

BYLAWS OF CLINCH RIVER HOME HEALTH, INC.

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BYLAWS OF CLINCH RIVER HOME HEALTH, INC.

Adopted July 23, 2013

ARTICLE I. Name

The name of this corporation shall be Clinch River Home Health, Inc. (CRHH).

Article II. Objective

The corporation's objective is to provide in-home health services to the sick, disabled, and elderly in Anderson and surrounding counties. Such services may comprise, singly or in combination, skilled nursing, physical therapy, occupational therapy, speech therapy, medical social services, and/or personal services by trained nursing assistants. From time to time CRHH may provide other in-house health services for which need is demonstrated. CRHH shall strive to provide services to people who for financial reasons do not have access to them from other sources.

ARTICLE III. Membership of the Corporation

Members of the board of directors shall constitute the membership of the corporation.

ARTICLE IV. Board of Directors

- A. Composition. The board of directors shall be composed of fifteen (15) citizens who reside within the service area. Candidates for the board shall be selected without regard for age, gender, race, creed, national origin, physical impairment, economic status and profession, except that at least one member shall be a physician and one a registered nurse.
- B. Election. Election of board members shall take place at the annual meeting. The candidates shall include those recommended by the nominating committee. Any board member present may also nominate candidates for positions on the board. Directors shall be elected by a simple majority vote of those board members present.
- C. Terms. The term of office of each director shall be three (3) years, commencing on July 1 of the new term. The terms shall be staggered so that one-third of the directors will be elected each year. A director may not be elected for more than two full consecutive terms, but after an absence of one year may then be returned to the board.
- D. Removal. Any director who is absent without notice from three consecutive meetings of the board may be removed by a majority vote of the directors present at the meeting where such removal is scheduled for consideration. Prior to the scheduling of such an

action, the chairman of the nominating committee shall contact the absentee director to determine the reason for his/her continued absence and to determine if he/she desires to remain on the board. The nominating committee shall then submit a report to the board of directors which shall include its recommendation regarding the removal of the absentee director.

E. Vacancies. Vacancies may be filled at any meeting by a majority vote of directors then present, provided written notice of the proposed action is provided to board members seven (7) days in advance of the meeting. The director so elected shall complete the unexpired term of the member he/she replaces.

F. General Powers and Duties. The board of directors shall constitute the governing body of the corporation. The board shall manage the business affairs of the corporation. It shall have all powers and authority necessary to carry out the objectives of the corporation as set forth in Article II, including, but not limited to, the authority to:

Elect from among its members a president, vice president, secretary and treasurer.

Hire, supervise, and terminate the executive director.

Approve committee chairs and memberships.

Identify and establish long- and short-range goals.

Approve overall program plans and priorities.

Determine major personnel, fiscal, and program policies.

Plan and conduct fund-raising activities.

Accept, on behalf of the corporation, any contribution, bequest, or device.

Periodically review the bylaws and charter.

Elect honorary board members by a majority of directors present at a meeting if the meeting notice described the proposed action, including the names of the individuals to be thus honored. No firm guidelines for such elections shall be established, but active service on the board for two or more terms and/or outstanding service to CRHH shall normally be considered adequate. Honorary members shall serve for one year and shall not have voting rights.

Individual directors shall promote the purposes, goals and activities of CRHH to the general public.

G. Meetings.

1. Quorum. A quorum at all regular and special meetings of the board of directors, including the annual meeting, shall consist of a majority of the directors then sitting. A quorum at committee meetings, including the executive committee, shall consist of a majority of the committee members. By definition, a "majority" means more than half.
 2. Regular Meetings. Regular meetings of the board of directors shall be held at least four (4) times each year at a reasonable time and place approved by the Board of Directors. The President may cause a regular meeting to be rescheduled to a different date, place or time when circumstances indicate the need to do so. The notice of such rescheduling shall be in writing and shall explain said circumstances. It shall also request that each member acknowledge receipt of the notice and indicate whether he/she can attend the meeting in order to assure the presence of a quorum. Committee meetings shall be called by their chairs as deemed necessary to accomplish the work of the committee.
 3. Special Meetings. The president may call a special meeting when necessary to expedite the business of CRHH. The call for such a meeting shall state the reason for the meeting and shall also request that each member acknowledge receipt of the notice and indicate whether he/she can attend the meeting in order to assure the presence of a quorum. Three or more of the directors may cause a special meeting to be called by submitting a written request to the president explaining the need for such a meeting.
 4. Annual Meeting. A meeting designated as the "annual meeting" shall be held no later than May 31st of each year. The agenda for this meeting shall include the election of directors and officers of the board, as well as other formal business as indicated.
 5. Notice of Meetings. Directors shall receive at least seven (7) days' notice of regularly scheduled meetings. The notice will be given in writing by either electronic media or the U.S. mail service and shall include an agenda for the meeting, along with any supporting documentation. The exception to this rule may be a special called emergency meeting for which a 48-hour notice may be given in writing via electronic media, in person, or by telephone. (See G, 2 and 3 of this article for additional information related to meeting notices.)
 6. Waiver of Notice of Meeting. A director may, in writing (including electronic media), waive notice of any special meeting of the board of directors either before or after the meeting, and such waiver shall be deemed the equivalent of giving notice.
- H. Resignations. Any director may resign at any time by giving notice of resignation to the president of the board of directors or to the executive director if unable to contact the president.

- I. Proxy Voting. There shall be no proxy voting.
- J. Compensation of Board Members. Members of the board of directors shall receive no compensation for their services as director. No member shall receive any service or benefit not provided to the general public. Members may receive reimbursement for out-of-pocket expenses incurred while conducting authorized business on behalf of the corporation. Members shall be entitled to receive reasonable fees only for goods or services rendered to the corporation in capacities other than as members of the board.

ARTICLE V. Officers

A. Election of Officers, Terms, and Vacancies

1. The officers of the board of directors shall be a president, a vice president, a secretary and a treasurer. No person may hold more than one office at a time.
2. Officers shall be elected at the annual meeting by a simple majority of those directors present at the annual meeting. The nominating committee shall select from among the directors a list of candidates for officers and present the list to the board seven (7) days before the meeting.
3. The term of office for each officer shall be one (1) year, commencing on July 1 of the new term. An officer may not serve more than two consecutive terms in the same office.
4. The board has the power to fill vacancies among the officers, provided that notice of the proposed action is given to the members at least seven (7) days in advance.

B. Duties of Officers

1. **President**. The president shall preside at all meetings of the board of directors and of the executive committee; shall appoint the members and the chairs of all other standing committees with the approval of the board within sixty (60) days of his/her election; shall establish special committees as required to accomplish the work of the board; shall appoint the members and chairs of such committees; and shall have all committee chairs report to the president and to the board. The duties of the president shall be subject to the control and direction of the board of directors.
2. **Vice President**. The vice president shall carry out the duties of the president when the president is absent or incapacitated; shall have the same power and duties of the president when acting in that capacity; and shall perform whatever duties the board may from time to time assign.
3. **Secretary**. The secretary shall have charge of such books, documents and papers as the board of directors may determine; shall keep, or cause to be kept, a true and

complete record of the meetings of the board of directors; shall give, or cause to be given, notice of all meetings of the directors; shall keep, or cause to be kept, a record containing the names, alphabetically arranged, of all persons who are members of the corporation, showing their places of residence, and the names of persons entitled to participate in corporate affairs. Such books shall be open for inspection as provided by law. The secretary shall, in general, perform all the duties incident to the office of secretary subject to the control of the board of directors and shall perform other duties as may be prescribed by the board of directors.

4. **Treasurer**. The treasurer shall have custody of all corporate funds, property and securities subject to such regulations as may be imposed by the board of directors. The treasurer shall keep, or cause to be kept, full and accurate accounts of receipts and disbursements and shall deposit, or cause to be deposited all corporate funds and other valuable effects in the name of and to the credit of the corporation in a depository or depositories designated by the board of directors. Corporate funds may be deposited only in banks or institutions which are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or the National Credit Union Association. The Treasurer shall make certain that the books are reviewed annually by a Certified Public Accountant. The treasurer shall give to the president or the board, whenever they require it, an account of transactions as treasurer and of the financial condition of the corporation and shall, in general, perform all duties incident to the office of treasurer, subject to the control of the board of directors.

ARTICLE VI. Committees

Standing committee members must be members of the Board of Directors. They shall be appointed for one-year terms of office and may be appointed for additional one-year terms on the same committee, with the exception of the Executive Committee and the Nominating Committee.

The standing committees shall be as follows:

- A. **Executive Committee**. The executive committee shall be composed of the officers of the board of directors. It shall meet upon call of the president as needed to plan for the board's work and to fulfill tasks assigned to them by the board. The executive committee shall also serve as the finance and budget committee and as such shall review and recommend financial policy and budgets for approval by the board of directors. In an emergency situation, the Executive Committee may make a decision that is deemed to be in the best interests of CRHH; however, all such decisions shall be subject to ratification by the board of directors at a regular or special called meeting.
- B. **Personnel Committee**. The personnel committee shall formulate policy on matters pertaining to personnel practices and procedures, and shall submit said policy to the Executive Committee for review and approval prior to presentation to the board of directors for adoption. The Personnel Committee shall also review the performance of

the executive director annually and recommend to the board adjustments to the executive director's salary.

- C. Medical Advisory Committee. This committee shall be composed of a physician, a registered nurse, a consumer (a potential recipient of service offered), and, as appropriate, other professional representatives. This committee shall review the records of clients' services semi-annually and shall annually review the clinical policies. It shall report the results of these reviews to the Board of Directors and shall make recommendations for board action as indicated.

- D. Nominating Committee. The nominating committee shall nominate candidates for membership on the board of directors and candidates for officers of the board consistent with Article IV,B and Article V,A of these bylaws. This committee shall also nominate candidates to fill vacancies on the board and vacancies in the officers of the board at the first available board meeting following the announcement of such vacancies. (See Article IV,D for the Nominating Committee's responsibilities with reference to the removal of members of the board.) No member of the nominating committee shall serve more than two consecutive years.

Special committees (ad hoc) may be appointed as the need arises. Examples include such committees as Public Relations, Fund Raising, and Buildings and Grounds. Such committees shall serve until they have completed their assigned tasks and submitted their reports to the board of directors.

ARTICLE VII. Staff

The following shall apply as it relates to the CRHH staff:

- A. Executive Director. The Executive Director, subject to the control and direction of the board, shall have general charge of the business and medical affairs of CRHH. The Executive Director shall implement an effective budgeting and accounting system, shall have authority to make expenditures as delegated by the board, shall be responsible for staff employment and termination, shall ensure adequate staff training, shall function as liaison between staff and the board, and shall attend or delegate a representative to attend all meetings of the board and the Executive Committee except those portions of a meeting at which matters relating directly to the executive director are discussed. The Executive Director or a representative of the Director shall also be available to attend other committee meetings as needed.

- B. Hiring Policies. Hiring shall be conducted in full compliance with the CRHH anti-discrimination policy. The corporation shall hire no employees who are members of the immediate family (spouse, grandparent, parent, brother or sister, son or daughter) of any board member, or of any person who will supervise the employee.

ARTICLE VIII. Finances

- A. Fiscal Year. The fiscal year shall be January 1 to December 31.
- B. Budget. The board of directors shall review and approve a next-year's budget prior to the beginning of each fiscal year.
- C. Annual Financial Statement. The executive director shall prepare an annual financial statement for distribution to board members.
- D. Fiscal Policy. The board of directors shall adopt and from time to time review a fiscal policy setting out a formal procedure that shall govern internal controls, the signing of checks; the obligation of funds, approval of contracts, leases, deeds and mortgages; other significant aspects of the organization's fiscal operation. The fiscal policy must ensure that the corporation shall have sound financial controls that are appropriate, under generally accepted accounting principles, to its size and purpose.
- E. Seal. The corporation will not use a common seal. The signature of the name of the corporation by an authorized person shall be legal and binding.

ARTICLE IX. Indemnification

CRHH shall indemnify any person against any and all judgments, fines, amounts paid in settling or otherwise disposing of actions or threatened actions, and reasonable expenses including attorneys' fees, actually and necessarily incurred in connection therewith or as a result of such action or proceedings, or any appeal therefrom, to which she/he made, or threatened to be made, a party by reason of the fact she/he, his/her testator or intestate, is or was a director or officer of CRHH or of any other corporation of any kind, domestic or foreign, which she/he served in any capacity at the request of CRHH, if and to the full extent permitted by law. Expenses so incurred by any such person in defending a civil or criminal action or proceedings shall by request be paid by CRHH in advance of the final disposition of such action or proceedings, if and to the full extent permitted by law. CRHH shall purchase and maintain insurance, if and to the full extent permitted by law, relating to the indemnification of its officers and directors.

ARTICLE X. Statement of Nondiscrimination

The corporation shall not discriminate against any person in the hiring of personnel, election of board members, provision of service to the public, the contracting for or purchasing of services or in any other way, on the basis of race, color, sex, national origin, handicapping condition, age, or any other basis prohibited by law. This policy against discrimination includes, but is not limited to, a commitment to full compliance with Title VI of the Civil Rights Act of 1964; Section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975, and any subsequent amendments to these statutes.

ARTICLE XI. Restrictions

Notwithstanding any other provision of these bylaws, CRHH shall not conduct any activity prohibited by Section 501(c)(3) of the Internal Revenue Code of 1954 or the corresponding provision of any future United States Internal Revenue Code.

In the event of dissolution, the residual assets of the organization shall be turned over to one or more organizations which themselves are recognized as exempt under Sections 501(c)(3) and 170(c)(2) of the Internal Revenue Code of 1954 or corresponding sections of any prior or future Internal Revenue Code, or to the federal, state or local government for exclusive public purpose.

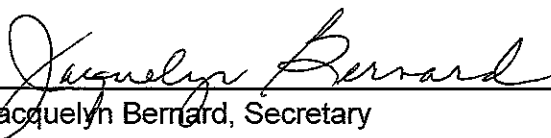
ARTICLE XII. Parliamentary Procedure

Robert's Rules of Order shall be the parliamentary authority for all matters of procedure not specifically covered by these bylaws.

ARTICLE XIII. Amendments of the Charter and Bylaws

The charter and these bylaws may be amended, supplemented, or repealed only by a two-thirds vote of the board members attending any board meeting at which a quorum is present, provided notice of the proposed action is given at least seven (7) days in advance of the meeting. These bylaws shall become effective upon approval by the board of directors.

These bylaws were adopted by the Board of Directors of Clinch River Home Health, Inc., at their meeting on July 23, 2013. The bylaws that were superseded by this action were those that had been adopted on March 30, 2004.



Jacquelyn Bernard, Secretary