

2017 AMENDED AND RESTATED BYLAWS

OF

PUBLIC HOSPITAL DISTRICT NO. 2

SKAGIT COUNTY

WASHINGTON

ARTICLE I

FORMATION AND PURPOSE

Public Hospital District No. 2, Skagit County, Washington (the "District"), which does business under the name Island Hospital ("IH"), is organized as a municipal corporation and was created in 1962 to provide health care services for the residents of the District and other persons. The activities of IH shall be conducted in conformity with the constitution and laws of the State of Washington, including Chapter 70.44 RCW, as now in effect and hereafter amended. These Bylaws are adopted in furtherance of the lawful purposes of IH which, include the providing of health care facilities and services appropriate to the needs of the population served, and to facilitate the governing of Island Hospital (the "Hospital"), which is owned and operated by the District. The Hospital shall be operated in compliance with applicable law and regulations and standards set by the Joint Commission on Accreditation of Health Care Organizations. These Bylaws shall be reviewed and, if deemed appropriate or necessary, revised by the Board of Commissioners at least every two years.

ARTICLE II

BOARD OF COMMISSIONERS

Section 1. Qualification and Election.

No person shall be eligible to be elected to the office of public hospital district commissioner unless he/she is a registered voter residing within the boundaries of the District and within the commissioner district or at large district from which he/she is elected. All District commissioners shall be elected and serve, whether from a particular commissioner district or at large, in the manner and for the term prescribed by law.

Section 2. Organization and Officers of the Board of Commissioners.

The Board of Commissioners, sometimes herein referred to as the “Board” or “Commission”, shall at its first regular meeting in each calendar year organize by the election from its own members of a President and Secretary, such election to be by a majority vote of the Commissioners in each case. The terms of both officers shall be for two years or until their successors are elected.

- 2.1 The President shall act as the presiding officer at meetings of the Board and shall execute on behalf of IH all contracts, agreements and other documents and papers duly authorized by the Board that may require his/her signature. The President shall serve no more than one consecutive two-year term.
- 2.2 The Secretary shall prepare, or cause to be prepared, minutes of all regular and special meetings of the Board, shall sign the same and shall keep them in a proper book for that purpose. The Secretary shall have charge of the official seal of IH and shall affix or cause to be affixed such seal to any documents requiring it, attesting the same. In the absence of the President, the Secretary shall preside at Board meetings. The Secretary shall typically be elected to the position of President upon the completion of the President’s final term of office or if there is a mid-term vacancy in the President’s position.
- 2.3 If a vacancy occurs mid-term in the office of either the President or the Secretary, or if both positions should become vacant at once, an election of officers shall take place at the next regular meeting of the Board to fill the unexpired term created by the vacancy. All members of the Board, whether elected or appointed, shall be required to take an oath of office in the form prescribed by the laws of the State of Washington relating to public officials.
- 2.4 A vacant commissioner position may be filled by the Board appointing a new member in the manner prescribed by law.

Section 3. Meetings of the Board or Commission.

- 3.1 Regular meetings of the Board shall be established annually by resolution at the Board’s regular meeting in November for the following year. Following adoption, the Board shall cause such resolution to be published in the District’s newspaper(s) of record.
 - a. Agenda. The agenda of each regular meeting of the Board shall be made available online no later than twenty-four hours in advance of the published start time of the meeting. The agenda may be subsequently modified and any subsequent modification or failure

to post the agenda online will not invalidate any otherwise legal action take at a meeting.

3.2 Special meetings

- a. A special meeting may be called at any time by the President of the Board or by a majority of the members of the Board by delivering written notice personally, by mail, by fax, or by electronic mail to each member of the Board. Written notice shall be deemed waived in the following circumstances: (1) a commissioner submits a written waiver of notice to the Secretary of the Board at or prior to the time the meeting convenes, which may be given by fax, or electronic mail; or (2) a commissioner is actually present at the time the meeting convenes.
- b. Notice of a special meeting called under subsection (a) of this section shall be: (1) delivered to each local newspaper of general circulation and local radio or television station that has on file with the Board a written request to be notified of such special meeting or of all special meetings; (2) posted on the District's website; and (3) prominently displayed at the main entrance of the District's principal location and the meeting site if it is not held at the District's principal location. Such notice must be delivered or posted, as applicable, at least twenty-four hours before the time of such special meeting as specified in the notice.
- c. The call and notices required under subsections (a) and (b) of this section shall specify the time and place of the special meeting and the business to be transacted. Final disposition shall not be taken on any other matter at such meetings by the Board.
- d. The notices provided in this section may be dispensed with in the event a special meeting is called to deal with an emergency involving injury or damage to persons or property or the likelihood of such injury or damage, when time requirements of such notice would make notice impractical and increase the likelihood of such injury or damage.

3.3 The order of Business at meetings of the Commission shall be as follows:

- a. Regular Meetings
 - (1) Call to order
 - (2) Public Comment

- (3) Consent Agenda Action
 - (a) Review and approval of Minutes of the last regular meeting and any intervening special meeting
 - (b) Board Warrant Approval
 - (c) Resolutions to Invest and Transfer Funds

- (3) Board Quality and Patient Safety
 - (a) Chief of Staff Report
 - (b) Credentials Action
 - (c) Management Review
 - (d) Board Quality and
 - (e) New Business

- (4) Finance Update
 - (a) Monthly Financial Performance

- (5) Administration Update
 - (a) Chief Medical Officer
 - (b) Chief Human Resources Officer
 - (c) Chief Patient Care Executive – Patient Story
 - (d) Chief Executive Officer

- (6) Strategic Update
- (7) New Business
- (9) Executive Session, if necessary
- (10) Adjournment

b. Special Meetings

- (1) Call to order
- (2) Reading of the notice calling the meeting
- (3) Consideration of matters stated in the notice and action thereon
- (4) Adjournment

c. Other Committees

Each year, at the Board's regular meeting in January, or at such other meeting as the Board deems appropriate, the Board, under the guidance of the Board's President, shall establish the number,

type, purpose and composition of committees necessary to carry out the Board's business for the coming year.

d. Education Session

- (1) Call to order
- (2) Review of the agenda -- allocate time for education sessions

Section 4. Action by the Board.

As used herein, “action” means the transaction of the official business of IH by the Commission including but not limited to receipt of public testimony, deliberations, discussions, considerations, reviews, evaluation, and final actions. In addition, “action” includes the transaction of the official business of IH by a committee of the Commission when the committee acts on behalf of the Commission, conducts hearings, or takes testimony, or public comment. And further, “final action” means a collective positive or negative decision, or an actual vote by a majority of the members of the Board when sitting as a body, upon a motion, proposal, resolution, order, or ordinance.

All final action taken by the Board shall be by motion or resolution recorded in a book or books kept for such purposes. Minutes of all regular and special meetings, except executive sessions thereof, shall be promptly recorded and shall be open to public inspection.

All meetings at which action is taken by the Board shall be open and public and all persons shall be permitted to attend any meeting of the Board, except as otherwise provided in this section or by law. The Board shall never adopt any motion or resolution, except in a meeting open to the public and then only at a regular meeting, duly convened at the prescribed time and place, or at a special meeting of which notice has been given according to the provisions of the foregoing section. Any action taken at meetings failing to comply with the provisions of this section shall be null and void.

Nothing in this section shall be construed to prevent the Board from holding executive sessions during a regular or special meeting to consider any matter permitted by RCW 42.30.110, RCW 70.44.062, or any other provision of applicable law as now in effect or hereafter amended.

Section 5. Quorum.

The presence of three persons holding the office of District Commission shall constitute a quorum of the Board for the transaction of business. No resolution or motion shall be adopted without at least three persons holding the office of District Commission voting in favor of the resolution or motion.

Section 6. Committees.

The Board may from time to time act as a committee of the whole or appoint such other committees, as it may deem necessary or advisable in the conduct of its affairs. The activities of any committees so appointed shall be conducted lawfully and be recorded in written minutes.

Section 7. Powers and Duties of the Board or Commission.

The Board shall be the governing body of the District to which the Superintendent, who shall serve as the Chief Executive Officer (“CEO”) of IH, and other IH employees, and the medical staff ultimately are responsible for all IH activities. While the authority of the Board may be delegated to the CEO and the medical staff as specified in Article III, Section 1, and Article IV, respectively, or by resolution, any delegation of authority by the Board may be rescinded in its sole discretion.

All of the powers authorized in Chapter 70.44 RCW may be exercised by the Board in the performance of its duties prescribed therein. Among other things, the Board shall strive to:

- (1) Determine the policies and purposes of IH in proper relation to community needs;
- (2) Provide services, facilities, equipment and personnel to provide a single level of care to meet the needs of the patients of IH consistent with the facilities and other resources available to IH;
- (3) Provide for resources and support systems for the quality assessment functions and risk management functions related to patient care and safety.
- (4) Assure that an appropriate standard of professional care is maintained, requiring the medical staff of the Hospital Division to be accountable to the Board and assuring that persons granted clinical privileges possess appropriate current qualifications, and determining in its discretion which kinds of health care providers shall be considered for clinical privileges or medical staff membership;
- (5) Promote planning and coordinate professional interests with administrative, financial and community needs, the policies of IH, and the purposes of IH Divisions;

- (6) Provide for the sound administration and application of public funds adopting annual budgets for IH at the times and in the manner required by law;
- (7) Maintain accurate records of IH finances and all related activities;
- (8) Exercise proper care and judgment in the selection of a qualified CEO who shall be responsible for implementing policies adopted by the Board.

Section 8. Avoidance of Conflicts of Interest.

IH commissioners, being aware of the fiduciary nature of their positions, shall avoid actions and relationships which could result in a conflict between their private financial interests and their public responsibilities. Commissioners shall not violate the conflict-of-interest provisions of these Bylaws, Chapters 42.20 and 42.23 RCW, or any other applicable law.

Recognizing that even the appearance of impropriety should be avoided, no commissioner shall:

- (1) Be beneficially interested in or otherwise expect to profit from, directly or indirectly, any contract, sale, lease or purchase made by IH, except as specifically permitted under RCW 42.23.030 or RCW 42.23.040, as now in effect or hereafter amended, or under other applicable law;
- (2) Accept, directly or indirectly, any compensation, gratuity, favor or award from any party seeking to do business with IH, or in connection with any contract made by IH, other than (a) compensation and reimbursement for expenses as provided by law, or (b) compensation in connection with contracts permitted under RCW 42.23.030 or RCW 42.23.040, as not in effect or hereafter amended, or under other applicable law;
- (3) Employ, use or appropriate any IH employee, money or property for his/her private benefit;

- (4) Hold any office, engage in any employment or occupy any position, public or private, which could create conflicts between the duties, interest and opportunities inherent in such office, employment or position and the commissioner's public responsibilities as a member of the Board;
- (5) Reveal or divulge to any other party, unless authorized by the Board, any confidential information received in the performance of his/her duties as a commissioner nor use such information for personal gain.

Any commissioner, upon discovering or suspecting that he/she has or may have a conflict of interest contrary to the policies and standards set forth in this section, shall promptly report the same to the Board.

Section 9. Board Training.

Every member of the Board shall complete training on the requirements of RCW 42.30 no later than ninety days after the date the member takes the oath of office or otherwise assumes his or her duties. In addition, every Board member shall complete training on the requirements of RCW 42.30 at intervals of no more than four years as long as the individual is a member of the Board.

ARTICLE III

OTHER OFFICERS

Section 1. Chief Executive Officer.

- 1.1 Appointment. The Board shall select and appoint as superintendent and CEO a competent and experienced health care executive who shall be its direct representative in the management of IH. The CEO shall be appointed for an indefinite term, removable at the will of the Board, and shall receive such compensation as the Board shall establish by resolution. The appointment or removal of the CEO shall be by resolution of the Board, introduced at a regular meeting and adopted at a subsequent regular meeting by majority vote.
- 1.2 Powers and Duties. The CEO shall be the chief executive and administrative officer of IH. In direct charge with full authority to act, as representative of the Board, and subject to its policies, the CEO shall be responsible for the efficient administration of all affairs of IH.

In the performance of his or her duties prescribed by law, all of which shall be faithfully discharged, and not by way of limitation of his or her authority, the CEO shall:

- a. Prepare and submit to the Board for approval a plan of organization for the personnel concerned with the operation of IH, which shall be periodically reviewed;
- b. Prepare annually a budget or budgets showing anticipated receipts and expenditures for the ensuing fiscal year which shall be submitted to the Board by November 14 to allow timely filing and hearing thereon before adoption as required by law;
- c. Select, employ, control and discharge all employees authorized by the applicable budget;
- d. Assure that all buildings, equipment and other facilities are maintained in good repair;
- e. Furnish periodic recommendations to the Board with respect to the acquisition, development and extension of desirable health care facilities, equipment and services;
- f. Supervise through the treasurer and auditor (chief financial officer or controller) all business affairs including the disbursement of funds, recording of financial transactions, collection of accounts and purchase and issue of supplies;
- g. Cooperate with the Hospital Division medical staff and secure like cooperation on the part of all those concerned with rendering professional services;
- h. Submit regularly to the Board reports regarding the health care services, quality assessment/risk management activities, and financial activities of IH along with any special reports that may be requested by the Board and/or Board President;
- i. Prepare agenda for and attend all meetings of the Board at which participation is required in the discussion of matters being considered;
- j. Execute on behalf of IH all contracts, agreements and other documents and papers that he or she may be authorized by policy, resolution or motion of the Board to sign; and

- k. Use initiative in the performance of such other duties, consistent with law and the policies of the Board, as may be in the best interest of IH.

Section 2. Auditor

The board shall appoint as auditor of IH a person or firm experienced in accounting and business practices of public hospital district law.

The auditor shall report in the performance of his/her duties directly to the Audit Committee of the Board.

Section 3. Treasurer.

The County Treasurer of Skagit County, Washington, shall be the treasurer of IH. The treasurer shall receive, deposit and disburse all funds of IH in the manner provided by law under the supervision of the CEO and as directed by resolutions of the Board to the extent of its lawful discretion.

ARTICLE IV

MEDICAL STAFF OF ISLAND HOSPITAL

Section 1. Appointment and Organization.

The members of the medical staff of the Hospital shall be appointed and organized as provided in the Bylaws of the Medical Staff of Island Hospital (the “Medical Staff Bylaws”).

Section 2. Powers and Duties.

Mindful that each person admitted to the Hospital shall be under the care of a member of the medical staff possessing clinical privileges, the medical staff also shall have authority and responsibility as described in the Medical Staff Bylaws and rules and regulations to (1) evaluate the professional competence of medical staff members and applications for clinical privileges; (2) make recommendations to the Board concerning initial medical staff appointments, reappointments and the granting, denial, reduction or termination of clinical privileges; (3) submit regularly to the Board reports on the activities and mechanisms for monitoring and evaluating the quality of patient care, for identifying and resolving problems, and for identifying opportunities to improve patient care; (4) establish procedures designed to promote the achievement and maintenance of an appropriate standard of ethical and professional practice, and the efficient use of IH resources; (5) participate and offer recommendations in the development of policies relative to the effective use of existing Hospital facilities, and provision for the improvement or extension thereof where appropriate, to assure adequate patient care,

responsive to the needs of the population served, now and in the future; (6) supervise a medical education program in the Hospital; and (7) be accountable to the Board for the proper discharge of the duties set forth in this section.

Section 3. Procedure To Establish Medical Staff Bylaws, Rules and Regulations.

The medical staff shall have the initial responsibility to formulate, adopt, and recommend to the Board Medical Staff Bylaws, Rules and Regulations and amendments thereto which shall be effective when approved by the Board. If the medical staff fails to exercise this responsibility in good faith and in a reasonable, timely and responsible manner, and after written notice from the Board to such effect including a reasonable period of time for response, the Board may resort to its own initiative in formulating or amending the Medical Staff Bylaws, Rules and Regulations. In such event, medical staff recommendations and views shall be carefully considered by the Board during its deliberations and in its actions.

Section 4. Fair Hearing Plan.

The Board shall require that any adverse recommendation made by the executive committee of the medical staff or any adverse action taken by the Board with respect to a practitioner's staff appointment, reappointment, staff category, admitting prerogatives or clinical privileges, shall, except under circumstances for which specific provision is made in the Medical Staff Bylaws, be accomplished in accordance with the Medical Staff Bylaws then in effect.

ARTICLE V

INDEMNIFICATION AND INSURANCE

Section 1. Indemnification.

1.1 Definitions. Unless the context clearly indicates otherwise, the words and phrases used in this Article shall have the following meanings:

“Employee” means any person who is or has been employed by IH.

“Officer” means all elected and appointed officers of IH and all persons exercising or undertaking to exercise any of the powers or functions of an officer of IH.

“Official Duty” means those duties within the specific Scope of Service or Employment of the Employee, Officer or Volunteer as defined by the Board or by statute.

“Proceeding” means any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative and whether formal or informal.

“Scope of Service or Employment” shall be determined by the Board with reference to the relevant job description and/or employee or volunteer manual and or the usual and accustomed duties assigned or performed by others in a similar situation.

“Volunteer” means a person who performs any assigned or authorized duties for IH brought about by one's own free choice, receives no wages and is registered and accepted as a Volunteer by IH for the purpose of engaging in authorized Volunteer service at the time of the act or omission giving rise to a Proceeding for which representation or indemnification is claimed under this Article V; PROVIDED, that such person shall be deemed to be a Volunteer although he or she may be granted maintenance and reimbursement for actual expenses necessarily incurred in performing his or her assigned or authorized duties.

1.2 Request for Representation and Indemnification; Conditions. The provisions of this Article V shall be subject to the following conditions:

- (a) Any past or present Employee, Officer, or Volunteer may submit a request to the Board for representation and indemnification in any Proceeding resulting from the acts or omissions of such Employee, Officer or Volunteer that meet the criteria of this Article V by presenting a written request to the of IH or his or her designee at the administrative offices of IH during regular business hours.
- (b) A request for representation and indemnification shall be submitted as soon as is practicable and in no event later than sixty (60) days after notice of the commencement of any Proceeding, and shall include:
 - (i) the name and current contact information of the Employee, Officer, or Volunteer requesting representation;
 - (ii) all information known to the Employee, Officer or Volunteer regarding the relevant acts or omissions, including the dates, times, places, and surrounding circumstances;
 - (iii) the names and addresses of all persons claiming injury or damage in the Proceeding; and
 - (iv) the names, addresses, and current contact information, if

known, of all witnesses or persons having knowledge of the circumstances involved in the Proceeding.

- (c) The Employee, Officer or Volunteer shall respond to all reasonable requests for information from IH's legal counsel and shall otherwise cooperate with IH's legal counsel, including but not limited to:
 - (i) delivering any claim, demand, notice, summons or other process relating to the Proceeding;
 - (ii) attending interviews, depositions, hearings and trials as required and shall assist in securing and giving evidence and obtaining attendance of witnesses, assisting in making settlements of any suits; and
 - (iii) enforcing any claims for any right of subrogation against any persons or organizations that may be liable to IH because of any damage or claim of loss arising from such incident or course of conduct.
- (d) The Employee, Officer or Volunteer shall not receive any additional compensation for any activities related to the Proceedings, and if the Employee, Officer or Volunteer has left the employment or service of IH, no fee or compensation shall be provided. Failure of the Employee, Officer or Volunteer to cooperate with the defense as required shall constitute a withdrawal of the request for representation and indemnification and relieves IH of further indemnification liability.
- (e) The Employee, Officer or Volunteer shall not accept or voluntarily make any payment, assume any obligation, or incur any expense related to the Proceedings or the acts or omissions giving rise to the Proceedings, other than to administer first-aid to others at the time of any incident or engage in a reasonable attempt to avoid or mitigate injury or damage to persons or property.
- (f) Prior to undertaking any representation or agreeing to any indemnification, IH may require the Employee, Officer or Volunteer to sign an agreement indicating that he or she will reimburse IH, consistent with the agreement, for defense costs including attorney's fees, should the trier of fact determine that the Employee, Officer or Volunteer committed a willful, wanton or intentionally wrongful act or acted outside his or her Official Duty.
- (g) The provisions of this Article V are intended to be secondary to

any contract or policy of insurance owned or applicable to any Employee, Officer or Volunteer. IH shall have the right to require any Employee, Officer or Volunteer to use any such policy protection prior to requesting the protection afforded by this Article V.

1.3 Availability of Legal Representation and Indemnification.

- (a) Subject to the requirements of this Article V, IH shall provide to an Employee, Officer or Volunteer such legal representation as may be reasonably necessary to defend such Employee, Officer or Volunteer in a Proceeding resulting from any conduct, act or omission of such Employee, Officer, or Volunteer, when such conduct, act or omission was performed or omitted:
 - (i) on behalf of IH in his or her capacity as an IH Employee, Officer or Volunteer, and
 - (ii) within the scope of his or her Official Duties.

The fact that an Employee, Officer, or Volunteer has concluded employment or service with IH shall not affect the availability of legal representation under this Article V.

- (b) Except as may be provided in any applicable insurance policy, the legal representation described in this section shall be provided by an attorney designated by the Board or its designee.
- (c) Notwithstanding any other provision of this Article V, no representation or indemnification shall be provided to any person if in the opinion of IH's legal counsel payment of such indemnification would cause IH to violate any applicable law or jeopardize any of its licenses, certifications or accreditations or its participation in the Medicare or Medicaid programs.

1.4 Exclusions; Standard of Conduct. IH shall not assume any obligation under this Article V in defense of:

- (a) any dishonest, fraudulent, criminal, willful, intentional, grossly negligent, or malicious act, omission, or course of conduct by an Employee, Officer, or Volunteer;
- (b) any act, omission, or course of conduct of an Employee, Officer, or Volunteer that is not performed on behalf of IH;
- (c) any act, omission, or course of conduct outside the scope of the

Official Duties of the Employee, Officer or Volunteer; or

- (d) any lawsuit brought against an Employee, Officer, or Volunteer by or on behalf of IH.

1.5 Determination of Exclusions.

- (a) The Board shall grant a request for representation or indemnification under this Article V only after a determination has been made that:

- (i) representation or indemnification of the Employee, Officer or Volunteer is permissible in the circumstances because the Employee, Officer or Volunteer has met the standard of conduct set forth in Subsections 1.3 and 1.4;

- (ii) the acts or omissions giving rise to the Proceeding were done on behalf of IH and within, or in good faith purported to be within, the scope of the Official Duties of the Employee, Officer or Volunteer; and

- (iii) all applicable conditions of this Article V have been met.

- (b) The determination shall be made by the Board upon advice of legal counsel appointed by the Board to investigate the request for representation. In reaching a determination, the Board shall consider the opinion of legal counsel and any additional information that the Employee, Officer, or Volunteer wishes to submit to the Board. No commissioner who is a party to the Proceeding for which representation and indemnification is being requested shall take part in the determination. The determination of the Board pursuant to this section shall be a final legislative action, from which there shall be no appeal, except to superior court by means of a declaratory judgment action.

- (c) Authorization of indemnification and evaluation as to reasonableness of expenses shall be made in the same manner as the determination that indemnification is permissible.

1.6 Effect of Compliance with Conditions. If all of the conditions of representation required by this Article V are met, legal representation of an Employee, Officer, or Volunteer is undertaken by IH, and a judgment is entered against the Employee, Officer or Volunteer, or a settlement made, then IH shall pay such judgment or settlement; PROVIDED, that IH may, at its discretion, appeal as necessary any judgment.

- 1.7 Failure to Comply with Conditions. If an Employee, Officer, or Volunteer refuses to comply with any of the conditions set forth in this Article V with respect to any Proceeding, IH shall not be obligated to offer any representation or indemnification under this Article V and this Article V shall be inapplicable with respect to such Proceeding.
- 1.8 Reimbursement of incurred expenses.
- (a) If the Board determines that representation or indemnification is not available to the Employee, Officer or Volunteer under the terms of this Article V, and a court of competent jurisdiction later determines that a claim does come within the provisions of this Article V, then IH shall pay any judgment rendered against the Employee, Officer or Volunteer along with reasonable attorney's fees incurred in obtaining the determination that such claim is covered by this Article V.
 - (b) If the Board determines that representation or indemnification is available to the Employee, Officer or Volunteer under the terms of this Article V, and a court of competent jurisdiction later determines that a claim does not come within the provisions of this Article V, then IH shall be reimbursed by the Employee, Officer or Volunteer or his or her assigns for costs or expenses incurred in obtaining the determination that such claim is not covered by this Article V.
- 1.9 Conflict with provisions of insurance policies.
- (a) The intent of this Article V is to provide complete coverage outside and beyond any insurance policy that may be in effect while not compromising the terms and conditions of any such policy.
 - (b) Nothing contained in this Article V shall constitute an insurance policy. This Article V shall not be construed as creating a contract or a policy of insurance between IH and any Employee, Officer or Volunteer. This Article V is subject to amendment or repeal at the sole discretion of the Board without prior notice to the Employee, Officer or Volunteer.
 - (c) The provisions of this Article V shall have no force or effect with respect to any accident, occurrence or circumstance for which IH or any Employee, Officer or Volunteer is insured against loss or damages under the terms of any valid insurance policy, provided that this Article V shall provide protection, subject to its terms and limitations, above any loss limit of such policy.

- (d) Nothing contained in this Article V shall be construed to modify or amend any provision of any policy of insurance where IH or any Employee, Officer or Volunteer is a named insured. In the event of any conflict between this Article V and the provisions of any such policy of insurance, the provisions of the policy of insurance shall control.
- 1.10. Pending claims. This Article V shall apply to any Proceeding against an Employee, Officer or Volunteer now pending or hereafter filed regardless of the date of the events or circumstances giving rise to such Proceeding.
- 1.11 Not a waiver. Nothing in this Article V shall be construed to waive or impair the right of the Board to institute suit or counterclaim against any Employee, Officer or Volunteer nor to limit its ability to discipline or terminate an Employee, Officer or Volunteer.

Section 2. Insurance.

IH may purchase and maintain insurance, at its expense, to protect itself and any commissioner, officer, employee, agent or trustee of IH or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss to the full extent permitted by applicable law.

ARTICLE VI

CONSTRUCTION AND CONVENTIONS

Section 1. Gender and Number.

As used in these Bylaws, personal pronouns shall be interpreted to refer to persons of either gender and relative words whenever applicable to more than one person shall be read as if written in the plural.

Section 2. Titles, Headings and Captions.

The titles, headings and captions appearing in these Bylaws are used and intended for convenience of description or reference only and shall not be construed or interpreted to limit, restrict or define the scope or effect of any provision.

Section 3. Severability.

If any provision of these Bylaws, or its application to any person or circumstance is held invalid by a court of competent jurisdiction, the remainder of these Bylaws, or the application of the provision to other persons or circumstances, shall not be affected.

ARTICLE VII

AMENDMENT

These Bylaws may be amended by resolution of the Board introduced at a regular meeting and adopted at a subsequent regular meeting.

ADOPTED this 25th day of January, 2018



Warren Tessler, Secretary