may be held without notice if done pursuant to a schedule of regular meetings with the place, date and time of such meetings established by the Board of Directors in advance. Notice of Special Meetings, if sent personally or electronically must be sent not less than forty-eight (48) hours in advance of the time set for the meeting, notices sent by mail must be sent not less than four calendar days in advance. Notices need not specify the purpose of the meeting unless otherwise required by these Bylaws.

Section 5.6 Waiver of Notice and Consent to Hold Meetings. Notice of a meeting need not be given to any Director who signs a waiver of notice, or a written consent to holding the meeting or an approval of the minutes of the meeting, whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to such Director. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Directors, or of a committee of Directors, need be specified in any such waiver, consent or approval.

ARTICLE 6 OFFICERS OF THE BOARD

Section 6.1 Officers. The Officers of the Board of Directors shall be a Chairperson of the Board, a Vice Chairperson, and a Secretary. Any number of offices may be held by the same person except that the Secretary may not serve as the Chairperson of the Board or the Executive Director of the Corporation.

Section 6.2 Qualification, Election, and Term of Office. Officers of the Board shall be proposed by the Nominating Committee and appointed by majority vote of the Board of Directors. The Term of office of the Officers of the Board shall expire concurrently with the Term of the Board seat held by such Officer. The Nominating Committee may consider other Directors to serve as an Officer of the Board; re-appointment is not automatic even if the Director is elected to serve a second Term.

Section 6.3 Subordinate Officers. The Board of Directors may appoint such other officers or agents as it may deem desirable to serve the Board on such terms and with such authority and duties as the Board may prescribe from time to time.

Section 6.4 Duties of the Chairperson. The Chairperson shall act as chairman of, and preside over, Meetings of the Board.

Section 6.5 Duties of the Vice Chairperson. In the absence of the Chairperson of the board, or in the event of his or her inability or refusal to act, the Vice Chairperson shall perform

the duties of the Chairperson, and when so acting shall have all the powers of, and be subject to all the restrictions on, the Chairperson. The Vice Chairperson may have other powers and perform such other duties as may be prescribed by law, by the Articles of Incorporation, or by these Bylaws, or as may be prescribed by the Board of Directors from time to time.

Section 6.6 Duties of the Secretary. The Secretary of the Board shall keep, or cause to be kept, minutes of all meetings of the Board and its Committees. Minutes shall be kept in written form and shall be maintained in the Corporate Record Book, which may be electronic, at the principal office of the Corporation.

ARTICLE 7 QUORUM, VOTING

Section 7.1 Quorum for Meetings. A simple majority of the number of Directors then holding office shall constitute a quorum for the transaction of business. In the absence of a quorum at any Meeting of the Board, a majority of the Directors present may adjourn the meeting as provided herein. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of enough Directors to leave less than a quorum, if any action taken is approved by at least a majority of the required quorum for such meeting.

Section 7.2 Conduct of Meetings; Order of Business. The Chairperson of the Board or in his or her absence, the Vice Chairperson or, in his or her absence any Director chosen by the Directors present, shall call meetings of the Board to order and shall act as the presiding officer for the meeting. The rules of order for meetings of the Board shall be established by the Chairperson, provided they are consistent with the provisions of these Bylaws and the Law. The order of business at all meetings of the Board, unless otherwise determined by the affirmative vote of a majority of the Directors present at any meeting, shall be determined by the Chairperson. The Secretary of the Board, or if absent, one of the Directors designated by the Chairperson for the Meeting, shall keep a record of the Meeting. The Directors may participate in a Meeting of the Board through the use of conference telephone or any other means of communication by which all Directors participating may simultaneously hear each other during the meeting. A Director participating in a meeting electronically or by teleconference shall be deemed to be present in person at the meeting.

Section 7.3 Adjournment. Any meeting of the Board, whether or not a quorum is present, may be adjourned to another time and place by the vote of a majority of the Directors present. Notice of the time and place of the meeting continuation shall be fixed at the meeting adjourned; provided, however, that if the meeting is adjourned for more than twenty-four (24) hours, Notice of the time and place of continuation of the adjourned Meeting shall be given to the Directors who were not present at the time of adjournment.

Section 7.3 Majority Vote. Every act or decision made by a majority of the Directors present at a meeting duly held at which a quorum is present shall be the act of the Board, unless the Articles of Incorporation of the Corporation, these Bylaws or the Law specifically requires a greater number or provides otherwise. Each Director shall have one (1) vote with respect to all matters or actions submitted to the Board. Proxy voting is not permitted by Directors.

Section 7.4 Restriction Regarding Interested Directors. At no time shall more than forty-nine percent (49%) of the Directors be “Interested Persons” as defined in Section 5227 of the California Corporations Code, as the same may be amended from time to time. An “Interested Person” is a person who, at the time the determination is made, is being compensated by the corporation, directly or indirectly, for services rendered to it within the previous twelve (12) months, whether as a full-time or part-time employee, independent contractor or otherwise, or is a person related by birth or marriage to such person. Notwithstanding the foregoing, a Director or Officer of the Board that is compensated or reimbursed for expenses shall not be deemed an Interested Person, except when voting on his or her own compensation or reimbursement.

Section 7.5 Action by Unanimous Written Consent Without A Meeting. Any action required or permitted to be taken by the Board may be taken without a meeting, if all Directors shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board. Such action by written consent shall have the same force and effect as a unanimous vote of the Directors.

ARTICLE 8 OFFICERS OF THE CORPORATION

Section 8.1 Officers. The Corporation shall have an Executive Director and a Director of Finance, and may have such other officers as the Board of Directors may determine from time to time.

Section 8.2 Selection. Officers of the corporation will be selected by the Executive Director and approved by a majority vote of the Board. The Executive Director shall select staff for the organization.

Section 8.3 Resignation. Any officer may resign at any time by giving written notice to the Board, subject to the rights, if any, of the Corporation under any contract to which the officer is a party. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 8.4 Removal. Officers of the Corporation may be removed, with or without cause, at any time by the Board of Directors, subject to the contract rights of such Officer.

Section 8.5 Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in these Bylaws for regular appointments to such office.

Section 8.6 Duties of the Executive Director. The Executive Director shall have general supervision, direction, and control of the day-to-day business and affairs of the Corporation. The Executive Director shall have the general powers and duties of management usually vested in the office of chief executive officer of a corporation, and may, with Board or Executive Committee approval, sign and execute in the name of the Corporation, deeds,

mortgages, contracts or other instruments as authorized by the Board, and shall have such other powers and duties as may be prescribed by the Board, these Bylaws or the Law.

Section 8.8 Duties of the Director of Finance. The Director of Finance, who shall have some significant financial training and/or experience, shall also serve as the treasurer of the Corporation and shall, subject to the control of the Board, keep and maintain, or cause to be kept and maintained, adequate and correct books and financial records of the Corporation. The Director of Finance shall have such other powers and perform such other duties as may be determined by the Board, these Bylaws, or the Law. Without limiting the generality of the foregoing, the Director of Finance shall perform the following duties:

- (i) The Director of Finance shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and transactions of the Corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and other matters customarily included in financial statements. The books of account shall be open to inspection by any Director at all reasonable times.
- (ii) The Director of Finance shall prepare, or cause to be prepared, and certify, or cause to be certified, the financial statements to be included in any required reports.
- (iii) The Director of Finance shall deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the Corporation with such depositories as may be designated by the Board; shall disburse, or cause to be disbursed, the funds of the Corporation as may be ordered by the Board; shall render, or cause to be rendered to the Executive Director and Directors, when they request it, an account of all of his or her transactions as Director of Finance and of the financial condition of the Corporation; and shall have other powers and perform such other duties as may be prescribed by the Board or these Bylaws.
- (iv) If required by the Board, the Director of Finance shall give the Corporation a bond in the amount and with the surety or sureties specified by the Board for faithful performance of the duties of his office and for restoration to the Corporation of all its books, papers, vouchers, money, and other property of every kind in his possession or under his control on his death, resignation, retirement, or removal from office.

ARTICLE 9 COMMITTEES

Section 9.1 Executive Committee of the Board. The principal role of the Executive Committee is to act on day-to-day matters between regular Board meetings so as to alleviate the need for special Board meetings. By a majority vote of its Board Members, the Board may, at any time, create, revoke or modify any or all of the authority delegated to the Executive Committee, increase or decrease, but not below three (3), the number of its Board Members, and fill vacancies therein from the members of the Board. The Committee shall keep regular minutes of its proceedings, cause them to be filed with the corporate records, and report the same to the Board from time to time as the Board may require. The initial Executive Committee shall be comprised of the Chairperson, Vice Chairperson, the Secretary, the Executive Director, and Director of Finance. The Board of Directors may, by a majority vote of Directors, change the Executive

Committee membership, designate additional members to the Executive Committee and delegate to such committee any of the powers and authority of the Board in the management of the business and affairs of the corporation, except with respect to the following:

- (i) The approval of any action which, under law or the provisions of these Bylaws, requires the approval of the Board.
- (ii) The filling of vacancies on the Board or on any Committee that has the authority of the Board.
- (iii) The fixing of compensation of the Directors for serving on the Board or on any committee.
- (iv) The amendment or repeal of Bylaws or the adoption of new Bylaws.
- (v) The amendment or repeal of any resolution of the Board that, by its express terms is not so amendable or repeal-able.
- (vi) The appointment of committees of the Board or the members thereof.
- (vii) The approval of any transaction to which this corporation is a party and in which one or more of the Directors has a material financial interest, except as expressly provided in Section 5233(d)(3) of the California Nonprofit Public Benefit Corporation Law.

Section 9.2 Finance Committee of the Board. The role of the Finance Committee is to provide financial oversight for the organization. The Finance Committee Chair is the Director of Finance of the organization. The responsibilities of the Finance Committee include:

Budgeting and Financial Planning

- (i) Approve the budget within the Finance Committee
- (ii) Monitor adherence to the budget.
- (iii) Set long-term financial strategies for financial sustainability.

Reporting

- (i) Work with staff to develop a list of desired reports noting the level of detail, frequency, deadlines, and recipients of these reports.
- (ii) Work with staff to understand the implications of the reports.
- (iii) Present the financial reports to the Board.

Internal Controls and Accountability Policies

- (i) Create, approve, and update as necessary policies that help ensure the assets of the organization are protected.
- (ii) Ensure policies and procedures for financial transactions are documented, reviewed annually, and updated as necessary.
- (iii) Ensure that approved financial policies and procedures are being followed.

Compliance

- (i) Long-term contracts and leases
- (ii) Loans or lines of credit
- (iii) Capital purchases
- (iv) Insurance requirements and reviews
- (v) Financial compliance

Section 9.2 Audit Committee. The Audit Committee, led by the Vice Chair of the Board, shall be composed of Directors and non-Directors, the number and composition of which may be determined from time to time by the Board of Directors, subject to the following limitations:

- (i) The members of the Audit Committee shall not consist of members of the Finance Committee other than the Chairman of the Finance Committee in an advisory role only;
- (ii) The Audit Committee shall not include any employee of the Corporation, including the Executive Director;
- (iii) The Audit Committee shall not include any person who has a material financial interest in any organization doing business with the Corporation or any person who does business with the Corporation, other than as a member of CAHIE and/or a user of CTEN;
- (iv) Members of the Audit Committee who are not Directors and non-employees of the Corporation may be compensated for their work on the Audit Committee at the discretion of the Board of Directors.

The powers and duties of the Audit Committee include the following:

- (i) The Audit Committee shall make recommendations to the Board of Directors relating to the retention and termination of the independent certified public accounting firm to serve as auditor of the Corporation;
- (ii) Negotiate the compensation of such auditor;
- (iii) Review and determine whether to accept each audit;
- (iv) Approve the performance of any non-audit services provided to the Corporation by the auditor or the auditor's firm; and
- (v) Perform such other responsibilities as may be given to the committee by the Board of Directors from time to time.

For every fiscal year, in which the gross revenues of the Corporation are less than two million dollars, the Corporation will contract with an independent certified public accounting firm to perform a compilation and an evaluation of specific agreed upon procedures determined in conjunction with the accounting firm to assure that the books of the Corporation are properly maintained and that the fiscal policies and procedures in place are appropriate and complete.

In any fiscal year in which the Corporation receives or accrues gross revenues of two million dollars or more, the Board shall (i) prepare annual financial statements using generally accepted accounting principles that are audited by an independent certified public accounting firm in conformity with generally accepted auditing standards; and (ii) make the audit available to the Attorney General and to the public on the same basis that the Internal Revenue Service Form 990 is required to be made available.

Section 9.3 Nominating Committee. The Board of Directors shall appoint a Nominating Committee as needed to determine the slate of individual nominees who will be presented to the Board for election as Directors and the slate of individuals who will be presented

to the Board for election as Officers of the Board. The size and composition of the Nominating Committee shall be determined by the Board of Directors and may include non-Board members.

Section 9.4 Other Committees. The Board may create such other committees as the Board may deem necessary or advisable from time to time. Each such committee shall have and may exercise such authority as may be specified by the Board except to the extent prohibited or restricted by law, the Articles of Incorporation or these Bylaws. Each such committee shall be composed of such individuals as may be appointed by the Board. Committee members do not have to be Directors; however, each committee shall include at least one Director. The term of a committee appointment shall be one year. The Board may reappoint committee members to serve consecutive terms without limitation.

Section 9.5 Powers and Duties of Committees. The Board shall approve the duties and powers of the Committees and may amend such duties and powers from time to time. The duties and powers of all Committees shall be subject to the limitations contained in the Law, or otherwise imposed by the Articles of Incorporation or these Bylaws. The powers and duties of Committees will be reviewed annually and as needed.

Section 9.6 Meetings and Action of Committees. Except as otherwise provided in these Bylaws or by action of the Board, each Committee may adopt its own rules governing the time and place of holding and the method of calling its meetings and the conduct of its proceedings and shall meet as provided by such rules. Unless otherwise determined by the Board, a quorum shall exist if a majority of the Committee members attend in person or by teleconference or other electronic transmission by means of which all members participating can simultaneously hear and respond to the proceedings. Any act, action or matter requiring the approval of a Committee shall require the vote of a majority of the members of the Committee. Each Committee shall keep regular minutes of its proceedings, which shall be filed with the Secretary. All actions by any Committee shall be reported to the Board at the meeting of the Board immediately following such action. Meeting minutes shall indicate the time and place the Meeting was held, whether regular or special, and how it was called, how notice was given, the names of those present and a summary of the proceedings thereof.

ARTICLE 10 CORPORATE RECORDS, REPORTS, AND SEAL

Section 10.1 Maintenance of Corporate Records. The Secretary of the Corporation shall keep the Corporation's books and records at the Corporation's principal office. The books and records shall include, without limitation the following:

- (i) Minutes of all meetings of Directors, Committees, and Members and Advisory Groups, if any,
- (ii) Accurate books and records of the financial affairs of the Corporation, including an account of its properties and business transactions and an account of its assets, liabilities, receipts, disbursements, gains, and losses,
- (iii) A roster of Directors, and
- (iv) A roster of Members, if any,

- (v) A copy of the Corporation's Articles of Incorporation and Bylaws as amended to date, which shall be open to inspection by the Members of the Corporation at all reasonable times during office hours.

Section 10.2 Corporate Seal. The Board of Directors may, but need not adopt, use, and at will alter, a corporate seal. Such seal shall be kept at the principal office of the Corporation. Failure to affix the seal to corporate instruments, however, shall not affect the validity of any such instrument.

Section 10.3 Directors' Inspection Rights. Every Director shall have the right, in person or by agent or attorney, at any reasonable time during business hours, to inspect, copy, and make extracts of all books, records, and documents of the Corporation of every kind and to inspect the physical properties of the Corporation, provided the purpose of such inspection is related to and in furtherance of the duties of the Director as a member of the Board.

Section 10.4 Annual Report. The Chairperson and/or the Director of Finance shall provide an annual report to the Board, not later than one hundred and twenty (120) days after the close of the Corporation's fiscal year. A copy of the annual report shall be provided to all Directors of the Corporation. The annual report shall be accompanied by any report thereon of independent accountants, or, if there is no such report, the certificate of an authorized officer of the Corporation that such statement was prepared without audit from the books and records of the Corporation. The annual report shall contain the following information in appropriate detail:

- (i) A description of the assets and liabilities of the Corporation, including trust funds, as of the end of the fiscal year;
- (ii) The principal changes in assets and liabilities, including trust funds, during the fiscal year;
- (iii) The revenue or receipts of the Corporation both unrestricted and restricted to particular purposes, for the fiscal year;
- (iv) The expenses or disbursements of the Corporation, for both general and restricted purposes, during the fiscal year;
- (v) Any other material information concerning the financial affairs of the Corporation.

Section 10.5 Maintenance and Inspection of Federal Tax Exemption Application and Annual Information Returns. The Corporation shall at all times keep at its principal office a copy of its federal tax exemption application and, for three years from their date of filing, its annual information returns. These documents shall be open to public inspection and copying to the extent required by the Code.

ARTICLE 11 EXECUTION OF INSTRUMENTS, DEPOSITS, AND FUNDS

Section 11.1 Execution of Instruments. The Board, except as otherwise provided in these Bylaws, may by resolution, authorize any officer or agent of the Corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation,

and such authority may be general or confined to specific instances. Unless so authorized, no officer, agent, or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose or in any amount.

Section 11.2 Checks and Notes. Except as otherwise specifically determined by resolution of the Board of Directors, or as otherwise required by law, checks, drafts, promissory notes, orders for the payment of money, and other evidence of indebtedness of the corporation shall be signed by the Director of Finance and countersigned by the Executive Director of the corporation.

Section 11.3 Deposits. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

Section 11.4 Gifts. The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest, or devise for the charitable or public purposes of this Corporation.

ARTICLE 12 FISCAL YEAR

Section 12.1 Fiscal Year of the Corporation. The fiscal year of the Corporation shall begin on January 1 and end on December 31 in each year.

ARTICLE 13 CONFLICT OF INTEREST

Section 13.1 Purpose of Conflict of Interest Policy. The Board shall adopt a conflict of interest policy consistent with Internal Revenue Service recommendations for organization that qualify as exempt within the meaning of Section 501(c)(3) of the Internal Revenue Code. No contract, transaction or act shall be entered into on behalf of the corporation if it would jeopardize the corporation's tax-exempt status under section 501(c)(3) of the that Code. The conflict of interest policy shall provide definitions and actions appropriate to the adherence to such policy.

ARTICLE 14 LIMITATION OF LIABILITY, INSURANCE, INDEMNITY

Section 14.1 Limitation of Liability of Directors. The Directors, whether individually, or collectively, shall not be personally liable for the debts, liabilities, or other obligations of the Corporation.

Section 14.2 Indemnification by Corporation of Directors, Officers, Employees, and Other Agents. To the extent that a person who is, or was, a Director, officer, employee, or other agent of this corporation has been successful on the merits in defense of any civil, criminal, administrative, or investigative proceeding brought to procure a judgment against such person by reason of the fact that he or she is, or was, an agent of the corporation, or has been successful in defense of any claim, issue, or matter, therein, such person shall be indemnified against expenses actually and reasonably incurred by the person in connection with such proceeding. If such person

either settles any such claim or sustains a judgment against him or her, then indemnification against expenses, judgments, fines, settlements, and other amounts reasonably incurred in connection with such proceedings shall be provided by this Corporation but only to the extent allowed by, and in accordance with the requirements of, Section 5238 of the California Nonprofit Public Benefit Corporation Law. Expenses incurred in defending any proceeding may be advanced by the Corporation to the extent funds are available as determined in the absolute discretion of the Board and the recommendation of the Director of Finance before the final disposition of the proceeding on receipt of an undertaking by or on behalf of the Agent to repay the amount of the advance unless it is determined ultimately that the Agent is entitled to be indemnified as authorized in this Section. The Board may, from time to time, adopt additional or different provisions for indemnification of Directors, officers, employees or other agents as the Board may deem necessary or appropriate, provided, the same are not prohibited by applicable law.

Section 14.4 Insurance for Corporate Agents. The Board will authorize the purchase and maintenance of all relevant corporate insurance the Board deems necessary or advisable to provide its directors, officers, employees and agents with a defense and coverage against any liability other than for violating provisions of law relating to self-dealing (Section 5233 of the California Nonprofit Public Benefit Corporation Law) asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not the corporation would have the power to indemnify the agent against such liability under the provisions of Section 5238 of the California Nonprofit Public Benefit Corporation Law.

ARTICLE 15 AMENDMENT OF ARTICLES AND BYLAWS

Section 15.1 Amendment. Subject to any provision of law applicable to the amendment of Bylaws of nonprofit public benefit corporations, these Bylaws may be altered, amended, or repealed and new bylaws may be adopted by majority vote of the Board.

Section 15.2 Certain Amendments. Notwithstanding the foregoing, this Corporation shall not amend its Articles of Incorporation to alter any statement which appears in the original Articles of Incorporation, or the names and addresses of the first Directors of this corporation, or the name and address of its initial agent, except to correct an error in such statement or to delete such statement after the corporation has filed a "Statement by a Domestic Nonprofit Corporation" pursuant to Section 6210 of the California Nonprofit Corporation Law.

ARTICLE 16 PROHIBITION AGAINST SHARING CORPORATE PROFITS AND ASSETS

Section 16.1 Prohibition against Sharing Corporate Profits and Assets. No Member, Director, officer, employee, or other person connected with this Corporation, or any private individual, shall receive at any time any of the net earnings or pecuniary profit from the operations of the Corporation, provided, however, that this provision shall not prevent payment to any such person of reasonable compensation for services performed for the corporation in effecting any of its public or charitable purposes, provided that such compensation is otherwise permitted by these

Bylaws and is fixed by resolution of the Board of Directors; and no such person or persons shall be entitled to share in the distribution of, and shall not receive, any of the corporate assets on dissolution of the Corporation. All members of the Corporation shall be deemed to have expressly consented and agreed that on such dissolution or winding up of the affairs of the Corporation, whether voluntarily or involuntarily, the assets of the Corporation, after all debts have been satisfied, shall be distributed as required by the Articles of Incorporation and not otherwise.

WRITTEN CONSENT OF DIRECTORS ADOPTING BYLAWS

We, the undersigned, are all of the persons acting as Directors of the CALIFORNIA ASSOCIATION OF HEALTH INFORMATION EXCHANGES, a California nonprofit public benefit corporation, and, pursuant to the authority granted to us by the law and these Bylaws do hereby adopt the foregoing Bylaws, consisting of eighteen (18) pages, as the Bylaws of this Corporation.

DATED: _____

SIGNED:

_____, Director
_____, Director
_____, Director
_____, Director
_____, Director
_____, Director

_____, Director
_____, Director
_____, Director
_____, Director
_____, Director

Appendix A: Founders of the Corporation

The following table lists the founding organizations of CAHIE and the representative of each.

Founding Organization	Representative
HealthShare Bay Area	David Minch (Co-Chair)
San Diego Regional Health Information Exchange	James Killeen (Co-Chair)
Santa Cruz Health Information Exchange	Bill Beighe (Co-Chair)
California Health and Human Services Agency	Pamela Lane
California Health eQuality	Robert Cothren, PhD
Dignity Health	Sean Turner
Inland Empire Health Information Exchange	Rich Swafford, PhD
Kaiser Permanente	John Mattison, MD
North Coast Health Information Network	Martin Love
Orange County Partnership Regional Health Information Organization	Paul Budilo
Redwood MedNet	Will Ross
Sutter Health	Chris Jaeger, MD
University of California Davis Health Systems	Willy Bansi
Veterans Administration	Robert Smith, MD

CERTIFICATE

This is to certify that the foregoing is a true and correct copy of the Bylaws of the Corporation named in the title thereto and that such Bylaws were duly adopted by the Board of Directors of said Corporation on the date set forth below.

Dated: _____

_____, Secretary