

Bylaws
of the
Southeastern Kidney Council

Last Revised
March 2007

BYLAWS
of the
SOUTHEASTERN KIDNEY COUNCIL, INC.

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**BYLAWS
OF
SOUTHEASTERN KIDNEY COUNCIL, INC.**

ARTICLE I: ORGANIZATION

Section 1: Name

The name of the organization will be the Southeastern Kidney Council, Inc.

Section 2: Non-stock Status

There will be no stock in the organization.

Section 3: Change of Name

The organization may, by a majority vote of the membership body, change its name.

Section 4: Purpose

The organization exists exclusively for charitable and educational purposes within the meaning of section 501 (c) (3) of the Internal Revenue Code. It will provide a legal entity, consisting of representatives of patients, providers, professional and technical personnel receiving and supplying End Stage Renal Disease services. It will engage in other activities including, but not limited to, enhancing the quantity and quality of care provided for patients with End Stage Renal Disease, augmenting knowledge, information and understanding of End Stage Renal Disease. The organization will collaborate with other organizations, both public and private, concerned with End Stage Renal Disease and solicit, receive and disburse funds for these purposes.

ARTICLE II: OFFICES

Section 1: Executive Office

The principle office of the Corporation will be located at 1000 St. Albans Drive, Suite 270 Raleigh, North Carolina 27609.

Section 2: Registered Office

The registered office of the Corporation required by law to be maintained in the State of North Carolina, may be, but need not be, identical to the principal office.

ARTICLE III: COORDINATING COUNCIL

Section 1: Purpose

The Coordinating Council provides an entity consisting of representatives of patients, providers, professional and technical personnel receiving and supplying End Stage Renal Disease services. The Council elects the Board of Directors and the Board Officers.

Section 2: Membership

The members of the Council will consist of those persons selected as provided below:

A. Facility members

Each Medicare Certified End Stage Renal Disease facility within North Carolina, South Carolina and Georgia will appoint one facility representative member to serve as contact for receiving and disseminating information from the Network office. A hospital that is both a dialysis and transplant facility will identify a facility representative member to represent the transplant program in addition to the dialysis program representative. It is the responsibility of the facility to notify Network staff when their contact changes. Notice of changes must be made at least 30 days before a vote. No individual on the Council will have more than one vote.

B. Appointed Members

All consumer members that serve on the Board of Directors will be ex officio, voting members of the Council and will serve as long as he or she holds that position.

C. Membership List

The Network office will keep a listing of all members of the Council open to examination.

Section 3: Meetings

A. Type of Meetings

The full Council will meet at least annually and one such meeting will be designated as the Annual Meeting. The meeting of members of the Council will be held at a time and place determined by the President of the Board of Directors.

B. Notice of Meetings

Written or printed notice stating the time and place of the meetings will be mailed by regular mail to each of the members of the Council at the member's registered address not less than thirty days before the date of the meeting.

C. Quorum

One fifth (20 percent) of the members of the Council present at meetings of the members will constitute a quorum. If a quorum is not present at the opening of a meeting of members, the meeting may be adjourned by the vote of a majority of the members.

D. Voting

Each member of the Council described in Article III, Section 2, A and B is entitled to one vote at the membership meetings. Proxy votes are not permitted. Balloting may be conducted by postal mail, electronic mail or facsimile.

E. Action Without Meetings

Except as otherwise provided by Certificate of Incorporation, whenever the vote of members at a meeting is required or permitted to be taken in connection with any Corporate Action, the meeting and vote of members may be dispensed with, if all members consent in writing to such corporate action being taken.

Section 4: Compensation

Facility members will not receive compensation for their services solely as members. The appointed consumer member will be reimbursed for expenses as outlined in the Council's travel policy adopted by the Board of Directors.

ARTICLE IV: BOARD OF DIRECTORS

Section 1: Membership

The Board of Directors will consist of between ten and twenty-two individuals, elected by the Council members, at the Annual Meeting of members. The President is a non-voting member and is not counted in the twenty-two member limit. Elections are subject to the provisions of Article VII, Section 5. Members of the Board of Directors will be selected from the Network area and will include the following:

- 1) Corporate Officers
- 2) Medical Review Board Chairperson
- 3) Chairpersons of the Standing Committees
- 4) Immediate Past Chairman of the Board
- 5) At least three Consumers
- 6) Nephrology nurse
- 7) Nephrology Social Worker
- 8) Renal Dietitian
- 9) Chief Executive Officer/Administrator
- 10) Renal Physician

Section 2: Terms and Vacancies

A. Terms

Terms will be two years with a maximum of three consecutive terms. Directors will serve until their successors have been elected and qualified.

B. Vacancies

A vacancy occurring on the Board of Directors may be filled by a majority vote of the remaining Directors. At the next annual election, the vacancy will be filled for the unexpired term.

Section 3: General Powers and Functions

The business and affairs of the Corporation will be managed and directed by the Board of Directors, as specified in Section 1881 SSA Subpart U, Section 405.2112. The functions of the Board of Directors, based on recommendations of the Medical Review Board and other duly appointed committees, include, but are not limited to, the following:

- A. Develop Network goals for placing patients in settings for self-care and transplantation and for encouraging participation in vocational rehabilitation programs.
- B. Make recommendations to member facilities as needed to achieve Network goals.
- C. Evaluate procedures used by facilities in the Network in assessing patients for placement in appropriate treatment modalities.
- D. Encourage the use of treatment settings most compatible with patient rehabilitation and participation in vocational rehabilitation programs
- E. Develop criteria and standards on quality and appropriateness of patient care and for encouraging participation in vocational rehabilitation programs.
- F. Report on facilities/providers not providing appropriate medical care.
- G. Evaluate and endeavor to resolve patient grievances.
- H. Conduct on site review of individual End Stage Renal Disease facilities as determined by the Medical Review Board or the Centers for Medicare and Medicaid Services, Department of Health and Human Services, using standards of care to assure proper medical care.
- I. Collect, validate and analyze End Stage Renal Disease program data and provide data to the national End Stage Renal Disease data registry.
- J. By July 1 of each year, submit to the Centers for Medicare and Medicaid Services, an Annual Report that contains the information specified in the regulations governing such a report.
- K. By a majority vote, elect the Chair of the Medical Review Board from the Board membership. A tie will be broken by the Chairperson of the Board.
- L. By a majority vote, elect the members of the Medical Review Board from those involved in the nephrology community.
- M. By a majority vote, elect the Chairs of the standing committees from the Board membership. Chair terms are always subject to their terms of the Board.

Section 4: Meetings

A. Notice of Meetings

The Board will meet at least four times a year upon the call of the Chairperson. Two Executive Committee conference calls or meetings may be held in lieu of full Board meetings. Notice of all meetings will be mailed to each Director at least thirty (30) days before the meeting. When necessary, notice may be given by any usual means of communication not less than seven days before the date of the meeting.

B. Quorum

The presence of 50% of the voting members of the Board will constitute a quorum for the transaction of business; provided however, that less than a quorum may adjourn a meeting to such time as a quorum is present. The act of the majority of all members present and voting at a meeting at which a quorum is present will be the act of the Board.

C. Voting

Each Director will be entitled to one vote. Directors will abstain from voting on any matter in which he/she personally, or the organization which he/she represents, has a vested interest.

D. Proxy

Each Director will have the right to appoint, by written instrument, a temporary proxy who will have the right to cast the vote of the Director, in his/her absence at any meeting of the Board. Such proxy will, however, be limited to the single meeting stated in the instrument and the individual so serving must be engaged in those fields of service included within the Network area. The Director wishing to appoint a proxy must notify the Executive Director no less than three days before the meeting.

Section 5

Executive Director: The Board of Directors will employ an Executive Director with salary, terms and conditions as the Board may, by resolution, adopt. The Executive Director will be an ex-officio, non-voting member of the Board. The duties of the Executive Director will include:

- (1) to manage the business of the office(s);
- (2) to plan implement and execute all programs and policies approved by the Board;
- (3) to supervise and train all personnel who may be hired as office and program employees.

Section 6: Compensation

The voting members of the Board of Directors will not receive compensation for their services solely as Directors, but they or their proxies may be reimbursed for expenses incurred in attending regular or special meetings of the Board.

Section 7: Bonds

The Board of Directors may, by resolution, require any officers, agents and employees of the Corporation to give bond to the Corporation, with sufficient sureties, conditions on the faithful performance of the duties of their respective offices or positions, and to comply with such other conditions as may from time to time be required by the Board of Directors.

ARTICLE V: EXECUTIVE COMMITTEE/OFFICERS

Section 1

A. The Executive Committee

The Executive Committee shall consist of the Officers of the Corporation.

B. Membership

The Officers of the Corporation will be as follows.

1. The Chairperson of the Board
2. The Vice Chair for North Carolina
3. The Vice Chair for South Carolina
4. The Vice Chair for Georgia
5. The President (Executive Director; non-voting)
6. The Treasurer
7. The Secretary

Any two offices may be held by the same person except the offices of President and Secretary.

C. Election and Terms

The officers of the Corporation will be elected by the membership, subject to Article VII, Section 5 and will serve a term of two years. Officers may be reelected for a maximum of three two-year terms by a majority of the Council membership.

Each officer will hold office until his/her death, resignation, retirement, removal, disqualification or his/her successor is elected and qualified. Vacancies will be filled as defined in Article IV, Section 2, Paragraph B.

D. Removal

Any officer or agent elected by the membership or appointed by the Board of Directors may be removed by the Board with or without cause.

Section 2: Meetings

A. Notice of Meetings

The Executive Committee will meet at least once a year upon the call of the President or Chair of the Corporation. Special meetings may be called by the Chair or the President and upon written request of one-third of the members of the Executive Committee. Notice of meetings will be mailed to each member at least seven days prior to the date of the meetings, or, where necessary, notice may be given by any usual means of communication not less than five days prior to the date of the meeting.

B. Quorum

At regular or special meetings of the Executive Committee, the presence of two thirds of the members entitled to vote will constitute a quorum. The act of two thirds of those members present and voting at any meeting at which a quorum is present will be the act of the Executive Committee.

C. Voting

Each of the members of the Executive Committee is entitled to one vote on any matter considered by the Executive Committee. Proxy votes are not permitted.

Section 3: General Powers and Functions

The Executive Committee is authorized by the Board of Directors to perform all duties and to exercise all the power of the Board between meetings of the Board. The Committee shall report its acts in writing at the next meeting of the Board. The Board of Directors reserves to itself the right to amend or modify the Bylaws.

A. Chairperson

The Chair, as principal executive officer, will, subject to control of the Directors, have general supervision, direction and control of the Corporation. He/she will preside at all meetings of the members and at all meetings of the Board of Directors and Executive Committee. He/she will be an ex-officio member of all standing committees. The Chair will have other powers and duties as may be prescribed by the Board of Directors or these bylaws.

B. Co-Vice Chairpersons

Three vice-chairpersons, one from each state in the Network, will serve on the Administrative Liaison Committee. The vice-chairs will provide leadership at the state level in addressing issues relevant for their state. In the absence or disability of the Chairperson, the Vice Chair from the state in which the meeting is being held, will preside. He/she will perform all duties of the Chair and will perform other duties and have other powers, as the Board of Directors will prescribe.

C. President/Executive Director:

The President of the Corporation will be the principal operating officer of the Corporation. The President will, subject to the control of the Directors, have general supervision over the daily operations and management of the ordinary affairs of the Corporation. The President will have other powers and duties as may be prescribed by the Board of Directors and these bylaws.

D. Secretary

The Secretary will keep or cause to be kept a book of minutes at the principal office of the Corporation. Minutes will include the time and place of the meeting, whether special or regular and, if special, how authorized. Minutes will also include the meeting notice given, the names of those present, the number of members present, and the proceedings.

The Secretary will give or cause to be given notice of all meetings of the members of the Corporation and of the Board of Directors required by these bylaws to be given.

The Secretary will have general charge of the Corporation seal and will affix the seal to lawfully executed instruments requiring it. He/she will sign instruments that require his/her signature.

E. Treasurer

The Treasurer will serve as a member of the Administrative Liaison Committee. He/she will maintain, or cause to be maintained, adequate and correct accounts of the property and business

transactions of the Corporation including accounts of its assets, liabilities, receipts, disbursements, gains and losses. The Treasurer will render to the Board of Directors, whenever they request it, and account of all of his/her transactions as Treasurer, and of the financial conditions of the Corporation. The Treasurer will have other powers and perform other duties as may be prescribed by the Board of Directors or by these bylaws.

Section 4: Compensation

All voting officers of the Corporation will serve without compensation for their services, but they may be reimbursed for expenses incurred in the performance of their duties.

ARTICLE VI: MEDICAL REVIEW BOARD

Section 1: Membership

A. Composition

The Medical Review Board (MRB) will consist of not less than twelve and not more than sixteen members. A representative from each of the following fields, qualified to evaluate the quality and appropriateness of care, will be included on the MRB:

1. 3 Renal Physician
2. 2 Nephrology Nurses
3. 2 Nephrology Social Workers
4. 2 Renal Dietitians
5. At least 3 Consumers

B. Chairperson

The Chairperson of the Board of Directors will select, subject to approval of the full Board, the Chairperson of the Medical Review Board. The Medical Review Board Chairperson will be an ex officio member of the Board of Directors with full voting privileges. The Chairperson will preside at all meetings of the MRB.

C. Terms and Election

The Board of Directors will elect, by a majority vote, the members of the MRB subject to Article VII, Section 5. All members of the MRB will serve a term of two years with a maximum of three consecutive terms. The Chairperson's term will be determined by the terms of the Board of Directors in Article IV Section 2A and MRB term limits will not apply.

D. Vacancies

The majority vote of the Board of Directors will fill vacancies on the MRB.

Section 2: Meetings

A. Frequency

The Medical Review Board will meet no less than four times a year at the call of its Chair. Special meetings may be called by the Chair of the Board of Directors or by request of three members of the MRB.

B. Notice of Meetings

Notice of meetings will be mailed to each Medical Review Board member at least thirty days before the meeting. When necessary, notice may be given by any usual means of communications not less than seven working days before the date of the meeting. Documentation to support meetings will be mailed no less than seven days before the meeting.

C. Quorum

The presence of a majority of the voting members of the Medical Review Board will constitute a quorum for the transaction of business. The act of the majority of the members present will constitute the act of the MRB.

D. Voting

Each member of the Medical Review Board will be entitled to one vote. Members will abstain from voting on any matter in which he/she has a vested interest, direct or indirect. Proxy votes are not permitted.

Section 3: Functions

The Medical Review Board will be responsible for oversight of all Quality Improvement sections of the Network statement of work, subject to review by the Board of Directors. The MRB functions include the following:

- A. The MRB will serve as an advisory panel to the Network on the care and appropriate placement of ESRD patients on dialysis in the network area.
- B. The MRB will serve as the primary advisory panel for all Network quality improvement activities, including the analyses of local data on the clinical Performance Measures and for ESRD grievances.
- C. The MRB will assist Network staff in the development, implementation and evaluation of quality improvement projects.

Section 4: Conflict of Interest

A Medical Review Board member may not participate in review of a case in which he/she has, or had, any professional involvement, received reimbursement or supplied goods. A Medical Review Board member must not review the End Stage Renal Disease services of a facility in which he/she has a financial interest, direct or indirect.

ARTICLE VII: CONSUMER COMMITTEE

Section 1: Membership

A. Composition

The Consumer Committee will consist of a maximum of sixteen members plus the Chairperson. Composition will be as follows:

- 1. The majority of members will be ESRD patients
- 2. 3 ESRD patients from each state in the Network area

3. 3 ESRD Allied Health Professional members (nephrologists, nurses, social workers, dietitians, patient care technicians)
4. 5 at-large members who are either ESRD patients or family members of ESRD patients or allied health professionals.
5. ESRD modalities represented by patient and family members will be approximately equal among in-center hemodialysis, home care (peritoneal dialysis, home hemodialysis, nocturnal and other non-traditional) dialysis, transplant.
6. If a patient changes modality while serving on the committee (s)he may complete her term and if (s)he has not served three consecutive terms, will be eligible to run for a position in the new modality.
7. A patient and his/her family member may not both be Committee members at the same time.

B. Chairperson

The Chairperson of the Consumer Committee will be a person with End Stage Renal Disease. The Chairperson of the Board of Directors will select, subject to approval of the full Board, the Chairperson of the Consumer Committee. The Consumer Committee Chairperson will be an ex officio member of the Board of Directors with full voting privileges. The Chairperson will preside at all meetings of the Consumer Committee.

C. Terms and Election

The Consumer Committee will elect the members of the Committee other than the Chairperson. All members of the Consumer Committee will serve a term of two years with a maximum of three consecutive terms. Members may serve again after one year off of the committee. The Chairperson's term will be determined by the terms of the Board of Directors in Article IV Section 2A and Consumer Committee term limits will not apply.

D. Vacancies

The majority vote of the Consumer Committee will fill vacancies.

Section 2: Meetings

A. Frequency

The Consumer Committee will meet two times a year either by conference call or in person, at the call of its Chair. The Chair of the Board of Directors may call special meetings.

B. Notice of Meetings

Notice of meetings will be mailed to each Consumer Committee member at least thirty days before the meeting. When necessary, notice may be given by any usual means of communications not less than seven working days before the date of the meeting. Documentation to support meetings will be mailed no less than seven days before the meeting.

C. Quorum

The presence of a majority of the voting members of the Consumer Committee will constitute a quorum for the transaction of business. The act of the majority of the members present will constitute the act of the Committee.

D. Voting

Each member of the Consumer Committee will be entitled to one vote. Members will abstain from voting on any matter in which he/she has a vested interest, direct or indirect. Proxy votes are not permitted.

Section 3: Functions

The purpose of the Consumer Committee is to provide the Board of Directors and Medical Review Board with consumer views and concerns regarding all areas of the organization, quality of care and issues related to patient grievances and patient rights.

ARTICLE VII: STANDING COMMITTEES

Section 1: Categories

The Board of Directors will have the following Standing Committees:

Administrative Liaison Committee
Data Management Committee

Section 2: Committee Membership

The Chairpersons of the Standing Committees will be selected by the Board of Directors from its membership. Committee members will be selected by the Committee Chairs, subject to the approval of the Board of Directors, except where stated otherwise. The Chair of the Board of Directors will be an ex-officio member of all Standing Committees.

Section 3: Meetings

The Data Management Committee will each meet at least twice each year either in person or by conference call.

A. Quorum

The majority of the members of a Standing Committee will constitute a quorum of that Committee. The act of a majority of a quorum present at a meeting will constitute the act of the committee. Meetings of Standing Committees will be called by their chair on seven days notice to all members of such committee.

B. Voting

Each member of the Standing Committees will be entitled to one vote. Members will abstain from voting on any matter in which he/she has a vested interest, direct or indirect. Proxy votes are not permitted.

Section 4: Terms and Vacancies

A. Terms

Members of Standing Committees serve until removed by the Committee Chair or their resignation with the exception of the Administrative Liaison Committee, as in Article 7, Section 5. Committee

Chairs serve until their term on the Board of Directors expires or until removed by a majority vote of the Board of Directors.

B. Vacancies

Vacancies on the Standing Committees, with the exception of the Administrative Liaison Committee are filled by appointment of the committee Chair.

Section 5: Administrative Liaison Committee

The Administrative Liaison Committee will be composed of five members, the three Vice Chairpersons, the Treasurer of the Board of Directors, and a Chairperson selected from the membership of the Board of Directors. Members of the Administrative Liaison Committee serve as long as they hold the above positions on the Board of Directors. The Committee will be responsible for coordination of the administrative management of the Council office. It will implement a mechanism to review performance of the Executive Director and assure performance of evaluation of other staff members assigned to the Network organization. This Committee will be responsible for approving the budget and assisting the Treasurer of the Corporation as he/she will determine and require.

The Administrative Liaison Committee will nominate candidates for the following elected positions:

Board of Directors and Officers for election by the Council membership;

Medical Review Board for election by the Board of Directors;

Standing Committee Chairpersons for election by the Board of Directors.

The Committee Chair will mail a list to all voting members at least fourteen days before elections. In choosing nominees, the Committee should strive for equal representation from each state in the Network area.

Section 7: Data Management Committee

The Data Management Committee must be composed of at least nine members, representing the three states. The Committee is responsible for coordination of all data collection and data entry activities for the Network with specific attention to the needs of the MRB. It will provide for the reporting of collected data to the Board of Directors, Council Members and other parties seeking data subject to the policies of the Council. The committee will have primary responsibility for the Annual Report and coordination of data submission to the End Stage Renal Disease Medical Information System and the End Stage Renal Disease Registry. It will review data submission and compliance problems that may require intervention by the Board of Directors or sanctions by the Centers for Medicare and Medicaid Services.

ARTICLE VIII: GENERAL PROVISIONS

Section 1: Seal

The Corporate seal of the Corporation between which is the name of the Corporation and in the center of which is inscribed Corporate SEAL, as impressed on the margin hereof, is adopted as the Corporate seal of the Corporation.

Section 2: Waiver of Notice

Whenever notice must be given to any member or Director under the provision of applicable North Carolina law or under the provisions of the Articles of Incorporation or bylaws of this Corporation, execution of a waiver of notice by such person entitled to such notice, whether before or after the term stated therein, will be equivalent to the giving of such notice. In addition, the presence of any member or Director at any regular or special meeting of the members or Directors will constitute a waiver of any requirement that they be given notice of such a meeting, unless such member files with Secretary of the Corporation before any business of action is conducted or taken at such meetings, a written protest concerning any failure of the Secretary to comply with requirements that such member be given notice of such a meeting.

Section 3: Fiscal Year

Unless otherwise ordered by the Board of Directors or Centers for Medicare and Medicaid Services, the fiscal year of the Corporation will be July 1 to June 30.

Section 4: Amendments

These bylaws may be amended or repealed and new bylaws may be adopted by the vote or written assent of a majority of the Board of Directors of the Corporation at any regular or special meeting of the Board of Directors.

Section 5: Conflict of Interest

To insure that objectivity is maintained in all decisions, general members, members of the Board of Directors, members of the Medical Review Board and members of any Standing or Ad Hoc committee, who represent an organization, which has a vested interest in a matter under consideration, will abstain from voting on that issue. The decision about the applicability of this section is an individual responsibility of the Chair of the Board of Directors and the Chair of the committee involved.

Section 6: Corporate Membership

No single corporation or corporate entity shall have a membership majority within the Southeastern Kidney Council Board of Directors.

Section 7: Procedures

Parliamentary procedure at any meeting of the Board and all other committees will be in accordance with "Roberts' Rules of Order".

Section 8: Indemnification

Each person now or hereafter a Director or officer in the Corporation, and his/her heirs, executors and administrators, will be indemnified by the Corporation against all claims, liabilities, judgments,

settlements, and expenses. Included are all attorney's fees reasonably incurred by him/her or imposed upon him/her in connection with or resulting from any action, suit, proceeding or claim to which he/she is or may be made a party by reason of his/her being or having been a Director or Officer of the Corporation, except in relation to matters as to which he/she will have been finally adjudged in such a suit, action or proceeding to be liable for gross negligence or willful misconduct during his/her duties as such Director or officer. If such claim for indemnification will be made, the Board of Directors will appoint such independent legal counsel as it may direct, who will furnish his opinions as to whether or not such Director or Officer was guilty of gross negligence or willful in the event of a settlement, that such settlement was or is in the best interest of the Corporation. The Board of Directors will thereupon have the right to rely on the advice of such independent legal counsel. The right of indemnification contained in this section will not be deemed exclusive of any rights to which any officer or Director or any former officer or Director may be entitled under any other bylaw, agreement or otherwise.