

# **BYLAWS of DFW BUSINESS GROUP ON HEALTH**

*(as amended August 29, 2006)*

## **ARTICLE I NAME AND OFFICE**

### **Section 1.0 - Name**

Pursuant to Article One of the Articles of Incorporation, the name of the Corporation is DFW Business Group on Health. The Corporation is a non-profit corporation organized and existing under the laws of the State of Texas.

### **Section 1.1 - Office**

Pursuant to Article Nine of the Articles of Incorporation, the initial registered office of the Corporation is 2720 Fairmount Street, Dallas, Texas, 75201. Such registered office shall be the principal office of the Corporation, and the Corporation may also have such other office or offices, either within or without the State of Texas, as the Board of Directors of the Corporation may from time to time determine, or the business of the Corporation may require.

## **ARTICLE II PURPOSE AND ACTIVITIES**

### **Section 2.0 - Purpose and Activities**

Pursuant to Article Four of the Articles of Incorporation, the purpose of the Corporation is to encourage high quality cost-effective health care in the Dallas/Fort Worth area, State of Texas. The purpose shall be achieved by:

- a.) accumulating information with respect to health care matters and creating a community-wide forum for the exchange of health care cost management techniques and information;
- b.) conducting surveys, research, and other studies regarding such matters as alternative forms of health care delivery and use of medical services;
- c.) improving community understanding and acceptance of cost effective delivery and use of medical services by, among other means, conducting such educational programs and seminars as further its purpose, programs and seminars which shall be open to the public at cost;
- d.) encouraging healthful lifestyles among employees and their dependents throughout the Dallas/Fort Worth area;
- e.) disseminating reports of surveys, research, and other studies, which reports shall be available to the general public on a cost reimbursement basis, and
- f.) engaging in such other activities as may be necessary to achieve its purpose.

### **Section 2.1 - Limitations**

Notwithstanding any other provision of the Bylaws, no trustee, director, officer, employee or representative of the Corporation shall take any action or carry on any activity by or on behalf of the Corporation which is not permitted to be taken or carried on by an organization exempt from Federal income taxation under Sections 501(a) and 501(c)(3) of the Internal Revenue Code of 1954, and its regulations (as such sections and regulations now exist or as they may hereafter be amended), or by an organization contributions to which are deductible under Section 170(c)(2) of such Code and regulations (as such sections and regulations now exist or as they may hereafter be amended).

## **ARTICLE III MEMBERSHIP**

### **Section 3.0 - Eligibility**

Membership shall be open to employers as either Members or Allied Members from Dallas County, Tarrant County and surrounding counties. Each employer that is admitted as a Member or Allied Member shall designate a specific individual(s) to act as their representative(s) in the Corporation.

### **Section 3.1 - Term**

All memberships shall expire annually [on December 31] and shall be renewable for the following twelve (12) months at the option of the Member or Allied Member. Membership is not assignable or transferable.

### **Section 3.2 - Members**

Members are employers (sole proprietorship, partnership, association or corporation) that employ individuals in the Dallas/Fort Worth area, State of Texas, regardless of the location of such employers' principal places of business.

### **Section 3.3 - Allied Members**

Allied Members are companies that provide or sell health care services, products or health insurance products, consult with companies or individuals on health benefit issues, administer or underwrite health care benefits, or any other organization that does not fit into the full Member category.

### **Section 3.4 - Membership Privileges**

All privileges for Members and Allied Members shall be the same except in the following respects: Members may serve on the Board of Directors and be officers of the DFW Business Group on Health; Members shall vote for the Board of Directors and bylaws changes. Allied Members may not serve on the Board of Directors or be officers of the DFW Business Group on Health; Allied Members are not eligible to vote on any DFWBGH issues.

**ARTICLE IV  
MEMBERSHIP MEETINGS**

**Section 4.0 - Annual Meeting**

Membership meetings shall be held annually on such day as shall be fixed by resolution of the Board of Directors. The election of the Board of Directors, distribution of reports and information, and any other transactions of business as determined by the Board of Directors shall take place at the meetings.

**Section 4.1 - Quorum**

The attendance, in person or by proxy, of 25% of the Members shall constitute a Quorum for voting purposes. At any meeting of the Members, a Member shall be entitled to vote in person or by proxy.

**Section 4.2 - Special Meetings**

Special meetings of the Members may be called by the President or any two members of the Board of Directors. Notice of any special meeting shall be mailed to the last recorded address of each Member at least five (5), but not more than fifteen (15), days before the time appointed for the meeting. Such notice shall include the time and place of the meeting and information as to the purpose for which the meeting was called. No party or parties other than Members shall have any right to attend such meetings.

**ARTICLE V  
BOARD OF DIRECTORS**

**Section 5.0 - Annual Election**

The Members shall, at the annual meeting, fill the vacancies in the Board of Directors that have occurred or that will occur due to the expiration during the year of the terms of office of Members of the Board of Directors.

**Section 5.1 - Board of Directors: Number of Members**

The Board of Directors shall set the number of Board Members.

**Section 5.2 - Term of Office**

Each director shall hold office until his term expires in accordance with Article Ten of the Articles of Incorporation and until his successor shall have been elected and qualified.

**Section 5.3 - Resignations and Vacancies**

A Director may resign from the Board at any time by giving notice thereof to the Chairman. Any vacancy occurring in the Board of Directors may be filled by appointment by the remaining Directors. A Director appointed to fill a vacancy in an unexpired term shall be appointed for the unexpired term of his predecessor in office.

### **Section 5.4 - Regular Meetings**

The Board of Directors shall meet on a bimonthly basis. Meetings will be open to all Members. The attendance of no less than half of the Directors in office shall be necessary to constitute a quorum. In instances where a Board Meeting is one vote short of a quorum, the executive director shall be allowed to vote, thus establishing a quorum.

### **Section 5.5 - Special Meetings**

Special meetings of the Board of Directors may be called by or at the request of the President or any two Directors. The person(s) calling the meeting shall fix the time and place of the meeting.

### **Section 5.6 - Action Without Meeting**

Any action required by law or these Bylaws to be, or which may be, taken at a meeting of the Board of Directors, or of any committee, may be taken without a meeting if a consent in writing, setting forth the action to be taken, shall be signed by all of the Directors, or all members of the committee, as the case may be, and such consent shall have the same force and effect as a unanimous vote of the Board of Directors, or of such committee, and may be stated as such in any document relating to the business of the Corporation.

### **Section 5.7 - Board Meeting Attendance**

Board members are required to attend at least half of the Board of Director meetings during a calendar year. Should a Board member fail to meet this requirement, at the Board's discretion, the Board member's position may be designated as vacant by a majority vote, or other action may be taken.

## **ARTICLE VI COMMITTEES/ADVISORY COUNCILS**

### **Section 6.0 - Committees**

The Board of Directors by resolution adopted by a majority of the Directors at any meeting at which a quorum is present, or the President when duly authorized by a like resolution of the Board of Directors, may designate and appoint from time to time one or more committees, which may consist of persons other than or in addition to members of the Board of Directors, and which may exercise such authority and powers, perform such duties and follow such procedures as the Board of Directors may prescribe.

### **Section 6.1 - Advisory Councils**

The Board of Directors may create such Advisory Councils (herein so called) as it deems appropriate to render advice to the Corporation regarding the programs being conducted or to be conducted by the Corporation. The purpose of Advisory Councils is to enable groups with important roles in the health care system to present their views and provide their technical expertise to the Corporation. Members of the Advisory Councils need not be Members of the Corporation and may include representatives of groups that play important roles in the health care system. Advisory Councils shall be made up of such parties as the Board of Directors shall provide.

## **ARTICLE VII OFFICERS**

### **Section 7.0 - Officers**

The officers of the Corporation shall be President, one or more Vice Presidents (number thereof to be determined by the Board of Directors), Secretary, Treasurer and such other officers as may be elected in accordance with the provisions of this Article. The Board of Directors may elect or appoint such other officers as it shall deem desirable.

Officers need not be members of the Board of Directors and shall each have the authority to perform the duties prescribed from time to time by the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Secretary.

### **Section 7.1 - Election and Term of Office**

All officers shall be elected by the Board of Directors following the annual meeting of the Members. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. New offices may be created and filled at any meeting of the Board of Directors. The term of office of an officer shall be two years. The Board of Directors shall elect from its membership the officers.

### **Section 7.2 - Removal**

Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interest of the Corporation would be served thereby.

### **Section 7.3 - Vacancies**

A vacancy because of death, resignation, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

### **Section 7.4 - President**

The President shall be the principal executive officer of the Corporation and shall supervise the control of all the business and affairs of the Corporation. (S)he shall preside at all meetings of the members and the Board of Directors. (S)he may sign, with a Secretary or any other proper officer of the Corporation authorized by the Board of Directors, any contracts or other instruments which the Board of Directors have authorized to be executed except in cases where the signing and execution shall be expressly delegated by the Board of Directors or by these Bylaws or by statute to some other officer or agent of the Corporation.

**ARTICLE VIII  
DUES, CONTRACTS, ORDERS FOR PAYMENT, DEPOSITS AND GIFTS**

**Section 8.0 - Payment of Dues**

Dues shall be set by the Board of Directors annually. Notice of such assessment shall be forthwith delivered to the Members by United States mail. Dues shall be payable as provided in Article Five of the Articles of Incorporation. Member dues will be assessed according to a contribution schedule which reflects ranges of numbers of insured employees and retirees in Dallas/Fort Worth area as determined by the Board of Directors.

**Section 8.1 - Delinquencies**

When any Member shall be delinquent in the payment of dues for a period of more than four (4) months, its membership shall be terminated.

**Section 8.2 - Contracts**

The Board of Directors may authorize any officer or agent of the Corporation, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and delivery any instrument in the name of and on behalf of the Corporation. Such authority may be general or confined to specific instances.

**Section 8.3 - Checks, Drafts, or Orders of Payment**

All checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

**Section 8.4 - Deposits**

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

**Section 8.5 - Gifts**

The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Corporation.

**ARTICLE IX  
MISCELLANEOUS**

**Section 9.0 - Fiscal Year**

The fiscal year of the Corporation shall begin on the first day of January and end on the last day in December in each year.

**Section 9.1 - Waiver of Notice**

Whenever any notice is required to be given under the provisions of the Texas Non-Profit Corporation Act or under the provisions of the Articles of Incorporation or the Bylaws of the Corporation, a waiver thereof in writing signed by the person or persons entitled to such notice,

whether before or after the time stated therein shall be deemed equivalent to the giving of such notice.

### **Section 9.2 - Books and Records**

The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors and committees having any of the authority of the Board of Directors.

### **Section 9.3 - Contracts Involving Directors and Officers**

Members of the Board of Directors and officers of the Corporation shall be permitted to maintain a direct or indirect interest in any contract relating to or incidental to the operations of the Corporation, and may freely make contracts, enter into transactions, or otherwise act for and on behalf of the Corporation, notwithstanding that at such time they may also be acting as individuals, or directors of trusts, or beneficiaries of trusts, members or associates, or as agents for other persons or corporations, or may be interested in the same matters as shareholders, directors, or otherwise; provided, however, that any contract, transaction, or action taken on behalf of the Corporation involving a matter in which a member of the Board of Directors or officer is personally interested as a shareholder, director, or otherwise shall be at arm's length and not violative of the proscriptions in the Articles of Incorporation which prohibit the Corporation's use or application of its funds for private benefit; and provided further that no contract, transaction, or act shall be taken on behalf of the Corporation, if such contract, transaction, or act is a prohibited transaction or would result in denial of exemption from Federal income taxation under Sections 503 and 507 of the Internal Revenue Code of 1954 and its regulations (as such sections and regulations now exist or as they may hereafter be amended). In no event, however, shall any person or other entity dealing with the Board of Directors or officers of the Corporation be obligated to inquire into the authority of the Board and officers to enter into and consummate any contract, transaction or other action on behalf of the Corporation.

### **Section 9.4 - Investments**

The Corporation shall have the right to retain all or any part of any property, real, personal, tangible or intangible, acquired by it in whatever manner, and pursuant to the direction and judgment of the Board of Directors, to invest and reinvest any funds held by it without being restricted to the class of investment available to directors by law or any similar restriction; provided, however, that no action shall be taken by or on behalf of the Corporation if such action is a prohibited transaction or would result in denial of exemption from Federal income taxation under Section 503, Section 507, or Chapter 42 of the Internal Revenue Code of 1954, as amended, and its regulations as they now exist or as they may hereafter be amended.

**ARTICLE X  
AMENDMENTS TO BYLAWS**

Bylaws may be altered, amended or repealed and new Bylaws may be adopted by a majority vote of the Board of Directors present at any regular meeting or any special meeting provided that copies of the proposed amendments shall have been sent to all Directors not less than ten (10) calendar days before the meeting in which the vote on the amendment is to be taken.

**ARTICLE XI  
SEAL**

The corporate seal of the Corporation shall be in the form of a circle and shall have inscribed thereon the name of the Corporation and the words "Corporate Seal of DFW Business Group on Health."

Adopted 12/83  
Amended 1/93  
Amended 4/95  
Amended 9/95  
Amended 12/97  
Amended (Sec. 5.4) October 15, 2001  
Amended (Sec. 5.7) Aug. 29, 2006