

**BYLAWS
OF
THE CHARLESTON COUNTY MEDICAL SOCIETY FOUNDATION, INC.**

As duly adopted by the Charleston County Medical Society
this _____ day of _____, 20_____

With Conflict of Interest and Dispute Resolution Policies

Prepared by
Wagenmaker & Oberly, LLC

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1 DEFINITIONS

The following terms used in these bylaws shall have the meanings set forth below.

1.1 Act

“Act” means the South Carolina Nonprofit Corporation Act of 1994, as amended.

1.2 Corporation

“Corporation” means The Charleston County Medical Society Foundation, Inc., a South Carolina nonprofit corporation.

1.3 Member

“Member” means Charleston County Medical Society, a South Carolina nonprofit corporation.

2 CORPORATE OFFICES

The Corporation shall continuously maintain in the State of South Carolina a registered office and a registered agent whose office is identical with such registered office. The Corporation may have other offices within or without the state and need not be identical with the principal office in the State of South Carolina. The address of the registered office and registered agent may be changed from time to time by the Board of Directors.

3 CORPORATE PURPOSES

As set forth in the Articles of Incorporation, the Corporation is organized and operated exclusively for charitable, educational, and scientific purposes in accordance with Section 501(c)(3) of the Internal Revenue Code of 1986 (or a corresponding provision of any future United States Internal Revenue law, referred to below as the “Code”). More specifically, the Corporation is organized and operated to promote the medical well-being of the people in the greater Charleston area through support of community health initiatives, medical education, clinical research, and equal access to quality healthcare for all members of the community.

4 MEMBERSHIP

4.1 Membership Class and Eligibility

The Corporation shall have one Member. The sole Member shall be Charleston County Medical Society. No other classes of membership shall be permitted in the Corporation.

5 VOTING RIGHTS

The Member shall be entitled to one vote on each matter reserved to the Membership in these bylaws. More specifically, the approval of the Member shall be required for the following actions of the Corporation:

- a) Appointment and number of Directors to the Corporation’s Board of Directors;

- b) Removal of Directors from the Corporation's Board of Directors;
- c) The approval of the Corporation's annual operating budget;
- d) The unbudgeted sale, pledge, lease, or transfer of corporate assets greater than twenty-five thousand dollars (\$25,000.00);
- e) Any amendments to the Articles of Incorporation or these bylaws;
- f) The creation of subsidiary corporations; and
- g) Any merger, dissolution, or liquidation of the Corporation.

In addition, the Corporation's Board of Directors shall promptly provide copies of all minutes of Board meetings and resolutions to the Member, and copies of financial and operational reports as requested from time to time by the Member.

5.1 Exercise of Voting Rights and Membership Meetings

Being a Corporation with one Member, the Corporation shall not be required to hold membership meetings. The Member shall exercise its voting rights in the form of a resolution certified by Member's corporate secretary or other authorized officer. The written resolution shall have the same effect as an Action by Written Consent of the Membership in accordance with Section 33-31-704 of the Act (SC Code Ann. § 33-31-704). The Member's resolution shall be delivered to the Secretary of the Corporation and shall be effective upon receipt unless another effective date is specified therein.

5.2 Transfer of Membership

Membership in this Corporation is not transferable or assignable without the prior written approval of the Member.

5.3 Membership Certificates

No membership certificates of the Corporation shall be required.

6 BOARD OF DIRECTORS

6.1 General Powers

The affairs, business, and all legal matters of the Corporation shall be managed by its Board of Directors, subject to the powers reserved to the Member in these bylaws.

6.2 Number and Tenure

The Board of Directors shall be composed of three (3) directors and may be increased to ten (10), without amending the bylaws, by a resolution of the Board of Directors, and as approved by the Member. The Board of Directors may from time to time, by amendment of these bylaws, change the minimum and maximum number of directors, but in no case shall the number be less than three (3).

The directors of the Corporation shall be appointed annually by the Member prior to the Annual Meeting of the Board of Directors. If the appointment shall not occur prior to the Annual Meeting, such appointment shall be held as soon thereafter as conveniently may be. Each director shall hold office for a term of three (3) years unless the Member shall expressly resolve to appoint a director for a different term. Director's terms shall be staggered so that approximately one-third of the director seats are up for appointment at each annual meeting of the Board. Directors may serve two consecutive terms provided that after any such director serves two full consecutive terms, he or she shall be required to leave the Board for a one-year period before being reelected. Notwithstanding

such term limitations, each such director shall hold office until his or her successor has been appointed and qualified.

6.3 Qualifications

Those who seek to be directors of the Corporation must be members in good standing of the Member, personally affirm the Corporation's statement of purpose, must abide in all respects with the corporate policies set forth in these bylaws, must characterize personal commitment to the values of the Corporation, and must be appointed by the Member to serve as a director of the Corporation.

6.4 Procedure for Nomination

To facilitate the appointment by the Member, the Board of Directors shall evaluate potential candidates and prepare a list of nominees for submission to the Member with sufficient time for review and appointment by the Member prior to the Annual Meeting of the Board. Each director shall hold office until the first of the following to occur: until his or her successor shall have been duly elected and shall have qualified; until his or her death or disability; until he or she shall resign in writing; or until he or she shall have been removed in the manner hereinafter provided.

6.5 Fiduciary Duties

Directors are legally required to fulfill the following fiduciary duties to the Corporation:

6.5.1 Duty of Diligence

Directors ultimately hold full non-delegable responsibility for the Corporation's actions and well-being. Directors are required to carry out their board responsibilities with careful attentiveness and dedication – attending meetings, actively participating in board deliberations, seeking outside counsel and guidance as appropriate; and ensuring that all state and federal taxes, registrations, returns, and other financial reports required under applicable laws are timely filed.

6.5.2 Duty of Loyalty

Directors must always act in the best interests of the Corporation. This applies to not only decisions that involve their own personal or business loyalties, but also those of other key employees, directors, and officers involved in the Corporation. Directors shall comply at all times with the Conflict of Interest Policy at Addendum A; and shall refrain from making non-program loans, gifts, or advances to any person, except as permitted under the Act.

6.5.3 Duty of Obedience

Directors are required to ensure that the Corporation's activities adhere and conform to the charitable, educational, or scientific purposes set forth in the Corporation's purpose statement at Section 3 above; and to utilize the assets of the Corporation for the best interest of the Corporation's beneficiaries. They are to avoid wasting charitable assets. This includes, but is not limited to incurring penalties, fines, and unnecessary taxes.

6.6 Resignation and Removal

Any director may resign at any time by giving written notice to the President of the Corporation. Such resignation, which may or may not be made contingent on formal acceptance, shall take effect on the date of receipt or at any later time specified therein. Any director may be removed with or without cause at any time by resolution adopted by the Member.

6.7 Vacancies

Any vacancy occurring in the Board of Directors to be filled by reason of any increase in the number of directors or resignation or termination of a director shall be filled by the Member as soon as is practicable, in accordance with Sections 6.2 and 6.4. A director so appointed to fill a vacancy shall be appointed for the unexpired term of his or her predecessor in office.

6.8 Compensation

Directors shall not receive compensation for their services as directors. However, by resolution of the Board of Directors, expenses of attendance, if any, may be reimbursed for each regular or special meeting of the Board of Directors, provided that nothing herein contained shall be construed to preclude any directors from serving the Corporation in any other capacity and receiving reasonable compensation therefor.

6.9 Confidentiality

As part of their fiduciary duties owed to the Corporation, all directors, officers, and key employees of the Corporation are expected to maintain appropriate confidentiality of information related to the Corporation, including donor and supporter lists and related records, fundraising strategies, financial information about the Corporation, organizational plans, marketing information, expense information, personnel matters, and all credentials used to access physical or digital media containing information related to the Corporation and any software or services owned, leased, subscribed to, or used by the Corporation for the Corporation's purposes, including, but not limited to, computer login identification and passwords, email login identification and passwords, serial numbers or software keys for local copies of software, and cloud-based services login identification and passwords, and to prevent unauthorized disclosure to any outside party, except to the extent such information is otherwise disclosed in accordance with the ordinary course of business to the public or third parties or otherwise is required to be disclosed under applicable law. Such confidentiality is expected to be maintained at all times subsequent to service to the Corporation. Each director, officer, and key employee shall annually complete a confidentiality agreement. Notwithstanding the dispute resolution provision contained in Addendum B, the Corporation may enforce this provision as it deems appropriate (including mediation and arbitration at its option), and it shall be entitled to recover attorneys' fees and costs against those found liable for violating this provision.

7 MEETINGS OF THE BOARD OF DIRECTORS

7.1 Annual Meeting

An annual meeting of the Board of Directors shall be held at such time and place as may be designated by the President in accordance with the notice provisions herein below, for the purpose of approving an annual budget, for election of directors and officers, and for the transaction of such other business as may come before the meeting.

7.2 Special Meeting

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 of Directors may fix any place for holding any special meeting of the Board of Directors called by them.

7.3 Notice

7.3.1 Time

Except as otherwise provided herein, written notice of any meeting of the Board of Directors shall be delivered not less than five (5) days nor more than sixty (60) days prior to the date of the scheduled meeting.

7.3.2 Email

Notice requirements may be satisfied by sending an email communication in a timely manner to the director's email address on the Corporation's records. Telephone communications may be useful for establishing the time and place of meeting but shall not be used in lieu of the email notice. At any duly convened meeting of the Board a resolution may be approved concerning future meetings of the Board. Timely emailing of the Board minutes to each director may qualify as notice of the next meeting of the Board if the minute concerning the meeting is clearly set forth and concise in its composition.

7.3.3 Extraordinary Notice

Notice of no less than seven days shall be provided for meetings of directors called for the purposes of amending the bylaws or removing a director as required under the Act.

7.3.4 Waiver

Notice of any meeting of the Board of Directors may be waived in writing or electronically, 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 expressed purpose of objection to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted, nor the purpose of any regular or special meeting of the Board of Directors, need be specified in the notice or waiver of such meeting, unless specifically required by law or by these bylaws.

7.4 Quorum

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

7.5 Manner of Acting

The act of a majority of the directors present and voting at a duly convened meeting shall be the act of the Corporation unless the act of a greater number is required by statute, these bylaws, or the Articles of Incorporation. Directors may not vote by proxy or under any other power of attorney.

7.6 Telephone Meeting

Any meeting of the directors may be conducted in simultaneous multiple locations if the various locations are effectively connected by telephonic or other communications equipment, including videoconference. Directors or non-director committee members may participate in and act at any meeting of the Board or committee through the use of such equipment, provided all persons participating in the meeting can communicate with each other simultaneously. Participation in such

meeting shall constitute attendance and presence in person at the meeting of the person or persons so participating.

7.7 Action Without a Meeting

Any 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 in writing setting forth the action so taken shall be approved in writing by all of the directors or all of the members of such committee entitled to vote with respect to the subject matter thereof, as the case may be. The consent shall be evidenced by one or more written approvals, each of which sets forth the action taken and provides a written record of approval. Consent provided by reply email from a director's email address shall be sufficient to constitute written consent. The action must be evidenced by one or more written consents describing the action taken, signed by each director, and included in the minutes filed with the corporate records reflecting the action taken. The action taken shall be effective when all the directors or the committee members, as the case may be, have approved the consent unless the consent specifies a different effective date.

8 COMMITTEES

8.1 Appointment of Committees and Committee Members

The Corporation's Board of Directors shall have the power to appoint standing and special committees by a resolution of the Board. The resolution of the Board creating the standing or special committee shall specify:

- a) the task(s) assigned to the committee;
- b) whether or not the committee has authority to act on behalf of the Corporation (see Sections 8.2 and 8.3); and
- c) the duration of the committee, which may be generalized to a period necessary to bring the matter to full resolution.

Unless otherwise designated by the Board, all committee members shall be appointed for one (1) year terms by the Board of Directors beginning each year at the Board's Annual Meeting. The Board shall also designate an individual to serve as chair of the committee.

8.2 Committees with Corporate Authority

The Board of Directors may appoint committees that are delegated certain authority generally reserved to the Board, provided such authority is not prohibited for delegation under the Act. Committees with corporate authority must have two or more directors; a majority of its membership must be directors; and all the committee members shall serve at the pleasure of the Board.

8.3 Committees Without Corporate Authority

The Board of Directors may appoint committees without corporate authority. These committees will generally be responsible for investigating, reporting, and advising the Board on certain activities and program as well as making recommendations to the Board of Directors or officers for approval. The committees shall not have authority to bind the Corporation. For purposes of clarity, committees without corporate authority should be identified as advisory boards, commissions, task forces, or similar names. These committees may be composed of persons appointed by the Board of Directors for specific skills and need not be directors or officers of the Corporation.

8.4 Committee Meetings

Meetings of any committee may be called by the President of the Corporation, the chairperson of the committee, or a majority of the committee's voting members. Notice of the time and place of any meeting of a committee shall be given at least three (3) days prior to the meeting, and otherwise in accordance with Section 7.3.

8.5 Resignation and Removal

Any member of a committee may resign at any time by giving written notice to the chairperson of the committee or to the Secretary of the Corporation. Such resignation, which may or may not be made contingent on formal acceptance, shall take effect on the date of receipt or at any later time specified therein. Any member of a committee may be removed at any time by resolution adopted by a majority of the Board of Directors.

8.6 Quorum and Manner of Acting

Unless otherwise provided in the resolution of the Board designating a committee, a majority of a committee's members shall constitute a quorum. The act of a majority of committee members present at a meeting with a quorum shall be the act of the committee. A committee may otherwise conduct its meetings and act in accordance with Sections 7.6 and 7.7.

9 OFFICERS AND AGENTS

9.1 Officers

The officers of the Corporation shall consist of a:

- a) President;
- b) Vice President;
- c) Secretary; and
- d) Treasurer.

Such other officers and assistant officers and agents as may be deemed necessary may be elected or appointed by the Board.

Directors of the Board may simultaneously serve as officers, but directorship shall only be a required qualification for the President and Vice President. The Secretary and Treasurer of the Corporation may or may not be directors.

9.2 Election and Term of Office

The officers of the Corporation shall be elected by the Board for a term of one (1) year at the annual meeting of the Board of Directors. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each officer shall hold office until the first of the following to occur: until his or her successor shall have been duly elected and shall have qualified; until his or her death or disability; until he or she shall resign in writing; or until he or she shall have been removed in the manner hereinafter provided. Election or appointment of an officer or agent shall not in itself create contract rights. Officers may serve no more than three (3) consecutive terms in the same office.

9.3 President

The President shall be a director and serve as the chief executive officer of the Corporation, unless the Board otherwise authorizes an Executive Director to do so. Subject to the control of the Board, the President shall preside at all meetings of the Board as chair of the Board. The President may sign documents on behalf of the corporation, as provided below in 10. The President shall discharge all duties incident to the office of President and such other duties as may be assigned to him or her by the Board from time to time.

9.4 Vice-President

The Vice-President shall exercise all of the functions of President during the absence or disability of the President. He or she shall have such powers and discharge such duties as may be assigned to him or her from time to time by the Board.

9.5 Secretary

The Secretary shall:

- a) be responsible for the keeping of the minutes of the Board and committee meetings in one or more books provided for that purpose;
- b) see that all notices are duly given in accordance with the provisions of these bylaws or as required by law;
- c) be custodian of and maintain copies of all corporate records, including all notices and voting records, whether in electronic or paper form; and
- d) in general, discharge all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the President or by the Board.

9.6 Treasurer

The Treasurer shall:

- a) monitor the financial books of the Corporation;
- b) keep regular books of account and make them available for inspection at all times to the directors of the Corporation;
- c) render to the Board from time to time as may be required of him or her, an account of the financial condition of the Corporation; and
- d) in general, discharge all duties incident to the office of Treasurer, and such other duties as may be assigned to him or her by the President or by the Board.

9.7 Executive Director

If an Executive Director is hired, he or she shall be an officer and shall supervise and be principally responsible for the day-to-day administrative management of the Corporation. The Executive Director shall work closely with the President to ensure that all corporate functions are adequately carried out. The duties and responsibilities of the Executive Director shall include:

- a) carrying out all policies established by the Board;
- b) selecting, employing, training, controlling and discharging all other employees of the Corporation;
- c) attending all meetings of the Board and committees of the Board;

- d) preparing and presenting to the Board regular reports reflecting accomplishment of corporate goals and the Corporation's mission; and
- e) any other duties and responsibilities as may be assigned to him or her by the President or by the Board.

9.8 Delegation of Authority

In case of the absence of any officer of the Corporation, or for any other reason that it may deem sufficient, the Board may either delegate the powers or duties of such officer to any director or employee of the Corporation, for the time being, or may eliminate some or all of such powers or duties of such officer, provided a majority of the Board concurs therein.

9.9 Removal

Any officer or agent may be removed by the Board of Directors whenever, in its judgment, the best interest of the Corporation shall be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

10 FINANCIAL POLICIES

10.1 Fiscal Year

The fiscal year of the Corporation shall be from July 1st to June 30th.

10.2 Sale of Assets

The unbudgeted sale, lease, exchange, mortgage, pledge or other disposition of property or assets of the Corporation outside the normal course of business may be made by the Board upon such terms and conditions and for such considerations, which may consist in whole or in part of the money or property, real or personal, as may be authorized by the Board; provided, however, that the unbudgeted sale, lease, exchange or other disposition more than twenty-five thousand dollars (\$25,000.00) shall be authorized only upon receiving written approval of the Member.

10.3 Contracts

The President may sign contracts with another officer of the Corporation provided, however, that the Board may authorize him or any other officer or officers, agent or agents, to enter into any contracts or execute and deliver any instrument in the name of and on behalf of the Corporation, individually or together, and such authority may be general or confined to specific instances.

10.4 Loans

No loans shall be contracted on behalf of the Corporation and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board. Such authority may be general or confined to specific instances.

10.5 Checks, Drafts, Etc.

All checks, drafts or other orders for the payment of money, notes or other evidence 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.

10.6 Deposits

All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board may select.

10.7 Annual Report

The Board shall present annually to the Member an annual financial report, verified by the President and Treasurer or by a majority of the Board, showing in appropriate detail the following:

- a) The assets and liabilities of the Corporation as of the end of the fiscal year immediately preceding the date of the report.
- b) The principal changes in assets and liabilities, the year immediately preceding the date of the report;
- c) The revenue or receipts of the Corporation, both unrestricted and restricted to particular purposes, for the year immediately preceding the date of the report; and
- d) Summary of the programs and operations accomplishing the Corporation's purposes during the prior fiscal year.

11 INDEMNIFICATION OF DIRECTORS AND OFFICERS

To the fullest extent permitted by law, the Corporation shall have powers to indemnify any director, officer, or former director or officer of the Corporation, or any person who may have served at its request as a director or officer of another entity or joint venture, whether for profit or not-for-profit, against expenses actually and necessarily incurred by him or her in connection with the defense of any action, suit, or proceeding in which he or she is made a party by reason of being or having been such director or officer, except in relation to matters as to which he or she shall be adjudged in such action, suit, or proceeding to be liable for gross negligence or intentional misconduct in the performance of a duty.

Such indemnification shall not be deemed exclusive of any other rights to which such director or officer may be entitled, under agreement, or a recommendation of the Board of Directors, or otherwise. No indemnification or advancement of expenses shall be made under this Article if such indemnification or such advancement of expenses would be inconsistent with: (i) the provisions of Section 501(c)(3) or Section 4958 of the Code or the Treasury Regulations promulgated thereunder; (ii) a provision of the Corporation's Articles of Incorporation or these Bylaws; (iii) applicable state law; or (iv) a resolution of the Board of Directors or other proper corporate action, in effect at the time of the occurrence of the event giving rise to the alleged cause of action asserted in the threatened or pending action or proceeding, which prohibits or otherwise limits such indemnification or such advancement of expenses. The Member shall be promptly notified of any indemnification approved by the Board.

12 CORPORATE LIMITATIONS

12.1 Distributions

The Corporation, being organized exclusively for charitable, educational, and scientific purposes, may make distributions to organizations and individuals in furtherance of its corporate purposes and in accordance with Section 501(c)(3) of the Code.

12.2 Prohibition Against Private Benefit and Inurement

No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to its directors, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in 3 above.

12.3 Political Activity

No substantial part of the activities of the Corporation shall be to attempt to influence legislation by propaganda or otherwise, and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office.

12.4 Other Prohibitions

The Corporation shall not carry on any other activities not permitted to be carried on:

- a) under the Act or other applicable law;
- b) by a corporation exempt from federal income tax under Section 501(c)(3) of the Code; or
- c) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Code.

12.5 Dissolution

Upon dissolution of the Corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the Corporation, dispose of all of the assets of the Corporation to an organization or organizations organized and operated exclusively for charitable, educational, or scientific purposes, as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Code as the Board of Directors shall determine, as approved by the Member. Any such assets not so disposed of shall be disposed of by the appropriate court of law of the county in which the principal office of the Corporation 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 exempt purposes.

13 MISCELLANEOUS

13.1 Books and Records

The Corporation, at its offices, shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board and committees, and shall keep a record of the names and addresses of all Board and committee members. All books and records of the Corporation may be inspected by the Member, a director, or his agent or attorney, at any reasonable time.

13.2 Amendments

In the event the Articles of Incorporation or Bylaws are to be altered, amended or repealed, the Board of Directors shall adopt a resolution setting forth the proposed amendment(s) and submit copies of the proposed amendment(s) to the Member for approval. No amendments to the Articles or Bylaws shall be adopted unless approved by the Member.

13.3 Corporate Acquisition, Consolidation, Merger, or Dissolution

In the event of a proposed acquisition, consolidation, merger or dissolution, the Board of Directors shall adopt a plan setting forth the terms and conditions of the proposed transaction and such other provisions with respect to the proposed transaction as are deemed necessary under applicable state law or desirable. No acquisition, merger, or other dissolution shall be adopted unless approved by the Member.

13.4 Conflict of Interest Policy

Attached at Addendum A is the Corporation's Conflict of Interest Policy, which shall govern all actions and decisions by the Corporation's Board of Directors.

13.5 Dispute Resolution Policy

Attached to these Bylaws as Addendum B is the Dispute Resolution Policy, which shall be the policy of the Corporation. Provided, however, that with respect to breaches of confidentiality as required herein, the Corporation may at its option protect its interests through injunctive and other judicial relief available through litigation.

13.6 Seal

The Corporation shall not maintain a corporate seal.

13.7 Inconsistencies with Articles of Incorporation

If any provision of these bylaws is inconsistent with a provision of the Corporation's Articles of Incorporation, as amended from time to time, the Articles of Incorporation shall govern.

13.8 Severability

The invalidity or unenforceability of any provision in these bylaws shall not affect the validity or enforceability of the remaining provisions.

CERTIFICATION OF ADOPTION OF BYLAWS

The undersigned, being the duly elected Secretary of The Charleston County Medical Society Foundation, Inc., a South Carolina nonprofit corporation, hereby certifies that the attached bylaws were adopted by the official act of the Member and the same do constitute the Bylaws of the Corporation.

Date

Secretary

ADDENDUM A
CONFLICT OF INTEREST POLICY

CONFLICT OF INTEREST POLICY

1 PURPOSE

The purpose of this Conflict of Interest Policy is to protect the Corporation and its tax-exempt status when the Corporation is contemplating entering into a transaction or arrangement that involves certain individuals that have a special relationship with the Corporation, either directly or through family or business relationships. The law imposes a fiduciary duty on the Corporation's directors, which carries with it a broad and unbending duty of loyalty to the Corporation. The directors have the responsibility of administering the Corporation's affairs honestly and prudently, and of exercising their best care, skill, and judgment for the Corporation's sole benefit. As such, they shall exercise the utmost good faith in all transactions involved in their duties, and they shall not use their positions with the Corporation or knowledge gained therefrom for improper private benefit. The interests of the Corporation must be the first priority in each director's decisions and actions. This Policy is intended to supplement but not replace applicable laws governing conflicts of interest for nonprofits.

2 DEFINITION OF INTERESTED PERSON AND CONFLICT OF INTEREST

2.1 Interested Person

An "Interested Person" shall include:

- a) any director, officer, member of a committee with board-delegated power, or key employee of the Corporation (an employee with decision-making authority);
- b) a substantial contributor to the Corporation;
- c) any family member of the individuals described above¹; and
- d) any corporation, trust, or other entity in which persons described above hold more than 35 percent of the total combined voting power.

2.2 Conflict of Interest

A "Conflict of Interest" is any transaction or arrangement involving the Corporation, which directly or indirectly benefits an Interested Person.

3 ANNUAL STATEMENTS

3.1 Annual Affirmations

Each director, officer, member of a committee with board-delegated power, or key employees of the Corporation shall annually sign a statement which affirms that such person:

- a) has received a copy of this Policy;
- b) has read and understands the Policy;
- c) has disclosed on the annual statement all known potential Conflicts of Interest that may arise, or have arisen; and
- d) agrees to comply with the Policy.

¹ A person's family is limited to: (i) Spouse; (ii) Brothers or sisters (by whole or half-blood); (iii) Spouses of brothers or sisters (by whole or half-blood); (iv) Ancestors; (v) Children; (vi) Grandchildren; (vii) Great-grandchildren; and (viii) Spouses of children, grandchildren, and great-grandchildren.

3.2 Recordkeeping

The Corporation's Board of Directors shall maintain a record of other known potential Conflicts of Interest that may arise, or have arisen with Interested Persons not otherwise disclosed under Section 3.1.

4 PROCEDURES FOR ADDRESSING CONFLICTS OF INTEREST

4.1 Loyalty to the Corporation

The Corporation must be careful in undertaking transactions with Interested Persons to ensure that the transaction is in the best interest of the Corporation and that the Interested Person is not receiving an improper private benefit. This may include, but is not limited to, those transactions involving Interested Persons with decision-making authority in the Corporation.

4.2 Duty to Disclose and Recuse from Discussion and Vote

Interested Persons with decision-making authority in the Corporation have a duty to disclose the existence of a potential Conflict of Interest in any proposed transaction or arrangement under consideration by the Corporation. After disclosure of the interest and all material facts related thereto by the Interested Person, including any initial questioning by the independent individuals on the board or committee, the Interested Person with the Conflict of Interest shall recuse himself or herself and is not permitted to participate in any discussion or vote, on the transaction or arrangement.

4.3 Investigation and Due Diligence Analysis

The Corporation has a duty to investigate alternatives to any proposed transaction or arrangements involving Interested Persons to determine whether the proposed action is in the best interest of the Corporation. If appropriate, the chairperson may appoint a disinterested person or committee to perform this investigation. After exercising due diligence, the board or committee shall determine whether the Corporation can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a Conflict of Interest.

4.4 Decision-Making Process

If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a Conflict of Interest, the board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Corporation's best interest and whether the transaction is fair and reasonable to the Corporation, and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination.

4.5 Contemporaneous Reporting

The acts taken to comply with this Policy, including the disclosure of the Conflict of Interest, investigation thereafter, explanation of the decision-making process, including the explanation of why the proposed action is or is not in the best interest of the Corporation, and the individuals voting on the proposed transaction, shall be contemporaneously recorded in writing by the Corporation in the minutes of the meeting, together with any comparability data or other supporting documentation.

5 VIOLATIONS OF THE CONFLICTS OF INTEREST POLICY

If the board or committee has cause to believe that a director, officer, member of a committee, or key employee has failed to disclose actual or possible conflicts of interest, it shall inform the individual of the basis for such belief and provide an opportunity to explain the alleged failure to disclose.

If, after hearing the response and making such further investigation as may be warranted in the circumstances, the independent board or committee determines that he or she has in fact knowingly failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action, including suspension or removal from his or her position with the Corporation.

6 COMPENSATION AND AVOIDING EXCESS BENEFITS

6.1 Duty to Recuse for Compensation

An Interested Person who receives compensation, directly or indirectly, from the Corporation for services, whether as an employee or an independent contractor, is precluded from voting on matters pertaining to his/her compensation or any benefits provided by the Corporation to the individual.

6.2 Review of Compensation Arrangements

All compensation arrangements between the Corporation and an Interested Person shall be reviewed at least every other year by the Corporation to assure that compensation is reasonable and is the result of arms-length bargaining. Decisions regarding compensation shall be made only after the Board or an appropriate independent committee examines relevant financial information regarding compensation received by similarly situated individuals for similar services performed. A copy of such relevant comparable financial information, including a description of how the data was obtained, shall be maintained as a part of the records of board or appropriate committee making such compensation decision.

ADDENDUM B
DISPUTE RESOLUTION POLICY

DISPUTE RESOLUTION POLICY

In the event a dispute may arise between directors, officers, executive staff, or committee members regarding any matter under these Bylaws or otherwise affecting the Corporation, and except as specifically provided otherwise in the Corporation's Bylaws regarding confidentiality, the parties to the dispute shall submit the circumstances and issues in dispute for mediation or arbitration as follows.

1 MEDIATION

1.1 Neutral Mediator

The parties shall promptly retain a mutually-agreed upon neutral mediator. The goal of the mediation process and the mediator is to bring about an amicable, voluntary resolution of the dispute, and the parties shall make a good faith effort to work with one another and the mediator to effect such a resolution of their dispute.

1.2 Source of Mediator

Such mediator shall be retained from a reputable source or organization such as the Center for Conflict Resolution (located in Chicago, Illinois) or JAMS End Dispute.

1.3 Selection of Mediator

In the event that the parties cannot agree on a mediator, then each party shall select a mediator. The two individually selected mediators shall jointly identify a third mediator, who then will be responsible for facilitating a binding resolution of the parties' dispute at a mutually agreed upon time and place.

1.4 Conducting the Mediation

The mediation shall be conducted in accordance with the rules of the organization from which the mediator who facilitates the parties' dispute is retained. Notwithstanding the foregoing, any and all mediation conferences shall be private and all communications therein confidential unless the parties otherwise agree.

1.5 Fees and Costs of Mediator

The fees and costs of the mediator who facilitates the mediation shall be borne equally by the parties. The fees and costs of any mediator whom a party retains individually shall be borne by that party.

1.6 Mediator's Sole Discretion

The mediator shall have sole discretion to make the determination that the parties have reached an impasse and no voluntary resolution will be forthcoming.

2 ARBITRATION

If the parties cannot reach a resolution through mediation, and the mediator makes the determination that the parties have reached an impasse and no resolution will be forthcoming, the parties shall submit the matter for arbitration.

2.1 Choice of Arbitrator

2.1.1 Single Arbitrator

The parties may agree on a single arbitrator.

2.1.2 Arbitration Panel

Alternatively, each party to the dispute shall select an impartial, disinterested person to be part of the arbitration. The persons so selected shall appoint one or more additional person(s) as may be necessary to provide an odd numbered arbitration panel and such additional person(s) shall be similarly qualified as to all of the parties in conflict.

2.2 Binding Arbitration

When the single arbitration or arbitration panel is identified, the matter shall proceed to binding arbitration.

2.3 Compensation for Arbitration

Compensation for the arbitration shall be paid equally by the parties.

3 SOLE LEGAL REMEDY

These methods shall be the sole legal remedy for any controversy or claim arising out of this Agreement. No party shall bring any dispute under these Bylaws to any court of law or chancery except to enforce a mediation agreement or arbitration decision and except as otherwise provided in the Confidentiality provision of the attached Bylaws ("Dispute Resolution Policy"). Notwithstanding anything to the contrary, this Dispute Resolution Policy shall be subject to the approval of any insurance carrier providing coverage for the Corporation.