

CONSTITUTION AND BYLAWS

AMERICAN ASSOCIATION OF PHYSICIANS OF INDIAN ORIGIN

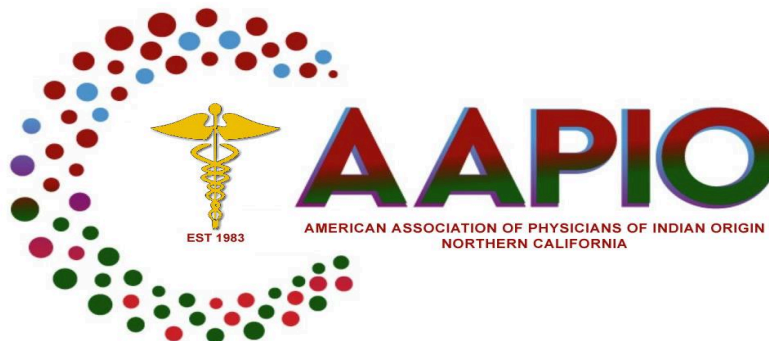
NORTHERN CALIFORNIA

PREAMBLE

Whereas the need exists for cohesive action on the part of the physicians, dentists and other medical scientists of Indian heritage residing in the United States of America, it is hereby resolved that a non-profit organization be formed to maintain the identity of the said group of people, to provide a forum for scientific, educational, cultural, charitable and social interaction among its members.

ARTICLE I–NAME

- A. The name of the association shall be **AMERICAN ASSOCIATION OF PHYSICIANS OF INDIAN ORIGIN–NORTHERN CALIFORNIA** herein referred to as “**AAPIO, Northern California, Inc.**” or “**Association**” or “**Corporation**” with the following logo:



- B. It shall maintain its office in the place designated by the Executive Committee.

ARTICLE II–OBJECTIVES

- A. To bring together physicians, dentists and other medical scientists of Indian heritage practicing in Northern California under one organization.
- B. The Association is organized exclusively for scientific, educational, cultural and charitable purposes.
- C. To assist medical and dental students and students of the human sciences, physicians and dentists of Indian heritage to obtain scientific training in the United States.
- D. To conduct seminars and other educational programs to acquaint members of scientific developments in the field of human medicine.

- E. To support and foster the availability of medical assistance to indigent people in the USA and India.
- F. To make contributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code of 1986 or the corresponding provision of any future United States Internal Revenue Law.
- G. To provide mutual understanding and cooperation between this association and other associations in the United States and India.
- H. To maintain a directory of **member** physicians, dentists and medical scientists of Indian origin practicing in Northern California with current contact information of active members. **Access to this Directory is restricted to Active members only.**
- I. To provide other member services as needed within the provisions of the code that governs AAPIO's tax exempt status.
- J. To participate in charitable activities through the AAPIO Charitable Foundation.

ARTICLE III-RESTRICTIONS AND DISSOLUTION

3.1. RESTRICTION

No part of the net earnings or the assets of the Association shall be used for the benefit of or be distributable to its members, officers or other private persons. The Association shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the Article II hereof.

The Association shall not carry out any activities not permitted to be carried out by any corporation:

- A. exempt from Federal Income tax under Section 501(c)(3) of the Internal Revenue Code of 1986;
- B. contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code of 1986 or the corresponding provision of any future United States Internal Revenue Law.

3.2. DISSOLUTION OF THE ASSOCIATION

- A. If the Association ceases to function or if the Executive Committee and the Board of Trustees determine that the Association is no longer able to fulfill its original ideals and objectives as outlined in this Constitution, then the Association may be dissolved as follows:
- a. The Executive Committee shall circulate a notice of the intent of the dissolution of the Association to all the life members of the Association.
 - b. Not more than Sixty days after such a notice is circulated, a special General Body Meeting shall be called and the motion for the dissolution of the Association shall be placed before the General Body. If the motion is passed by a two-third (2/3) majority vote of all active Life members of the Association present at the meeting, then the Association shall be dissolved.
- B. Upon the dissolution of the Association, the Governing Body by **two thirds (2/3) vote**, shall, after paying or making provisions for the payment of all the liabilities of the Association, dispose of **all** the assets of the Association, in such manner, or to such organizations organized exclusively for charitable, cultural, or scientific purposes as shall at the time qualify as an exempt organization or organizations under section 501(c)(3) of the Internal Revenue Code of 1986 or the corresponding provision of any future United States Internal Revenue law, as the Governing Body shall determine. Any such assets not so disposed of shall be disposed of by the court of appropriate jurisdiction of the county in which the principal office of the Association is then located, exclusively for such purposes or to such organization or organizations as said court shall determine to be organized and operated exclusively for such purposes. **All bank accounts will be closed and the Executive Committee and the Board of Trustees will be dissolved.**

ARTICLE IV—MEMBERSHIP

4.1. GENERAL

Membership in AAPIO shall be open to any physician, dentist or scientist in the field of human sciences of Indian origin in California. Membership shall also be open to any student of Indian origin or heritage studying or training in these United States in the area of human sciences. Current life members based outside the state of California will continue to remain as active members.

4.2. CATEGORIES OF MEMBERSHIP

Members shall be divided into the following categories:

- A. **Active Members.** Active members shall be those individuals who are of Indian heritage and practicing/ teaching Medicine or Dentistry in the state of California or are retired from practicing/teaching Medicine or Dentistry in the state of California. Life members are accepted as active members. **Only active members will have the right to vote on Association matters as provided herein.**
- B. **Associate Members.** Associate members shall be those persons engaged in professions or careers in the human sciences other than Medicine and Dentistry and licensed to practice in California. This would include Physician Assistants, Nurse Practitioners, Pharmacists, Physical Therapists, Occupational Therapists, Chiropractors, Podiatrists, Nutritionists, Psychologists, Community Leaders, etc. These members shall pay dues, but cannot hold office and are non-voting members.
- C. **Medical Student/Resident/Fellow (MSRF) Members.** Students members shall consist of students of Indian origin who are:
 - 1. Medical or Dental students in an approved Medical or Dental school in the state of California.
 - 2. Graduate students pursuing an advanced degree in the Human sciences in the USA.
 - 3. Resident and Fellow Members: Physicians and Dentists in training of Indian heritage in AMA/ADA/AOA approved programs who have licenses to practice Medicine/Dentistry in the state of California are eligible to become Resident members of AAPIO. These members shall pay no dues.
- D. **Honorary Members.** A Physician or Non-Physician determined to have made exceptional contribution to the AAPIO community, nominated and approved by 2/3 majority of the Governing Body. Honorary Members cannot hold office, are non-voting members, and are not required to pay dues.
- E. **Provisional Member.** A candidate whose application has been recommended for full membership by the Membership committee awaiting approval by the Governing Body.

4.3. QUALIFICATIONS

- A. Membership in AAPIO described in Section 4.2 may be obtained, provided that the applicant:
 - 1. Subscribes to the objectives.
 - 2. Abides by the Bylaw rules and regulations.
 - 3. Pays the prescribed dues, if applicable

4. Submits an application in the prescribed form.
 5. Has not been convicted of, or entered a plea of guilty or no contest to, any felony or to any misdemeanor related to controlled substances, illegal drugs, violent acts, sexual misconduct, moral turpitude, domestic, child or elder abuse, or Medicare, Medicaid, or other federal or state governmental or private third-party payer fraud or program abuse, nor have been required to pay a civil penalty for any such fraud or program abuse.
- B. The applicants will be vetted by the Membership committee and recommended for membership. **The applicant must be licensed to practice in the state of California and be a member in good standing with the Medical Board of California.** Upon approval by the membership committee, the President will present the candidate to be voted in by the Governing Body.
- C. The application for membership shall be approved by the Governing Body of AAPIO by majority vote within 60 days. If the membership is not approved by the Governing Body, the fees paid towards membership will be refunded minus a processing fee of USD 50. Appropriate reasons for ineligibility for membership will be provided to the applicant. Once the membership is approved, the membership fee will not be refunded.

4.4. REVOCATION

Membership may be subject to suspension or revocation if:

- A. The individual Member violates the Constitution or Bylaws of AAPIO and the revocation is approved by a two-thirds majority of the members at a General Body Meeting, provided the Member has been informed of the reasons for such action.
- B. The Member's license to practice medicine or dentistry is revoked or suspended in California or any other state within the United States of America.
- C. The membership fee paid by the member will not be refunded.

ARTICLE V—ANNUAL MEETING

5.1. ANNUAL MEETING

The annual meeting of the Members of AAPIO will be held during the month of June of each year on a date as determined by the Governing Body and at such place as designated by the Governing Body for the purpose of elections and for the transaction of other business properly brought before the Governing Body.

5.2. SEMI ANNUAL MEETING

The semi-annual meeting of the Members of AAPIO will be held before the end of each calendar year.

ARTICLE VI—GENERAL BODY

6.1. GENERAL BODY

The General Body shall consist only of Life members.

6.2. GENERAL BODY MEETING

- A. The General Body of AAPIO shall meet at least twice a year. The President shall have the power to call for additional General Body meetings.
- B. If one-third ($\frac{1}{3}$) of the active members of AAPIO request a special General Body meeting with 60 days advance notice and signed petition, the President shall convene such a meeting.
- C. All members shall be notified of all General Body meetings by electronic mail at least 30 days before each General Body meeting.
- D. All life members present at the meeting are eligible to vote. The presence of 25 or more active members will constitute a quorum. The Members present in person at the meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum. The vote of a majority of the Members present at the meeting at which a quorum is present constitutes the action of the Members, unless a greater number is required by other sections of these Bylaws or the Articles of Incorporation. Whether or not a quorum is present, the meeting may be adjourned by a vote of the Members present.

ARTICLE VII—EXECUTIVE COMMITTEE, GOVERNING BODY and BOARD of TRUSTEES

7.1. EXECUTIVE COMMITTEE (EC)

The Executive Committee is the main deliberative body for the policies of the Association and shall provide leadership. To be nominated to the Executive Committee, the active member should have been a member of AAPIO for at least 5 years. They should be in good standing and have participated in at least Five General Body meetings to be considered for a position in the Executive Committee.

- A. The Executive Committee of AAPIO shall consist of a President, President-Elect, Secretary, Treasurer, Senior Member-at-Large, Junior Member-at-Large, and the immediate Past President.
- B. The term for all the officers will be for one year beginning July 1st of the calendar year and ending on June 30th of the following year.
- C. The Executive Committee shall meet not less than 4 times per year.
- D. A quorum for any meeting of the Executive Committee shall consist of more than 50% of the Executive Committee members.

- E. All seven members are expected to vote. In the event of one or three members abstaining from voting, the Chairperson of the Board of Trustees or designee will be asked to cast the tie-breaking vote.
- F. Any action required or permitted to be taken by the Executive Committee may be taken without a meeting if all members of the Executive Committee, individually or collectively, consent in writing to said action. Such written consent shall have the same force and effect as a unanimous vote of the Executive Committee taken at a meeting. Such written consent or consents shall be filed with the minutes of the proceedings of the Executive Committee.

7.2. GOVERNING BODY

- A. The Governing body is the main deliberative body of AAPIO for policy creation and acts on behalf of the General Body. **It shall be constituted soon after the installation of the Office bearers of the Executive Committee.**

The Governing Body shall direct the policies of the Association . The body shall have the duties and powers as ordinarily delegated to the Governing Body of an Association. It shall govern and direct the activities of the Association. It may fill the vacancies in the Governing Body by appointment in accordance with the provisions of the articles of incorporation and these Bylaws. It shall create all standing committees and set policy for their activities. The Governing Body shall set the dues for all categories of membership.

- B. The Governing Body shall consist of i) the Executive Committee, and ii) the Board of Directors, for a total of 15 members.
- C. The Governing body shall meet in person not less than two times per year as scheduled by the President of AAPIO. The meeting shall be a closed-door meeting for members only. Non-voting guests may be invited to the meeting at the discretion of the President or Chair of the Board of Trustees.
- D. A quorum for any meeting of the Governing Body shall consist of at least 60% of the Governing Body members eligible to vote. No online voting is allowed at these meetings.
- E. **Special Meetings:** The President may, as he/she deems necessary, call special meetings. The Secretary shall, at the written request of 50% of the voting members of the Governing Body, issue a call for a special meeting of the Governing Body. These could be virtual meetings.
- F. Any member of the Governing body who wishes to bring new business matters before the Governing Body meeting shall submit this business in writing to the Secretary of the Executive Committee of AAPIO at least four weeks prior to the Governing Body meeting for consideration by the EC as to include such business on the agenda.
- G. New agenda items may be presented during the Governing Body meeting upon the affirmative vote of at least a majority of the active members present. However, voting on that item will be done in the next Governing Body meeting after approval by the subsequent EC meetings.
- H. **The Governing Body can accept or reject (and refer back) any recommendations from the**

Bylaws Committee. It cannot pass any amended motions to change the Bylaws. The change will be reviewed by the Bylaws Committee and presented again at the next Governing Body meeting.

- I. All communications about Agenda and reports shall be notified by the Governing Body members via e-mail at least four weeks before each Governing Body meeting.

7.4. BOARD OF TRUSTEES (BOT)

7.4.1 Qualification for Members of Board of Trustees

Active life member of AAPIO for at least 10 years in good standing.

7.4.2 Nomination and Approval Process for Members of The Board of Trustees

1. Nomination for new members can be filed by the Governing Body or by any life member of AAPIO and should be sent to the Chair of BOT for consideration.
2. The Chair of BOT will present the nominations to the entire Board and they will vote for the new BOT members.

7.4.3 Make up of the Board of Trustees

The Board of Trustees will consist of nine (9) voting members and one (1) non-voting Member.

Members are selected from following groups:

- A. Six Trustees are from amongst the past Presidents. To ensure continuity, the most immediate past President shall be one of the six Trustees.
- B. Three trustees are elected from amongst the life members.
- C. One non-voting member is a non-physician from the community and is not an AAPIO member. Any member of the EC or the BOT can nominate this candidate. This individual's credentials will be properly vetted by the Board and he / she will be elected by majority vote by the Board members.
- D. A trustee's term shall be for three (3) years. Two trustees from the past president group (A) and one trustee from the life member group (B) will retire every year. The Trustee from the Community will serve a one year term.
- E. The Chairperson and the Vice-Chairperson of the BOT will be from the group that is in its third year on the Board and should have been one of the past Presidents of AAPIO. They shall be elected each year by all nine (9) voting members of the BOT and approved by the Governing Body. They serve a one year term. An election by secret ballot will take place if more than one member competes for the Chairperson position. The secret ballot will be monitored by the Grievance Committee members who have no official position in the BOT or the Executive Committee.

ARTICLE VIII–DUTIES OF OFFICERS, EXECUTIVE COMMITTEE, GOVERNING BODY AND THE BOARD OF TRUSTEES

8.1. PRESIDENT

The President shall be the Chief Executive Officer of the Association and shall perform all duties incident to the office of the President and such other duties as may be designated by the Governing Body. He/She shall preside at all meetings of the Association, the Executive Committee, and of the Governing Body. He/She shall make such appointments as are required or authorized by the Constitution and by the Governing Body.

He/She may sign with the Secretary or any other proper officer of the Association authorized by the Governing Body, any deeds, mortgages, bonds, contracts, or other instruments which the Governing Body has authorized to be executed, except in the cases where the signing and execution thereof shall be expressly delegated by the Governing Body to some other agent of the Association. He/She shall designate all official delegates and representatives to other groups; **this includes timely filing of the Association's Federal and State Tax returns.**

The President shall appoint such special and Ad Hoc Committees as may be necessary to further the Association's objectives and may discontinue any such committees when its purpose has been served, in consultation with the Executive Committee.

8.2. PRESIDENT-ELECT

The President-Elect shall perform the duties of the President in his/her absence and shall assist the President and the Secretary as needed. He/She shall succeed the President to the office of the President if the President is unable to complete his/her term for any reasons.

8.3. SECRETARY

The Secretary shall:

- A. Keep an account of the minutes of all meetings.
- B. Maintain an updated list of all members of AAPIO.
- C. Keep a copy of all official correspondences of and to the organization, including newsletters, and program brochures for the activities of the organization and reports submitted by the committee's chairperson.
- D. Keep an attendance record of all meetings of the organization.
- E. Be the custodian of the Constitution, Bylaws and amendments of the organization.
- F. Notify Committee members of their appointment and duties they are to perform.

- G. Shall see that all books, reports, statements, certificates, and other documents and records required by law are properly kept and filed.
- H. Shall perform such other duties, and exercise such other powers as may be assigned by the Executive Committee in the same capacity.
- I. Be responsible for transferring all the records of the organization within 30 days after the Annual General Body meeting, to the incoming Secretary.

8.4. TREASURER

The Treasurer shall:

- A. Be responsible for issuing notices and collection of annual dues, and deposit the same in such banks or trust companies as the Executive Committee may designate.
- B. Have custody of all the receipts and disbursements which shall be open at all reasonable times to inspection by the Executive Committee.
- C. Submit a financial report to the Executive Committee at its annual meeting and regularly held Executive meetings.
- D. Perform such other duties and exercise such other powers and duties incident to the office of Treasurer and may be assigned by the Executive Committee as required by law. This includes timely filing of the organization's Federal and State Tax returns.
- E. Represent the Executive committee in the Finance Committee and keep minutes of the meeting.

8.5. MEMBERS-AT-LARGE

- A. Shall function to support the current activities of the organization. He/She shall be encouraged to coordinate at least one project/activity during the year of his/her term.
- B. The Junior Member-at-Large will be the entry point for all the officers to serve in the Executive Committee.

8.6. PAST PRESIDENT

Shall function as advisory to the Executive Committee.

8.7. BOARD OF TRUSTEES

The Board of Trustees shall serve AAPIO in an advisory capacity and keep residual authority of ensuring its fiscal welfare and stability. It may not interfere with the regular operation of AAPIO which will remain as provided for in this constitution and Bylaws document. It will be the custodian of all the assets of AAPIO and will be the caretaker body at the time of dissolution. The role of the BOT is to guide the AAPIO EC so that it abides by the constitution and by-laws of AAPIO.

8.8. VACANCIES

Should the President resign , die or be removed from office, the President-elect shall immediately succeed to the Presidency. In such an event, the remaining members of the Executive committee shall assume the next vacated positions in the established hierarchy, as outlined in section 7.1 of these bylaws. This line of succession would be applicable to all other Official positions in the Executive Committee up to the Junior Member-at-Large.

8.9. PROCEDURES FOR RECALL AND REMOVAL

If an Officer or Governing Body member is remiss in his or her duties (known or suspected violation of applicable ethical standards or the bylaws, policies, or applicable laws and regulations, conduct that is considered lower than the standards or disruptive to the orderly operation of AAPIO, including the inability of the Practitioner to work harmoniously with others, attend at least 50% of meetings unless recused) he or she may be recalled from office. Such action shall be initiated by a petition, signed by at least thirty-three percent (50 %) of the Governing Body. Upon receipt of such a petition, the President (or if he/she is disqualified, then the President- Elect) shall call a special meeting of the Governing body. At the special meeting of the Governing body, the person subject to recall shall have a right to present his or her view. Following the meeting of the Governing Body the President shall conduct an electronic ballot of the general membership. The President will have ~~the~~ right to present the organization's case to general membership. Approval will require a two-thirds majority of the returned ballots sent by electronic mail. As soon as the recall has been approved by vote, the office shall be declared vacant and a successor appointed in accordance with the procedures outlined in these Bylaws.

The Governing Board may by resolution declare vacant any Officer or Governing Body member, who has been declared of unsound mind by an order of court, or convicted of a felony, or found by final order or judgment of any court to have breached a duty under California Nonprofit Corporation Law.

8.10. COMPENSATION

No officer shall be entitled to compensation, other than reimbursement of expenses in the ordinary course.

ARTICLE IX–COMMITTEES

9.1. The following shall be the standing committees of AAPIO:

- A. Membership Committee
- B. Bylaws Committee
- C. Nomination Committee
- D. CME Committee
- E. Social and Cultural Committee
- F. Community Affairs Committee
- G. Liaison Committee
- H. Finance Committee
- I. Grievance Committee

9.2.

The Chairperson of each Committee shall be appointed by the President after approval of the Executive Committee during the first Executive Committee meeting held following the elections. The term of office for each Committee Chairperson will be one year except the Chairpersons of the Finance Committee and the Bylaws committee whose term will be three years and can be renewed by the Executive Committee.

9.3.

Members of each standing committee will be recommended by the Chairperson of the committee and appointed by the President.

9.4.

The President shall appoint, with the approval of the Governing Body, a Nomination Committee consisting of five (5) individuals to select officers of AAPIO at least four months before the **Annual** meeting. The Nominating Committee shall consist of five members:

- A. Vice-President of AAPIO
- B. President of AAPIO
- C. Three (3) life members appointed by the Governing Body
- D. The Vice- President will be the Chairperson of this committee.

9.5. FINANCE COMMITTEE

The Finance Committee has been established to assist the President and Treasurer in ensuring the financial integrity of AAPIO. This includes, but is not exclusive of managing the patron fund, decisions on when funds will be disbursed from the patron fund, ideas for fund raising, setting up pricing for advertising during events, etc. This committee will comprise of five members who will be nominated and elected by the AAPIO Governing body.

The Chairperson will be chosen by the Governing body and will be a Past President. The AAPIO Executive committee will be represented by the President and the Treasurer. The Board of Trustees will be represented by the Chair of the Board of Trustees and there will be one additional life member of AAPIO. This committee will be responsible for managing the AAPIO Patron fund and any endowment funds to be created by AAPIO. The committee will be the Internal Auditors for AAPIO and be responsible for long range planning.

The term of the Committee members will be for three years and the AAPIO Treasurer/ President/ Board Chair will be their respective terms. Each Non-Executive Committee member can be re-elected for an additional three-year term. The Committee shall meet in person or virtually every quarter. The meeting minutes are to be generated by the Treasurer of AAPIO and disbursed to the Committee and the Executive committee. The presence of three or more members at this meeting constitutes a quorum.

ARTICLE X–DUES

10.1.

Annual dues will be determined by the Executive Committee.

The EC from time to time may offer discounted special rates to induct new members into life membership with the approval of the Board of Trustees.

10.2.

Eligible medical and dental students will be non-voting and non-dues paying members.

ARTICLE XI–ELECTIONS

11.1.

The Nomination Committee shall call for nominations at least 90 days prior to the scheduled date of elections.

11.2.

The Nomination Committee shall meet at least 60 days prior to the scheduled date of elections and shall come up with a slate of nominees for the available positions and will submit said slate to the

Governing Body.

11.3.

The Nomination Committee is responsible to nominate members for the following positions:

- A. President-Elect, Secretary, Treasurer, and Members-at-Large
- B. the President-Elect shall proceed to become the President for the coming year.

11.4.

If there is more than one (1) nominee for the Junior Member-at-Large position, an election shall be conducted by the Nomination Committee as described in Article IX.

11.5.

Election will be conducted on the basis of representation by active members by electronic mail prior to the annual meeting.

- A. The election process shall be completed at least 30 days prior to the date of the annual Meeting.
- B. Elections shall be conducted electronically with a time limit on members to return their vote.

ARTICLE XII—AMENDMENTS AND ADOPTIONS

These Bylaws may be amended, repealed or altered in whole or in part by a two-thirds majority vote of any duly organized meeting of the General Body. The proposed amendments can be introduced by any voting member of AAPIO by the following methods:

Submitted at least three weeks before the commencement of the General Body meeting to the Chairman of Bylaws Committee for consideration and discussion and presentation by the committee chairman in a subsequent meeting. The amendment, if approved by two-thirds majority, would be incorporated in the constitution as an amendment.

ARTICLE XIII—INDEMNIFICATION

13.1. DEFINITIONS

For purpose of this Article 13:

“Agent”

means any person who is or was a Trustee, Officer, employee, or other agent of the Corporation, or is or was serving at the request of the Corporation as a Trustee, Officer, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, or was a Trustee, Officer, employee, or agent of a foreign or domestic corporation that was a predecessor corporation of the

Corporation or of another enterprise at the request of the predecessor corporation;

“Proceeding”

means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative; and

“Expenses”

includes, without limitation, all attorneys’ fees, costs, and any other expenses reasonably incurred in the defense of any claims or proceedings against an Agent by reason of his or her position or relationship as Agent and all attorneys’ fees, costs, and other expenses reasonably incurred in establishing a right to indemnification under this Article 13.

13.2. APPLICABILITY OF INDEMNIFICATION PROVISIONS

13.2.1 Successful Defense by Agent

To the extent that an Agent has been successful on the merits in the defense of any proceeding referred to in this Article 13, or in the defense of any claim, issue, or matter therein, the Agent shall be indemnified against expenses actually and reasonably incurred by the Agent in connection with the claim.

13.2.2 Settlement or Unsuccessful Defense by Agent

If an Agent either settles any proceeding referred to in this Article 13, or any claim, issue, or matter therein, or sustains a judgment rendered against him, then the provisions of Section 13.3 through Section 13.6 shall determine whether the Agent is entitled to indemnification.

13.3. ACTIONS BROUGHT BY PERSONS OTHER THAN THE CORPORATION

This Section 13.3 applies to any proceeding other than an action “by or on behalf of the corporation” as defined in Section 13.4. Such proceedings that are not brought by or on behalf of the Corporation are referred to in this Section 13.3 as “Third Party proceedings.”

13.3.1. Scope of Indemnification in Third Party Proceedings

Subject to the required findings to be made pursuant to Section 13.3.2, the Corporation shall indemnify any person who was or is a party, or is threatened to be made a party, to any Third Party proceeding, by reason of the fact that such person is or was an Agent, for all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with the proceeding.

13.3.2. Required Standard of Conduct for Indemnification in Third Party Proceedings

Any indemnification granted to an Agent in Section 13.3.1 above is conditioned on the following. The Governing Body must determine, in the manner provided in Section 13.5, that the Agent seeking

reimbursement acted in good faith, in a manner he or she reasonably believed to be in the best interest of the Corporation, and, in the case of a criminal proceeding, he or she must have had no reasonable cause to believe that his or her conduct was unlawful. The termination of any proceeding by judgment, order, settlement, conviction, or on a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith or in a manner he or she reasonably believed to be in the best interest of the Corporation or that he or she had reasonable cause to believe that his or her conduct was unlawful.

13.4. ACTION BROUGHT BY OR ON BEHALF OF THE CORPORATION

This Section 13.4 applies to any proceeding brought (i) by or in the right of the Corporation, or (ii) by an Officer, Trustee or person granted relator status by the Attorney General, or by the Attorney General, on the ground that the defendant Trustee was or is engaging in self-dealing within the meaning of section 5233 of the California Nonprofit Corporation Law, or (iii) by the Attorney General or person granted relator status by the Attorney General for any breach of duty relating to assets held in charitable trust (any such proceeding is referred to in these Bylaws as a proceeding “by or on behalf of the Corporation”).

13.4.1. Scope of Indemnification in Proceeding By or On Behalf Of the Corporation

Subject to the required findings to be made pursuant to Section 13.4.2, and except as provided in Sections 13.4.3 and 13.4.4, the Corporation may indemnify any person who was or is a party, or is threatened to be made a party, to any proceeding by or on behalf of the Corporation, by reason of the fact that such person is or was an Agent, for all expenses actually and reasonably incurred in connection with the defense or settlement of such action.

13.4.2. Required Standard of Conduct for Indemnification in Proceeding By or On Behalf Of the Corporation

Any indemnification granted to an Agent in Section 13.4.1 is conditioned on the following. The Governing Body must determine, in the manner provided in Section 13.5, that the Agent seeking reimbursement acted in good faith, in a manner he or she believed to be in the best interest of the Corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

13.4.3. Claims Settled Out of Court

If any Agent settles or otherwise disposes of a threatened or pending action brought by or on behalf of the Corporation, with or without court approval, the Agent shall receive no indemnification for amounts paid pursuant to the terms of the settlement or other disposition. Also, in cases settled or otherwise disposed of without court approval, the Agent shall receive no indemnification for expenses reasonably incurred in defending against the proceeding, unless the proceeding is settled with the approval of the Attorney General.

13.4.4 Claims and Suits Awarded Against Agent

If any Agent is adjudged to be liable to the Corporation in the performance of the Agent's duty to the Corporation, the Agent shall receive no indemnification for amounts paid pursuant to the judgment, and any indemnification of such Agent under Section 13.4.1 for expenses actually and reasonably incurred in connection with the defense of that action shall be made only if both of the following conditions are met:

- a. The determination of good faith conduct required by Section 13.4.2 must be made in the manner provided for in Section 13.5; and
- b. Upon application, the court in which the action was brought must determine that, in view of all of the circumstances of the case, the Agent is fairly and reasonably entitled to indemnity for the expenses incurred. If the Agent is found to be so entitled, the court shall determine the appropriate amount of expenses to be reimbursed.

13.5. DETERMINATION OF AGENT'S GOOD FAITH CONDUCT

The indemnification granted to an Agent in Section 13.3 and Section 13.4 is conditioned on the findings required by those Sections being made by:

- A. the Governing Body by a majority vote of a quorum consisting of 2/3rd members of the Governing Body who are not parties to the proceeding; or
- B. the court in which the proceeding is or was pending. Such determination may be made on application brought by the Corporation or the Agent or the attorney or other person rendering a defense to the Agent, whether or not the application by the Agent, attorney, or other person is opposed by the Corporation.

13.6. LIMITATIONS

No indemnification or advance shall be made under this Article 13, except as provided in Section 13.2.1 or Section 13.5(b), in any circumstances when it appears:

- A. that the indemnification or advance would be inconsistent with a provision of the Articles of Incorporation, as amended, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or
- B. that the indemnification would be inconsistent with any condition expressly imposed by a court in approving a settlement.

13.7. ADVANCE OF EXPENSES

Expenses incurred in defending any proceeding may be advanced by the Corporation before the final disposition of the proceeding on receipt of an undertaking by or on behalf of the Agent to repay the

amount of the advance unless it is determined ultimately that the Agent is entitled to be indemnified as authorized in this Article 13.

13.8. INSURANCE

The Governing Body may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any Agent, as defined in this Article 13, against any liability asserted against or incurred by any Agent in such capacity or arising out of the Agent's status as such, whether or not the Corporation would have the power to indemnify the Agent against the liability under the provisions of this Article 13.

ARTICLE XIV—CONFLICTS OF INTEREST

14.1. DISCLOSURE

When a Trustee or an officer is affiliated with an organization seeking to provide services or facilities to AAPIO, or when a Director or officer has any duality of interest or possible conflict of interest, real or apparent, such affiliation or conflict of interest should be disclosed to the Governing Body and made a matter of record, either when the interest becomes a matter of Body action or as part of a periodic procedure to be established by the Body. An affiliation with an organization will be considered to exist when a Governing Board member or officer or a member of his or her immediate family or close relative is an officer, Director, partner, employee or agent of the organization, or has any other substantial interest or dealings with the organization.

14.2. VOTING

Any Trustee or officer having a duality of interest or possible conflict of interest on any matter should not vote or use his or her personal influence on the matter, and should not be counted in determining a quorum for the meeting at which the matter is voted upon, even though permitted by law. The Body should obtain and rely on appropriate comparability data, when appropriate. The minutes of the meeting should reflect that the disclosure was made, that the interested Trustee or officer abstained from voting, that his or her presence was not counted in determining a quorum, and that comparability data was considered and used as a basis for the decision.

14.3. STATEMENT OF POSITION

The foregoing requirements should not be construed to prevent a Trustee or officer from stating his or her position on the matter under consideration, nor from answering questions of other Body members relating to the matter.

Presented by the Bylaws Committee and approved at the General Body Meeting on _____.

x	x
Priya Kumaravelu, M.D.	Amara Balakrishnan, M.D.
President AAPIO, Northern California	Chair, Board of Trustees AAPIO, Northern California