

**BY-LAWS  
OF  
CALIFORNIA DIALYSIS COUNCIL**  
Ratified by Membership 4/24/21

I

PRINCIPAL OFFICE

The principal office for the transaction of the business of the corporation is fixed and located in Anaheim California. The Board of Directors may at any time, change the location of the principal office, although it must remain in California.

II

MEMBERSHIP

Section 1. Type of Members. There shall be two types of general members of this corporation: voting and non-voting. There shall be three voting membership types and one non-voting membership type. The designation of and qualifications for such types shall be as follows:

- (a) Voting members shall consist of one of the following:
1. Provider Member: An organization that provides End Stage Renal Disease or Chronic Kidney Disease services in the State of California as defined in 1.1, below.
    - 1.1 A provider shall be defined as any organization with facilities licensed by the State of California and approved by the Centers for Medicare and Medicaid Services to render chronic dialysis treatment and related services.
  2. Affiliate Member: A dialysis or kidney-related non-provider, such as a trade or patient organization. The qualifications for such members shall be reviewed and approved by the Board of Directors.
  3. Individual Member: A person who is affiliated with the dialysis or Chronic Kidney Disease community and not employed by a provider, affiliate, or corporate member. The qualifications for such members shall be reviewed and approved by the Board of Directors.
- (b) Non-voting members shall consist of the following:
1. Corporate member: Any organization that supports the purposes and goals of the California Dialysis Council. Corporate members shall not be voting members within the meaning the California Corporation Code. Such members shall have no right to assets of the corporation on dissolution or otherwise.

Section 2. Qualification for Voting Membership. Any provider, affiliate, or individual member as defined in Section 1 above. Voting members shall be current in their dues payment.

Section 3. Election of Members. Members shall be accepted by a majority vote of the Board.

Section 4. Rights of Voting Members. Each member with voting rights as described in section 1(a) shall be entitled to vote on any matter submitted to a vote of the members as follows:

- (a) Large and Medium Dialysis Organization (LDO/MDO) provider members with more than 20 facilities receive the number of votes equivalent to the total number of their paid member facilities. LDOs and MDOs must designate one person to vote on behalf of all their paid voting facilities. All other providers receive one vote per paid facility.
- (b) Affiliate members receive one vote per organization
- (c) Individual members receive one vote each

At the invitation of the Board, the Executive Director of the corporation may be invited to serve as a voting member and join the Board until the end of the Corporation's fiscal year, at which time the appointment may be renewed. The appointment to Voting Member must be renewed annually and may be rescinded by a Board at its discretion.

Section 5. Resignation of Membership. Any member may resign by submitting a written resignation to the Secretary of the Corporation. The resignation shall be accepted at the next meeting of the Board of Directors and shall be effective as of the date of resignation.

Section 6. Expulsion of Members. Any member of the corporation may be suspended or expelled by the affirmative vote of two-thirds of the Board of Directors for conduct which the Board of Directors, after peer review and for cause, shall find to be adverse to the best interest of the corporation. Any such expulsion shall be conducted in accordance with applicable provisions of state law.

Section 7. Reinstatement of Membership. Upon a written request signed by a resigned, expelled, or suspended member and submitted to the Secretary of the Corporation, the Board of Directors may reinstate such member by an affirmative vote of two-thirds of the Board of Directors, and reinstatement shall be in accordance with such terms, if any, which the Board of Directors may deem appropriate.

Section 8. Transfer of Membership. Membership in the corporation shall not be assigned or otherwise transferred.

Section 10. Special Meetings. Special meetings of the members of the corporation for

any purpose may be called at any time by the President of the Corporation, or by any three (3) directors. Written notice of the time and place of special meetings of the members shall be given with at least thirty days written or electronic notice.

Section 11. Waiver of Notice. The transactions of any meeting of the members of this corporation, however called and noticed, shall be as valid as though transacted at a meeting held after regular call and notice, if a quorum is present, and if, either before or after the meeting, each of the voting members not present signs a written Waiver or Notice, or a Consent to Holding this meeting, or an approval of the Minutes of the meeting. All the waivers, consents or approvals shall be filed with the corporate records or be made a part of the Minutes of the meeting.

Section 13. Liabilities of Members. No person or organization who is now, or who later becomes, a member of the corporation shall be personally liable as such to its creditors for any indebtedness or liability.

### III

## DIRECTORS

Section 1. Number of Qualifications. The corporation shall have not more than seventeen (17) Directors, which shall be comprised of five (5) officers and twelve (12) at-large directors until changed by an Amendment to these By-Laws by the members. No more than four (4) directors may represent one Large Dialysis Organization, defined as a provider operating one hundred (100) or more facilities in California. The remainder of the Directors shall be comprised of representatives from the voting membership categories.

Section 2. Election and Term of Office. Approximately one-third of the directors shall be elected each year for a term of three years to begin on January 1st.. All directors shall hold office until their respective successors are elected, except in the case of the resignation, death, disability, or removal. Directors shall be selected so that the Board is generally representative of all types of providers, affiliates and those supporting the goals of the Corporation, taking into account geographical, gender, racial, and sexual orientation diversity.

The officers shall serve as the nominating committee and shall, by October 31<sup>st</sup>, submit to the Board the names of persons nominated by the committee to fill the positions of those directors whose term in office expire. The persons nominated may include any directors or officers who have held or who currently hold office. Any voting member may also submit a nomination of others qualified to hold the office of director to the committee prior to October 31st.

By November 15th, all nominations either by the committee, or by such person, shall be delivered to the Secretary of the Corporation who shall cause a list containing the

names of all persons nominated to be sent to each member of the corporation by November 20th. Incumbent candidates shall be indicated by an asterisk on the ballot. The voting members shall return their ballots to the Council's Executive Director no later than December 15<sup>th</sup>. The Board shall convene a special meeting to review and ratify the election results. The newly elected board members shall start their new term on January 1<sup>st</sup>.

Section 3. Removal of Directors. A Director may be removed, with or without cause, at any time by a vote of a majority of the voting members. A Director may also be removed, by a vote of a majority of the other directors, for cause (including but not limited to the following: declared of unsound mind by a final order of a court or convicted of a felony).

Section 4. Vacancy. A vacancy on the Board of Directors caused by death, resignation, disability removal, or any other reason shall be filled by the officers submitting a nomination to the Board which shall be voted on by the Board and elected by majority vote of the Board. If the vacated position had been filled by an LDO representative, that LDO may submit a nomination to the officers as long as the LDO will continue to have no more than four (4) directors on the Board. A successor director so elected shall serve the unexpired portion of the term being filled.

Section 5. Meetings of the Board of Directors. The presence of 30% plus one director then in office shall constitute a quorum for the transaction of business

Notice of the time and place of all meetings of the Board of Directors, or the special meeting of members, shall be sent to each director by mail, electronic mail, or other form of written communication.

Regular meetings of the Board of Directors shall be held at any place, with reasonable notice given to directors. Special meetings of the Board of Directors may be held at a place designated by the Board. Special meetings for any purpose may be called at any time by the President, or if he/she is unable or refuses to act, by any three (3) directors. The possibility of a quorum for the Special Meeting of the Board shall be ascertained twenty-four (24) hours in advance of the scheduled Board of Director's meeting. In the absence of a quorum, the meeting shall be canceled.

Section 6. Action Without A Meeting. Any action by the Board of Directors may be taken without a meeting if all members of the Board individually or collectively consent electronically or in writing to this action. Such written consent shall be filed with the Minutes of the proceedings of the Board.

Section 7. Powers of the Board. Subject to the limitations of the Articles of Incorporation, other sections of the By-Laws and the General Non-Profit Mutual Benefit Corporation Law of California, all corporate powers shall be exercised by or under the direction of, and the business and affairs of the corporation shall be controlled by, the

Board of Directors. Without prejudice to these general powers, but subject to the same limitations, the Board of Directors shall have the following powers:

- (a) To prescribe powers and duties for Officers, agents and employees as may not be inconsistent with law, the Articles of Incorporation or these By-Laws, to fix their compensation and to require from them security for faithful service;
- (b) To conduct, manage and control the affairs and business of the corporation, and to make such rules and regulations as are not inconsistent with law, the Articles of Incorporation or the By-Laws, as they deem best;
- (c) To borrow and incur indebtedness for the purposes of the corporation and, for that purpose, to cause to be executed and delivered, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecation and other evidence of debt and securities for them;
- (d) To manage in the manner they deem best all funds and property, real and personal, received, acquired or earned by the corporation and to distribute or dispense them.

Section 8. Compensation. The directors shall receive no compensation for their services as Directors, but by a Resolution of the Board of Directors they may be reimbursed for any reasonable expenses they have incurred for the corporation. Nothing herein shall be construed to preclude any director from serving the corporation in any other capacity and receiving compensation and/or reimbursement of expenses.

IV

## OFFICERS

Section 1. Officers. The officers of this corporation shall be a President, a Past President, a Vice President who shall be President Elect, a Secretary and a Treasurer, each of whom must be chosen from the Board of Directors. A committee comprised of the officers shall be called the Executive Committee.

Section 2. Election. Officers, with the exception of the Past President, shall be chosen annually by the members of the Board at the first meeting following the election of the Board. Each officer shall hold his/her office for two years or until resignation, removal, or disqualification, or until a successor shall be elected and qualified. The offices of President, Past President and Vice President shall end their term in the same year while the Secretary and Treasurer end their term on the same year, but not in the same year

as the President, Past President and Vice President.

Section 3. Vacancies, Removal, and Resignation. Any officer may resign, or may be removed with cause, by the Board of Directors at any time. A vacancy shall be filled by the Board of Directors. A director elected to fill a vacancy shall be elected for the unexpired term of his/her predecessor in office.

Section 4. President. The President shall be the chief executive officer of the Corporation and, subject to the control of the Board of Directors, shall have general supervision, direction and control of the affairs of the Corporation. He/She shall preside at all meetings of members and the Board of Directors. At the Annual Business Meeting of members he/she shall make a report of the general business of the corporation during the previous year. The President shall nominate all standing committees in accordance with these By-Laws, subject to the approval of the Board of Directors of the Corporation and shall be an ex-officio (with the right to vote) member of all committees.

Section 5. Vice President. In the absence of the President or in the event of his/her inability, or refusal to act, the Vice President shall perform all the duties of the President and in such action shall have all the powers of, and be subject to the restrictions on, the President. The Vice President shall have such other powers and perform such other duties as may be prescribed from time to time by the Board of Directors. The Vice President shall succeed to the office of President at such time as the President's term of office expires or the President resigns or is removed.

Section 6. Secretary. The Secretary shall cause to be kept a full and complete record of all proceedings of the Board of Directors and of the members, shall make service of such notices as may be necessary or proper, and shall supervise the keeping of the records of the corporation. The Secretary shall cause to be maintained a membership list for the corporation showing the name and address of each member, shall conduct the official correspondence of the corporation, and shall discharge other duties of the office as may be prescribed by the Board of Directors.

Section 7. Treasurer. The Treasurer shall have general charge of the financial records and accounts of the corporation and shall cause to be kept and maintained adequate and correct books of accounts showing the receipts and disbursements of the corporation and an account of its cash and other assets. It shall be the responsibility of the Treasurer to annually issue, or cause to be issued, to each member of the corporation a statement of dues and other indebtedness owned by the member in accordance with these By-Laws. The Treasurer shall cause to be deposited all monies of the corporation with such depositaries as are designed by the Board of Directors, and shall disburse the funds of the corporation as may be ordered by the Board of Directors. The Treasurer shall render to the President or Board of Directors, on request, statements of the financial condition of the corporation, provided that statements shall be rendered at least quarterly, and shall have such other powers and perform such other duties as may be prescribed from time to time by the Board of Directors.

Section 8. Compensation. The officers and Board members of the corporation shall not receive compensation for their services as officers. However, the Board of Directors may reimburse an officer or board member for expenses incurred in the performance of his duty. An officer shall not be precluded from serving the Corporation in any other capacity and receiving compensation for such services.

Section 9. Signatures to Checks. All checks of the corporation shall be signed by individuals who occupy the office of President, Vice-President, Secretary, or Treasurer, or by such officer or officers, agent or agents, of the corporation as determined by resolution of the Board of Directors or the Executive Committee.

## V

### COMMITTEES

Section 1. Committees. Except as otherwise provided by these By-Laws, the Board of Directors may appoint executive, standing, or special committees, consisting of two (2) or more persons, for any purpose defined by these By-Laws or determined by the Board. When such committees are composed solely of directors, the Board may delegate to such committees any of the powers and authority of the Board, except the power and authority to adopt, amend or repeal these By-Laws, or such other powers as may be prohibited by law.

Committees which are composed solely of directors and to which the powers of the Board are delegated shall at all times be subject to the control of the Board. Except as otherwise provided in these By-Laws, the President of the Board shall appoint a member of each committee as chairperson of the committee. Except as otherwise provided in these By-Laws, the Board of Directors or the Committees, if the Board does not act, shall establish rules and regulations for their meetings and meet at such times as are deemed necessary. Committees shall report to the Board at each meeting of the Board or as the Board may require. Any committee composed of persons, one or more of whom are not directors, may act solely in an advisory capacity to the Board.

## VI

### AMENDMENT OF BY-LAWS

These By-Laws may be amended or repealed and new By-Laws adopted by a vote of two-thirds (2/3) of the Board of Directors at any Board meeting, subject to ratification by a majority vote (including proxy votes) of the members in attendance at a special membership meeting to take place virtually or in-person or by electronic ballot sent to members in good standing with a minimum of 14 business days to submit their vote, except that a By-Law fixing or changing the number of directors may be adopted,

amended or repealed only by a vote or written consent (by mail or electronically) of a majority of the members of the Corporation or the vote of a majority of a quorum at a meeting of the members called for that purpose which is the vote of the majority of those present voting.

## VII

### DUES

The Board of Directors may determine, from time to time, the amount of initiation fee, if any, and annual dues payable to the Corporation by members of each type. Dues shall be reviewed at least annually by the Treasurer of the Corporation who shall make recommendations to the Board of Directors. Any change in dues shall require a two-thirds (2/3) vote of the directors present at a duly called and held Board of Directors meeting at which a quorum was present.

## VIII

### INDEMNIFICATION

Section 1. Indemnity of Officers and Directors. To the extent permitted by applicable state law, every person who serves as a director, officer, member, contractor or employee of the Corporation may in the discretion of the Board of Directors be indemnified and held harmless by the Corporation from and against any loss, cost, liability, or expense that may be imposed on or incurred by him or her in connection with or resulting from any claim action, suit or proceeding, civil or criminal, in which he/she may become a party or otherwise involved because of his or her being or having been a director, officer, contractor or employee of the Corporation, or of the other business in which the Corporation may own capital stock or other proprietary interest, or of which the corporation is a creditor, whether or not he/she has this relationship when the loss, cost, liability, or expense was imposed or incurred.

The phrase, "loss, cost, liability, or expense" shall include all expense incurred in defense of the claim, action, suit or proceeding and the amounts of judgments, fines, or penalties levied or rendered against the indemnified person, provided that no person shall be under this section unless the Board of Directors determines in good faith that he/she was acting in good faith and within what he/she reasonably believed to be the scope of his employment or authority and for a purpose that he/she reasonably believed to be in the Corporation's best interest. Payments authorized under this section shall include amounts paid and expenses incurred in settling the claim, action, suit or proceeding, whether actually begun or only threatened.

Expenses incurred with respect to a claim, action, suit or proceeding indemnified against under this section may be advanced by the Corporation before final disposition of the matter on receipt of an undertaking by or on behalf of the recipient to repay this amount if it is ultimately determined that he/she is not entitled to indemnification. This



undertaking shall be satisfactory in form and amount to the Board of Directors. This right of indemnification shall not affect any other rights to which any person may otherwise be entitled by law or contract.

## IX

### CONTRACTS AND BANKING

Section 1. Contracts. The Board of Directors or the Executive Committee may authorize any officer(s) or or agent(s), to enter into any contract or execute or deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances and, unless so authorized by the Board, no officer or agent shall have any power to authority to bind the Corporation by any contract or engagement, to pledge its credit or to render it liable for any purpose or in any amount.

Section 2. Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors or Executive Committee may select.

Section 3. Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation and any and all securities owned or held by the Corporation requiring signature for transfer 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 or the Executive Committee.

Section 4. Loans. No loans shall be made by or to this Corporation and no evidences of indebtedness shall be issued in its name.

## X

### ACCOUNTING YEAR AND TAX AUDIT

Section 1. Account Year. The accounting year of the Corporation shall begin on the first day of January and end on the last day of December in the same year.

Section 2. Annual Reports and Financial Statements. Nothing in these By-Laws shall be interpreted as prohibiting the Board of Directors from issuing annual or other periodic reports or financial statements to the directors of the corporation, members, or other members of the general public, as they consider appropriate. The Corporation shall report its financial position to the voting members and directors at each duly held Board Meeting. The corporation shall otherwise fully comply with any mandatory disclosure requirements now or hereinafter in effect under the California Nonprofit Corporation

Law.

Section 3. Annual Statement and General Information. As necessary, the Corporation shall, annually file with the Secretary of State of California, on a form prescribed by the Secretary of State, a statement setting forth the names and a complete business or residence addresses of the President, Secretary and Treasurer, the street address of its principal business office in this state, and a designation of the agent of the corporation for the purpose of service of process, all in compliance with the California Corporations Code.