



CALIFORNIA SOCIETY FOR HEALTHCARE ENGINEERING, INC. (*CSHE*)

Approved by membership: May 22, 2015

**BYLAWS
OF
CALIFORNIA SOCIETY FOR HEALTHCARE ENGINEERING, INC. (CSHE)**

**ARTICLE I
PRINCIPAL OFFICE**

The principal office of this corporation shall be located in the county of Sacramento, California. However, the Board of Directors may fix the location of the principal office of this corporation at any place within the State of California.

**ARTICLE II
SEAL OR EMBLEM**

The Seal or Emblem of this corporation shall be a circle inscribing the shape of the state of California with the name "CALIFORNIA SOCIETY FOR HEALTHCARE ENGINEERING, INC." in the circle. The motto shall be "BETTER PATIENT CARE THROUGH PROGRESSIVE ENGINEERING KNOWLEDGE" and shall be in a scroll across the center of the circle and under the shape of the State.

**ARTICLE III
MEMBERSHIP**

Section 1. Members; Classes. This corporation shall have members with voting rights as specified in these Bylaws. The members of each chapter (described in Article VI, below) shall constitute one class of members, and the total number of classes shall equal the number of chapters. The qualifications or eligibility requirements for membership and the rights and obligations of members shall be as provided in these Bylaws or under applicable law. As used in these Bylaws, the terms "member" and "membership," without the term "affiliate," shall refer only to the voting members described in this Section. The term "members" as used in these Bylaws shall not include any affiliates .

Section 2. Affiliates. The Board of Directors may, by resolution, establish one or more categories of nonvoting affiliates, who may be referred to as "affiliates." The Board may provide for the rights and obligations of affiliate, including the obligation to pay dues, and the process for admitting and terminating them. Affiliates are welcome to attend chapter and statewide membership meetings, subject to and in accordance with conditions set by the Board of Directors.

Section 3. Qualifications for Membership. Membership in this corporation shall be limited to those individuals who are principally employed in a healthcare facility or healthcare system performing tasks that are directly related to hospital physical plant and facility engineering. In the event that any term in the preceding sentence requires interpretation to apply it to specific facts, the Board's determination shall be final.

Section 4. Admission of Members. Any application for membership must be made in writing and may be submitted via mail, electronic mail, website, or fax to this corporation's principal office. The application will indicate which chapter the applicant wishes to join. The Board or a person or committee authorized by the Board will review each application and, if appropriate, certify that the applicant meets the qualifications for membership in the

requested chapter in accordance with Sections 1 and 3 of this Article. Membership in the chapter and in this corporation shall commence upon such certification and upon payment of any required dues.

Section 5. Membership Dues. Each member must pay, within the time and on the conditions set by the Board of Directors, the dues, and any fees in amounts to be fixed from time to time by the Board of Directors.

Section 6. Good Standing. Those members who have paid the required dues and fees, if any, and who are not suspended, shall be members in good standing of this corporation.

Section 7. Membership Roster. This corporation shall keep a membership roster containing the name of each member and the last address provided to this corporation by the member for purposes of notice. The roster shall indicate whether a member is in good standing. The membership roster shall be maintained in the principal office and subject to federal and state confidentiality laws.

Section 8. No liability of Members. No member of this corporation shall be personally liable for the debts, liabilities, or obligations of this corporation merely by virtue of such membership.

Section 9. Transferability of Memberships. Membership in this corporation, or any right arising there from, may not be transferred or assigned.

Section 10. Termination of Membership. Membership in this corporation shall continue until terminated as provided in this Section, or until the member dies, or resigns in a writing delivered to the principal office of this corporation or to any member of the Executive Committee of this corporation. No such resignation shall relieve the resigning member of any accrued but unpaid obligations of such member to this corporation.

A. Basis for Termination. Membership in this corporation shall terminate upon the occurrence of any of the following events or conditions:

i. Expiration. If a membership is issued for a period of time, such membership shall automatically terminate when such period of time has elapsed, unless the member elects to renew the membership.

ii. Nonpayment of Dues. A member's membership in this corporation shall automatically terminate thirty days after such member is sent written notice of the failure to pay dues or fees on or before their due date. A member may avoid such termination by paying the amount of delinquent dues or fees, together with any interest thereon, within such thirty-day period.

iii. Failure to Qualify. On a good faith finding by the Board of Directors, made in accordance with this Section, that a member no longer meets the qualifications set forth in Article III, Section 3, such member's membership in this corporation shall terminate.

iv. Interests of Corporation. On a good faith finding by the Board of Directors, made in accordance with this Section, that continued participation by the member in

this corporation as a member is not in the best interests of this corporation and the furtherance of its purposes.

B. Termination Procedures. In the case of proposed termination of a membership under subsection A. iii or iv above, the following procedures shall apply:

i. Notice. This corporation shall send a written notice to the member, setting forth the proposal for termination, the reasons for it, the date on which the proposed termination shall become effective, and the date, time, and place (if any) of the hearing described in the next subsection. Such notice shall be sent at least fifteen days before the proposed date of termination, and at least ten days before the date set for the hearing, by first class or registered mail, to the last address provided by the member to this corporation for purposes of notice.

ii. Hearing. The member shall be given an opportunity to be heard, either orally (in person or by conference call) or in writing, not less than five days before the effective date of the proposed termination, by the Board or the person or committee authorized by the Board to decide whether the proposed termination will take place. If the member does not appear and has not notified a member of the Executive Committee or the member's chapter president of any adequate reason there for, or chooses not to appear at the hearing, the termination shall be effective automatically on the proposed date of termination.

iii. Determination. Following the hearing date, the Board (or the person or committee authorized by the Board to decide whether the proposed termination will take place) shall decide whether or not the member should in fact be terminated, suspended, or sanctioned in some other way. That decision shall be final, and the member shall be promptly notified of it. If a member is terminated hereunder, all membership rights of such member in this corporation shall cease on the effective date of the termination stated in the notice given pursuant to subsection B.i above.

iv. Refund. The Board may determine whether any person whose membership has been terminated or suspended shall receive a refund of any dues already paid. Any refund shall be prorated to return only the un-accrued balance remaining for the period of the dues payment.

ARTICLE IV MEMBERSHIP RIGHTS

Section 1. Voting Rights. Subject to these Bylaws, members of this corporation (or each class of members, as applicable) shall have the right to vote, as set forth in these Bylaws, on:

(a) the election, by class, of the class's chapter president, chapter vice president, and chapter secretary;

(b) the removal without cause, by class, of the class's chapter president, chapter vice president, or chapter secretary;

(c) the filling, by class, of any vacancy caused by the removal of such class's chapter president, chapter vice president, or chapter secretary;

- (d) any change to the number of chapters;
- (e) any amendment to these Bylaws that materially and adversely affects the rights of the members generally, or of a class of members differently than other classes, as further provided under the California Nonprofit Mutual Benefit Corporation Law;
- (f) any amendment to the Articles of Incorporation of this corporation, except for amendments permitted to be adopted by the Board of Directors alone under Section 7812(b) of the California Nonprofit Mutual Benefit Corporation Law;
- (g) the disposition of all or substantially all of the assets of this corporation;
- (h) any merger of this corporation;
- (i) any voluntary dissolution of this corporation; and
- (j) any other matters that may properly be presented to members (or a class of members) for a vote, pursuant to this corporation's Articles, Bylaws, or action of the Board of Directors, or by operation of law.

Section 2. Inspection Rights

A. Articles and Bylaws. This corporation shall keep at its principal office in California current copies of the Articles of Incorporation and Bylaws of this corporation, which shall be open to inspection by members at all reasonable times. If this corporation has no principal office in California, the Secretary shall furnish such copies to any member on written request therefor.

B. Accounting Records; Minutes. On written request, any member (in person or through an agent or attorney) may inspect and copy the accounting books and records of this corporation and the minutes of the proceedings of the members, the Board, or any Board Committee, at any reasonable time and for a purpose reasonably related to the member's interests as a member.

C. Membership Records. The right of members to have access to the membership records of this corporation shall be governed by Sections 8330 through 8332 of the California Nonprofit Mutual Benefit Corporation Law.

Section 3. Rights on Dissolution. Members shall have the right to receive, on dissolution of this corporation, a pro rata share of this corporation's assets not held in charitable trust and remaining after payment or provision for all known debts and other liabilities of this corporation.

Section 4. Other Rights. In addition to the rights described in these Bylaws, members of this corporation shall have any other rights afforded voting members, or classes of voting members, under the California Nonprofit Mutual Benefit Corporation Law.

ARTICLE V
MEMBER MEETINGS AND VOTING

Section 1. Member Voting. Each member in good standing shall have one vote on each matter on which the members as a whole, or the members of such member's class, are entitled to vote.

Section 2. Member Class Meetings. Each class of members may meet at times and places determined in accordance with Article VI, below, regarding chapters.

Section 3. Annual Member Meetings. An annual meeting of the membership will be held each year in the State of California at a time determined by the Board of Directors for the purpose of transacting such business as may come before the meeting.

Section 4. Special Meetings of Members.

A. Who May Call. Special meetings of the members may be called (i) by the Board of Directors, (ii) by the President of this corporation, or (iii) on the written request of five percent of the membership.

B. Procedures for Calling Special Meetings Requested by Members. If a special meeting is called by members, the requesting members shall deliver a written notice specifying the general nature of the business proposed to be transacted personally, by registered mail, facsimile transmission, or by electronic transmission such as electronic mail in compliance with Article XII, Section 6, of these Bylaws, to the President, the Vice President, or the Secretary of this corporation. The requested meeting will be held not less than thirty-five, nor more than ninety, days following the receipt of the request. If appropriate notice of such a meeting is not given within twenty days after delivery of the request, the requesting members may give the notice. Nothing contained in this subsection shall be construed as limiting, fixing, or affecting the time of any meeting of members called by the Board of Directors, or the President.

Section 5. Record Dates. For any notice, vote (at a meeting or by written ballot), or exercise of rights, the Board of Directors may, in advance, by resolution, fix a record date, and only members of record on the date so fixed shall be entitled to notice, vote, or exercise rights, as the case may be, notwithstanding any transfer of any membership on the books of this corporation after the record date, except as otherwise required by law. For this purpose, a person holding a membership as of the close of business on the record date shall be deemed a member of record.

A. Notice of Meetings. Unless otherwise fixed by the Board of Directors, the record date for the purpose of determining which members are entitled to notice of any members' or class meeting, shall be the business day preceding the date on which notice for that meeting is given. If the Board, by resolution, fixes a record date for notice, the record date shall be not less than ten, nor more than ninety, days before the date of the meeting.

B. Voting at Meetings. Unless otherwise fixed by the Board of Directors, the record date for the purpose of determining which members are entitled to vote at any members' or class meeting, shall be the day of that meeting. If the Board, by resolution, fixes a record date for voting, the record date shall be not more than sixty days before the date of the meeting.

C. Voting by Written Ballot. Unless otherwise fixed by the Board of Directors, the record date for the purpose of determining which members are entitled to vote by written ballot, whether as a whole or as a class, shall be the day on which the first written ballot is mailed or solicited. If the Board, by resolution, fixes a record date for voting, the record date shall be not more than sixty days before the day on which the first written ballot is mailed or solicited.

D. Unanimous Written Consent. Unless otherwise fixed by the Board of Directors, the record date for the purpose of determining if all members, or all members of a class, have consented in writing to an action pursuant to Section 13 of this Article shall be one week prior to the day on which the consent is first circulated for approval.

E. Other Lawful Action. Unless otherwise fixed by the Board of Directors, the record date for the purpose of determining which members, or members of a class, are entitled to exercise any rights in respect to any other lawful action, shall be the date on which the Board adopts the resolution relating thereto or the sixtieth day before the date of such other action, whichever is later. If the Board, by resolution, fixes a record date for determining entitlements, the record date shall be not more than sixty days before the date of such other action.

Section 6. Time and Manner of Notice of Meetings. The Secretary shall cause this corporation's staff to give notice of each members' meeting to each member who, as of the record date for notice of the meeting, would be entitled to vote at such meeting. The notice shall be delivered to the last address provided by the member to this corporation for purposes of notice, either personally or by telegram, facsimile transmission, electronic transmission, including electronic mail in compliance with Article XII, Section 7, of these Bylaws, or first-class, registered, or certified mail not less than ten nor more than ninety days before the date of such meeting, or by other mail not less than twenty nor more than ninety days before the date of such meeting.

Section 7. Contents of Notice. The notice shall state the place, date, and time of the meeting and (a) in the case of special meetings, the general nature of the business to be transacted, and no other business may be transacted; (b) in the case of a class meeting where there will be an election for chapter president, the names of all those who are nominees for chapter president as of the date of the notice; and (c) in the case of the annual meeting, any matters which the Board, as of the date of the notice, intends to present for action by the members, but any proper matter may be presented at the annual meeting for such action.

Section 8. Notice of Certain Actions Required. Unless the vote of the membership or of any class of members shall be unanimous, any of the following votes shall be valid only if the general nature of the action approved was stated in the notice of the meeting at which the vote occurred: (a) to remove a chapter president without cause, (b) to fill a vacancy in the position of chapter president, (c) to amend this corporation's Articles of Incorporation, (d) to approve a transaction between this corporation and one or more of its directors, or between this corporation and any entity in which one or more of its directors has a material financial interest, (e) on winding up of the affairs of this corporation, to approve a plan of distribution of the assets of this corporation (other than money) not in accordance with any liquidation rights specified in the Articles of Incorporation of this corporation or these Bylaws, or (f) to voluntarily dissolve this corporation.

Section 9. Member Quorum. Thirty percent (30%) of the memberships then in effect shall constitute a quorum. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of enough members to leave less than a quorum, so long as any action taken thereafter is approved by at least a majority of the required quorum.

Section 10. Act of the Members. Every decision or act made or done by a majority of voting members present and voting at a duly held meeting at which a quorum is present is the act of the members, unless the law, the Articles of Incorporation of this corporation, or these Bylaws, require a greater number.

Section 11. Manner of Voting.

A. Voting at Meetings. Voting at meetings may be by voice or by secret ballot, provided that any election of a chapter president, and any other vote designated by the chairman of the meeting, in his or her discretion, or requested by ten percent of the voting power present at the meeting, shall be conducted by secret ballot. Subject to any guidelines and procedures that the Board of Directors may adopt, members not physically present in person at a face-to-face membership meeting may, by electronic transmission in compliance with Section 13 of this Article, or by electronic video screen communication, participate in the meeting, be deemed present in person and vote at the meeting.

B. Proxy Voting Prohibited. Proxy voting shall not be permitted on any matter put to the vote of the members.

C. Cumulative Voting Prohibited. Cumulative voting shall not be permitted.

D. Action by Written Ballot Without a Meeting.

i. Generally. Any action required or permitted to be taken by members at a meeting may be submitted for a vote by written ballot pursuant to this Section without a meeting.

ii. Content of Written Ballots. Any written ballot distributed to the members to vote on a matter shall set forth the proposed action and provide an opportunity to specify approval or disapproval of the proposal.

iii. Time for Return of Ballots. All written ballots shall provide a reasonable time within which to return them to this corporation and each ballot shall state on its face or in an accompanying notice the date by which it must be returned in order to be counted.

iv. Requirements for Valid Action. Approval by written ballot shall be valid only when the number of votes cast by ballot within the time period specified equals or exceeds the required quorum set forth in these Bylaws, and the number of approvals equals or exceeds the number of votes that would be required to approve the action if the vote were taken at a meeting of the members.

v. Solicitation Rules. Written ballots shall be solicited in a manner consistent with the requirements for notice of members' meetings. This corporation may send the ballot and any related materials, and the member may return the ballot, by electronic transmission, in compliance with Article XII, Sections 6 and 7, of these Bylaws, as applicable. All

solicitations of written ballots shall indicate the number of responses needed to meet the quorum requirement for valid action and shall state the percentage of affirmative votes necessary to approve the measure submitted for membership approval.

vi. Revocation of Written Ballots. If a member who has cast a written ballot desires to change his or her vote, the member may do so provided he or she so notifies this corporation in a writing delivered to this corporation' principal office prior to close of the balloting period, and casts a new ballot within the balloting period.

E. Election Ballots. Any ballot used in the election of a chapter president shall set forth the names of the candidates who have been properly nominated at the time the ballot is issued. The ballot shall also provide a space for members to designate a vote for a candidate not on the ballot.

Section 12. Waiver of Notice or Consent by Members.

A. Generally. Any action of the members taken at a meeting where a quorum is present but for which proper notice was not given, will be valid if, either before or after the meeting, each member entitled to vote who was not present at the meeting signs (i) a waiver of notice, (ii) a consent to holding the meeting, or (iii) an approval of the minutes, in any case in writing, which may include electronic mail or facsimile transmitted by a member in compliance with Article XII, Section 6, of these Bylaws. The waiver of notice, consent to holding the meeting, or approval of minutes need not specify the purpose or general nature of business to be transacted at such meeting, unless action is taken or proposed to be taken on matters specified in Section 7 of this Article, in which case the waiver, consent, or approval must state the general nature of the matter. All such waivers, consents, or approvals shall be filed with the minutes of the meeting.

B. Effect of Attendance at Meeting. Attendance by a member at a meeting shall also constitute a waiver of notice of that meeting, unless the member attends for the sole purpose of objecting at the beginning of the meeting to the transaction of any business due to the inadequacy or illegality of the notice. Attendance at a meeting is not a waiver of any right to object to the consideration of matters not included in the notice of the meeting which are required to be described therein pursuant to Section 8 of this Article, if that objection is expressly made at the meeting.

Section 13. Action by Unanimous Written Consent. Any action required or permitted to be taken by the members at a meeting, may be taken without a meeting if all members shall individually or collectively consent to such action in writing. If action is taken by written consent, the consent(s) shall be filed with the corporate minutes. Written consent shall include electronic mail or facsimile transmitted by a member in compliance with Article XII, Section 6, of these Bylaws. The action by written consent shall have the same force and effect as the unanimous vote of the members.

Section 14. Meetings by Electronic Transmission. A meeting of the members may be conducted, in whole or in part, by electronic transmission, in compliance with Article XII, Sections 6 and 7, of these Bylaws, as applicable, or by electronic media screen communication, so long as all of the following apply:

(a) This corporation has implemented reasonable measures to provide members a reasonable opportunity to participate in the meeting and to vote on matters submitted to the

members, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with those proceedings; and

(b) If any member votes or takes other action at the meeting by means of electronic transmission or electronic video screen communication, this corporation maintains a record of any vote or action taken by a member by means of electronic transmission.

Any request by this corporation for a member's consent to conduct a meeting by electronic transmission shall include a notice that, absent consent of the member, the face-to-face membership meeting shall be held at a physical location at which members may attend and participate in person.

ARTICLE VI **CHAPTERS**

Section 1. Chapters. The membership of this corporation shall be divided into chapters, each constituting a class of membership as provided in Article III, Section 1. Each chapter shall be an integral part of this corporation and not a separate legal entity. The chapters are listed in Appendix A to these Bylaws. Appendix A may be amended only by the members.

Section 2. Chapter Meetings, Voting, and Actions. Except as otherwise provided in this Article VI, meetings (including meeting notices) and actions of each chapter shall be governed by and held and taken in accordance with the provisions of Article V of these Bylaws, concerning meetings and actions of the members of this corporation, with such changes in the content of those Bylaws as are necessary to substitute the chapter members for the members as a whole and to substitute the chapter officers for the officers of this corporation. Subject to these Bylaws and any rules adopted by the Board of Directors, each chapter may determine its own meeting rules and schedule. Minutes shall be kept of each chapter meeting, and shall be forwarded to the Board of Directors of this corporation within thirty (30) days of the meeting.

Section 3. Chapter Officers. Each chapter shall have a chapter president, a chapter vice president, and a chapter secretary. The chapter president shall be elected from among the members of the chapter that have been in good standing for at least one year prior to election. The chapter vice president shall be elected from among the chapter members in good standing. The chapter secretary may be elected from among members or affiliates of the chapter in good standing.

Section 4. Election. The chapter officers shall be elected by the chapter members voting as a class. Each chapter officer shall hold office for a two-year term and until a successor takes office.

Section 5. Removal. Any chapter officer may be removed, with or without cause, by the chapter members voting as a class.

Section 6. Resignation. Any chapter officer may resign at any time by providing notice to the any other chapter officer. Resignation shall take effect on receipt of the notice by such chapter officer, or at any later time specified by that notice and, unless otherwise

specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of this corporation under any contract to which the chapter officer is a party.

Section 7. Vacancies. A vacancy in any chapter office shall be filled by the chapter members as provided in this Article for election to that office.

Section 8. Chapter President. Subject to the Board of Directors of this corporation, the chapter president shall generally supervise, direct and control the business and other officers of the chapter. The chapter president shall preside at all meetings of the chapter members, and shall have such other powers and duties as may be prescribed by the chapter members, these Bylaws, the Board of Directors of this corporation, this corporation's Policies and Procedures Manual, or any other applicable policies and procedures.

Section 9. Chapter Vice President. The chapter vice president shall, in the absence of the chapter president, carry out the duties of the chapter president, and when doing so shall have the same powers and be subject to the same restrictions as the chapter president. The chapter vice president shall have such other powers and duties as may be prescribed by the chapter members, these Bylaws, the Board of Directors of this corporation, this corporation's Policies and Procedures Manual, or any other applicable policies and procedures.

Section 10. Chapter Secretary. The chapter secretary shall supervise the taking of a full and complete record of the proceedings of the members of such chapter and its committees, if any, and forwarding such records to the Board of Directors. The chapter secretary shall coordinate with the Secretary of this corporation or delegate regarding the giving of such notices as may be proper or necessary. The chapter secretary shall have such other duties as may be prescribed by the chapter members, these Bylaws, the Board of Directors of this corporation, this corporation's Policies and Procedures Manual, or any other applicable policies and procedures

Section 11. Chapter Committees. Each chapter president, with the advice of the other chapter officers, may establish one or more chapter committees. The members of any chapter committee may consist of members and/or affiliates of such chapter, and may be appointed as the chapter president determines. Chapter committees may not make decisions on behalf of the chapter members, but shall be restricted to making recommendations to the chapter officers or members and implementing chapter membership or officer decisions and policies under the supervision and control of the chapter president.

Section 12. Chapter Policies and Procedures. Each Chapter is subject to the Policies and Procedure Manual of this corporation. The Board of Directors of this corporation may adopt additional rules for the governance of chapters not inconsistent with these Bylaws or the Policies and Procedures Manual.

ARTICLE VII **BOARD OF DIRECTORS**

Section 1. Corporate Powers; Exercise By Board. This corporation shall have powers to the full extent allowed by law. All powers and activities of this corporation shall be exercised and managed by the Board of Directors of this corporation directly or, if delegated, under the ultimate direction of the Board.

Section 2. Number and Identity of Directors. The Board of Directors of this corporation shall consist of (a) each individual then serving as a chapter president, as elected pursuant to Article VI, Section 4, of these Bylaws, and (b) each individual then serving as the President, Vice President, Treasurer, Secretary, or Immediate Past President of this corporation, as elected pursuant to Article IX, Section 2, of these Bylaws, in either case only for so long as such individual holds such position. The authorized number of directors shall at all times be equal to the number of chapter presidents, plus the number of members of the Executive Committee who are not then serving as chapter presidents.

Section 3. Vacancies. A vacancy shall be deemed to exist on the Board in the event that the actual number of directors is less than the authorized number for any reason. Vacancies may only be filled in the same manner as provided for election to the vacant position in Article VI with respect to the election of chapter presidents, and Article IX with respect to the election of corporate officers.

Section 4. Resignation and Removal of Directors. Directors may only resign by resigning from the underlying position(s) giving rise to their directorship (i.e., chapter president and/or corporate officer). Directors may only be removed without cause by being removed from the underlying position(s) giving rise to their directorship (i.e., chapter president and/or corporate officer). The Board of Directors may remove any director for cause as that term is used in Section 7221 of the California Nonprofit Mutual Benefit Corporation Law. In addition, by a majority vote of the directors who meet all of the required qualifications to be a director, may declare vacant the office of any director who fails or ceases to meet any required qualification that was in effect at the beginning of that director's current term of office.

Section 5. Annual Board Meetings. A meeting of the Board of Directors shall be held at least once a year. Annual meetings shall be called by the President or any two directors and noticed in accordance with Section 7 of this Article.

Section 6. Special Board Meetings. Special meetings of the Board of Directors may be called by the President or any two directors, and noticed in accordance with Section 7 of this Article.

Section 7. Notice. Notice of the annual meeting and any special meetings of the Board of Directors shall state the date, place, and time of the meeting and shall be given to each director at least four days before any such meeting if given by first class mail or forty-eight hours before any such meeting if given personally or by telephone, including a voice messaging system, or by other electronic transmission such as electronic mail, in compliance with Article XII, Section 6, of these Bylaws.

Section 8. Waiver of Notice. The transactions of any meeting of the Board of Directors, however called and noticed and wherever held, shall be valid as though taken at a meeting duly held after proper call and notice, if a quorum is present, and if, either before or after the meeting, each of the directors not present provides in writing a waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. All waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Notice of a meeting shall also be deemed given to any director who attends the meeting without protesting the lack of adequate notice before the meeting or at its commencement.

Section 9. Quorum. A majority of the total number of directors then in office shall constitute a quorum, provided that in no event shall the required quorum be less than one-fifth of the authorized number of directors or two directors, whichever is larger. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, except as otherwise provided in Article VII, Section 4 (declaring director position vacant) and Section 10 (taking Board action without a meeting); Article VIII, Section 1 (appointing Board Committees); Article X, Section 1 and Section 2 (approving loans and self-dealing transactions); and Article XII, Section 8 (amending bylaws), of these Bylaws or in the California Nonprofit Mutual Benefit Corporation Law. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for such meeting.

Section 10. Action Without a Meeting. Any action required or permitted to be taken by the Board may be taken without a meeting if all members of the Board (other than any director interested in a transaction so approved) shall individually or collectively consent to such action in writing. Such written consents shall be filed with the minutes of the proceedings of the Board, and shall have the same force and effect as the unanimous vote of such directors.

Section 11. Telephone and Electronic Meetings. Directors may participate in a meeting through use of conference telephone, electronic video screen communication, or other electronic transmission in compliance with Article XII, Section 6, of these Bylaws so long as all of the following apply:

- (a) each director participating in the meeting can communicate with all of the other directors concurrently; and
- (b) each director is provided with the means of participating in all matters before the Board, including the capacity to propose, or to interpose an objection to, a specific action to be taken by this corporation.

Section 12. Standard of Care.

A. General. A director shall perform the duties of a director, including duties as a member of any Board Committee on which the director may serve, in good faith, in a manner such director believes to be in the best interest of this corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like situation would use under similar circumstances.

In performing the duties of a director, a director shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by:

- (i) one or more officers or employees of this corporation whom the director believes to be reliable and competent as to the matters presented;
- (ii) counsel, independent accountants, or other persons as to matters which the director believes to be within such person's professional or expert competence; or
- (iii) a committee upon which the director does not serve that is composed exclusively of any combination of directors or persons described in (i) or (ii) above, as to matters

within the committee's designated authority, provided that the director believes such committee merits confidence;

so long as, in any such case, the director acts in good faith after reasonable inquiry when the need therefor is indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted.

Except as provided in Article X below, a person who performs the duties of a director in accordance with this Section shall have no liability based upon any failure or alleged failure to discharge that person's obligations as a director, including, without limiting the generality of the foregoing, any actions or omissions which exceed or defeat a public or charitable purpose to which a corporation, or assets held by it, are dedicated.

B. Assets Held in Charitable Trust. If this corporation holds any assets in charitable trust (because, for example, such assets were specifically donated to this corporation for use in furthering charitable purposes), the conduct of the directors of this corporation in connection with such assets shall be governed by any applicable stricter requirements of the California Nonprofit Public Benefit Corporation Law.

Section 13. Director Inspection Rights. Every director shall have the absolute right at any reasonable time to inspect and copy all books, records, and documents, and to inspect the physical properties of this corporation.

Section 14. Compensation of Directors. Directors shall not receive any salary or other compensation for their services as directors; provided; however, that the Board of Directors may approve reasonable reimbursement of directors for any expenses actually incurred in connection with the performance of their duties as directors, such as for attending meetings of the Board and Board Committees. Nothing herein contained shall be construed to preclude any director from serving this corporation as an officer, agent, employee, or otherwise and receiving compensation therefore.

Section 15. Executive Compensation Review. Only to the extent and so long as this corporation holds any property in trust for charitable purposes, the Board of Directors (or a Board Committee) shall review any compensation packages (including all benefits) of the President or the chief executive officer and the Treasurer or chief financial officer, regardless of job title, and shall approve such compensation only after determining that the compensation is just and reasonable. This review and approval shall occur when such officer is hired, when the term of employment of such officer is renewed or extended, and when the compensation of such officer is modified, unless the modification applies to substantially all of the employees of this corporation.

ARTICLE VIII **COMMITTEES**

Section 1. Board Committees. The Board of Directors may, by resolution adopted by a majority of the directors then in office, create any number of Board Committees, each consisting of two or more directors, and only of directors, to serve at the pleasure of the Board. Appointments to any Board Committee shall be by a majority vote of the directors then in office. Board Committees may be given all the authority of the Board, except for any powers the Board may have to:

- (a) set the number of directors within a range specified in these Bylaws;
- (b) fill vacancies in any corporate officer position or on any Board Committee;
- (c) fix compensation of directors for serving on the Board or any Board Committee;
- (d) amend or repeal these Bylaws or adopt new Bylaws;
- (e) approve amendments to the Articles of Incorporation of this corporation;
- (f) amend or repeal any resolution of the Board of Directors which by its express terms is not so amendable or repeal able;
- (g) create any other Board Committees or appoint the members of any Board Committees;
- (h) spend corporate funds to support a nominee for director after there are more nominees than can be elected; or
- (i) approve any merger, reorganization, voluntary dissolution, or disposition of substantially all of the assets of this corporation.

The inclusion of any power in the foregoing list of non-delegable powers shall not be construed to confer on the Board any authority given to the members of this corporation by these Bylaws or by the California Nonprofit Mutual Benefit Corporation Law.

Section 2. Advisory Committees. The Board of Directors may establish one or more Advisory Committees to the Board. The members of any Advisory Committee may consist of directors or non-directors and may be appointed as the Board determines. Advisory committees may not exercise the authority of the Board to make decisions on behalf of this corporation, but shall be restricted to making recommendations to the Board or Board Committees, and implementing Board or Board Committee decisions and policies under the supervision and control of the Board or Board Committee.

Section 3. Executive Committee. The Executive Committee shall be a Board committee and shall have all of the powers of the Board between Board meetings, except as provided in Section 1 of this Article. The Executive Committee shall be composed of the President, the Vice President, the Secretary, the Treasurer, and the Immediate Past President.

Section 4. Committee Supervision and Reliance. If a committee is composed and appointed as required by Section 1 of this Article (concerning Board Committees), it may act with the authority of the Board to the extent and with the scope provided by the Board. Otherwise, the Board of Directors shall remain responsible for oversight and supervision of the committee as an Advisory Committee. If a committee meets the criteria of Article VII, Section 12.A.(iii), the individual directors may rely on it in discharging their fiduciary duties as provided in that Section.

Section 5. Audit Committee. This Section 5 shall apply to the extent and so long as this corporation holds any property in trust for charitable purposes. For any tax year in which this corporation has gross revenues of \$2 million or more, this corporation shall have an

Audit Committee whose members shall be appointed by the Board of Directors, and who may include both directors and non-directors, subject to the following limitations: (a) a majority of the members of the Audit Committee may not consist of members of the Finance Committee, if any; (b) the chair of the Audit Committee may not be a member of the Finance Committee, if any; (c) the Audit Committee may not include any member of the staff or the President or Treasurer; (d) the Audit Committee may not include any person who has a material financial interest in any entity doing business with this corporation; and (e) Audit Committee members who are not directors may not receive compensation greater than the compensation paid to directors for their Board service.

The Audit Committee, if any is required, shall: (1) recommend to the full Board of Directors for approval the retention and, when appropriate, the termination of an independent certified public accountant to serve as auditor, (2) subject to approval of the full Board, negotiate the compensation of the auditor on behalf of the Board, (3) confer with the auditor to satisfy the Audit Committee members that the financial affairs of this corporation are in order, (4) review and determine whether to accept the audit, and (5) approve performance of any non-audit services provided to this corporation by the auditor's firm.

Section 6. Meetings.

A. Of Board Committees. Meetings and actions of Board Committees shall be governed by and held and taken in accordance with the provisions of Article VII of these Bylaws concerning meetings and actions of the Board of Directors, with such changes in the content of those Bylaws as are necessary to substitute the Board Committee and its members for the Board of Directors and its members. Minutes shall be kept of each meeting of any Board Committee and shall be filed with the corporate records.

B. Of Advisory Committees. Subject to the authority of the Board of Directors, Advisory Committees may determine their own meeting rules and whether minutes shall be kept.

The Board of Directors may adopt rules for the governance of any Board or Advisory Committee not inconsistent with the provisions of these Bylaws.

ARTICLE IX
OFFICERS

Section 1. Officers. The officers of this corporation shall be a President, a Vice President, a Secretary, a Treasurer, and the Immediate Past President. Other than the Immediate Past President, the officers shall be elected from among the current directors of this corporation. Chapter officers are not officers of this corporation solely by virtue of being chapter officers.

Section 2. Election. The officers of this corporation, other than the Immediate Past President, shall be elected every two years by the Board of Directors, and each shall hold office for a two-year term. The outgoing President shall automatically become the Immediate Past President and shall hold office for a two-year term. In the event an officer is elected to a term overlapping with such officer's term as a chapter president, the two terms shall run concurrently, and neither term shall be affected by the other.

Section 3. Nominations. The Immediate Past President shall nominate qualified candidates for election to the positions of President, Vice President, Treasurer, and Secretary, at least 30 days before the date of any election of officers.

Section 4. Removal. Subject to the rights, if any, of an officer under any contract of employment, any officer may be removed, with or without cause, by the Board of Directors or by an officer on whom such power of removal may be conferred by the Board of Directors.

Section 5. Resignation. Any officer may resign at any time by giving written notice to the President or Secretary of this corporation. Any resignation shall take effect on receipt of that notice by such officer or at any later time specified by that notice and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of this corporation under any contract to which the officer is a party.

Section 6. Vacancies. A vacancy in any office for any reason shall be filled in the same manner as these Bylaws provide for election to that office. A vacancy in the position of Immediate Past President may be filled by the Board of Directors for the remainder of the term. Only current or past members of the Executive Committee shall be eligible for election to fill a vacancy in the Immediate Past President position.

Section 7. President. The President shall be the chief executive officer of this corporation, and shall, subject to control of the Board, generally supervise, direct and control the business and other officers of this corporation. The President shall preside at all meetings of the members and the Board of Directors. The President shall be a member of all Board Committees, shall have the general powers and duties of management usually vested in the office of president of a corporation and shall have such other powers and duties as may be prescribed by the Board or these Bylaws.

Section 8. Vice President. The Vice President shall, in the absence of the President, carry out the duties of the President, and when doing so shall have the same powers and be subject to the same restrictions as the President. The Vice President shall have such other powers and duties as may be prescribed by the Board or these Bylaws.

Section 9. Secretary. The Secretary shall supervise the keeping of, or cause to be kept at the principal office of this corporation and such other place or places as the Board of Directors may order, a full and complete record of the proceedings of the members and of the Board of Directors and its committees, if any. The Secretary shall supervise the giving of such notices as may be proper or necessary, supervise the keeping of the minute books and membership records of this corporation, and have such other powers and duties as may be prescribed by the Board or these Bylaws.

Section 10. Treasurer. The Treasurer shall be the chief financial officer of this corporation and shall supervise the charge and custody of all funds of this corporation, the deposit of such funds in the manner prescribed by the Board of Directors, and the keeping and maintaining of adequate and correct accounts of this corporation's properties and business transactions, shall render reports and accountings as required, and shall have such other powers and duties as may be prescribed by the Board or these Bylaws.

Section 11. Immediate Past President. The Immediate Past President shall provide guidance to the Board of Directors and the Executive Committee, and oversee compliance with these Bylaws for all actions taken by the Board of Directors and the Executive Committee.

ARTICLE X CERTAIN TRANSACTIONS

Section 1. Loans. This corporation may advance money to a director or officer of this corporation or any subsidiary for expenses reasonably anticipated to be incurred in performance of the duties of such director or officer so long as such individual would be entitled to be reimbursed for such expenses absent that advance. This corporation may loan money or property to, or guarantee the obligation of, any director or officer of this corporation or any parent, affiliate, or subsidiary, if:

(a) the Board determines that the loan or guaranty may reasonably be expected to benefit this corporation; and

(b) before the transaction occurs, it has been approved either by (i) the members (without the vote of such director or officer, if a member) or (ii) a majority of the directors then in office (without the vote of such director).

Section 2. Self-Dealing Transactions.

A. Transactions With Directors Or Their Companies. A transaction between this corporation and one or more of its directors, or between this corporation and any organization in which one or more of its directors has a material financial interest, must be approved or ratified (i) by the members, or (ii) by the Board or a duly authorized Board Committee after finding that such transaction is just and reasonable to this corporation at the time; in either case without counting the vote, if any, of the interested directors thereon. Such approval must be given in good faith, with full knowledge of the material facts concerning the transaction and the director's interest in the transaction.

B. Transactions With Organizations Sharing Directors. A transaction between this corporation and any organization of which one or more of its directors are directors may be void or voidable because of the presence of such director(s) at the meeting of the Board or a Board Committee that authorized, approved, or ratified the transaction, unless (i) it was approved or ratified in good faith (a) by the Board or a duly authorized Board Committee, with full knowledge of the material facts concerning the transaction and such directors' other directorships and without counting the vote of the common directors thereon, or (b) by the members; or (ii) the transaction was just and reasonable as the this corporation at the time of authorization, approval, or ratification. This subsection shall not apply to transactions covered by subsection A of this Section.

C. Interested Or Common Directors In Quorum. Interested or common directors may be counted in determining whether a quorum is present at any meeting of the Board or a Board Committee that approves or ratifies a transaction under this Section.

Where it is not reasonably practicable to obtain approval of the Board before entering into a self-dealing transaction, a Board Committee may approve such transaction in a manner consistent with the foregoing requirements.

ARTICLE XI **INDEMNIFICATION**

Section 1. Right of Indemnity. To the fullest extent allowed under Section 7237 of the California Nonprofit Mutual Benefit Corporation Law, this corporation shall indemnify its agents, in connection with any proceeding, and in accordance with Section 7237. For purposes of this Article, “agent” shall have the same meaning as in Section 7237(a), including directors, officers, employees, other agents, and persons formerly occupying such positions; “proceeding” shall have the same meaning as in Section 7237(a), including any threatened action or investigation under Section 5233 (with respect to any assets held in charitable trust) or brought by the Attorney General; and “expenses” shall have the same meaning as in Section 7237(a), including reasonable attorneys’ fees.

Section 2. Approval Of Indemnity. On written request to the Board of Directors in each specific case by any agent seeking indemnification, to the extent that the agent has been successful on the merits, the Board shall promptly authorize indemnification in accordance with Section 7237(d). Otherwise, the Board shall promptly determine, by a majority vote of a quorum consisting of directors who are not parties to the proceeding, whether, in the specific case, the agent has met the applicable standard of conduct stated in Section 7237(b) or Section 7237(c), and, if so, shall authorize indemnification to the extent permitted thereby. If the Board cannot do so because there is no quorum of directors who are not party to the proceeding for which indemnification is sought, the Board shall promptly call a meeting of the members. At that meeting, the members shall determine whether, in the specific case, the applicable standard of conduct stated in such Section has been met, and, if so, the members shall authorize indemnification to the extent permitted thereby.

Section 3. Advancing Expenses. The Board of Directors may authorize the advance of expenses incurred by or on behalf of an agent of this corporation in defending any proceeding prior to final disposition, if the Board finds that:

(a) the requested advances are reasonable in amount under the circumstances; and

(b) before any advance is made, the agent will submit a written undertaking satisfactory to the Board to repay the advance unless it is ultimately determined that the agent is entitled to indemnification for the expenses under this Article.

The Board shall determine whether the undertaking must be secured, and whether interest shall accrue on the obligation created thereby.

Section 4. Insurance. The Board of Directors may adopt a resolution authorizing the purchase of insurance on behalf of any agent against any liability asserted against or incurred by the agent in such capacity or arising out of the agent’s status as such, and such insurance may provide for coverage against liabilities beyond this corporation’s power to indemnify the agent under law.

ARTICLE XII
MISCELLANEOUS

Section 1. Fiscal Year. The fiscal year of this corporation shall begin on the first day of January and end each year on the last day of December.

Section 2. Contracts, Notes, and Checks. The Board of Directors may authorize one or more officers, agents, or employees to enter into any contract or to execute any check, draft, note, or other instrument in the name of and on behalf of this corporation, and such authority may be general or confined to specific instances. Unless so authorized by the Board, no officer, agent or employee shall have any power or authority to bind this corporation by any contract or engagement, to pledge its credit or to render it liable for any purpose or in any amount.

Section 3. Annual Reports to Members and Directors.

A. Financial Report. Unless this corporation receives less than \$10,000 in gross revenues or receipts during the fiscal year, within 120 days after the end of this corporation's fiscal year, the Board shall furnish a written report to all of the directors of this corporation and any members so requesting in writing, containing the following information:

- (i) a balance sheet as of the end of the fiscal year, and an income statement and statement of changes in financial position for the fiscal year;
- (ii) a statement of the place where the names and addresses of current members are located; and
- (iii) any information required by subsection B below.

The foregoing 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 this corporation that such statements were prepared without an audit from the books and records of this corporation. The report and any accompanying material may be sent by electronic transmission in compliance with Article XII, Sections 6 and 7, of these Bylaws.

B. Report of Certain Transactions. Unless this corporation furnishes the report required by subsection A above, within 120 days after the end of this corporation's fiscal year, the Board shall furnish a written report to all of the members and directors of this corporation containing the following:

- (i) a description of any transaction during the previous fiscal year involving \$50,000 or more between this corporation (or its parent or subsidiary, if any) and any of its directors or officers (or those of its parent or subsidiary, if any) or any holder of more than ten percent of the voting power of this corporation (or its parent or subsidiary, if any), including the names of the interested persons, their relationship to this corporation, the nature of their interest in the transaction and, where practicable, the value of such interest; and
- (ii) the amount and circumstances of any indemnifications or advances aggregating more than \$10,000 that were paid during the fiscal year to any director or officer of this corporation, and that were not approved by the members of this corporation.

If no transaction required to be reported has occurred during the fiscal year, no report is required for that fiscal year.

Section 4. Conflicts of Interest Policy. This corporation shall have a conflicts of interest policy adopted by the Board of Directors sufficient to qualify as a conflicts policy for purposes of Internal Revenue Service Form 990.

Section 5. Required Financial Audits. This Section 5 shall apply only to the extent and so long as this corporation holds any property in trust for charitable purposes. This corporation shall obtain a financial audit for any tax year in which it receives or accrues gross revenue of \$2 million or more, excluding grant or contract income from any governmental entity for which the governmental entity requires an accounting. Whether or not they are required by law, any audited financial statements obtained by this corporation shall be made available for inspection by the Attorney General and the general public within nine months after the close of the fiscal year to which the statements relate, and shall remain available for three years (1) by making them available at this corporation's principal, regional, and district offices during regular business hours and (2) either by mailing a copy to any person who so requests in person or in writing or by posting them on this corporation's website.

Section 6. Electronic Transmissions. Unless otherwise provided in these Bylaws, and subject to any guidelines and procedures that the Board of Directors may adopt from time to time, the terms "written" and "in writing" as used in these Bylaws include any form of recorded message in the English language capable of comprehension by ordinary visual means, and may include electronic transmissions, such as facsimile or electronic mail, provided (i) for electronic transmissions from this corporation, this corporation has obtained an unrevoked written consent from the recipient to the use of such means of communication; (ii) for electronic transmissions to this corporation, this corporation has in effect reasonable measures to verify that the sender is the individual purporting to have sent such transmission; and (iii) the transmission creates a record that can be retained, retrieved, reviewed, and rendered into clearly legible tangible form.

Section 7. Electronic Transmissions to Members. An electronic transmission by this corporation to a member is valid only if the following requirements have been satisfied:

(i) The member has affirmatively consented (and has not withdrawn consent) to the use of electronic transmissions, as required by the preceding section;

(ii) If the member is a natural person, prior to or at the time of consenting, the member received a clear written statement informing him or her of:

(a) any right or option to have the transmissions provided or made available on paper or in non-electronic form;

(b) whether the consent applies only to that transmission, to specified categories of communications, or to all communications from this corporation; and

(c) the procedures the member must use to withdraw consent.

Section 8. Amendments. Amendments to these Bylaws shall require the approval of the Board or members, as the case may be, provided that the Board may not amend the Bylaws if the amendment would materially and adversely affect the voting rights of any

members, and further provided that any amendment differentially and adversely affecting the rights of any class or classes of members relative to any other class or classes shall require the approval of such adversely affected class or classes, as provided under California Nonprofit Mutual Benefit Corporation Law. If a proposed Bylaw amendment will be considered at a meeting, it shall be submitted in writing to the persons entitled to vote thereon at least one week before such meeting.

Section 9. Governing Law. In all matters not specified in these Bylaws, or in the event these Bylaws shall not comply with applicable law, the California Nonprofit Mutual Benefit Corporation Law as then in effect shall apply.

CERTIFICATE OF SECRETARY

I, David Lockhart, certify that I am presently the duly elected and acting Secretary of California Society for Healthcare Engineering, Inc. a California nonprofit mutual benefit corporation, and that the above Bylaws, consisting of 22 pages, are the Bylaws of this corporation as adopted by written ballot of the members on May 25, 2015.

DATED: May 25, 2015

David Lockhart, CSHE Secretary