BYLAWS

In these Bylaws, the HEALTHCARE FINANCIAL MANAGEMENT ASSOCIATION will be referred to as the "HFMA" or "the Association".

Whenever the term "Chair" is used to identify a member of a group of individuals qualified through having served as a chief elected officer of HFMA, it shall be deemed to include all past elected Presidents by reference.

ARTICLE I.
MEMBERSHIP

Section 1.
Qualifications and Classes

1. A Regular member (who shall hereafter sometimes be referred to as a "Member") is a person who is involved or interested in healthcare financial management and in furthering the objectives of the Association. The Board of Directors, may, from time to time, create additional classes of membership, and varying dues structures.

2. An Advanced member is a member who:

   a) has earned Advanced membership by voluntary participation in the programs and services of the Association, including service as a volunteer, as delineated in policies established by the Board of Directors.

   b) shall not lose such status because of any subsequent change in employment. A person who ceases to be a member of HFMA relinquishes his or her status and designation as an Advanced member and all rights pertaining thereto. Upon reinstatement as a Member, Advanced membership may be reinstated subject to criteria established by the HFMA Board of Directors.

3. A National Life member is a Member on whom life membership has been conferred by the Board of Directors. The status of National Life member may be conferred upon Members or Advanced members who have served as National HFMA officers or directors or members of National HFMA committees, to recognize meritorious service to HFMA or an outstanding contribution to the healthcare financial management profession. A National Life member is exempt from all further dues and assessments.

   National Life membership shall not be conferred on any Member while serving as an elected officer or director of National HFMA.

4. A Student member is a person who, during the academic year, is a full-time college student at an educational institution which normally maintains a regular faculty and curriculum, and has an organized body of students at the place where its educational activities are carried on, or a full-time intern, resident, or co-op student affiliated with an accredited educational program.

5. Final determination of an applicant's qualification for membership and for a specific class of membership except in the case of a National Life member shall be made in accordance with the policies established by the Board of Directors.
6. Membership in each of the foregoing classes of membership, except that of National Life member and Advanced member, is contingent upon an individual's having applied for and having been accepted to such class of membership.

Section 2.
Voting Power

Each Member, Advanced member, or National Life member shall be entitled to one (1) vote on each matter submitted to a vote of the members. Student members shall have no voting rights.

Section 3.
Retired Membership and Chapter Life Membership

1. Any HFMA Member in good standing, who has retired from an active career or who has attained the age of 70, may apply for classification as a Retired member. Notification to HFMA shall be in the form of a personal letter, submitted through the Chapter President. A transfer to another field does not constitute retirement.

2. The Retired member shall retain his or her status as Member or Advanced member, as well as the rights and privileges of that status.

3. When a Member in good standing retires, the chapter with which the Member has been affiliated may recommend that Chapter Life membership be conferred upon the Member to recognize outstanding chapter accomplishments. The chapter shall provide National HFMA with a letter setting out the Member's accomplishments, and if Chapter Life membership is approved by the HFMA Board of Directors, HFMA will issue a Chapter Life Membership Certificate.

4. When Chapter Life membership is awarded to a Member, the chapter assumes the payment of the Member's annual dues for five (5) years. After that, dues are waived for the remainder of the Member's life.

Section 4.
Application for Membership

1. All applications for membership, except National Life membership, shall be made in writing according to the instructions issued by the Board of Directors. The application shall include an agreement by the applicant, if accepted into membership, to abide by the Constitution, Bylaws, and Code of Ethics of HFMA in effect from time to time during the applicant's membership.

2. Applications may be submitted via electronic format. In lieu of a signature attesting to the applicant's agreement to abide by the Constitution, Bylaws, and Code of Ethics of HFMA, the electronic application shall contain a statement that submission of the form via electronic format implies the applicant's acceptance of these terms.

Section 5.
Suspension or Expulsion

1. A Member may be admonished, suspended or expelled from the membership by a two-thirds vote of the Board of Directors, if the Member is found to have engaged in activities which violate the Code of Ethics or which are detrimental to the objectives of HFMA, or both.

2. A Member being considered for admonishment, suspension or expulsion shall be given notice at least thirty (30) days in advance of the meeting of the Board of Directors at which the Member's case will be considered. The Member shall have the right to appear at the meeting and make a statement concerning the matter at issue at the meeting or to furnish relevant information by affidavit.
ARTICLE II
APPLICATION FEES AND DUES

Section 1.
Application Fees

1. Application fees shall be established by the Board of Directors.

2. If an applicant is not accepted, the amount of the application fee and dues submitted by the applicant will be refunded.

Section 2.
Dues

1. Annual membership dues shall be based on such time period as determined by the Board of Directors. The Board of Directors shall establish the amount of dues for all classes of members, including those residing in countries other than the United States and its dependencies. Any change in the amount of the annual dues requires approval by a majority vote of the Board of Directors.

2. Annual dues shall be billed according to a schedule that is approved and set in place by the Board of Directors.

3. Membership shall become effective on the date the application is accepted. Dues for the first year of membership shall be in accordance with a schedule approved by the Board of Directors for the period beginning on the first day of the month of application. This amount, together with the application fee, must be paid at the time of application for membership.

4. The Board of Directors shall establish criteria for the temporary waiver of a member’s dues for extraordinary circumstances.

Section 3.
Delinquency

1. If the dues of any Member remain unpaid for 89 days after the annual billing date specified in Article II, Section 2, Paragraph 2, that Member’s membership shall automatically terminate at the end of the 89th day. As soon as practicable thereafter, the Member, and the President and Membership Chair of the Chapter in which the Member is enrolled, shall be notified that the termination has taken place. Dues shall be considered unpaid until the full amount of the dues shall have been credited to HFMA’s accounts.

ARTICLE III
MEETING OF MEMBERS

Section 1.
Annual Meeting

An annual meeting of the members shall be held as soon as practicable after January 1 of each year, to elect officers and directors and to transact any other business which may properly come before the meeting. Such meeting may be waived or postponed upon the written approval of two-thirds of the members who have voting rights as of the date fixed from time to time by the Board of Directors. The Chair of the Board shall, prior to December 15, notify the President of the date of the annual meeting. If the President is not notified by that date he or she shall select the date
of the meeting. Notice of the annual meeting shall be mailed on January 15 or as soon thereafter as practicable to all persons who were members of the Association on January 1.

Section 2.  
Special Meetings

Special meetings of the members may be called by the Chair, the President, a majority of the Board of Directors, or not less than one-tenth of the members having voting rights.

Section 3.  
Place of Meeting

The Board of Directors may designate any place, either inside or outside the State of Illinois, as the place of meeting for any annual meeting or special meeting called by the Board of Directors. A special meeting called by any other person may be held at any place, either inside or outside the State of Illinois, designated by the person calling the meeting. If the call of a regular or special meeting does not designate the place of meeting, the meeting shall be held in the registered office of the Association in the State of Illinois. At meetings of members, participation by telephone may not be permitted except under circumstances prescribed by the Board of Directors.

Section 4.  
Notice of Meetings

Written or printed notice, stating the place, date, and hour of any meeting of members, shall be given to each Member entitled to vote at the meeting, not less than five (5) nor more than sixty (60) days before the date of the meeting, by or at the direction of the Chair, the President, or the Secretary/Treasurer, or the officers or persons calling the meeting. In the case of a special meeting convened for the purpose of acting on the removal of an officer or director, merger, consolidation, dissolution, sale, or lease/exchange of assets or when required by statute or by these Bylaws, the purpose for which the meeting is called shall be stated in the notice which shall be given to each member entitled to vote at the meeting not less than twenty (20) nor more than sixty (60) days before the date of the meeting.

Section 5.  
Quorum

The members holding one-tenth of the votes which may be cast at any meeting, represented in person or by proxy, shall constitute a quorum at such meeting. If a quorum is not present at any meeting of members, a majority of the members represented in person or by proxy may adjourn the meeting from time to time without further notice. The vote of a majority of the votes entitled to be cast by the members present or represented by proxy at a meeting at which a quorum is present, shall be necessary for the adoption of any matter voted upon by the members, unless a different proportion is required by the Illinois General Not For Profit Corporation Act, the Articles of Incorporation of HFMA, its Constitution, or these Bylaws.

Section 6.  
Proxies

At all meetings of members, a Member having voting rights may vote by proxy executed in writing by the Member or by the Member's duly authorized attorney-in-fact. Such proxy shall be filed with the President of the Association before or at the time of the meeting. No proxy shall be valid after eleven (11) months from the date of its execution, unless the proxy provides otherwise. No salaried executive staff member or other employee of HFMA may be appointed as proxy in any proxy form delivered by HFMA to the voting members even though such person may be a member of HFMA.

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Section 7.
Written Consent

For all issues which may properly come before the membership for a vote, members may take action by written, signed consent without benefit of a special meeting called for that purpose.

ARTICLE IV
PROFESSIONAL CERTIFICATION AND FELLOWSHIP

Section 1.
Certification Process

The Board of Directors may establish a deliberative body to govern the HFMA certification program and process.

Section 2.
Certified Healthcare Financial Professional (CHFP)

1. A Certified Healthcare Financial Professional is a Member whose professional ability has been established by the successful completion of both a core knowledge examination and a specialty knowledge examination, and such other criteria as may be required by the Board of Directors. The examinations shall be conducted as specified by the Board of Directors. Admission requirements and specialty knowledge examinations for CHFP status shall be defined and determined by the Board of Directors.

2. A person who ceases to be a Member of HFMA relinquishes the status and designation as a Certified Healthcare Financial Professional and all rights pertaining thereto.

3. Upon reinstatement as a Member, CHFP status shall be restored subject to criteria established by the Board of Directors.

4. Maintenance of CHFP status shall be accomplished pursuant to certification maintenance guidelines and requirements as set forth by the Board of Directors.

Section 3.
Fellowship (FHFMA)

1. A Fellow is a Certified Healthcare Financial Professional (CHFP) Member whose professional ability has been established by successful completion of such criteria as may be required by the Board of Directors. Admission requirements for Fellowship status shall be defined and determined by the Board of Directors.

2. A person who ceases to be a Member of HFMA relinquishes the status and designation as a Fellow and all rights pertaining thereto.

3. Upon reinstatement as a Member, Fellowship status shall be restored subject to criteria established by the Board of Directors.

4. Maintenance of Fellowship status shall be accomplished pursuant to Fellowship maintenance guidelines and requirements as set forth by the Board of Directors.
Section 4.
Other Certifications

The Board of Directors shall have the authority to institute such additional certification or professional achievement as it may determine to be necessary or desirable, and shall have authority to establish criteria for, and determine retention requirements with respect to any such additional certification.

ARTICLE V
OFFICERS AND ELECTION

Section 1.
Qualifications for Elective Officers

Only Advanced and National Life members who are HFMA certified and who have served or are serving on the HFMA Board of Directors shall be qualified to hold elective office.

Section 2.
Elective Officers

1. A majority of the qualified members voting at each annual meeting shall elect a Chair-Elect and a Secretary/Treasurer to serve for a term of one year. The Chair-Elect and the Secretary/Treasurer shall assume office on the first day of the fiscal year for which they are elected, or on the day of their election, whichever is later, and each shall serve until a successor assumes office.

2. The Chair-Elect shall automatically succeed to the office of Chair of the Board of Directors on the first day of the fiscal year following his or her term as Chair-Elect and shall serve as Chair for the ensuing fiscal year and until a successor assumes office. He or she shall not be eligible for election or appointment to the office of Chair thereafter.

3. The President shall assume office as a member of the Board on the day of his or her appointment and shall serve until the term established by the Board expires or until his or her employment terminates, whichever is sooner.

Section 3.
Vacancies in Elective Offices

1. In the event of a vacancy in the office of Chair, the Chair-Elect shall automatically succeed to that office and perform the duties thereof for the unexpired term. Succession to the office of Chair to complete the unexpired term of a prior Chair shall not prevent a person from serving as Chair for the next full term.

2. Should a vacancy occur in the office of the Chair-Elect, the Governance Committee shall be notified no later than thirty (30) days after the vacancy occurs. The Governance Committee shall then recommend a candidate or candidates to the Board of Directors. The Board of Directors will present the candidate or candidates to the voting members for their consideration and a vote at a special meeting called for that purpose according to procedures established from time to time by the Board of Directors. The automatic succession of the Chair-Elect to the office of Chair to fill a vacancy in that office shall not constitute a vacancy in the office of Chair-Elect.

3. Should a vacancy occur in the office of Secretary/Treasurer, the Board of Directors shall fill the vacancy from among the members of the Board of Directors for the unexpired term.
4. Should vacancies simultaneously occur in the offices of Chair and Chair-Elect, the Board of Directors shall appoint a Past Chair to serve as acting Chair until the office of Chair-Elect is filled in accordance with Paragraph 2 of this Section. When the office of Chair-Elect has been so filled, the office of Chair shall be considered vacant, and the new Chair-Elect shall automatically succeed to the office of Chair as provided in Paragraph 1 of this Section.

Section 4.
President

The Board of Directors shall appoint and prescribe the duties of the chief executive officer of the Association who shall be salaried and have the title President and who shall exercise general supervision over the affairs of HFMA. The President shall be the primary spokesman for the Association, shall be responsible for the Association's external relationships, shall carry out the policies of the Board, shall direct the staff, and perform other duties as may be assigned to the President by the Board of Directors, including service as an appointed, ex-officio, voting member of the HFMA Board of Directors and Executive Committee.

Section 5.
Assistant Secretary

The Board of Directors shall from time to time appoint a person who shall act as the Assistant Secretary of HFMA for such term as the Board of Directors may determine, but in no event for a term of more than three (3) years duration. A person so appointed may be reappointed for as many terms as the Board of Directors shall think fit. The Assistant Secretary shall attend meetings of the Board of Directors for the purpose of recording the proceedings and the actions taken but without power to vote. The Assistant Secretary shall also have such other duties as may be prescribed from time to time by the Board of Directors.

ARTICLE VI
DUTIES OF ELECTED OFFICERS

Section 1.
Duties of the Chair of the Board

The Chair of the Board shall be the chief elected officer of HFMA and shall preside at all meetings of the Association, its Board of Directors, and its Executive Committee. The Chair shall:

1. appoint individuals to the advisory councils and the various committees, deliberative bodies, and task forces;

2. be an ex-officio member of all councils, committees, deliberative bodies, and task forces;

3. report to the membership regarding the activities of HFMA; and

4. shall perform such other duties as may be delegated by the Board of Directors.

Section 2.
Duties of the Chair-Elect

The Chair-Elect shall perform the Chair's duties in the Chair's absence. The Chair may assign duties to the Chair-Elect which will allow the Chair-Elect to become familiar with the duties of the Chair, and the policies, objectives, and general affairs of HFMA.
Section 3.
Duties of the Secretary/Treasurer

The Secretary/Treasurer shall:

1. be custodian of or shall supervise the custodianship of the corporate records and the seal of the Association;

2. have general charge of the official register of the members of the Association;

3. review with the President reports to be presented to the Board of Directors and its committees regarding financial plans and results of operations.

4. review any recommendations of the auditor regarding procedural changes necessary to safeguard assets and to report the results of operations accurately;

5. discharge the duties specifically imposed on the Secretary or Treasurer by the Illinois General Not For Profit Corporation Act, and Articles of Incorporation of HFMA, its Constitution, or these bylaws;

6. in general perform all duties incident to the office of Secretary/Treasurer except to the extent such duties may be otherwise expressly provided for in these Bylaws; and

7. perform such other duties as may be assigned from time to time by the Board of Directors.

ARTICLE VII
BOARD OF DIRECTORS

Section 1.
Qualifications for Director

The Board of Directors shall establish and may from time to time amend eligibility criteria for directors.

Section 2.
Composition of the Board of Directors

1. The Board of Directors shall consist of thirteen (13) individuals, three (3) of whom shall be the elected Officers of HFMA, nine (9) of whom shall be elected directors of HFMA, and one of whom shall be the appointed President. At least five (5) of the total thirteen (13) members of the Board of Directors shall be HFMA certified and all deemed in good standing by HFMA.

Section 3.
Election of Directors

1. Three (3) directors shall be elected each year for a term of three (3) years by a majority vote of the qualified voting members voting either in person or by proxy at the annual meeting.

Section 4.
Vacancies

1. If the office of any of the nine (9) elected directors becomes vacant, the unexpired term shall be filled by a qualified member elected by the Board of Directors.
Section 5.
Term of Directorship

1. The elected members of the Board of Directors shall assume office on the first day of the fiscal year for which they are elected by the members, or on the day of their election by the Board of Directors, whichever is later, and each shall serve until a successor assumes office.

2. No person may serve more than two (2) consecutive full terms as a Director of the Association.

Section 6.
Meetings of the Board of Directors

1. An annual meeting of the Board of Directors shall be held as soon as practicable after June 1. At the annual meeting of the membership, the Chair shall notify the President of the date of this annual meeting. If the President does not receive such notification, he or she shall select a date. Notice of the annual meeting of the Board of Directors shall be mailed within ten (10) days after the annual meeting of the membership to all members of the Board of Directors as it will be constituted at the time of that annual meeting.

2. Additional meetings may be called at the direction of the Chair or at the request, submitted in writing to the President, of three (3) members of the Board of Directors. The person(s) authorized to call additional meetings of the Board of Directors may hold these meetings at any place he or she designates. Notice of any additional meeting of the Board of Directors shall be given at least ten (10) days in advance of the meeting.

3. Neither the business to be transacted at, nor the purpose of, any annual or additional meeting of the Board of Directors need be specified in the notice or waiver of notice of the meeting; however, a tentative agenda shall be given to all board members with the notice of the meeting.

4. Meetings of the Board of Directors, regular or special, may be held either within or without the State of Illinois.

5. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, provided that, if less than a majority of the directors is present at the meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

6. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors unless a greater number is required by the Illinois General Not For Profit Corporation Act, the Articles of Incorporation of HFMA, its Constitution, or these Bylaws. No director may vote by proxy.

ARTICLE VIII
COMMITTEES

Section 1.
Governance Committee

1. All members of the Governance Committee must meet the qualifications established by the Board of Directors from time to time.

2. The Governance Committee shall consist of seven (7) members including the Immediate Past Chair, who shall serve as Chair of the Governance Committee, the Chair, Chair-Elect, President, and three individuals selected by the Board of Directors based on qualifications established by the Board of Directors from time to time.
3. The Governance Committee shall identify candidates from among the qualified members of HFMA for the elective offices and the expiring directorships of the Association. The Governance Committee will present its recommendations to the Board of Directors. The Board of Directors will approve the final slate that is presented to the membership for vote. The Chair of the Board of Directors, or in his or her absence, the Chair-Elect, shall report the names of all nominees who have consented to stand for election, to the President of HFMA, within ten (10) days following receipt of all such consents, but in any event not later than December 31 each year.

Section 2.
Executive Committee

1. The Executive Committee shall consist of the Chair, Chair-Elect, Secretary/Treasurer, and two other members of the current Board of Directors who have served during the preceding year as directors of the Association and who are elected to the Executive Committee for a two (2) year term by a majority vote of the Board of Directors at the last regular meeting preceding the beginning of the fiscal year in which their terms begin. In addition, the President of HFMA may be appointed to the Executive Committee as an ex-officio, voting member of the committee by a majority vote of the Board of Directors at its annual meeting for a term to be established by a majority vote of the Board. A vacancy on the Executive Committee resulting from the resignation or inability to serve as a member elected by the Board of Directors shall be filled by the Board of Directors.

2. Except as otherwise provided in the Illinois General Not For Profit Corporation Act, the Articles of Incorporation, the Constitution, or these Bylaws, the Executive Committee shall have and exercise the authority of the Board of Directors in all matters arising in the governance of HFMA between meetings of the Board of Directors. This specifically includes the authority to charge a member with a violation of the HFMA Code of Ethics. The actions of the Executive Committee shall be reported to the Board of Directors no later than its next regular meeting.

3. Meetings of the Executive Committee may be called by the Chair or by any three (3) members of the Executive Committee. Notice of any meeting of the Executive Committee shall be given to members of the committee at least ten (10) days in advance of the meeting. Neither the business to be transacted at, nor the purpose of, any meeting of the Executive Committee needs to be specified in the notice or waiver of notice of the meeting.

4. Meetings of the Executive Committee may be held either within or without the State of Illinois.

5. A majority of the Executive Committee shall constitute a quorum for the transaction of business at any meeting of the Executive Committee.

6. A copy of any notice of a meeting of the Executive Committee given in accordance with Paragraph 3 of this Section, and the tentative agenda, if any, shall be given to all members of the Board of Directors at the same time such notice is given to the members of the Executive Committee in order to allow each member of the Board of Directors to express his or her views on matters which are to be or could be considered at such meeting.

Section 3.
Past Chairmen’s Council

1. There shall be a committee known as the Past Chairmen’s Council which shall be comprised of the three (3) immediate past chairmen. The Immediate Past Chair shall be the Chair of the Past Chairmen’s Council.

2. The council shall meet once each year for the purpose of providing to the President and Chair its various perspectives on the long range plans and activities of the Association. Reports of the activities of the council shall be provided to the Board of Directors by the President.
3. All past elected chairmen may join the Chair and the President for an update of the plans of the Association on an annual basis as determined by the Board of Directors.

Section 4. Committees and Deliberative Bodies

Other committees and deliberative bodies of the Board of Directors or the Association may be designated by a resolution adopted by a majority of the Board of Directors. Except as otherwise provided in such a resolution, members of each such committee or deliberative body shall be appointed by the Chair from among the members of the Association. Any committee or deliberative body member may be removed by the person(s) authorized to appoint such member whenever in his or their judgement the best interests of the Association would be served by the removal. No such committee or deliberative body shall continue beyond the next annual meeting of the Board of Directors of the Association after the designation of the committee or deliberative body, unless otherwise expressly provided in the resolution constituting the committee or deliberative body.

Section 5. Term of Office

Except as otherwise expressly provided herein, each member of a committee shall serve until the next annual meeting of the Board of Directors of the Association and until a successor is elected or appointed, unless the committee is sooner terminated, or unless the member is removed from the committee, or unless the member ceases to qualify as a member thereof.

ARTICLE IX
THE NATIONAL ADVISORY COUNCILS

Section 1. Councils

The National Advisory Councils shall consist of councils charged with the purpose of providing peer review and feedback related to key issues to the HFMA Board of Directors and management. Each council shall have a Chair appointed by the Chair of the Board. The number of councils and their scope shall be established by the Chair of the Board with the advice and counsel of the Board of Directors.

Section 2. Membership

The Chair of the Board will appoint individuals to the National Advisory Councils based on recommendations of members of the Board of Directors, management, and others as deemed appropriate by the Chair. Individuals appointed to these councils must meet qualifications set by the Board of Directors from time to time.

ARTICLE X
GENERAL

Section 1. Fiscal Year

The fiscal year of HFMA shall be from June 1 through May 31.

Section 2. Legal and Official Notices

HFMA shall publish an official Journal which shall be mailed to all members of HFMA in good standing. All notices which HFMA is required to issue to the membership under the Constitution and Bylaws, shall be considered,
to the extent permitted by law, to have been issued when published in the official Journal of HFMA. The annual audited financials shall also be published in the official Journal of HFMA.

Section 3. Bonding

All officers and agents of HFMA who are responsible for the receipt, custody, or disbursement of funds or securities shall give bond for the faithful discharge of their duties in whatever sums and with whatever sureties the Board of Directors requires.

Section 4. Auditor

The Board of Directors shall designate a firm of certified public accountants to act as auditor for HFMA for each fiscal year. The auditor shall perform an annual audit and report to the Board of Directors, which shall publish a copy of the audited annual financial report.

Section 5. Activities

For the purpose of carrying out its objectives, HFMA may undertake activities which, in the sole discretion and judgement of the Board of Directors, will promote and develop HFMA and effect the objectives stated in the Constitution. HFMA shall not undertake any action or practice which would jeopardize its exemption from the payment of Federal income taxes as a tax-exempt organization within the meaning of 501(c)(6) of the Internal Revenue Code of 1954, as amended, or the corresponding provisions of any future United States revenue law.

Section 6. Trademarks

All use and display of HFMA trademarks and other identifying emblems, including but not limited to registered logomarks by HFMA members and others shall be in accordance with guidelines as established by the Board of Directors. In any event, no Member or other person may use or otherwise display the HFMA logomark or seal without express authorization of the Board of Directors or on behalf of the Board of Directors by an authorized officer of the Association.

Section 7. Chapters

1. Chapters of HFMA may be established by charter wherever the Board of Directors may approve, subject to the provisions of the Bylaws and regulations governing membership, organization, procedures, and financial relationship with HFMA prescribed by the Board of Directors.

2. Charters for the operation of chapters may be revoked at any time in such manner and after such investigation as the Board of Directors may deem necessary. Upon the revocation of a chapter charter, all funds in the chapter treasury and all chapter records shall be turned over to the President of HFMA as the property of the Association.

3. The HFMA chapters shall be divided into eleven (11) regions designated by the Board of Directors. One Advanced or National Life member from each region shall serve on a council of these regional representatives. Each regional representative shall be elected by the chapter presidents in that region for a one (1) year term through an election process prescribed by the Board of Directors. If a region fails to nominate a candidate, or the elected representative fails to complete his or her term, the Chair of the Board of HFMA will appoint a representative from the particular region to the council of regional representatives.

4. The elected regional representative will serve as the primary link between the chapters and National HFMA. The council of regional representatives will ensure that appropriate orientation, training,
communication, and tools are available to the elected regional representatives so that they are properly prepared to assume their roles. The council also will fulfill those duties and responsibilities that are assigned to it by the HFMA Board of Directors from time to time. To ensure appropriate communications, the council will meet with the Board of Directors to discuss substantive chapter issues and concerns at least once per year.

5. The Chair of the Board shall call a meeting of Chapter Presidents each year. A Chapter President who is unable to attend this meeting may appoint an officer or member from the chapter as the chapter delegate. Any person other than the Chapter President who attends a Chapter Presidents' meeting in place of the Chapter President must present proper credentials, before the meeting, to the President of HFMA, or the President's designee, which credentials must be found in order if the person is to be recognized as a voting delegate.

6. At the meeting of Chapter Presidents recommendations may be submitted to the HFMA Board of Directors for consideration. Such recommendations shall be placed on the agenda of the next meeting of the Board of Directors for whatever action the board feels is appropriate.

7. HFMA's various chapters shall be subject to the terms and conditions set forth in their original charters, as granted by HFMA and as may be amended by HFMA from time to time. Additionally, in recognition of the relationship between HFMA and its various chapters, all actions and activities of chapters shall be in accordance with the Constitution, Bylaws, policies, procedures, and regulations of HFMA (including those relating to Federal, state, and local income tax law requirements, if any, anti-trust compliance, membership procedures, disciplinary procedures, and use of trademarks and other intellectual property in which HFMA owns or claims rights). Chapters shall not obligate or otherwise make HFMA liable for any expenditures nor shall they make commitments or advance positions on behalf of HFMA unless the making of such expenditures or commitments or the advancement of such positions shall first have been approved in writing on behalf of HFMA by an authorized officer thereof.

Section 8.
Indemnification

HFMA shall indemnify every present or former director, officer, committee member, elected regional or chapter officer or director, or employee and any person who may serve as or has served at the request of HFMA or by its election as an officer or director of any other corporation or organization, to the full extent permitted by the Illinois General Not for Profit Corporation Act. HFMA shall be entitled to purchase insurance for such indemnification to whatever extent is determined desirable from time to time by the Board of Directors.

Section 9.
Removal of Officers

Any officer, elected or appointed, may be removed by the person or persons authorized to elect or appoint such officer whenever in their judgement the best interests of the Association will be served thereby. In the case of removal by the Board of Directors, an affirmative vote of two-thirds of the members of the Board of Directors shall be required. The removal of an officer shall be without prejudice to the contract rights, if any, of the officer so removed.
ARTICLE XI.
NOTICE, WAIVER AND INFORMAL ACTION

Section 1.
Notice

Whenever any notice is required to be given to any person by law or by these Bylaws, such notice shall be in writing, and may be given personally, by mail or by telegraph, using the address of such person as it appears on the records of the Association. Any notice shall be deemed given when personally delivered, or, if by mail, when deposited, postage prepaid, in the United States mail, or, if by telegraph, when the telegram is filed with the telegraph company.

Section 2.
Waiver of Notice

Whenever any notice is required to be given to any person by law, or by these Bylaws, a waiver of notice in writing signed by the person entitled to the notice, whether before or after the time stated in the notice, shall be equivalent to the giving of notice. Attendance at any meeting, except attendance for the purpose of objecting to the transaction of business because the meeting is not lawfully called or convened, shall constitute waiver of notice of the meeting.

Section 3.
Informal Action

Any action required or permitted to be taken at any meeting of the Board of Directors or of any committee may be taken without a meeting if a consent in writing, setting forth the action taken, shall be signed by all of the directors or committee members entitled to vote. Any such consent shall have the same force and effect as an unanimous vote. A copy of any such consent adopted by the Executive Committee shall be distributed to each member of the Board of Directors not later than the next regular meeting of the Board of Directors after the date which the consent bears or, if earlier, the date on which the consent is effective.

ARTICLE XII.
AMENDMENTS

The Bylaws of HFMA may be altered, amended, or repealed and new Bylaws may be adopted by a majority vote of the members voting at the annual meeting or at a special meeting called for that purpose.

ARTICLE XIII.
DISSOLUTION

In the event of the dissolution of the Association, the Board of Directors shall make provision for the payment, satisfaction, and discharge of all of the liabilities and obligations of the Association, and shall return, transfer, or convey any assets held by the Association upon a condition requiring return, transfer, or conveyance by reason of the dissolution. Thereafter, the Board of Directors shall transfer or convey the remaining assets of the Association to such organization or organizations whose objectives are in accordance with the objectives of HFMA as stated in Article II of the HFMA Constitution and which are organized and operated exclusively for charitable, religious, scientific, literary, or educational purposes as shall at the time qualify as an exempt organization or organizations under the Internal Revenue Code of 1986, as amended (or corresponding provision of any future United States internal revenue law), in such manner as the Board of Directors shall determine pursuant to a plan of distribution adopted by the Board of Directors. Any such assets not so disposed of shall be disposed of by the court of general jurisdiction of the county in which the principal office of the Association is then located, exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes.

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