

BYLAWS
OF
THE COOPERATIVE EXCHANGE

ARTICLE I

NAME

The name of the corporation shall be the Cooperative Exchange.

ARTICLE II

NOT FOR PROFIT CORPORATE STATUS; PURPOSES

Section 1. **Not For Profit.** The corporation is organized under and shall operate as a Delaware not-for-profit corporation, and shall have such powers as are now or as may hereafter be granted by the Delaware Not-For-Profit Corporation Law, as amended.

Section 2. **Purposes.** The purposes of the corporation are those set forth in its Articles of Incorporation.

ARTICLE III

MEMBERS

Section 1. **Classes of Members.** The corporation shall have four classes of members: Voting Members, Supporting Organizations, Alliance Members, Individual Members all with the respective rights and privileges as herein described.

a. **Voting Members.** Voting membership shall be open to any and all organizations that process HIPAA mandated transactions, are considered a clearinghouse under HIPAA regulations, that adopt the bylaws and that have at least one direct participating payer connection to make available to the membership, at no cost. A member company representative to the Cooperative Exchange must be a member of the executive management of the member company. The number of representatives per Voting Member shall be limited to one, unless a special Voting Member subcategory is established for Voting Members and approved by a 2/3 majority vote of the Voting Members. In no case shall any Member have more than two (2) votes.

b. **Supporting Organization.** A non-voting membership category; open to for-profit organizations that share the goals of the Cooperative Exchange but do not meet the criteria for voting membership. Supporting members may participate in the activities of

the Cooperative Exchange except that they cannot vote at business meetings or on business related items of the Cooperative Exchange, cannot participate in the election of officers and cannot serve as an officer of the Cooperative Exchange.

c. **Alliance Members.** The Cooperative Exchange may enter into an alliance with other not-for-profit industry organizations that support the mission of the organization and would further its mission and goals. This category of membership has no voting rights and attendance at meetings shall be by invitation of the Executive Committee.

d. **Individual Members.** A non-voting individual who supports the mission of the organization but would not meet the requirements of any other membership category and is not affiliated with any organization that would meet the requirements of any other membership category.

Section 2. Eligibility; Admission of Members. Applicants for all classes of membership shall be admitted to membership upon the full and accurate completion of a membership application that meets the relevant membership criteria, payment of applicable dues and approved by the Executive Committee.

Section 3. Renewal of Active Members. Companies maintaining all classes of membership must renew their membership every year and meet any requirements as determined by the membership.

Section 4. Rights of Members. Only Voting members shall have the right to vote, and each such member shall be entitled to one vote on each matter submitted to a vote of members, unless an additional voting representative with voting authority has been approved according to Section 1a, above. All members shall notify the President who shall be its designated representative to vote on behalf of the Voting member and be eligible to serve as an officer.

Section 5. Resignation. Any member may resign by sending a written resignation to the President at the principal office of the corporation. Such resignation shall not relieve a member of any outstanding obligation to the corporation.

Section 6. Termination of Membership. Membership in the corporation may be terminated by action of the Executive Committee for non-payment of dues or conduct deemed detrimental to the corporation. Termination by action of the Executive Committee shall be by at least a two-thirds vote at a meeting of the Executive Committee; provided, however, that prior to any such action, the member involved shall be given due notice and shall be entitled to a hearing before the Executive Committee. Any member who is terminated by the Executive Committee has the right to appeal the decision to the membership at the annual membership meeting. Such an appeal must be made in person, or by representative, and the corporation must be provided with a written notice of the intent to appeal that must be received no less than 30 days prior to the annual membership meeting. Termination of membership shall not relieve a member of any outstanding obligation to the corporation.

Section 7. Reinstatement. A former member terminated by reason of default in the payment of dues, assessments or other financial obligations to the corporation may be reinstated by showing proof of qualification and paying all moneys due and owing to the corporation.

Section 8. Dues and Assessments. Dues and assessments for the various classes of Members, listed herein, shall be proposed by the Executive Committee from time to time, and require a 2/3 majority vote of the Voting Members to be implemented.

ARTICLE IV

MEETING OF MEMBERS

Section 1. Annual Meeting. An annual meeting of the members shall be held at such time and place as the Executive Committee may determine for the purpose of conducting such business as may come before the meeting.

Section 2. Membership Meeting. Membership meetings of the members may be called by the President, by the Executive Committee, or by not less than fifty percent (50%) of the members having voting rights.

Section 3. Voting Members Meeting. The Executive Committee may call a Voting Members Meeting to transact business of the Cooperative Exchange. These meetings will be open only to the delegate representatives of the Voting Members of the Cooperative Exchange.

Section 4. Notice of Meetings. Unless otherwise required by the Delaware Not-For-Profit Corporation Law, as amended, written or printed notice stating the place, day and hour of any meeting of members shall be delivered, either personally, by mail or any other form of electronic communication to each member entitled to vote at such meeting, not less than twenty (20) nor more than fifty (50) days before the date of such meeting, by or at the direction of the President or the persons calling the meeting. If mailed, the notice of a meeting shall be deemed delivered when deposited in the United States mail addressed to the member representative at his or her address as it appears on the records of the corporation, with postage thereon prepaid. Any member may waive notice of any meeting.

Section 5. Quorum and Manner of Acting. A quorum of the voting members shall be a majority of the voting members physically present or present by any other form of electronic communication. If a quorum is not present at any meeting of members, a majority of the members present may adjourn the meeting without further notice. If a quorum is present, the affirmative vote of the majority of the members represented at the meeting and entitled to vote on a matter shall be the act of the members, unless the vote of a greater number is required by law, the Articles of Incorporation or these Bylaws.

Section 6. **Proxies.** A voting member may vote by proxy solely with respect to the election of officers and the amendment or modification of these Bylaws, provided the proxy is executed in writing by the Voting member or his or her duly authorized attorney-in-fact. No proxy shall be valid after eleven months from the date of its execution unless otherwise provided in the proxy.

ARTICLE V

OFFICERS

Section 1. **Officers.** The officers of the corporation shall be a President, Vice President, Treasurer and Immediate Past President. The offices of President and Treasurer shall not be filled by the same person.

Section 2. **Election and Term of Office.** The officers shall be elected at the Annual Meeting by a majority of the Voting members for a one year term. A person may serve as the President of the corporation for no more than two (2) consecutive terms. Candidates for offices shall be nominated in accordance with policies adopted by the Executive Committee. The candidates for the office of President, Vice President and Treasurer must be a sitting Voting member. In the event the President serves two consecutive terms, he or she will be eligible to serve as President after one (1) year.

Section 3. **Removal.** Any officer elected by the members may be removed by the members with a 2/3 majority vote in favor of such removal. Any officer elected by the Executive Committee to fill a vacancy may be removed by the Executive Committee.

Section 4. **Vacancies.** A vacancy in the office of President, Vice President or Treasurer because of death, resignation, removal, disqualification or otherwise, shall be filled by a majority vote of the Executive Committee for the unexpired portion of the term. A vacancy in the office of Immediate Past President may be filled by a previous Immediate Past President, at the selection of the Executive Committee, or if no candidate is available, shall remain unfilled until the next regular election.

Section 5. **President.** The President shall be a member of the Executive Committee and shall be responsible for the integrity of the corporation's governance in accordance with policies adopted by the membership. He or she may sign any deeds, mortgages, contracts, or other instruments which the Executive Committee or membership has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Executive Committee or by these Bylaws or by statute to some other officer or agent of the corporation. The President shall be responsible for the integrity of the corporation's documents, including Bylaws, policies and minutes; shall see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; and shall perform such duties as set forth in policies adopted by the Executive Committee or membership.

Section 6. **Vice President.** The Vice President shall be a member of the Executive Committee and in the absence of the President or in the event of his or her

inability or refusal to act, 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.

Section 7. **Treasurer.** The Treasurer shall be a member of the Executive Committee and shall be responsible for the integrity of the corporation's finances, including budgeting, billing, tax preparation and any other provisions of these Bylaws or as required by law; and shall perform such duties as set forth in policies adopted by the Executive Committee.

Section 8. **Immediate Past President.** The Immediate Past President shall be a member of the Executive Committee without specific portfolio and shall perform such duties as set forth in policies adopted by the Executive Committee.

ARTICLE VI

EXECUTIVE COMMITTEE

Section 1. **General Powers.** The Executive Committee shall oversee the day-to-day operation of the corporation, through its officers, and shall also have power to make decisions for the corporation between Annual and Special meetings. It shall have the authority to propose dues to the membership, but not implement them without the approval of the membership. It shall have the authority to approve news releases, make budget changes of less than 10% of the annual budget, propose changes in membership categories, though not enact them without the approval of the membership, set fees for events, approve appointments of representatives to outside groups and members of the corporation's committees, and other activities normally assigned to an Executive Committee of similar organizations. In the event The Executive Committee is unable to reach a majority vote on a decision, the matter in question shall be presented to the membership for a decision or tabled until such time a majority decision can be attained. The decision to table such a matter shall be determined by the President.

Section 2. **Composition.** The Executive Committee shall be comprised of the President, Vice President, Treasurer and the Immediate Past President of the corporation.

ARTICLE VII

COMMITTEES

Any other committees, not having and exercising the authority of the Executive Committee in the management of the corporation, may be designated by a resolution adopted by a majority of the Voting members present at a meeting at which a quorum is present. Except as otherwise provided in such resolution; the President of the corporation shall appoint the members thereof.

ARTICLE VIII

CONTRACTS AND CHECKS

The Executive Committee may authorize any officer or officers, agent or agents of the corporation, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument, including but not limited to checks, drafts, and notes, in the name of and on behalf of the corporation and such authority may be general or confined to specific instances.

ARTICLE IX

INDEMNIFICATION

The corporation shall indemnify all officers and directors of the corporation to the best of its ability and in accordance with Delaware Not-For-Profit Corporation Law as amended.

ARTICLE X

DISSOLUTION

Upon the dissolution of the Corporation, and after all expenses have been paid, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of shall be disposed of by a Court of Competent Jurisdiction 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 such purposes.

ARTICLE XI

AMENDMENTS TO BYLAWS

These Bylaws may be altered, amended or repealed, and new Bylaws may be adopted, by a 2/3 majority of the membership present at any annual meeting or at any membership meeting, provided that at least fifteen days written notice is given of the intention to alter, amend or repeal, or to adopt new Bylaws at such meeting and, provided further, that any such alteration, amendment, repeal or adoption is approved at a subsequent meeting of the voting members, who shall be given at least thirty (30) days prior written notice of such proposed alteration, amendment or repeal.