

ILLINOIS CRITICAL ACCESS HOSPITAL NETWORK BYLAWS

I. CORPORATION

- 1.1. **NAME.** The name of the corporation is the Illinois Critical Access Hospital Network, hereinafter “ICAHN” or “corporation”.
- 1.2. **PLACES OF BUSINESS.** The corporation shall have its principal place of business in Princeton, Illinois, and may have such other places of business as the Board of Directors may determine from time to time.
- 1.3. **PURPOSE.** The purpose of the Illinois Critical Access Hospital Network is to create a formal collaborative organization that strengthens the operation of its members, thereby ensuring access to appropriate health care services by rural residents. The members of the network have committed together to the following guidelines to support the overall purpose of the corporation.
 - a. We believe that through ongoing collaboration that we can be more effective and efficient, benefiting both healthcare providers and rural residents served.
 - b. We believe the sharing of information and resources is a valuable process for working together.
 - c. We believe small, rural hospitals benefit from shared services to assist with the implementation of administrative and regulatory health care programs.
 - d. We believe that providing network education and supporting peer group programs are important means to problem solve and encourage hospital staff development and retention.
 - e. We believe the development of a formal network creates numerous business opportunities that, individually, we might not otherwise be in a position to pursue.
 - f. We believe that establishing network data bases and benchmarks for quality improvement, productivity, and financial standards will address the uniqueness of delivering services as a critical access hospital and serve a guide to improve quality.
- 1.4. **NON-PROFIT OPERATION.** The corporation shall be operated exclusively for religious, charitable, scientific, literary and educational purposes within the meaning of Section 501 (c) (3) of the Internal

Revenue Code as a nonprofit corporation. No director of the corporation shall have any title to or interest in the corporate property or earnings in his or her individual or private capacity and no part of the net earnings of the corporation shall inure to the benefit of any director or individual. No substantial part of the activities of the corporation shall consist of carrying on propaganda or otherwise attempting to influence legislation, nor shall the corporation participate in or intervene in any political campaign.

II. MEMBERSHIP

- 2.1. MEMBERSHIP.** The members of the corporation shall be critical access hospitals which are located in the State of Illinois which pay an annual membership fee set by the Board of Directors and which meet membership requirements established by the Board of Directors or by the membership of the corporation. The Board of Directors may, from time to time, adopt reasonable rules for the admission, retention and expulsion of members. Such rules may include a requirement for the payment of annual dues and special assessments and shall be consistent with the purposes of the corporation and the other provisions of these bylaws and with the articles of incorporation and shall be equally enforced as to all members.
- 2.2. VOTING.** Each hospital member will have one vote and be represented by that hospital's chief executive officer or, with the concurrence of ICAHN's Board of Directors, by the chief executive officer's designated representative. The vote will be cast in person by the chief executive officer or his or her designated representative, or, as may be applicable by the signed proxy of the chief executive officer or his or her designed representative. Each hospital member shall be required to inform the Executive Director when there is a change in the hospital's chief executive officer or the representative who has been designated by the chief executive officer to represent the hospital.
- 2.3. ASSOCIATE MEMBERS.** Any small rural hospital or critical access hospital located in or outside the State of Illinois may be non-voting member of ICAHN and eligible to participate in all network activities and services of the corporation. The non-voting associate membership fee is set each year by the Board of Directors.
- 2.4. PLACE OF MEETINGS.** Annual and special meetings of the members shall be held at such places as shall be determined by the Board of Directors and stated in the notice of the meetings. Member hospitals may participate in the annual and special meetings via video conference or by other electronic communication means.

- 2.5. SPECIAL MEETINGS.** Special meetings of the members of the corporation may be called by the Board of Directors or by the President or Secretary at the written request of any two (2) members of the corporation. No business may be transacted at a special meeting except the business specified in the notice of the meeting.
- 2.6. NOTICE OF MEETINGS.** Written notice of the time, place and purposes of each meeting of the members of the corporation shall be given not less than ten (10) nor more than sixty (60) days before the date of the meeting to each member, either personally or by mailing such notice to each member at the address designated by the member for such purpose and to the attention of the individual designated by the member.
- 2.7. QUORUM.** Not less than one-third of the members of the corporation then serving, present in person or by proxy, shall constitute a quorum for the transaction of business at an annual or special meeting of the members. A meeting may be adjourned without a quorum of members being present.
- 2.8. PROXIES.** At all meetings of the voting members, a member may vote by proxy executed in writing by the member or by his or her duly authorized designee in fact. Such proxy shall be filed with the Secretary of the corporation before or at the beginning of the meeting.

III. BOARD OF DIRECTORS

- 3.1. BOARD OF DIRECTORS.** The business and affairs of the corporation shall be managed by the Board of Directors which is the governing body of the corporation. The Board of Directors shall meet as often as necessary to conduct the business of the corporation, but at least annually.
- 3.2. NUMBER AND SELECTION OF DIRECTORS.** The Board of Directors shall consist of nine members and shall be elected by the membership at the annual meeting. The annual member meeting and director election will be held prior to the end of the current fiscal year, preferably onsite at a central location for the membership. An electronic meeting of the members may be held in case of inclement weather and upon approval by the Board Executive Committee. The initial Board of Directors shall be elected at the first meeting of the members with terms staggered by lot. Thereafter, directors shall serve for three (3) years and may serve two (2) consecutive terms. The second term may be extended another year to accommodate an individual serving an office. Removal of any director shall be accomplished by a special meeting of the membership and shall not be the province of the Board of Directors. Vacancies shall be filled in the manner specified in Section 3.3. Only the chief executive officers of the members or, if applicable, the representative

who has been designated by a hospital member's chief executive officer in compliance with Section 2.2 of these bylaws are eligible to serve on the Board of Directors.

- 3.3. VACANCIES.** Vacancies occurring in the Board of Directors by reason of death, resignation, removal or other inability to serve shall be filled by the vote of the Board of Directors at the next regularly scheduled meeting of the Board of Directors or at a special meeting of the Board of Directors called for this purpose. If a representative has been designated by a hospital member's chief executive officer in compliance with Section 2.2 of these bylaws, and if (i) that designation is subsequently rescinded by the chief executive officer or (ii) the employment relationship of the previously designated representative with the member hospital is terminated, the designated representative will be deemed to have concurrently resigned from the ICAHN Board of Directors.
- 3.4. ANNUAL MEETING OF THE BOARD OF DIRECTORS.** The annual meeting of the Board of Directors shall be held at such place, date and hour as the Board of Directors may determine from time to time. At the annual meeting of the Board of Directors, the Board of Directors shall elect officers and consider such other business as may properly be brought before the meeting.
- 3.5. REGULAR AND SPECIAL MEETINGS.** Regular meetings of the Board of Directors may be held at such times and places as the directors may from time to time determine. Special meetings of the Board may be called by the President or by the Secretary, and shall be called by the President or Secretary upon the written request of any two (2) directors.
- 3.6. NOTICE OF MEETINGS OF THE BOARD OF DIRECTORS.** Written notice of the time and place of all meetings of the Board of Directors shall be given to each director at least five (5) days before the date of the meeting, electronically or by mailing such notice to each director at the address designated by the director for such purposes. Notices of special meetings shall state the purpose or purposes of the meeting, and no business may be conducted at a special meeting except the business specified in the notice of the meeting. Notice of any meeting of the Board may be waived in writing before or after the meeting.
- 3.7. ACTION WITHOUT A MEETING.** Any action required or permitted at any meeting of the Board of Directors or a committee thereof may be taken without a meeting, without notice and without a vote, if all of the directors or committee members entitled to vote thereon consent in writing. Said written consents shall be filed with the proceedings and shall have the same effect as a vote for all purposes.

- 3.8. QUORUM AND VOTING REQUIREMENTS.** A majority of the directors in office and a majority of any committee appointed by the Board shall constitute a quorum for the transaction of business. The vote of a majority of the directors or committee members present at any meeting at which there is a quorum shall be the act of the Board or the committee. A member of the Board or of a committee may participate in a meeting by conference telephone or video of which all persons participating in the meeting can hear one another. Participation in a meeting in this manner constitutes presence in person at the meeting.
- 3.9. POWERS OF THE BOARD OF DIRECTORS.** The Board of Directors have charge, control and management of the business, property, personnel, affairs and funds of the corporation and shall have the power and authority to do and perform all acts and functions permitted for an organization described in Section 501 (c) (3) of the Internal Revenue Code not inconsistent with these bylaws, the Articles of Incorporation, or the laws of the State of Illinois. In addition to and not in limitation of all powers, express or implied, now or hereafter conferred upon directors of nonprofit corporations, and in addition to the powers mentioned in and implied from Section 1.3, the Board of Directors shall have the power to borrow or raise money for corporate purposes, to issue bonds, notes or debentures to secure such obligations by mortgage or other lien upon any and all of the property of the corporation, whether at the time owned or thereafter acquired, and to guarantee the debt of any affiliated or subsidiary corporation or other entity, whenever the same shall be in the best interests of the corporation and in furtherance of its purposes.
- 3.10. COMPENSATION.** Directors shall receive no compensation for their Services on the Board of Directors. The preceding shall not, however, prevent the corporation from purchasing insurance as provided in section 5.1 nor shall it prevent the Board of Directors from providing the reasonable compensation to a director for services which are beyond the scope of his or her duties as a director or from reimbursing any director for expenses actually and necessarily incurred in the performance of his or her duties as a director.
- 3.11. EXECUTION OF CONVEYANCES, MORTGAGES AND CONTRACTS.** The Board of Directors may in any instance designate one or more officers, agents or the Executive Director to execute any contract, conveyance, mortgage or other instrument on behalf of the corporation, and such authority may be general or confined to specific transactions. The Board of Directors may also ratify any execution. When the execution of any instrument has been authorized without specifying the executing officers or agents, an officer or the Executive Director may execute such instrument on behalf of the corporation.

IV. OFFICERS

- 4.1. **OFFICERS.** The officers of the Board shall consist of a President, President-Elect, Secretary-Treasurer, and Immediate Past President. The President-Elect and Secretary-Treasurer shall be elected from its own membership at the annual meeting of the Board of Directors following the election of new director(s). The director who serves as President-Elect shall automatically assume the office of President after serving a one year term as President-Elect.
- 4.2. **ELECTION AND TERM OF OFFICE.** All officers shall be elected for a term of one (1) year or until their successors have been elected by the Board of Directors, however, the President-Elect shall automatically assume the office of President after serving a term of one year as President-Elect. The President shall automatically assume the office of Immediate Past President and shall hold such office until he or she no longer serves on the Board of Directors or until a new President is elected, whichever first occurs.
- 4.3. **REMOVAL.** Any officer may be removed with or without cause by the vote of a majority of the directors then in office at any regular or special meeting of the Board of Directors.
- 4.4. **VACANCIES.** In the event of the death, resignation, removal or other inability to serve of any officer, the Board of Directors shall elect a successor who shall serve until the expiration of the normal term of such officer or until his or her successor shall be elected.
- 4.5. **PRESIDENT.** The President, under the direction of the Board of Directors shall have power, on behalf of the Board of Directors, to perform all acts, execute and deliver all documents and take all steps that the President may deem necessary or desirable in order to effectuate the actions and polices of the Board.
- 4.6. **PRESIDENT-ELECT.** The President-Elect shall perform such duties as determined from time to time by the Board of Directors and the President. The President-Elect shall perform the duties of the President in the President's absence.
- 4.7. **SECRETARY/TREASURER.** The Secretary/Treasurer shall send or cause to be sent all required notices of meetings of the Board of Directors, oversee the finances of the corporation, shall have custody of all documents belonging to the corporation (except as otherwise provided in these Bylaws that the documents are maintained in the ICAHN office under the oversight of the Executive Director) and shall perform such

other duties as usually pertain to the office or as shall be determined from time to time by the Board of Directors.

- 4.8. IMMEDIATE PAST PRESIDENT.** The Immediate Past President shall perform such duties as determined from time to time by the Board of Directors and the President and shall serve as a member of the Executive Committee in a manner provided by these Bylaws.
- 4.9. EXECUTIVE DIRECTOR.** The Executive Director, under the direction of the Board of Directors or the President, shall have power, on behalf of the Board of Directors, President, committees, or membership, to perform all acts, execute and deliver all documents, and take all steps that the Board of Directors or President may deem necessary or desirable in order to effectuate the actions and policies of the corporation. The Executive Director shall be an *ex officio* member of the standing and special committees. The Executive Director shall have the responsibility to serve as the chief executive officer of the corporation, shall have the responsibility to conduct the day-to-day operations of the corporation, and shall have such other powers and responsibilities as the Board of Directors may confer through a position description which shall be approved by the Board of Directors.

V. INDEMNIFICATION

- 5.1. OFFICERS AND DIRECTORS.** Each person who is or was a director, officer or member of a committee of the corporation and each person who serves or has served at the request of the corporation, as a director, officer, partner, or employee or agent of any other corporation, partnership, joint venture, trust or other enterprise shall be indemnified by the corporation to the fullest extent permitted by the corporation laws of the State of Illinois as they may be in effect from time to time. The corporation shall purchase and maintain insurance on behalf of any such person against any liability asserted against such liability under the preceding sentence. The corporation may, to the extent authorized from time to time by the Board, grant rights to indemnification to any employee or agent of the corporation to the fullest extent provided under the laws of the State of Illinois as they may be in effect from time to time.

VI. COMMITTEES

- 6.1. COMMITTEES GENERALLY.** Committees of the Board of Directors shall be standing or special. Each Committee shall exercise such power and carry out such functions as are designated by these Bylaws or as are delegated by the Board from time to time. Except for the Executive

Committee, each committee shall be advisory only and subject to the control of a majority of all of the directors of the Board of Directors. The membership of all of the Board committees, except the Executive Committee, and the chairpersons of each such Committee shall be appointed by the President and confirmed by the Board of Directors.

6.2. STANDING COMMITTEES. Standing committees shall consist of an Executive Committee, a Finance Committee, a Nominating Committee, and such other committees as the Board may authorize as needed. Standing committees shall have the power to act only as stated in these Bylaws or as conferred by the Board of Directors in specific matters.

6.3. SPECIAL COMMITTEES. Special committees shall be appointed by the Board of Directors from time to time as occasion demands. These committees shall limit their activities to the purpose for which they are appointed and shall have no power to act unless such is specifically conferred by action of the Board.

6.4. EXECUTIVE COMMITTEE. The Executive Committee shall consist of the President, President-Elect, Secretary/Treasurer, and Immediate Past President if the Immediate Past President remains on the Board of Directors. When the Immediate Past President serves on the Executive Committee, the President shall not vote except to end a tie vote. The President of the Board of Directors shall serve as the chair of the Executive Committee.

The Executive Committee shall have power to transact all regular business of the corporation during the interim between meetings of the Board of Directors provided that any action taken shall not conflict with any rule and regulation established by the Board of Directors or expressed wishes of the Board of Directors.

6.5. FINANCE COMMITTEE. The Finance Committee shall consist of not fewer than five (5) individuals. The Committee shall be responsible for recommending to the Board of Directors the approval of an annual budget, advising the corporation on financial matters, and reviewing financial reports and making recommendations to the Board of Directors related thereto. The Secretary/Treasurer shall serve as the chair of the Committee.

6.6. NOMINATING COMMITTEE. The Nominating Committee shall be composed of three (3) directors. The Committee shall prepare a slate of nominations for new directors to be presented to the members at each annual meeting of members. The Nominating Committee shall also present a slate of nominations for officers to the Board of Directors at each annual meeting of the Board of Directors.

6.7. MINUTES. Each standing and special committee of the Board shall keep minutes of all meetings.

VII. AMENDMENTS

7.1. AMENDMENTS. These bylaws may be amended at any meeting of the membership provided a notice setting forth the amendment or a summary of the changes to be affected thereby is given to each member entitled to vote thereon in the manner and within the time provided in these bylaws for the notice of the meeting. No amendment inconsistent with the Articles of Incorporation shall be effective prior to amendment of the Articles of Incorporation.

VIII. FISCAL YEAR

8.1 FISCAL YEAR. The fiscal year of the corporation shall begin on January 1 and end December 31 in that year.

IX. DISSOLUTION

9.1. DISSOLUTION. Any plan and approval for voluntary dissolution or revocation of same shall be determined by the vote of a majority of the members. The Board of Directors shall be responsible to execute the dissolution or revocation on behalf of the members.

These Bylaws were approved and adopted by the members on January 30, 2003 and became effective as of that date.

Revised January 31, 2006, June 19, 2007, February 22, 2012 and June 18, 2013

President

Secretary/Treasurer