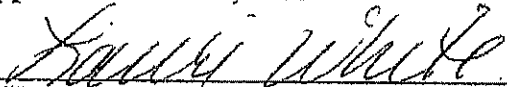


Record of Amendments to original By-Laws

1. Name of "Corporation" changed to Knox Community Health Center, nfp as it was amended in the Articles of Incorporation.
2. Within "Form of Board Resolutions and Designations to Establish Committees;" Budget Committee changed to Finance Committee as suggested during HRSA site visit to more comprehensively describe the scope of responsibilities of the Committee.
3. Annual Disclosure Statement renamed "Conflict of Interest Statement" as suggested during HRSA site visit to more comprehensively describe the purpose of the annual board document.

Revised: May 22, 2013

Board Approval: June 20, 2013



President, Knox Community Health Center Governance Board

1. ARTICLE III, SECTION 3 TERM OF OFFICE (c); removal of language stating that Board members may only serve up to two (2) consecutive terms...
2. ARTICLE III, SECTION 7 RESIGNATION AND REMOVAL OF DIRECTORS; added language that a Director may be removed by the affirmative vote if that director fails to attend four (4) consecutive meetings with no notice...
3. ARTICLE III, SECTION 10 REGULAR MEETINGS; regular meeting date was changed from the 3rd Thursday to the 2nd Thursday.
4. ARTICLE III, SECTION 17 TELEPHONIC MEETINGS; clarification of this language in the bylaws.
5. Form of Board Resolutions and Designations to Establish Committees; Quality Consortium Committee name was changed

Revised: October 10, 2019

Board Approval: October 10, 2019

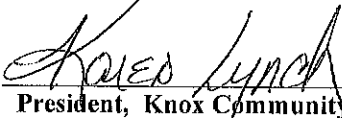


President, Knox Community Health Center Governance Board

1. ARTICLE III, BOARD OF DIRECTORS, SECTION 2 NUMBER, ELIGIBILITY, AND QUALIFICATIONS, (d) amended to include restriction of "adopted" immediate family members of employees.

Revised: January 9, 2020

Board Approval: January 9, 2020



President, Knox Community Health Center Governance Board

BY-LAWS
OF
KNOX COMMUNITY HEALTH CENTER, NFP
an Illinois not for profit corporation
(Original Adopted August 19, 2010)

Most Recent Revision: June 2013
Most Recent Revision: Oct 2019
Most Recent Revision: Jan 2020

ARTICLE I

Name, Statement of Role and Purpose, Offices

SECTION 1 NAME. The name of the corporation shall be Knox Community Health Center, nfp (the "Corporation").

SECTION 2 STATEMENT OF ROLE AND PURPOSES. The purposes of the Corporation shall include, but are not limited to the following:

The Corporation is formed to operate exclusively for charitable, scientific, research or educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), or the corresponding provisions of any subsequent federal tax laws, such purposes including, without limitation, to promote and improve the health status of the medically underserved population in Knox County, Illinois by:

- (a) Providing community-based governance and oversight of the operation of a *public* federally qualified health center ("FQHC") by the Knox County Health Department Board of Health ("KCHD");
- (b) Ensuring that the FQHC: (i) develops an assessment of the needs of the community that the will be served, (ii) designates appropriate health service programs, (iii) measures the effectiveness and quality of services being provided, and (iv) collaborates with other health care providers, such as specialty providers, hospitals, and other social service agencies;
- (c) Ensuring that the FQHC complies with Section 330 of the Public Health Service Act, 42 U.S.C. §254b program requirements and all applicable federal and state regulations.
- (d) Establishing policies and procedures designed to ensure the FQHC's provision of preventive, primary and supplemental health care services (including health education and enabling services) to such population in a manner which will best meet their needs;

- (e) Establishing policies and procedures designed to ensure the FQHC's provision for hours of operation, patient referral and tracking, use of clinical protocols, risk management procedures, procedures for assessing patient satisfaction, and consumer Bill of Rights/patient grievance procedures; and
- (f) Otherwise providing leadership and direction to KCHD and the FQHC as required by applicable federal and/or state law.

SECTION 3 REGISTERED OFFICE. The Corporation shall continuously maintain in the State of Illinois a registered office and a registered agent whose business office is identical with such office.

SECTION 4 OTHER OFFICES. The Corporation may have other offices either within or without the State of Illinois, as the Board of Directors may designate or as the business of the Corporation may from time to time require.

ARTICLE II

Members

SECTION 1 MEMBERS PROHIBITED. The Corporation shall have no members.

SECTION 2 EFFECT OF PROHIBITION. Any action which by statute would require notice to, the presence of, or the vote, consent, approval or other action by the members shall only require notice to, the presence of, or the vote, consent, approval or other action by the Board of Directors.

SECTION 3 ASSOCIATES. Nothing in this Article II shall be construed as limiting the right of the Corporation to refer to persons associated with it as "members," even though such persons are not members, and no such reference shall constitute anyone a member, within the meaning of Section 101.80 of the Illinois General Not For Profit Act of 1986 (the "Act") or corresponding section of any subsequent law. The Corporation may confer by amendment of these By-Laws some or all of the rights of a member as set forth in the Act on any person or persons who do not have the right to vote on changes to the Corporation's Articles of Incorporation, or on a merger, consolidation, or dissolution of the Corporation, or on a distribution of the Corporation's assets, or on a sale, lease, exchange or mortgage of assets, but no such person shall be a member within the meaning of Section 101.80 of the Act.

ARTICLE III

Board of Directors

SECTION 1 GENERAL POWERS. The affairs of the Corporation shall be managed by the Board of Directors. In addition, the Board of Directors shall have full authority to control the day to day affairs of the FQHC, including but not limited to:

- (a) Carrying legal and fiduciary responsibility for clinic operations and grants;

- (b) Meeting at least monthly and keeping board meeting minutes;
- (c) Ensuring that the FQHC is community based and responsive to the community's health care needs;
- (d) Having full authority over all aspects of clinic operations;
- (e) Subject to the concurrence of KCHD, approving the FQHC's (i) annual operating and capital budgets; (ii) federal grant applications, and (iii) policies for billing and collections activities, including a policy regarding determinations of eligibility for services, charge structure and criteria for sliding fee discount schedules;
- (f) Developing, adopting periodically updating health care policies, including the scope and availability of services, location and hours of operation, and quality-of-care audit procedures;
- (g) Selecting, annual evaluating, and dismissing the Executive Director of the FQHC, consistent with the Co-Applicant Agreement with KCHD;
- (h) Evaluating the FQHC's activities, including service utilization patterns, productivity, patient satisfaction, achievement of program objectives, and development of a process for hearing and resolving patient complaints;
- (i) Approving the annual Section 330 grant application and project plan, and any applications for subsequent grants under Section 330;
- (j) In conjunction with KCHD, assuring that the FQHC is operated in compliance with applicable federal, state and local laws and regulations;
- (k) Evaluating the FQHC's achievements at least annually and utilization of the knowledge gained thereby to revise the FQHC's goals, objectives, plan and budget as necessary and appropriate, including providing advise regarding the establishment of linkages with other health care providers and/or health care programs;
- (l) Selecting the FQHC's independent auditor, subject to the concurrence of KCHD, and formally approving the annual audit report;
- (m) Evaluating itself periodically for efficiency, effectiveness, and compliance with all requirements imposed upon community FQHCs, as set forth in Section 330; and
- (n) Consistent with the Co-Applicant Agreement executed with KCHD, exercising all other authorities and responsibilities, which are required by Section 330 and implementing regulations and policies to be vested in a Section 330-compliant governing board.

SECTION 2 NUMBER, ELIGIBILITY AND QUALIFICATIONS. The Board shall be comprised of not less than nine (9) nor more than thirteen (13) persons, and within that variable range shall be that number of directors last elected, reduced by the number of deaths, resignations or removals occurring since the last election. The number of directors may be increased or decreased from time to time by the election of a greater or a lesser number within the variable range, or beyond the variable range by the amendment of this Section 2. The number of directors may be increased or decreased from time to time by the amendment of this Section 2 with the result of eliminating the position of a director elected or appointed by the Board of Directors or shortening the term of an incumbent director; provided, however, such amendment has been approved by the Board of Directors. To ensure that the Board of Directors are responsive to the needs of the community that the Health Center serves, the directors shall be selected for their dedication, special skills and expertise as well as their desire to serve the community and improve, health service programs.

(MUST BE A MAJORITY- AT LEAST 51% OF ACTIVE, REGISTERED CLIENTS OF THE FQHC WHO ARE REPRESENTATIVE OF THE POPULATIONS SERVED BY THE CENTER).

- (a) A majority of the Board shall be individuals who are or will be served by the FQHC and who, as a group, represent the individuals being or to be served in terms of demographic indicators, such as race, ethnicity, gender and economic status ("User Members"). User Members should live or work in the FQHC's service area; utilize the FQHC as their principal source of primary care; and have used the FQHC's services within the last two years. A legal guardian of a User Member who is a dependent child or adult, or a legal sponsor of an immigrant, may also be considered a User Member.
- (b) The remaining Board members ("Non-User Members") shall be representatives of the community in which the FQHC is located and shall be selected for their expertise in community affairs, local government, finance and banking, legal affairs, trade unions, and other commercial and industrial concerns, or social service agencies within the community. To the extent possible, Non-User Members should live or work in the FQHC's service area.
- (c) No more than one-half of the Non-User Members of the Board may be individuals who derive more than 10 percent of their annual income from the health care industry.
- (d) A health center board member may not be an employee of the center or an immediate family member (i.e. spouses, children, parents, or siblings through blood, adoption, or marriage) of an employee of the center.
- (e) One (1) member of the Board will also be selected by the Chair of the Board of the Knox County Health Department. [NOTE, may or may not have a vote depending on the ratio as to consumers.]

SECTION 3 TERM OF OFFICE. Each director shall hold office until the next annual meeting of directors following their election or thereafter, until his or her successor shall have been elected and qualified.

- (a) The term of office shall be three (3) years, except that the Board members named in the Articles of Incorporation as the first Board of Directors shall decide who among their number shall serve a one (1) year term, two (2) year term, and three (3) year term, 3 members a one-year term, 4 members a two-year term and 4 members a three-year term. A Board member holds office for the term for which he or she is elected and until his or her successor is elected and qualified, or until his or her resignation. Election shall not, of itself, create any contract right.
- (b) Any Board member who has otherwise satisfactorily performed his/her duties as a Board member shall be eligible for re-election to the Board of Directors upon expiration of his/her term, provided that such member continues to meet the eligibility guidelines set forth in these By-Laws and by the Corporation.

SECTION 4 NOMINATION. Any person qualified to be a director shall be nominated for election by the Board of Directors or a committee thereof.

SECTION 5 ELECTION. The initial Board of Directors shall be named in the Corporation's Articles of Incorporation. Thereafter, the directors shall be elected from the nominees designated as provided in Section 5 at the regularly scheduled annual meeting of the Board of Directors, as prescribed by Section 10 of this Article III. The nominees receiving the highest number of votes up to the number of directors to be elected at such meeting shall be elected. Directors shall be eligible for re election provided they continue to meet the qualifications required by Section 2 of this Article III, if any.

SECTION 6 COMPENSATION. By resolution of the Board of Directors, the Corporation may reimburse a director for his or her reasonable expenses of attendance for each regular or special meeting of the Board of Directors, provided that nothing herein shall be construed to preclude any director from serving the Corporation in any other capacity and receiving reasonable compensation therefor.

SECTION 7 RESIGNATION AND REMOVAL OF DIRECTORS. Any director may resign by giving written notice to the President, the Secretary, or the Board of Directors. A resignation shall be effective upon the giving of written notice, unless the notice specifies a later time for the effectiveness of such resignation. If the resignation is effective at a future time, a successor may be selected before such time to take office when a resignation becomes effective. A director shall not resign where the Corporation would be left without a duly elected director in charge of its affairs. A director may be removed with or without cause by the affirmative vote of a majority of the directors then in office present and voting at a meeting of the Board of Directors at which a quorum is present. A Director may be removed by the affirmative vote if that director fails to attend four (4) consecutive Board meetings without notifying the board of the absence or intent to return.

SECTION 8 VACANCIES. A vacancy or vacancies in the Board shall be deemed to exist in the case of death, resignation, or removal of any director or an increase in the number of directors. Vacancies in the Board shall be filled by the affirmative vote of a majority of the remaining directors, although less than a quorum, or by a sole remaining Director. Each director so elected shall hold office until the expiration of the term of the replaced director and until a successor has been elected and qualified.

SECTION 9 PLACE OF MEETING. Meetings of the Board shall be held at any place within or without the State of Illinois as designated from time to time by the Board.

SECTION 10 REGULAR MEETINGS. A regular annual meeting of the Board of Directors shall be held on the **3rd 2nd Thursday of January** of each year without other notice than these By-Laws for the purpose of electing the officers and directors of the Corporation and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday, such meeting shall be held on the next succeeding business day. A regular monthly meeting of the Board of Directors shall be held on the 3rd Thursday of each month. The Board of Directors may provide, by resolution, the time and place for the holding of additional regular meetings of the Board without other notice than such resolution.

SECTION 11 SPECIAL MEETINGS. Special meetings of the Board of Directors may be called by or at the request of the President or any two directors. The person or persons authorized to call special meetings of the Board may fix any place as the place for holding any special meeting called by them.

SECTION 12 NOTICE OF SPECIAL MEETING. Notice of any special meeting of the Board of Directors shall be given at least two (2) days previous thereto by written notice delivered personally or by mail, telegram, telex, fax, graphic scanning, e-mail or other communication system, to the mailing address, e-mail address, facsimile number, or other contact information appearing on the records of the Corporation.

If mailed, notice shall be deemed to have been delivered when it is deposited in the United States mail, with postage thereon prepaid. If notice is given by telegram, telex, fax, graphic scanning, e-mail or other communication system, such notice shall be deemed to be delivered when transmitted.

Notwithstanding the above, notice of any special meeting of the Board of Directors to remove a director shall be given at least twenty (20) days prior thereto by written notice delivered personally or by mail, telegram, telex, fax, graphic scanning, e-mail or other communication system, to the mailing address, e-mail address, facsimile number, or other contact information appearing on the records of the Corporation.

SECTION 13 WAIVER OF NOTICE. Notice of any meeting of the Board of Directors may be waived in writing signed by the person or persons entitled to the notice either before or after the time of the meeting. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called

or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these By-Laws.

SECTION 14 QUORUM. A majority of the Board of Directors then in office shall constitute a quorum for the transaction of business at any meeting of the Board, provided that if less than a majority of the directors are present at said meeting, a majority of the directors present may adjourn the meeting to another time without further notice.

SECTION 15 MANNER OF ACTING. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors unless the act of a greater number is required by statute, the Articles of Incorporation or these By-Laws.

SECTION 16 INFORMAL ACTION BY DIRECTORS. Any action required by the Act to be taken at a meeting of the Board of Directors, or any other action which may be taken at a meeting of the Board of Directors or a committee thereof, may be taken without a meeting if a consent evidenced by one or more written approvals, each of which sets forth the action taken and provides a written record of approval.

SECTION 17 TELEPHONIC MEETINGS. Unless specifically prohibited by the Articles of Incorporation or these By-Laws, members of the Board of Directors or of any committee of the Board may participate in and act at any meeting of such Board or committee through use of a telephone conference or other communications equipment by means of which all persons participating in the meeting can hear each other. Participation in such meetings shall constitute attendance in person at the meeting of the person or persons so participating. The following must be included in a telephonic meeting:

- (a) Telephone calls shall be initiated by the Board of Directors to the number listed on the board roster for any non-present member participating telephonically.
- (b) Telephonic participation must be arranged in advance of calling the meeting to order and all members notified of the meeting.
- (c) A quorum shall be established through a roll call.
- (d) Members shall always state their names when beginning to speak.
- (e) At the chair's discretion, discussion shall take place on a rotating basis.
- (f) At the chair's discretion, votes are taken by roll call or by general consent.
- (g) Each member should seek recognition from the chair before beginning to speak.
- (h) The minutes of the meeting shall be approved at the next in-person meeting.

SECTION 17 PRESUMPTION OF ASSENT. A Director who is present at a meeting of the Board of Directors at which action on any corporation matter is taken shall be conclusively

presumed to have assented to the action taken unless his or her dissent shall be entered into the minutes of the meeting or unless he or she shall file his or her dissent to such action with the person acting as secretary of such meeting before the adjournment thereof or shall forward such dissent by registered or certified mail to the Secretary immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

ARTICLE IV

Officers

SECTION 1 OFFICERS. The officers of the Corporation shall be a President, one or more Vice Presidents, a Treasurer, a Secretary, and such Assistant Treasurers, Assistant Secretaries or other officers as may be appointed by the Board of Directors. Officers whose authority and duties are not prescribed in these By-Laws shall have the authority and perform the duties prescribed, from time to time, by the Board of Directors. Any two or more offices other than the offices of President and Secretary may be held by the same person.

SECTION 2 ELECTION AND TERM OF OFFICE. The officers of the Corporation shall be appointed annually by the Board of Directors at the regular annual meeting of the Board. Vacancies may be filled or new offices created and filled at any meeting of the Board of Directors. Each officer shall hold office until his or her successor shall have been duly elected and shall have qualified or until his or her death or until he or she shall resign or shall have been removed in the manner provided in Section 3 of this Article IV. Election of an officer shall not of itself create contract rights.

SECTION 3 REMOVAL. Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the Corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

SECTION 4 PRESIDENT. The President shall be the principal executive officer of the Corporation. Subject to the direction and control of the Board of Directors, the President shall be in charge of the business and affairs of the Corporation, shall see that the resolutions and directives of the Board of Directors are carried into effect, except in those instances in which that responsibility is assigned to some other person by the Board of Directors, and, in general, shall discharge all duties incident to the Office of President and such other duties as may be prescribed by the Board of Directors. The President shall preside at all meetings of the Board of Directors. Except in those instances in which the authority to execute is expressly delegated to another officer or agent of the Corporation or a different mode of execution is expressly prescribed by the Board of Directors or these By-Laws, the President may execute for the Corporation any contracts, deeds, mortgages, bonds, or other instruments which the Board of Directors has authorized to be executed, and may accomplish such execution either under or without the seal of the Corporation and either individually or with the Secretary, any Assistant Secretary, or any other officer thereunto authorized by the Board of Directors, according to the requirements of the form of the instrument. The President may vote all securities which the Corporation is entitled to vote except as and to the extent such authority shall be vested in a different officer or agent of the Corporation by the Board of Directors.

SECTION 5 VICE PRESIDENT. The Vice President (or the Vice Presidents in the event there is more than one) shall assist the President in the discharge of his or her duties as the President may direct and shall perform such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors. In the absence of the President (or in the event of the President's inability or refusal to act, the Vice President, or in the event there be more than one Vice President, each Vice President in the order designated by the Board of Directors, or by the President if the Board of Directors has not made such a designation, or in the absence of any designation, then in the order of their seniority of tenure), shall perform the duties of the President and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. Except in those instances in which the authority to execute is expressly delegated to another officer or agent of the Corporation or a different mode of execution is expressly prescribed by the Board of Directors or these By-Laws, the Vice President (or any of them if there is more than one) may execute for the Corporation any contracts, deeds, mortgages, bonds or other instruments which the Board of Directors has authorized to be executed, and may accomplish such execution either under or without the seal of the Corporation and either individually or with the Secretary, any Assistant Secretary, or any other Officer thereunto authorized by the Board of Directors, according to the requirements of the form of the instrument.

SECTION 6 TREASURER. The Treasurer shall be the principal accounting and financial officer of the Corporation. The Treasurer shall have charge of and be responsible for the maintenance of adequate books of account for the Corporation; have charge and custody of all funds and securities of the Corporation, and be responsible therefor, and for the receipt and disbursement thereof; and perform all the duties incident to the Office of Treasurer and such other duties as from time to time may be assigned by the President or by the Board of Directors. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the Board of Directors shall determine.

SECTION 7 SECRETARY. The Secretary shall record the minutes of the meetings of the Board of Directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these By-Laws or as required by law; be custodian of the corporate records and of the seal of the Corporation; keep a register of the post office address of each Director which shall be furnished to the Secretary by such Director; and perform all duties incident to the Office of Secretary and such other duties as from time to time may be assigned to the Secretary by the President or by the Board of Directors.

SECTION 8 ASSISTANT TREASURERS AND ASSISTANT SECRETARIES. The Assistant Treasurers and Assistant Secretaries shall perform such duties as shall be assigned to them by the Treasurer or the Secretary, respectively, or by the President or the Board of Directors. If required by the Board of Directors, the Assistant Treasurers shall give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine.

SECTION 9 APPOINTIVE OFFICERS. The President may appoint other officers and agents on a division basis or otherwise, as such divisions or other operating units are created by the Board of Directors, and such other officers and agents shall receive such compensation, have

such tenure and exercise such authority as the President shall specify. All appointments made by the President hereunder and all the terms and conditions thereof must be reported to the Board of Directors. No appointive officer shall have any contractual rights against the Corporation for compensation by virtue of such appointment beyond the date of the appointment of his or her successor, or his or her death, resignation, or removal, whichever event shall first occur, except as otherwise provided in an employment contract or under an employee deferred compensation plan.

SECTION 10 VACANCIES. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed by these By-Laws for regular election or appointment to such office, provided that such vacancy shall be filled when it occurs and not on an annual basis.

SECTION 11 SALARIES. The salaries of the officers shall be fixed from time to time by the Board of Directors.

ARTICLE V

Committees, Commissions and Advisory Bodies

SECTION 1 COMMITTEES OF DIRECTORS. The Board of Directors by resolution adopted by a majority of the directors in office, may designate one or more committees. Each committee shall consist of two or more directors, a majority of its members shall be directors, and all committee members shall serve at the pleasure of the Board. A committee, to the extent provided in such resolution, shall have and exercise the authority of the Board of Directors in the management of the Corporation. However, no such committee shall have the authority of the Board of Directors with respect to:

- (a) amending, altering or repealing the By-Laws;
- (b) electing, appointing or removing any member of any such committee or any director or officer of the Corporation;
- (c) amending the Articles of Incorporation;
- (d) adopting a plan of merger or adopting a plan of consolidation with another corporation;
- (e) authorizing the sale, lease, exchange or mortgage of all or substantially all of the property and assets of the Corporation;
- (f) authorizing the voluntary dissolution of the Corporation or revoking proceedings therefor;
- (g) adopting a plan for the distribution of the assets of the Corporation; or

- (h) amending, altering, repealing or taking action inconsistent with any resolution of the Board of Directors which by its terms provides that it shall not be amended, altered or repealed by such committee.

The designation and appointment of any such committees and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual director, of any responsibility imposed upon it or him or her by law.

SECTION 2 MEDICAL DIRECTOR. The Corporation shall ensure that the FQHC has a Medical Director that supervises all clinical activities.

SECTION 3 COMMISSIONS OR ADVISORY BODIES. Commissions or Advisory Bodies not having and exercising the authority of the Board of Directors in the Corporation may be designated by a resolution adopted by a majority of the directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such Commission or Advisory Body may be, but need not be, directors or officers of the Corporation, and the President of the Corporation shall appoint the members thereof. Any member thereof may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the Corporation shall be served by such removal.

SECTION 4 TERM OF OFFICE. Each member of a committee, commission or advisory board shall continue as such until the next annual meeting of the Board of Directors of the Corporation and until his or her successor is appointed, unless the committee, commission or advisory board shall be sooner terminated, or unless the authorizing resolution provides a specific term for such committee, commission or advisory board membership, or unless such member be removed from such committee, commission or advisory board, or unless such member shall cease to qualify as a member thereof.

SECTION 5 CHAIRMAN. One member of each committee, commission or advisory board shall be appointed chairman.

SECTION 6 VACANCIES. Vacancies in the membership of any committee, commission or advisory board may be filled by appointments made in the same manner as provided in the case of the original appointments.

SECTION 7 QUORUM. Unless otherwise provided in the resolution of the Board of Directors designating a committee, commission or advisory board, a majority of the whole committee, commission or advisory board shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee, commissioner or advisory board.

SECTION 8 RULES. Each committee, commission or advisory board may adopt rules for its own government not inconsistent with these By-Laws or with rules adopted by the Board of Directors.

SECTION 9 INFORMAL ACTION. The authority of a committee, commission or advisory board may be exercised without a meeting if a consent setting forth the action taken is

evidenced by one or more written approvals, each of which sets forth the action taken and provides a written record of approval.

ARTICLE VI

Board of Trustees

The Corporation may have a Board of Trustees. The Trustees shall be appointed by and shall serve at the pleasure of the Board of Directors. The Trustees shall have the authority and perform the duties as prescribed from time to time by the Board of Directors.

ARTICLE VII

Indemnification

SECTION 1 THIRD PARTY PROCEEDINGS. The Corporation may indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he or she is or was a director, officer, employee or agent of the Corporation or who is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding, if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Corporation or, with respect to any criminal action or proceeding, that he or she had reasonable cause to believe that his or her conduct was unlawful.

SECTION 2 PROCEEDINGS BY THE CORPORATION. The Corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he or she is or was a director, officer, employee or agent of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection with the defense or settlement of such action or suit, if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to the best interests of the Corporation, provided that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his or her duty to the Corporation, unless, and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability, but in view of all the circumstances of the case, such

person is fairly and reasonably entitled to indemnity for such expenses as the court shall deem proper.

SECTION 3 SUCCESSFUL DEFENSE. To the extent that a director, officer, employee or agent of the Corporation has been successful on the merits or otherwise in the defense of any action, suit or proceeding referred to in Sections 1 and 2 of this Article VII or in defense of any claim, issue or matter therein, he or she shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection therewith, if that person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation.

SECTION 4 DETERMINATION OF STANDARD OF CONDUCT. Any indemnification under Sections 1 or 2 of this Article VII (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case, upon the determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he or she has met the applicable standard of conduct set forth in Sections 1 or 2. Such determination shall be made (1) by the Board by a majority vote of a quorum consisting of directors who are not parties to such action, suit or proceeding, or (2) if such a quorum is not obtainable, or even if obtainable, if a quorum of disinterested directors so directs, by independent legal counsel in a written opinion. Such determination shall be made with respect to a person who is a director or officer at the time of the determination: (1) by the majority vote of the directors who are not parties to such action, suit or proceeding, even though less than a quorum, (2) by a committee of the directors designated by a majority vote of the directors, even through less than a quorum, (3) if there are no such directors, or if the directors so direct, by independent legal counsel in a written opinion, or (4) by the members entitled to vote, if any.

SECTION 5 ADVANCE PAYMENT. Expenses, (including attorneys fees) incurred by an officer or director in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding, as authorized by the Board of Directors in the specific case, upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount unless it shall ultimately be determined that such person is entitled to be indemnified by the Corporation as authorized in Article VII of the By-Laws. Such expenses (including attorney's fees) incurred by former directors and officers or other employees and agents may be so paid on such terms and conditions, if any, as the Corporation deems appropriate.

SECTION 6 CONSTRUCTION OF THIS ARTICLE. The right of indemnification provided by this Article VII shall be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any By-law, agreement, vote of disinterested directors, or otherwise, both as to action in such persons official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee or agent, and shall inure to the benefit of the heirs, executors and administrators of such a person.

SECTION 7 INSURANCE. The Corporation shall purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or who is or was serving at the request of the Corporation as a director, officer, employee or agent

of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against, and incurred by, such person in any such capacity, or arising out of such person's status as such, whether or not the Corporation would have the power to indemnify such person against such liability under the provisions of this Article VII.

ARTICLE VIII

Fiscal Year

The fiscal year of the Corporation shall be set by resolution of the Board of Directors.

ARTICLE IX

Contracts, Checks, Deposits and Funds

SECTION 1 CONTRACTS. The Board of Directors may authorize any officer or officers, agent or agents of the Corporation in addition to the officers so authorized by these By-Laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation and such authority may be general or confined to specific instances.

SECTION 2 CHECKS, DRAFTS, ETC All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation, shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer or an Assistant Treasurer and countersigned by the President or a Vice President of the Corporation.

SECTION 3 DEPOSITS. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

SECTION 4 GIFTS. The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Corporation.

ARTICLE X

Books and Records

The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors, and committees having any of the authority of the Board of Directors. All books and records of the Corporation may be inspected by a director, or his or her agent or attorney for any proper purpose at any reasonable time.

ARTICLE XI

Seal

The Corporation may have a corporate seal that shall have inscribed thereon the name of the corporation and the words "Corporate Seal, Illinois." The seal may be used by causing it or a facsimile thereof to be impressed or affixed or in any other manner reproduced, provided that the affixing of the corporate seal to an instrument shall not give the instrument additional force or effect, or change the instruction thereof, and the use of the corporate seal is not mandatory.

ARTICLE XII

Waiver of Notice

Whenever any notice is required to be given under the provisions of the Act or under the provisions of the Articles of Incorporation or the By-Laws of the Corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Attendance at any meeting shall constitute waiver of notice thereof unless the person at the meeting objects to the holding of the meeting because proper notice was not given.

ARTICLE XIII

Amendments

The power to alter, amend, or repeal the By-Laws or to adopt new By-Laws shall be vested in the Board of Directors. Such action may be taken at a regular or special meeting for which written notice of the purpose shall be given. The By-Laws may contain any provisions for the regulation and management of the affairs of the Corporation not inconsistent with law or the Articles of Incorporation.

ARTICLE XIV

Action by Electronic Means

Actions required to be "written", to be "in writing", to have "written consent", to have "written approval" and the like by or of directors, or committee members shall include communication transmitted or received by electronic means.

ARTICLE XV

Order of Business

The rules contained in the current edition of Robert's Rule of Order Newly Revised shall govern all meetings of the corporation to which they are applicable and in which they are not inconsistent with these By-Laws and any special rules of order that might be adopted.

Knox Community Health Center, nfp
Form of Board Resolutions and Designations to Establish Committees

WHEREAS, Article V, Section 1 of the Corporation's By-Laws provides that the Board of Directors, by resolution adopted by a majority of the entire Board, may designate one or more standing committees of the Board; and

WHEREAS, the Board of Directors has determined that it is in the best interest of the Corporation to appoint such a standing committee of the Board of Directors to assist and support the Board of Directors as to its responsibilities and duties;

NOW, THEREFORE, BE IT RESOLVED, that in accordance with Article V, Section 1 of the By-Laws, the Board of Directors hereby designates the following standing committee(s):

Executive Committee. The Executive Committee shall include the President, Vice President, Secretary and Treasurer of the Board of Directors. The Chief Executive Officer shall be an *ex-officio* member of the Executive Committee, without voting rights. Except as otherwise provided in the Articles of Incorporation, the Act or the By-Laws, the Executive Committee shall have the power to transact all regular business of the Board of Directors during the period between meetings of the Board of Directors subject to any prior limitation imposed by the Board of Directors, the Act or these By-Laws.

Finance Committee. The Finance Committee shall be a majority of which must be members of the Board of Directors. The Finance Committee shall advise upon and review the accounts and financial policies of the Corporation. The Finance Committee shall cause and audit the Corporation's accounts to be undertaken annually and to submit to the Board of Directors, proposed budgets and periodic statements relating thereto.

Quality Management Committee. The Quality Management Committee shall be composed of a majority of which must be members of the Board of Directors. The Quality Management Committee shall oversee, evaluate and make recommendations regarding quality and research initiatives.

Governance and Nominating Committee. The Governance and Nominating Committee shall be a majority of which must be members of the Board of Directors. The Governance and Nominating Committee shall have the duties of nominating persons for officers of the Board of Directors and members of the Board of Directors of the Corporation, to be elected by the Board of Directors at the annual meeting or duly called special meetings, as necessary. The Governance and Nominating Committee is also responsible for reviewing and updating the by-laws and Articles of Incorporation annually. The Committee must oversee that all relevant persons annually sign and acknowledge the conflict of interest policies.

**KNOX COMMUNITY HEALTH CENTER, NFP
CONFLICT OF INTEREST STATEMENT**

This Conflict of Interest Statement is designed to help the Knox Community Health Center, NFP (the "Corporation") directors and officers meet their continuing responsibility to disclose potential conflicts of interest. You are asked to respond to several questions regarding all of the organizations with which you or any of your relatives, as that term is defined in the Policy, are involved that have a relationship or do business with, including receiving grants from, the Corporation and any transactions of the Corporation during the past year in which you or any of your relatives have had, directly or indirectly, a financial or other material interest or a grant making interest. This form should be completed, signed at the bottom and returned to the Chief Executive Officer of the Corporation.

If there is any question in your mind whether your interest in a transaction or relationship warrants disclosure, you should disclose the interest. If you have any questions on the application of the Policy, please contact the Corporation's Chief Executive Officer.

1. Benefits from Transactions with the Corporation:

a. Have you, any of your relatives or any entity in which you or any of your relatives is a director, trustee, officer, member, partner or employee received within the past twelve months or expect to receive within the next twelve months, directly or indirectly, any financial benefit as a result of any transaction or relationship with the Corporation?

_____ Yes _____ No

If your answer is Yes, please explain the nature of the transaction and the financial benefit.

b. Have you, any of your relatives or any entity in which you or a relative is a director, trustee, officer, member, partner or employee been involved within the past twelve months or expect to be involved within the next twelve months in any transaction or arrangement with any grantee or prospective grantee of the Corporation?

_____ Yes _____ No

If your answer is Yes, please explain the nature of the transaction or arrangement with the grantee or prospective grantee, including any financial aspects of the transaction or arrangement.

2. Relationships with Outside Organizations:

a. Are you a director, trustee, officer, member, partner, employee or consultant of any organization other than the Corporation?

_____ Yes _____ No

If the answer is Yes, please provide the following information with respect to each organization:

<u>No.</u>	<u>Name of Organization</u>	<u>Address of Organization</u>	<u>Your Position</u>
1			
2			
3			
4			
5			

(Please attach additional sheets if necessary.)

b. Are you aware of any situation in which an organization listed above has had within the past twelve months, or is reasonably expected to have within the next twelve months, a relationship with the Corporation (e.g., as a grantee, vendor, supplier of services, consultant or otherwise)?

_____ Yes _____ No

If your answer is Yes, please identify the organization and explain the nature and extent of the relationship.

c. Are you aware of a situation in which any of your relatives is a director, trustee, officer, member, partner, employee or consultant in any organization that has had within the past twelve months, or reasonably may be expected to have within the next twelve months, a relationship with the Corporation (e.g., as a grantee, vendor, supplier of services, consultant or otherwise)?

_____ Yes _____ No

If your answer is Yes, please identify the organization and explain the nature and extent of the relationship.

d. If you or any of your relatives are a director, trustee, officer or employee of any organization that has received within the past twelve months, or reasonably may be expected to receive within the next twelve months, a grant from the Corporation, are you or any of your relatives actively involved in managing that organization?

____ Yes ____ No

If your answer is Yes, please identify the organization and explain the nature and extent of any involvement in its management.

3. Financial or Other Material Interests in Outside Organizations:

a. Do you or one of your relatives have a direct or indirect financial or other material interest (as those terms are defined in the Policy) either alone or together, in any organization that has had within the past twelve months, or reasonably may be expected to have within the next twelve months, a relationship with the Corporation?

____ Yes ____ No

If your answer is Yes, please identify the organization and explain the nature and extent of the interest.

b. Do you or any of your relatives have a 35 percent controlling interest, either alone or together, in any corporation, partnership, trust or estate that now has, has had within the past twelve months, or may in the next twelve months reasonably be expected to have, a relationship with the Corporation (e.g., as a grantee, vendor, supplier of services, consultant or otherwise)?

____ Yes ____ No

If your answer is Yes, please identify the corporation, partnership, trust or estate, explain the nature and extent of the interest, and explain the relationship.

c. Do you or one of your relatives have a direct or indirect co-investment interest (as those terms are defined in the Policy) either alone or together, in any organization that has had within the past twelve months, or reasonable may be expected to have within the next twelve months, a relationship with the Corporation?

_____ Yes _____ No

If your answer is Yes, please identify the organization and explain the nature and extent of the interest.

4. Criminal Offenses

a. Have you within the past twelve months been convicted, plead guilty or plead no-contest to any criminal offense, other than a minor traffic violation?

_____ Yes _____ No

If your answer is Yes, please explain the nature of the offense.

I certify that I have read and agree to be bound by the Corporation's Conflicts of Interest Policy and that the information I have provided in response to the above questions is correct and complete to the best of my knowledge.

During the time that I am a director or officer of the Corporation, I will promptly notify the Board of Directors of the Corporation (i) if any facts or circumstances arise that would cause the answer to any of the above questions to be no longer accurate, and (ii) of any future situation that might involve me or any of my relatives in any potential conflict of interest with the Corporation or that could violate the self-dealing prohibitions of the Internal Revenue Code and Treasury Regulations.

Name of Director or Officer: _____

Signature: _____

Date: _____