

FOURTH AMENDED AND RESTATED

BYLAWS

OF THE

**SOUTHEAST TEXAS TRAUMA
REGIONAL ADVISORY COUNCIL**

Effective October 15, 2007

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THIRD AMENDED AND RESTATED BYLAWS
OF THE
SOUTHEAST TEXAS TRAUMA
REGIONAL ADVISORY COUNCIL

Effective: April 15, 2002

These Third Amended and Restated Bylaws (hereinafter referred to as the "Bylaws") govern the affairs of the Southeast Texas Trauma Regional Advisory Council, a Texas non-profit corporation (hereinafter referred to as the "Organization"), organized under the Texas Non-Profit Corporation Act.

ARTICLE 1
NAME

This Organization shall be known as the "Southeast Texas Trauma Regional Advisory Council." This Organization may also do business under such other name(s) as the Board of Directors ("Board") may determine from time to time.

ARTICLE 2
DEFINITIONS

2.1 **Regional Advisory Council or RAC.** A "regional advisory council" ("RAC") is an organization of local citizens representing all participating health care entities within a specified trauma service area ("TSA"). These "health care entities" include designated trauma facilities, physicians, nurses, emergency medical service ("EMS") providers, and other individuals and organizations providing or interested in injury surveillance, trauma prevention and care, and rehabilitation. A RAC is a formal organization chartered by the Texas Department of Health Bureau of Emergency Management to develop and implement a regional emergency medical services/trauma system plan and to oversee trauma system networking. The Organization is the RAC for the area described by the Bureau of Emergency Management as TSA-Q (as defined below) and organized under the Texas Trauma Rules ("Rules").

2.2 **TSA-Q.** "TSA-Q" means the area designated by the Bureau of Emergency Management as "Q." Currently TSA-Q includes the following Texas counties:

Austin	Montgomery
Colorado	Walker
Fort Bend	Waller
Harris	Wharton
Matagorda	

Therefore, the Organization covers these counties but in the event any counties are designated or moved into or from TSA-Q by the Bureau of Emergency Management as

being in TSA-Q, then the Organization shall cover those counties as later identified by the Bureau of Emergency Management.

- 2.3 **Members.** "Members" in the Organization shall be designated trauma facilities, physicians, nurses, EMS providers, first responders or first responder groups or networks, and other individuals providing or interested in injury surveillance, trauma prevention and care, and rehabilitation located, providing services, or residing in TSA-Q which/who also satisfy the requirements in Article 4.1. The term "Members" shall not have the meaning set forth in the Texas Non-Profit Corporation Act.
- 2.4 **Non-participating Members.** "Non-participating Members" in the Organization shall be Members who fail to meet the criteria for Participating Members. Non-participating Members will not be entitled to vote, nominate directors, or engage in any other act reserved for Participating Members herein.
- 2.5 **Participating Members.** "Participating Members" in the Organization shall be Members of the Organization who satisfy the requirements to become Participating Members as set forth in Article 4.2.
- 2.6 **Limitation of References.** All references to corporations, partnerships, associations, organizations, entities, bodies politic, institutions, facilities, and the like shall be to one representative designated by such person or entity or to one representative selected in accordance with these Bylaws.

ARTICLE 3 **MISSION**

- 3.1 **Philosophy.** The philosophy of the Organization shall be to cause a comprehensive continuum of quality health care to be provided for all victims of trauma in TSA-Q without regard to race, gender, color, creed, national origin, disability, or ability to pay.
- 3.2 **Vision.** The Organization will provide leadership within the TSA-Q region, State of Texas, and nation regarding the care of trauma patients and the solution to preventable mortality and morbidity.
- 3.3 **Mission.** The mission of the Organization is to facilitate coordination of trauma providers to ensure the most efficient, consistent, and expeditious care of each individual who experiences an acute injury by developing and maintaining integrated quality processes in patient care, research, education, and prevention.

ARTICLE 4 **MEMBERS**

- 4.1 **Members.** The Board may establish reasonable administrative requirements including, without limitation, membership fees and acceptable written statement of active interest for designated trauma facilities, physicians, nurses, EMS providers, first responders, first responder groups or networks, and other individuals and organizations interested in

trauma prevention and care, and rehabilitation, which/who are located, providing services, or residing in TSA-Q to become Members.

- 4.2 **Participating Members.** The Board shall have the authority to adopt policies regarding, and criteria for determining Participating Member status in the Organization. The status of all Participating Members may be reviewed by the Board annually.
- 4.3 **Membership Fees and Dues.** The Board may set and change the amount of any payment arrangements for a membership fee, if any, and the annual dues payment to the Organization by its Members.
- 4.4 **Reinstatement.** A former Member may be required by the Board to submit a written request for reinstatement into the Organization. The Board or a duly authorized committee designated to handle such matters may reinstate Members on any reasonable terms that the Board or said committee deem appropriate.
- 4.5 **Certificates of Membership.** The Board may provide for the issuance of certificates evidencing the current membership status of Members in the Organizations.
- 4.6 **Non-Liability of the Members.** The Members in the Organization shall not be personally liable for the debts, liabilities, or obligations of the Organization.

ARTICLE 5
BOARD OF DIRECTORS

- 5.1 **Management of the Organization.** The affairs of the Organization shall be managed by the Board.
- 5.2 **Number and Qualifications of Directors.** The Board shall consist of the following:
 - 5.2.1 Three (3) representatives from each county in TSA-Q, each of whom shall represent one (1) of the following health care providers: physician, hospital, and out-of-hospital EMS provider;
 - 5.2.2 One representative residing in TSA-Q from each tertiary care hospital which is a Participating Member and is, or is actively endeavoring to become, designated as a comprehensive trauma facility (as defined in the Rules);
 - 5.2.3 One representative residing in TSA-Q from the Texas Hospital Association Council on Policy Development Representing Children and Specialty Hospitals (preferably in rehabilitation);
 - 5.2.4 One representative residing in TSA-Q of the South Texas Chapter of the American College of Surgeons, Committee on Trauma;
 - 5.2.5 One representative residing in TSA-Q from the Texas Pediatric Society;
 - 5.2.6 One representative residing in TSA-Q from the Greater Houston EMS Council;

- 5.2.7 One representative residing in TSA-Q of the Emergency Nurse Association;
- 5.2.8 One representative residing in TSA-Q of the 9th District Medical Society;
- 5.2.9 One physician residing in TSA-Q who is currently a member of, senior member of, or consultant to the American College of Surgeons Committee on Trauma;
- 5.2.10 One representative residing in TSA-Q from the Texas College of Emergency Physicians;
- 5.2.11 One representative residing in TSA-Q from the Houston Fire Department;
- 5.2.12 One representative residing in TSA-Q from the Regional Emergency and Hospital Preparedness Council, provided, however, that the authority granted under this Section 5.2.12 shall run concurrently with the term of that certain Agreement by and between the Organization and the Regional Emergency and Hospital Preparedness Council, dated effective September 1, 2007, if any, as it may be amended, renewed, or replaced from time to time (“RHPC Agreement”), and the term of any person appointed to the Board in accordance with this Section 5.2.12 shall automatically and immediately expire upon termination or expiration of that certain RHPC Agreement.

If any organization or entity described in Sections 5.2.2 through 5.2.12 ceases to exist or to operate in TSA-Q, the Board may, in its sole discretion, replace it with a similar organization or entity or, if no such organization or entity exists or operates in TSA-Q, remove it from representation on the Board.

5.3 **Term.**

- 5.3.1 Each Director described in Section 5.2.1 shall be elected for a three-year term; provided, however, that at the first election of county representative Directors, one-third shall be elected and shall serve for one year; one-third shall be elected and shall serve for two years; and one-third shall be elected and shall serve for three years. The initial Board shall establish, prior to the first election, which directorships shall serve which initial term.
- 5.3.2 Ex-officio Directors (*i.e.*, those identified in Sections 5.2.2 through 5.2.12) shall be elected for a three (3) year term.
- 5.3.3 The terms of all Directors shall end at the appropriate annual meeting, or if no successor is selected at that meeting, at such time as a successor is selected in accordance with these Bylaws.

5.4 **Alternate Directors.** Any Director may designate an alternate director for a specific meeting by providing oral or written notice to the Chairman. Such alternate director may serve as a substitute for the Director if the Director is unavailable for any reason. The alternate director will have full authority to act as a Director when substituting for the Director.

5.5 **Nomination and Election of Directors.**

5.5.1 A Director representing one of the county constituencies described in Section 5.2.1 shall be nominated by Participating Members in that county to be represented by that Director. At any meeting at which the election of a Director occurs, any Participating Member in good standing may nominate a person for the position of Director who will represent the Participating Member making the nomination. Each county shall establish a procedure to determine its nominee. If a county has not established a procedure or the Chairman is not aware of such a procedure, then the nominations may be requested from the following, if they exist and as appropriate: County Judge, county medical society, county emergency medical service society, and county nurses society, under the direction of the Chairman. All nominations shall be subject to election to the Board by a majority vote of the Board.

5.5.2 Ex-officio Directors shall be nominated by the organization described in Section 5.2.2 through 5.2.12 to be represented by that Ex-officio Director. Each organization shall establish a procedure to determine its nominees. If an organization does not submit a nomination prior to the annual meeting of the Board, the Executive Committee shall seek out and make a nomination. All nominations shall be subject to election to the Board by a majority vote of the Board.

5.6 **Vacancies.** Any vacancy occurring in the Board, and any new Director position created due to an increase in the number of Directors, shall be elected by the Board, at its next regular meeting or at a special meeting called for that purpose. Directors elected to fill vacancies or new positions shall be elected by the affirmative vote of a majority of the remaining Directors, even if the remaining Directors present to vote do not constitute a quorum of the Board.

5.6.1 A vacancy in the position of an Ex-officio Director shall be elected by the Board after request to the represented organization for a nomination for the replacement and no later than the next quarterly meeting of the Board. The Board may elect its own nominee as a replacement Director if the represented organization does not act to nominate a replacement Director by the date of the next quarterly meeting of the Board.

5.6.2 A director elected to fill a vacancy shall be elected for the unexpired term of the predecessor in office.

5.7 **Annual Meeting.** The annual meeting of the Board shall be at the last meeting of the Board in each fiscal year at 2525 Holly Hall, Houston, Texas, or such other time or location as the Board may designate from time to time. Board members shall be elected at the annual meeting of the Board for those Board terms expiring, and shall immediately take their seats on the Board. Thereafter, also at the annual meeting, officers shall be elected.

- 5.8 **Regular Meetings.** The Board may provide for regular meetings by resolution stating the time and place of such meetings. The meetings shall be held within the State of Texas. No notice of regular meetings of the Board is required if there is a resolution of the Board stating the time and place of the meetings.
- 5.9 **Special Meetings.** Special meetings of the Board may be called by or at the request of the Chairman or any three (3) Directors.
- 5.10 **Notice.** Written, printed or electronic mail, notice of any special meeting of the Board shall be delivered to each Director not less than seven (7) nor more than thirty (30) days before the date of the meeting. The notice of a special meeting shall state the place, day, and time of the meeting, as well as who called the meeting, and the purpose or purposes for which the meeting is called. All notices of special meetings shall be delivered by certified mail, return receipt requested, or, in the case of notice via electronic mail, the transmission of notice shall request a return receipt or other evidence of delivery. Notice of a special meeting may be waived by unanimous consent of the Board.
- 5.11 **Quorum.** One-third of the Directors then in office shall constitute a quorum for the transaction of business at any meeting of the Board. The Directors present at a duly called or held meeting at which a quorum is present may continue to transact business even if a quorum no longer exists. Alternatively, if a quorum is not present at any time during a meeting, a majority of the Directors present may adjourn and reconvene the meeting at a later date to obtain a quorum.
- 5.12 **Duties of Directors.**
- 5.12.1 Directors shall exercise ordinary business judgment in managing the affairs of the Organization. In acting in their official capacity as Directors of this Organization, Directors shall act in good faith and take actions they reasonably believe to be in the best interest of the Organization and that are not unlawful.
- 5.12.2 Within forty-five (45) days of appointment to the Board, or for continuing Directors, within forty-five (45) days of adoption of this Bylaws provision, each Director shall do the following:
- (a) View the videotape entitled, "Legal and Fiscal Responsibilities for Non-profit Boards of Directors" published by the Texas Department of Health, or any other videotape required by the Texas Department of Health for viewing by Directors of a RAC.
 - (b) Review the pamphlet published by the Texas Department of Health entitled, "Non-profit Board of Directors Guide to Key Financial Responsibilities," or any other written materials required by the Texas Department of Health for review by Directors of a RAC.
 - (c) Sign a written statement or acknowledgement, in a form satisfactory to the Organization, attesting to the Director's completion of the tasks set forth in Sections 5.12.2(a) and (b) of these Bylaws, and deliver the statement to

the Executive Director of the Organization or, in his or her absence, the Chairman of the Organization.

The President may, upon receipt of a written request from the affected Director showing extraordinary cause for the delay, grant an extension of up to seven (7) business days for the Director to comply with the requirements of this Section 5.12.2. Under no circumstances may the extension be for a period of time for longer than seven (7) business days.

Notwithstanding any other provision of these Bylaws to the contrary, in the event that a Director fails to satisfy the requirements of this Section 5.12.2, he or she shall be deemed to have immediately withdrawn, abandoned or resigned from his or her position as a Director, without need for further notice. Any vacancy shall be filled as set forth in Section 5.6 of these Bylaws.

5.13 **Actions of Board.** The Board shall try to act by consensus. However, the vote of a majority of Directors present and voting at a meeting at which a quorum is present shall be sufficient to constitute the act of the Board unless otherwise required by these Bylaws or by law. A Director who is present at a meeting and abstains from a vote is considered to be present for the purpose of determining whether a majority vote exists.

5.14 **Compensation.** Directors shall not receive any salary or compensation for their services.

5.15 **Removal of Directors.**

5.15.1 The Board may vote by a two-thirds vote of those present at a special meeting of the Board called for the purpose of removing a Director (with the exception of the Ex-officio Directors). A special meeting to consider the removal of a Director shall be called and notice shall be given in accordance with the procedures provided in these Bylaws. Such Director shall be given notice of the meeting and shall be given the right to present relevant information at the meeting.

5.15.2 An Ex-officio Director may be removed by the Board under the procedure set forth in Section 5.15.1 above or by the affected represented organization.

5.16 **Voting.** Each Director shall have one (1) vote.

5.17 **Attendance.** Each Director is expected to attend all meetings of the Board.

5.17.1 In the event that any Director who has unexcused absences from three (3) meetings (regardless of whether the meetings are regular or special meetings or both regular and special meetings) of the Board during any fiscal year, the Director shall be deemed to have resigned his or her position as Director effective immediately upon the absence from the third Board meeting.

5.17.2 Each Director may obtain one (1) excused absence for illness or an unforeseen emergency during any fiscal year. The Executive Committee may grant or deny a request by a Director for an excused absence in its sole discretion. To obtain an

excused absence, the Director must submit a written request via U.S. mail, overnight delivery service, courier, facsimile, electronic mail, or similar means to the Chairman or his or her designee prior to the meeting.

ARTICLE 6 **OFFICERS**

- 6.1 **Identification.** The Officers of the Organization shall be a Chairman, two (2) Vice Chairmen, a Secretary, a Treasurer and a Member-at-Large. The Board may combine, create or eliminate Officer positions, define the authority and duties of each such position, and elect or appoint persons to fill the positions. A Director may not hold more than one (1) office at one time, except that the offices of Secretary and Treasurer may be held by one (1) person simultaneously. Such individual may, however, serve on multiple committees. Only Directors are eligible to serve as Officers.
- 6.2 **Election and Term of Office.** The Officers of the Organization shall be elected annually by vote of a majority of the Board at its regular annual meeting. Each Officer shall serve for one year or until replaced as an Officer whichever occurs later.
- 6.3 **Removal.** Any Officer elected or appointed by the Board may be removed from office by a two-thirds vote of the Board, unless otherwise provided in Section 7.7 of these Bylaws.
- 6.4 **Vacancies.** Any vacancy occurring in any office shall be filled by election by the Board at a regular or special meeting of the Board. Any Director elected to fill a vacancy in any office shall be elected for the unexpired term of the predecessor in office.
- 6.5 **Chairman.** The Chairman shall be the chief executive officer of the Organization. The Chairman shall supervise the affairs of the Organization. The Chairman shall preside at all meetings of the Participating Members, Board, and the Executive Committee. The Chairman may execute any deeds, mortgages, bonds, contracts, or other instruments that the Executive Committee or Board has authorized to be executed. However, the Chairman may not execute instruments on behalf of the Organization if this power is expressly delegated to another Officer or agent of the Organization by the Executive Committee, the Board, the Bylaws, or law. The Chairman shall perform other duties prescribed by the Executive Committee or the Board and any duties incident to the office of the Chairman and permitted by law.
- 6.6 **Vice Chairmen.** There shall be two (2) Vice Chairmen: the Vice Chairman of Business and Hospital Administration and the Vice Chairman of System Administration.
- 6.6.1 Vice Chairman of Business and Hospital Administration. When the Chairman is absent or is unable to act, the Vice Chairman of Business and Hospital Administration shall perform the duties of the Chairman. When the Vice Chairman of Business and Hospital Administration acts in place of the Chairman, the Vice Chairman of Business and Hospital Administration shall have all the powers of and be subject to all the restrictions upon the Chairman. The Vice

Chairman of Business and Hospital Administration shall perform other duties as assigned by the Chairman, the Executive Committee or the Board.

6.6.2 Vice Chairman of System Administration. The Vice Chairman of System Administration shall attend all meetings of the Bureau of Emergency Management and other agencies of the state of Texas for which attendance of the RAC Chairman or Vice Chairman, unless otherwise agreed and consented to in advance by the Chairman or an impossibility exists. When both the Chairman and the Vice Chairman of Business and Hospital Administration are absent or unable to act, the Vice Chairman of System Administration shall perform the duties of the Chairman. In such circumstance, the Vice Chairman of System Administration shall have all the powers of and be subject to all the restrictions upon the Chairman. The Vice Chairman of System Administration shall also perform other duties as assigned by the Chairman, the Executive Committee or the Board.

6.7 **Secretary.** The Secretary shall:

6.7.1 Give all notices as provided in the Bylaws or as required by law.

6.7.2 Take minutes of the meetings of the Participating Members, Board, and the Executive Committee and keep the minutes as part of the corporate records.

6.7.3 Maintain custody of the corporate records and of the seal, if any, of the Organization.

6.7.4 Affix the seal of the Organization, if any, to all documents as authorized.

6.7.5 Keep a register of the mailing address of each Director, Officer, and employee of the Organization.

6.7.6 Perform all the duties incident to the office of Secretary.

6.7.7 Perform duties as assigned by the Chairman, the Executive Committee, or the Board.

6.8 **Treasurer.** The Treasurer shall:

6.8.1 Have charge and custody of and be responsible for all funds and securities of the Organization.

6.8.2 Receive and give receipts for monies due and payable to the Organization from any source.

6.8.3 Deposit all monies in the name of the Organization in banks, trust companies, or other depositories as provided in the Bylaws or as directed by the Board.

- 6.8.4 Write checks and disburse funds to discharge obligations of the Organization, provided, however, that funds may not be drawn from the Organization or its accounts without the signature of two persons authorized by the Board to sign checks or make disbursements. Additionally, any expenditure over Two Thousand Five Hundred Dollar (\$2,500) must be approved by the Executive Committee prior to payment. This approval shall be deemed to occur by Executive Committee or Board approval of the annual budget or shall occur on a case-by-case basis determination by the Executive Committee.
- 6.8.5 Maintain the financial books and records of the Organization.
- 6.8.6 Prepare financial reports quarterly.
- 6.8.7 Arrange for an independent annual audit.
- 6.8.8 Perform all the duties incident to the office of Treasurer.
- 6.8.9 Perform duties as assigned by the Chairman, the Executive Committee, or the Board.
- 6.9 **Member-at-Large.** The Member-at-Large shall perform such duties as are assigned by the Chairman, the Executive Committee or the Board.
- 6.10 **Resignations.** An officer may resign at any time by delivering notice to the Chairman, except that the Chairman may resign at any time by delivering notice to the Vice-Chairman or Secretary. Any such resignation shall be made in writing and shall take effect at the time it is delivered unless the notice specifies a later effective date. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation. If a resignation is made effective at a later date and the Organization accepts such future effective date, the Board may fill the pending vacancy before the effective date provided that the successor does not take office until the effective date.

ARTICLE 7

EXECUTIVE COMMITTEE

- 7.1 **Number, Qualifications and Tenure of Executive Committee Members.** The Board shall appoint an Executive Committee consisting of the currently elected officers of the Organization and one at-large member elected from the other Directors. Each member of the Executive Committee shall continue until the term of office expires or until the member is replaced by the Board. The Chairman of the Executive Committee shall be the Chairman of the Organization.
- 7.2 **Powers and Functions.** The Executive Committee, when the Board is not in session, shall have and exercise all of the authority of the Board in the management of the Organization except as such authority is limited by law or by resolution of the Board.

- 7.3 **Regular Meetings.** The Executive Committee shall meet immediately following the annual meeting of the Board and at least quarterly thereafter.
- 7.4 **Special Meetings.** Special meetings of the Executive Committee may be called by or at the request of any three (3) members of the Executive Committee. Written, printed or electronic mail, notice of any special meeting of the Executive Committee shall be delivered to each member of the Executive Committee not less than seven (7) nor more than thirty (30) days before the date of the meeting. The notice of a special meeting shall state the place, day, and time of the meeting, as well as who called the meeting, and the purpose or purposes for which the meeting is called. Notice of a special meeting may be waived by unanimous consent of the Executive Committee.
- 7.5 **Quorum.** A majority of the Executive Committee members shall constitute a quorum for the transaction of business at any meeting of the Executive Committee. If a quorum is not present at any time during a meeting, a majority of the members present may adjourn and reconvene the meeting at a later date to obtain a quorum.
- 7.6 **Voting.** Each member of the Executive Committee shall have one (1) vote.
- 7.7 **Removal of Executive Committee Members.** The Board of the Organization may vote by a two-thirds majority vote of those present at a special meeting of the Board called for the purpose of removing a member of the Executive Committee. A special meeting to consider the removal of a member of the Executive Committee shall be called, and notice shall be given in accordance with the procedures provided in these Bylaws. Such Executive Committee member shall be given notice of the meeting and shall be given the right to present relevant information at the meeting.
- 7.8 **Vacancies.** Any vacancy occurring on the Executive Committee shall be filled by election by the Board, at a regular or special meeting of the Board. Any Director to fill a vacancy on the Executive Committee shall serve the unexpired term of the predecessor in office.
- 7.9 **Meetings by Telephone or Other Remote Communications Technology.** The Executive Committee may hold a regular or special meeting (a) in person; or (b) by means of a conference telephone or any similar communications equipment by means of which all persons participating in the meeting may simultaneously hear each other; or (c) another suitable electronic communications system, including videoconferencing technology or the internet only if (i) each member of the Executive Committee entitled to participate in the meeting consents to the meeting being held by means of that system, and (ii) the system provides access to the meeting in a manner or using a method by which each member of the Executive Committee participating in the meeting can communicate concurrently with each other participant.

ARTICLE 8

OTHER COMMITTEES

- 8.1 **Establishing Committees.** The Chairman, the Executive Committee, or the Board may establish committees as it deems necessary to further the purposes of the Organization.

- 8.2 **Minimum and Maximum Composition.** Each committee shall have at least two members, at least one of whom is a physician, a nurse, an EMS provider, or a hospital representative. Participation on a committee is not limited to Directors. The committee chairmen shall be appointed by the Chairman.
- 8.3 **Quorum.** A quorum for conducting the business of each committee at any meeting shall not be less than the greater of two or one-third of the members of the committee.
- 8.4 **Meetings and Reports.** Except as otherwise set forth in these Bylaws or determined by the Board, each committee shall meet at least once every quarter and shall make or submit a report, in writing, at least every other regular meeting of the Board, all as determined by the Chairman. Notwithstanding the foregoing, each committee shall make or submit a report, in writing, to the Board at the annual meeting of the Board.
- 8.5 **Meetings by Telephone.** Committees may hold a regular or special meeting (a) in person; or (b) by means of a conference telephone or any similar communications equipment by means of which all persons participating in the meeting may simultaneously hear each other; or (c) another suitable electronic communications system, including videoconferencing technology or the internet only if (i) each member of the committee entitled to participate in the meeting consents to the meeting being held by means of that system, and (ii) the system provides access to the meeting in a manner or using a method by which each member of the committee participating in the meeting can communicate concurrently with each other participant.
- 8.6 **Grants Review Committee.** The Chairman, Executive Committee, or Board shall appoint individuals to the Grants Review Committee, including one to serve as the Chairperson of the Grants Review Committee. The composition of the Grants Review Committee shall be as set forth in Section 8.2. This Committee shall conduct business as set forth in Sections 8.3, 8.4, and 8.5, except that it shall meet only as often as necessary to accomplish its purposes, functions and duties. The purposes, functions, and duties of this Committee shall be as follows:
- 8.6.1 Review requests for grants and make recommendations regarding grant requests to the Executive Committee.
- 8.6.2 Evaluate educational courses and make recommendations to the Executive Committee regarding which courses should be eligible for grants or other funding by the Organization.
- 8.6.3 Review budget requests and make recommendations regarding grant requests to the Budget Committee.
- 8.7 **Budget Committee.** The Budget Committee shall be comprised of the Executive Committee, the Chairperson of the Grants Review Committee, and the chairpersons of every other committee appointed in accordance with Section 8.1 of these Bylaws. Subcommittee chairpersons shall not, by virtue of their positions, be members of the Budget Committee. This Committee shall conduct business as set forth in Sections 8.3, 8.4, and 8.5, except that it shall meet only as often as necessary to accomplish its

purposes, functions and duties. The purposes, functions and duties of the Budget Committee shall be as follows:

- 8.7.1 Receive recommendations from the Grants Review Committee regarding the budget.
- 8.7.2 Make a recommendation to the Board regarding the initial budget each year based on recommendations from the Grants Review Committee, available funds and other data the Budget Committee considers relevant.

ARTICLE 9
TRANSACTIONS OF THE ORGANIZATION

- 9.1 **Contracts.** The Board may authorize any Officer or agent of the Organization to enter into a contract or execute and deliver any instrument in the name of and on behalf of the Organization. This authority may be limited to a specific contract or instrument or it may extend to any number and type of possible contracts and instruments.
- 9.2 **Banking.** All funds of the Organization shall be deposited to the credit of the Organization in banks, trust companies, or other depositories that the Board selects.
- 9.3 **Checks, Drafts, Orders for Payment.** All checks, drafts, or other orders for the payment of money and all notes or other evidences of indebtedness issued in the name of the Organization shall be signed and approved in the manner set forth in Section 6.8.4, above.
- 9.4 **Gifts.** The Executive Committee or Board may accept on behalf of the Organization any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Organization. The Board may make gifts and give charitable contributions that are not prohibited by the Articles of Incorporation, the Bylaws, Texas law, or any requirements for maintaining the Organization's federal and state non-profit or tax-exempt status.
- 9.5 **Potential Conflicts of Interest.** The Organization shall not make any loan to any Director, Officer, or Participating Member of the Organization. Furthermore, the Organization shall not transact business with any Director or Officer.
- 9.6 **Prohibited Acts.** As long as the Organization is in existence, a Director, Officer, or Participating Member of the Organization shall not:
 - 9.6.1 Act in violation of the Bylaws or a binding obligation of the Organization.
 - 9.6.2 Act with the intention of banning the Organization or any of its operations.
 - 9.6.3 Act in any manner that would make it impossible or unnecessarily difficult to carry on the intended or ordinary business of the Organization.
 - 9.6.4 Receive an improper personal benefit from the operation of the Organization.

- 9.6.5 Use the assets of this Organization, directly or indirectly, for any purpose other than carrying on the business of this Organization.
- 9.6.6 Wrongfully transfer or dispose of Organization property, including intangible property such as goodwill.
- 9.6.7 Use the name of the Organization (or any substantially similar name) or any trademark or trade name adopted by the Organization, except on behalf of, and as authorized by, the Organization in the ordinary course of the Organization's business.
- 9.6.8 Disclose any of the Organization's business practices, trade secrets, or any other information not generally known to the business community to any person not authorized to receive it.
- 9.6.9 Take any action inconsistent with the Articles of Incorporation.

ARTICLE 10

BOOKS AND RECORDS

- 10.1 **Required Books and Records.** The Organization shall keep correct and complete books and records of account.
- 10.2 **Inspection and Copying.** Any Director, Officer, or Participating Member of the Organization may inspect and receive copies of all books and records of the Organization. Such Participating Member may inspect or receive copies if the Participating Member has a proper purpose related to the Participating Member's interest in the Organization and if the Participating Member submits a request in writing. Such request to review, inspect, or receive copies of the books and records of the Organization shall be made at a reasonable time during normal business hours. The Board may establish reasonable fees for copying the Organization's books and records. The Organization shall provide copies of requested books and records no later than thirty (30) working days after the Organization's receipt of a proper request.
- 10.3 **Audits.** An independent audit shall be performed annually by an independent certified public accountant selected by the Executive Committee.
- 10.4 **Budget.**
 - 10.4.1 The Organization shall operate each year in accordance with a budget.
 - 10.4.2 The budget shall be developed annually during the three months immediately following the annual meeting of the Board for presentation to the Board at its first meeting after the annual meeting.
 - 10.4.3 The procedure for establishing the annual budget shall be as follows:

- (a) The Grants Review Committee or the Chairman of the Organization shall solicit spending requests and other data from potentially interested persons. Persons wishing to make spending requests or to furnish other data shall submit them in the manner, format and timeframe established by the Board, Executive Committee, or Chairman.
- (b) The Grants Review Committee shall review all spending requests and other data submitted for purposes of preparation of the budget. The Grants Review Committee shall make recommendations to the Budget Committee regarding the budget.
- (c) The Budget Committee shall develop a budget for the then current fiscal year of the Organization. The Budget Committee shall present the budget to the Board for its consideration.
- (d) The Board shall adopt a final budget based on the recommendation of the Budget Committee and such other information as it shall deem necessary. Until the Board adopts a budget, the budget proposed by the Budget Committee shall serve as the budget for the Organization.

10.4.4 The Executive Committee shall have the authority to make adjustments of up to fifteen percent (15%) per line item and in the aggregate to the budget without the prior approval of the Board. The Executive Committee shall report to the Board on all such adjustments at the Board's next regular meeting following the adjustment.

ARTICLE 11 **FISCAL YEAR**

The fiscal year of the Organization shall begin on the first day of September and end on the last day of August in each year.

ARTICLE 12 **PROXIES**

Voting by proxy is prohibited.

ARTICLE 13 **MISCELLANEOUS PROVISIONS**

- 13.1 **Legal Authorities Governing Construction of Bylaws.** The Bylaws will be construed in accordance with the laws of the State of Texas. All references in the Bylaws to statutes, regulations, or other sources of legal authority shall refer to the authorities cited, or their successors, as they may be amended from time to time.
- 13.2 **No Cumulative Voting.** Cumulative voting is prohibited.

- 13.3 **Legal Construction.** If any bylaws is held to be invalid, illegal, or unenforceable in any respect, the invalidity, illegality, or unenforceability shall not affect any other provision, and the Bylaws shall be construed as if the invalid, illegal, or unenforceable provision had not been included in the Bylaws.
- 13.4 **Headings.** The headings and paragraph numbers used in the Bylaws are used for convenience and shall not be considered in construing the terms of the Bylaws.
- 13.5 **Gender.** Whenever the context requires, all words in the Bylaws in the male gender shall be deemed to include the female or neuter gender, all singular words shall include the plural, and all plural words shall include the singular.
- 13.6 **Seal.** The Board may provide for a corporate seal.
- 13.7 **Power of Attorney.** A person may execute any instrument related to the Organization by means of a Power of Attorney if any original executed copy of the Power of Attorney is provided to the Secretary of the Organization to be kept with the official records.
- 13.8 **Parties Bound.** The Bylaws shall be binding upon and inure to the benefit of the Organization, Directors, Officers, and Participating Members.
- 13.9 **Alternate Dispute Resolution (ADR) Process.**
- 13.9.1 Any provider or individual representing a provider, service, or hospital that has a dispute in matters germane to the jurisdiction of the Organization in connection with another provider or the Organization itself (*e.g.*, bylaws, trauma system plan, guidelines or protocols; action(s) or interaction(s), etc.) may formally voice its dispute in writing. The written document must be addressed to the chairman of the Organization.
- 13.9.2 The formal, written protest must contain the following: a specific statement of the situation that contains the description of each issue and a proposed solution to resolve the matter(s).
- 13.9.3 A neutral or impartial group with no vested interest in the outcome of the dispute will be appointed by the Chairman and assembled to review the issue. This group may solicit written responses to the dispute from interested parties. If the dispute is not resolved by mutual agreement, the group will issue a written determination within thirty (30) days of receipt of all pertinent data.
- 13.9.4 A party or parties may appeal the determination by the group and ask for the issue to be brought before the Participating Members for final determination. The party or parties have no later than ten (10) working days after the determination to submit the request for secondary review.

The request must be submitted to the following address or to such other address as may be posted on the Organization's website:

Southeast Texas Trauma Regional Advisory Council
2260 W. Holcombe Boulevard, Box 221
Houston, Texas 77030
Attn: Chairman

- 13.9.5 The appeal to the Participating Members will be limited to the original determination. The appeal must be mailed or delivered in a timely manner. In the event the appeal is not timely in delivery, it will not be considered. If not considered, the parties will be notified in writing.

ARTICLE 14
AMENDMENT OF THE BYLAWS

Bylaws may be altered, amended, or repealed, and new bylaws adopted by two-thirds vote of the Board, or by two-thirds vote of Participating Members present at the meeting of the Organization. The notice of any meeting at which the Bylaws are altered, amended, or repealed, or at which new bylaws are adopted shall include a copy or summary of the proposed Bylaw provisions as well as the text of the existing provisions proposed to be altered, amended, or repealed. The alteration, amendment, repeal or addition of new bylaws or bylaws provisions shall be effective as of the date set forth by the body taking action or the date of the action if no other date is specified.

CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting Secretary of the Southeast Texas Trauma Regional Advisory Council and that the foregoing Bylaws constitute the bylaws of the Organization. The Third Amended and Restated Bylaws were duly adopted at a meeting of the Board and shall be effective as of the date set forth below.

DATED this ___ day of _____, 2007.

Secretary of the Organization

(Signature)

(Printed Name)