

AMENDED BYLAWS

THE NEBRASKA HEALTH CARE ASSOCIATION, INC.

ARTICLE I. OFFICES AND REGISTERED AGENT

The principal office of the corporation in the State of Nebraska shall be located in the City of Lincoln, County of Lancaster.

The corporation shall have and continuously maintain in the State of Nebraska a registered office, and a registered agent whose office is identical with such registered office, as required by the Nebraska Nonprofit Corporation Act. The registered office may be, but need not be, identical with the principal office in the State of Nebraska, and the registered agent and the address of the registered office may be changed from time to time by the Board of Directors.

ARTICLE II. PURPOSES

The purposes of The Nebraska Health Care Association (hereinafter referred to as "NHCA"), as set forth in Article III of the Articles of Incorporation, are more specifically defined to include the following:

1. To encourage and promote principles and programs designed to provide Nebraska with a continuum of long term care services wherein the consumers receive the best possible medical, nursing and personal care, and attention; wherein a continuing effort is made to meet the mental, emotional, and physical needs of the individual consumer; and wherein the necessary effort is directed toward achieving each consumer's maximum potential.
2. To function as a state organization to serve the best interests of the members of NHCA and the long term care services industry.
3. To promote professionally recognized standards of quality which relate to long term care industry services and administration, and to encourage adoption of these high standards by all members of NHCA.
4. To work for and to merit public recognition and approval of the services performed by member providers.
5. To establish and maintain an effective public relations program.
6. To work effectively with government agencies, professional associations, universities, medical institutions, and private enterprise wherever there is an area of mutual interest.
7. To work closely with and, whenever possible, cooperate with the executive and legislative branches of state government, and to make effective presentation of the

considered views of NHCA to these governmental branches on all matters under their active or continuing purview which relate to the mutual interests of members of NHCA.

8. To investigate, study and promote sound legislation for the improvement and protection of the long term care services industry and for the welfare and benefit of said industry and its consumers.

9. To solicit and promote ideas and programs designed to guide the administration of member long term care services providers toward efficient operations within the framework of high quality consumer care and rehabilitation.

10. To enlist for membership in NHCA all long term care services industry providers in Nebraska.

11. To establish and maintain active liaison with other health and long term care services oriented professional associations.

12. To encourage, support, and promote programs of continuing education and training for long term care services providers' personnel and administrators which are directed toward individual professional growth and have as goals an enlightened understanding of professional standards and improved management practices.

13. To conduct or engage in all lawful activities in furtherance of the foregoing purposes, or incidental hereto.

ARTICLE III. VOTING MEMBERSHIP AND MEMBERSHIP RIGHTS AND PRIVILEGES

Section 1. Eligibility for Voting Membership. Membership shall be open to all nursing facilities, skilled nursing facilities, intermediate care facilities, and assisted living facilities as are licensed by the State of Nebraska, and such other facilities as are approved for membership by the Board of Directors. A separate membership shall be issued for each such Nebraska license, provided however, if a single license covers facilities at distinct business locations, each such facility shall be issued a separate membership. If one facility, owned in whole or part or leased, by a multi-facility organization, corporation, partnership, or sole proprietorship, applies for membership of NHCA, such facility may only become a member if all the facilities owned in whole or in part or leased by said multi-facility organization, corporation, partnership, or sole proprietorship become or are members of NHCA. It is expected that management firms will strive to have 100 percent participation to support the goals of the association.

Section 2. Voting Rights of Members. Each member shall be entitled to one vote in meetings of the membership. The member's vote shall be cast by a "designated person," as that term is defined in these Bylaws. The Board of Directors may establish guidelines for electronic voting by members, taking into consideration the issue, the ability to educate the membership on the issue, the need for debate, and the time constraints required for a decision. Uncontested elections may be completed electronically.

Section 3. Application for Membership. Any proprietorship, corporation, limited liability company, partnership, limited partnership, or other entity wishing to become a member must make application on the appropriate form provided by NHCA. The form must be completely filled out and returned to NHCA with a remittance for dues for a full year. The applicant must agree to abide by the Articles of Incorporation and Bylaws of NHCA and the rules and regulations adopted by the Board of Directors or the members. Initial memberships shall be dated the first day of the month following the date of notice of acceptance to the applicant.

Section 4. American Health Care Association. Membership in NHCA includes and grants membership in the American Health Care Association or National Center for Assisted Living for members meeting American Health Care Association's membership requirements, or National Center for Assisted Living for membership requirement.

Section 5. Other Membership Rights and Privileges.

A. Each member shall be entitled to the following rights which can only be exercised through a "designated person," as that term is defined in these Bylaws: 1) to attend membership meetings and address the meetings subject to the limitations the membership may impose; and 2) to attend and observe Board of Directors meetings, except when the Board is meeting in executive session.

B. Each member shall be entitled to designate a "qualified person," who shall be eligible for consideration for nomination and election as an officer of NHCA, subject to the definition and limitations contained in Article VIII, Section 6, and Article IX.

C. Each member may receive all NHCA publications and all employees of members may attend all NHCA conventions, conferences, workshops, and membership activities, provided that NHCA shall be entitled to establish and receive, in advance, reasonable fees for such activities as the Board of Directors, from time to time, shall determine. Employees of members are considered members of NHCA while employed by said member, however, only the designated representative for each facility member may vote.

Section 6. Designated Person. A "designated person" shall mean a person, who shall be over the age of 21 who is affiliated with the member and who is designated in writing by the management of the member as its representative. Management of each member may also designate an alternative representative to serve in the absence of the designated representative. The name of the designated representative and alternate designated representative shall be reported to NHCA at the time of application for or renewal of membership. The designated representative or alternate may be changed on or before registration for a business meeting by notice, including electronic notice, from management of the member to the Secretary of NHCA. No person may serve as a designated representative or alternate for more than one member at the same meeting except a designated representative or alternate may represent the same facility which has memberships in both Divisions.

Section 7. Certificates. Membership certificates shall be issued by the Secretary of NHCA to members in good standing.

ARTICLE IV. NON-VOTING MEMBERS

Section 1. Associate Members. Associate membership may be granted to groups or individuals, real or corporate, except a licensee listed in Article III, Section 1, or employees of such a licensee, which is not a voting member. The Board of Directors shall have full authority to prescribe the rules, terms, and conditions under which such membership shall be conferred, and the privileges to which associate members may be entitled. The holder of any such Associate membership shall not be entitled to vote in the affairs of NHCA, but is eligible to and may be represented on a committee other than as chairman. Any associate membership or associate membership category may be terminated by the Board of Directors with or without cause, provided that any affected associate member shall be entitled to a prorated refund of dues in the case of termination without cause.

Section 2. Honorary Members. Honorary membership in NHCA may be conferred by NHCA by a majority vote of the membership at any annual business meeting. The Board of Directors must nominate the groups or individuals, real or corporate, for honorary membership. Honorary membership shall not entitle the holder thereof to the right to vote in the affairs of NHCA.

ARTICLE V. TERMINATION OF MEMBERSHIP

Section 1. Voluntary Termination. Any member may voluntarily terminate its membership by notice in writing addressed to the Secretary of NHCA at NHCA's principal place of business. The termination will be effective on the date specified in the notice. If no effective date is given, it will be effective on the date received by NHCA. Membership automatically renews each year unless a member voluntarily terminates as provided in this section or is involuntarily terminated. Voluntary termination shall not reduce or forgive any debt, including unpaid installments of annual dues, owed by the member to NHCA, nor shall it entitle the member to a refund of dues paid.

Section 2. Involuntary Termination. Except as otherwise provided in this Article with regard to unmet financial obligations, the rights or membership of a member shall not be suspended or terminated except for good cause and until the subject member has received a hearing on the allegations of good cause after reasonable notice. Termination under this Article shall not reduce or forgive any debt, including unpaid installments of annual dues, owed by the member to NHCA, but shall entitle the member to a pro rata refund of annual dues, with credits to NHCA for any dues not paid.

A. Good Cause. Good cause for termination shall include any of the following: failure to meet or continue to meet the qualifications for membership set forth in the Articles of Incorporation or Bylaws; failure or refusal to abide by any rule or regulation of NHCA adopted by the Board of Directors or the membership; or loss of Nebraska license based upon the failure to meet Nebraska licensure requirements.

B. Hearing Procedures. Hearing procedures shall be established by resolution of the

Board of Directors. They shall provide the affected member with reasonable notice of the allegations of the complaint and a right to be heard before a decision is made to suspend or terminate any membership rights.

Section 3. Financial Obligations. Any member who is not in good standing shall be automatically suspended from voting and all other rights and privileges of NHCA until such time as good standing is restored. Good standing shall mean that all dues or other amounts owed NHCA are paid or that the member is current in any dues or other financial obligation payment plan authorized by the Board of Directors. Good standing shall be restored either by 1) paying all amounts due in full, 2) becoming and remaining current on any payment plan approved by the Board of Directors, or 3) a determination of the Board of Directors or by a court of competent jurisdiction that the member, in fact, is in good standing.

ARTICLE VI. MEMBERSHIP MEETINGS

Section 1. Annual Meeting and Conventions. The annual meeting of the membership shall be a regular meeting and may be held in conjunction with NHCA's fall convention at a date, time, and place selected by the Board of Directors.

Section 2. Elections Meeting. The fall meeting in each year shall be designated the Elections Meeting. All regular elections for the Chairperson shall be held at the Elections Meeting pursuant to the procedure established in Article IX.

Section 3. Spring Meeting. A spring meeting shall be a regular meeting and may be held each spring in conjunction with NHCA's spring conference. The time and place of the meeting shall be determined by the Board of Directors.

Section 4. Special Meetings. Special meetings of the membership may be called at the Chairperson's discretion and shall be called by the Secretary upon receipt at the principal place of business of NHCA of a written request signed by the designated representatives of not less than twenty (20) members, specifying the purpose(s) of the meeting. When called by the Chairperson, the Chairperson may specify the date, time, and place of the meeting. When called by written request, the Secretary shall designate the date, time, and a suitable location in the city where NHCA's principal place of business is located.

Section 5. Notice of Meetings.

A. Notice of all regular fall and spring meetings shall be given not less than thirty (30) days and not more than fifty (50) days before the meeting. Notices may, but need not, specify the purposes of the meeting. Notice of all special membership meetings shall specify the purposes of the meeting and be given not less than ten (10) days before the meeting. All notices required by this section shall be given by written notice delivered personally, sent by regular United States mail, by facsimile or electronic transmission. When sent by mail, the notice shall be deemed to be delivered when deposited in the United States mail, postage prepaid, addressed to the member as shown on the records of NHCA. When sent by facsimile, the notice shall be deemed to be delivered when completion of the

facsimile transmission to the facsimile number shown on the records of NHCA is confirmed by the telephone carrier. When sent electronically, the notice shall be deemed to be delivered when sent unless returned from the service provider as undeliverable.

B. Any member may waive notice of any meeting. Attendance of a member at any meeting shall constitute a waiver of notice of such meeting, except when the member attends the meeting for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called or convened.

Section 6. Voting. All voting shall be by the designated representative, or by the alternate in the case of the absence of the designated representative. There shall be no voting by proxy or absentee ballot, however, electronic voting may be allowed based on the Board's guidelines established pursuant to Article III, Section 2.

Section 7. Quorum. Designated representatives, or their alternates, constituting not less than twenty-five (25%) percent of the membership of NHCA shall constitute a quorum for the transaction of business at any membership meeting; but if less than a majority is present, a majority of the designated representatives present may adjourn the meeting from time to time without further notice.

Section 8. Manner of Acting. The act of a majority of members present at a meeting at which a quorum is present shall be the act of the members unless a greater number is required by the Articles of Incorporation or these Bylaws.

ARTICLE VII. DIVISIONS

Section 1. Divisions. NHCA shall have at least two divisions, each with its own bylaws to be approved by the Division's Board of Directors and by the Board of NHCA. The Nebraska Assisted Living Association Division (NALA) shall be made up of Members which possess an assisted living facility license. The Nebraska Nursing Facility Association Division (NNFA) shall be made up of Members which possess a nursing facility, skilled nursing facility, or intermediate care facility license. Other divisions may be created from time to time by the Board of Directors.

Section 2. Division Management. Each NHCA division shall be managed by its own board of directors. The NALA Board shall have fifteen (15) members elected by its membership, and the NNFA shall have fifteen (15) members elected by its membership. If and when other divisions are created by the Board of Directors the number of members of the new division(s) board(s) shall be set by the Board of Directors at the same time.

ARTICLE VIII. BOARD OF DIRECTORS

Section 1. Management of Affairs. The affairs of NHCA shall be managed by the Board of Directors, subject to the policies adopted by the membership.

Section 2. Composition. The Board of Directors shall consist of the officers of NNFA and NALA, plus the immediate past chairperson of each such division. If new divisions are created,

the Board of Directors shall determine the number of representative(s) from the new division to have representation on the NHCA Board. The Chairperson may nominate one or more representative(s) of the non-voting members of NHCA to serve on the Board; such nominees will become non-voting members of the Board upon a majority vote of the Board. The Chairperson shall have the authority to nominate other persons, including persons who are not members of NHCA, to serve on the Board; such nominees will become non-voting members of the Board upon a majority vote of the Board. Any entity managed by NHCA may designate one voting representative to the NHCA Board; said representative shall not be eligible to hold an office.

Section 3. Ex-Officio. The President shall be an ex-officio member of the Board of Directors without voting privileges.

Section 4. Voting Rights. Each member of the Board of Directors other than the President shall have one vote.

Section 5. Meetings and Notice. Regular meetings of the Board of Directors shall be held at least once every three months. Special meetings may be called by or at the request of the Chairperson or written request to NHCA's principal office of four (4) members of the Board of Directors. The Chairperson may designate location and time for such meetings, so long as the time is reasonable, within or without the State of Nebraska. Written notice of the time and place of each regular meeting shall be given to the Members of the Board of Directors not less than seven (7) days before the meeting in the same manner as notices to members in Article VI, Section 5. Mailed, telephonic, electronic, or facsimile transmission notice of special meetings shall be given to members of the Board not less than 24 hours before the meeting. Mailed, electronic, or facsimile notice shall be given in the same manner as notices to Members. Telephonic notice shall be sufficient if the Board member is personally contacted. Board members may waive notice of any meeting.

Section 6. Qualified Persons. Only qualified persons may serve as an officer or director of NHCA. Qualified shall mean a person affiliated with a member as the administrator, an owner, a director, or executive having supervisory authority over one or more members except a management company executive is not a qualified person under this section unless 100 percent of facilities managed by the management company while the executive is employed by the management company, are members of this Association, in which event said management company executive is a qualified person. Once elected or appointed to the Board of Directors, a person remains qualified for a 90-day period following any change in qualifying status. After said 90-day period, said Board member may remain on the Board if he or she has attained qualified status, so long as all other criteria of the Bylaws are maintained.

Section 7. Vacancies. The Board of Directors shall have the power to fill vacancies occurring by reason of resignation, death, or otherwise in elective offices of Secretary, Treasurer, and Directors.

Section 8. Quorum. The presence of a simple majority of the entire voting membership of the Board of Directors shall constitute a quorum for conduct of business so long as no more than one-half (½) of those present and voting are representation from a group of facilities having interlocking or common ownership or management.

Section 9. Travel Expenses. Reasonable travel and related expenses of members of the Board of Directors to attend Board meetings or other activities of NHCA which they are required to attend by virtue of their office shall be reimbursed by NHCA, in accordance with policies adopted by the Board of Directors.

Section 10. Removal. Pursuant to the Articles of Incorporation of NHCA, any director may be removed by the members, with or without cause, by a majority of those members qualified to vote at a meeting called for the purpose of removing the director. The meeting notice must state that its purpose, or one of its purposes, is the removal of the director. A director may be removed for missing more than fifty (50%) percent of the board meetings in any given twelve (12) month calendar year. A director elected by the board may be removed, with or without cause, by the vote of two-thirds ($\frac{2}{3}$) of the remaining directors then in office.

Section 11. Meetings by Teleconference. If authorized by the Chairperson, or by the Vice Chairperson in the absence of the Chairperson, any regular or special meeting of the Board may be held by teleconference, videoconference, or other electronic means, in which all members participating can hear one another speak. A Board member's participation by such means shall constitute presence at the meeting for any and all purposes including, but not limited to, a waiver of notice and the determination of a quorum in voting.

Section 12. Action by Unanimous Written Consent. In the absence of a regular or special meeting, the Board may act by the unanimous written consent of all voting members of the Board. "Written consent" may be given by electronic communication.

Section 13. Membership Attendance. Any member may attend a meeting of the Board of Directors.

ARTICLE IX. OFFICERS AND THEIR DUTIES

Section 1. Composition and Qualifications. The officers of NHCA Board shall consist of a Chairperson of the Board, a Vice Chairperson, a Secretary, and a Treasurer. Each must be a qualified person as defined in Article VIII, Section 6.

Section 2. Election. The officers of NHCA Board shall be elected by majority vote of the Board members present at the first Board meeting after the first of each calendar year, and will serve for one year thereafter or until the first meeting following the next calendar year, except the position of Chairperson who shall be elected at the fall membership elections meeting by the members as outlined in Section 3 herein.

Section 3. Election of Chairperson. The Chairperson shall be elected at the fall membership meeting by majority vote for a one-year term from the eligible Division Chairpersons. To be eligible, a Division Chairperson must have served at least one year as a member of his/her Division's Board of Directors within the immediately preceding three years. The term of office shall be one calendar year commencing January 1 following the fall election meeting. Co-Chairpersons are allowed.

Section 4. Chairperson. The Chairperson, or his/her designate, shall preside at all business meetings of NHCA and of the Board of Directors. He/she shall be responsible for the conduct of the business of NHCA and for the proper functioning of the other officers and members of the Board of Directors. The Chairperson shall serve as an ex-officio member with voting privileges of all committees (including the Executive Committee). He/she shall perform or cause to be performed such duties as are not specifically assigned to other officers. With the exception of secret balloting, the Chairperson may not cast a vote at any business session of NHCA or Board of Directors except to break a tie. The Chairperson shall take part in national association activities, as appropriate.

Section 5. Vice Chairperson. The Vice Chairperson shall serve as an ex-officio member with voting privileges of all committees (including the Executive Committee), and shall perform the duties of the Chairperson in his/her absence or disability. He/she shall also perform certain other duties not specifically assigned to other officers as delegated by the Chairperson.

Section 6. Vacated Chairperson. In the event of a vacancy in the office of Chairperson, the Vice Chairperson shall immediately assume the office of Chairperson for the remainder of the vacated term. If the Vice Chairperson declines to fill such vacancy or if the office of Vice Chairperson is also vacant, the Board of Directors shall have the power to fill the vacancy in the office of Chairperson for the remainder of the term from within the voting membership of the Board of Directors.

Section 7. Vacated Vice Chairperson. In the event of a vacancy in the office of Vice Chairperson, this office shall remain vacant for the remainder of the term of office; however, the Board of Directors shall have the power to and may fill the vacancy in the office of Vice Chairperson for the remainder of the term from within the voting membership of the Board of Directors.

Section 8. Secretary. The responsibilities of the Secretary shall include, but not be limited to, maintaining a current roster of NHCA's membership; preparing and keeping minutes of general business meetings and Board of Directors meetings; notifying members of the time and place of all meetings of the general membership; maintaining the records of NHCA; and certifying the eligibility of voting representatives at the business meetings. The Secretary shall serve as an ex-officio member with voting privileges of the Executive Committee. The President and his/her staff shall assist the secretary in the performance of such duties.

Section 9. Treasurer. The Treasurer shall be responsible for carrying out all fiscal policies and procedures adopted by the Board of Directors. He/she shall cause to be recorded all receipts and disbursements, and shall be responsible for the preparation of financial statements in reasonable detail for presentation at each semiannual meeting of NHCA. He/she shall be responsible for the safeguarding of the assets of NHCA, including proper depositing and disbursing of cash, maintaining proper insurance and bonding, and upholding policies of internal control. The Treasurer shall serve as an ex-officio member with voting privileges of the Executive Committee. The President and his/her staff shall assist the Treasurer in the performance of such duties.

Section 10. Vacancies in Offices of Secretary or Treasurer. The Board of Directors shall have the power to fill any vacancies occurring in the offices of Secretary and Treasurer.

Section 11. President. The Officers and Board of Directors shall be assisted in the performance of their duties by a salaried, non-elected staff head, employed by and directly responsible to the Board of Directors. He or she shall have the title of President of NHCA and shall act as chief executive officer. The President shall be an officer of the corporation, an ex-officio member of the Board of Directors without voting privileges, and an ex-officio member without voting privileges of the Executive and all standing committees. He/she shall direct and manage all functions and activities of NHCA not assigned to other officers, shall assist such other officers and perform such other duties as may be specified by the Board. The President may employ, subject to approval of the Board of Directors, such staff as shall be required to carry out the work of NHCA. The President may be removed by the Board of Directors whenever, in its judgment, the best interests of NHCA would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the President.

Section 12. Removal. Any director or officer may be removed by the members, with or without cause, by a majority of those members qualified to vote at a meeting called for the purpose of removing the director or officer. The meeting notice must state that its purpose, or one of its purposes, is the removal of the director or officer. A director or officer may be removed for missing more than fifty (50%) percent of the board meetings in any given twelve (12) month calendar year. An officer elected by the board may be removed, with or without cause, by the vote of two-thirds ($\frac{2}{3}$) of the remaining directors then in office.

ARTICLE X. EXECUTIVE COMMITTEE

Section 1. Composition. There may be an Executive Committee consisting of the four officers. The President will serve as an ex-officio member without a vote.

Section 2. Meetings.

A. Regular meetings of the Executive Committee shall be called by the Chairperson on an "as needed" basis.

B. Special meetings of the Executive Committee may be called by the Chairperson whenever it is deemed necessary and must be called within fifteen days of having been petitioned to do so, in writing, by a majority of the members of the Executive Committee. An emergency meeting of the Executive Committee may be called by the Chairperson whenever it is deemed necessary.

C. Notice of regular, special, or emergency meetings of the Executive Committee shall be given in the same manner as specified for a notice of a special meeting of the Board of Directors in Article VIII, Section 5, except upon not less than fifteen (15) days' notice for a regular meeting, not less than twenty-four (24) hours' notice for a special meeting and not less than one (1) hour notice for an emergency meeting.

D. The presence of a simple majority of the entire membership, voting and non- voting, of the Executive Committee shall constitute a quorum for conduct of business, so long as no more than one-half (1/2) of those present and voting are representatives from a group of facilities having interlocking or common ownership or management. If authorized by the Chairman of the Executive Committee, or by the Vice Chairman in the absence of the Chairman, any regular or special meeting of the Executive Committee may be held by teleconference, videoconference or other electronic means, in which all members participating can hear one another speak. A Committee member's participation by such means shall constitute presence at the meeting for any and all purposes including, but not limited to, the determination of a quorum in voting.

E. If authorized by the Chairperson, or by the Vice Chairperson in the absence of the Chairperson, any regular or special meeting of the Executive Committee may be held by teleconference, videoconference or other electronic means, in which all members participating can hear one another speak. An Executive Committee member's participation by such means shall constitute presence at the meeting for any and all purposes including, but not limited to, a waiver of notice and the determination of a quorum in voting.

F. Action by Unanimous Written Consent. In the absence of a regular or special meeting, the Executive Committee may act by the unanimous written consent of all voting members of the Executive Committee. "Written consent" may be given by electronic communication.

Section 3. Duties. Under authority of the Board of Directors, the Executive Committee shall have charge of the property of NHCA and shall have the responsibility to control and manage affairs and funds of NHCA and subject to restrictions of the Nebraska Nonprofit Corporation Act, to:

A. Make policy decisions on financial matters; allocate NHCA resources and have responsibility for contracting agreements.

B. Develop and recommend policies to the Board of Directors.

C. Recommend proposed amendments to the Articles and Bylaws to the Board of Directors.

D. Make budget recommendations to the Board of Directors.

E. Act for the Board of Directors when time or circumstances do not permit a called meeting of the full Board. The Board of Directors shall be notified within ten (10) days of any major policy decision or expenditure by the Executive Committee.

F. Approve in advance the appointment and compensation of NHCA staff, counsel, and/or consultants by the President.

G. Perform such other activities as directed by the Board of Directors.

ARTICLE XI. COMMITTEES

Section 1. Committees. The Chairperson shall have the authority to establish committees to perform special tasks in furtherance of the purposes of NHCA. Such committees' actions shall be subject to ratification by the Board of Directors.

Section 2. Limitations on Committee Membership. Any person affiliated with member facilities or associate members may be appointed to any committee, as set forth above. However, only "designated persons" of member facilities may serve as committee chairman.

Section 3. Quorum and Meeting Notice. The presence of a simple majority of the entire membership, voting and non-voting, of any committee shall constitute a quorum for conduct of business, so long as no more than one-half (½) of those present and voting are representatives from a group of facilities having interlocking or common ownership or management. Notice of any meeting of a committee shall be given in the same manner, but upon three (3) days' notice, as notice of a special meeting of the Board of Directors.

Section 4. Meetings by Electronic Means. If authorized by the Chairperson of any committee, or by the Vice Chairperson in the absence of the Chairperson, a regular or special meeting of a committee may be held by teleconference, videoconference or other electronic means, in which all members participating can hear one another speak. A committee member's participation by such means shall constitute presence at the meeting for any and all purposes including, but not limited to, a waiver of notice and the determination of a quorum in voting.

Section 5. Action by Unanimous Written Consent. In the absence of a regular or special meeting, any committee may act by the unanimous written consent of all voting members of the committee. "Written consent" may be given by electronic communication.

Section 6. Removal. Any member of a committee may be removed by a majority vote of the entire remaining members of Board of Directors at a meeting called for that purpose whenever, in its judgment, the best interests of NHCA would be served thereby. The meeting notice must state that its purpose, or one of its purposes, is the removal of a committee member. A committee member may be removed for missing more than fifty (50%) percent of the committee meetings in any given twelve (12) month calendar year.

ARTICLE XII. DIVISION DISTRICTS

Section 1. Districts. The membership of each division of NHCA shall be divided into geographical districts as determined by NHCA Board of Directors. Districts shall be drawn in such a way as to be reasonably compact.

Section 2. Boundary Changes. Upon request of a majority of the Board of Directors, the Chairperson of the Board shall appoint a committee to redraw geographical lines as necessary. Approval of redrawn geographical lines shall be by majority vote of the representatives at the annual meeting of NHCA.

Section 3. Meetings and Quorum. Each District shall meet as scheduled by the District Chairperson.

Section 4. Secretarial Work. The President of NHCA shall as much as possible relieve the Districts from secretarial work when requested by the District.

Section 5. Funds. Monies required for the operation of the District shall be provided from the general funds of NHCA, at the discretion of the Board of Directors.

Section 6. Rights. Payment of the state dues includes full membership in the District, but gives only voting members District voting privileges. Attendance at any District meetings by a representative of a non-member provider shall be by invitation of a member provider. Representatives of a non-member provider may visit no more than three meetings. With a change of ownership or administration, a non-member provider may be allowed three additional visits for the purposes of encouraging membership.

Section 7. Purpose of Districts. The Districts shall conduct business and fulfill the purposes of NHCA under the authority of the Articles of Incorporation and Bylaws of NHCA and the Divisions.

ARTICLE XIII. ANNUAL DUES

Section 1. Payment. The payment of dues shall be for one fiscal year. The fiscal year of NHCA shall be a calendar year from January 1 through December 31.

Section 2. Amount. The amount of annual dues shall be determined by NHCA Board of Directors prior to January 1 of each year based on the financial needs of the Association. The annual dues for qualifying members shall include the American Health Care Association and National Center for Assisted Living dues rate which provides concurrent membership.

Section 3. Regular Members. Regular membership dues shall be assessed on a size of provider (number of long term care beds) basis. This principle does not in any way confine NHCA Board of Directors to using single bed increments or restrict them from establishing minimums and maximums in determining the dues method.

Section 4. Plan. Dues shall be due and payable in accordance with the accepted financial plan of NHCA and the American Health Care Association. The Board of Directors of NHCA shall determine what constitutes an accepted financial plan.

ARTICLE XIV. FUNDS

Section 1. Accounts. All monies of this Association shall be deposited in the name of NHCA in a financial institution and/or financial instrument approved by the Board of Directors.

Section 2. Checks. All funds must be disbursed by check except for reasonable petty cash

expenditures. All general fund checks of \$2,500 or more must be signed by any two of the following: President, Treasurer, or Chairperson, or other employee designated by the President.

Section 3. Spending Limits. No officer, committee, district or section shall expend any money not provided in the budget adopted by the Board, or spend any money in excess of the budget allotment except by approval of the Board of Directors.

Section 4. Audits. All books and records of NHCA shall be audited at such times as the Board of Directors may direct.

Section 5. Bonds. The President and Treasurer, or anyone else with check signing authority, shall be bonded with the expense of same to be paid by funds of NHCA.

ARTICLE XV. PARLIAMENTARY PROCEDURE

Section 1. Procedure. Robert's Rules of Order shall govern all deliberations and procedures of NHCA when not inconsistent with the Bylaws of NHCA.

Section 2. Opinion. When procedural or parliamentary questions and problems arise during sessions of the Board of Directors or at the conventions of NHCA, they shall be referred to the Bylaws Committee for study and an opinion.

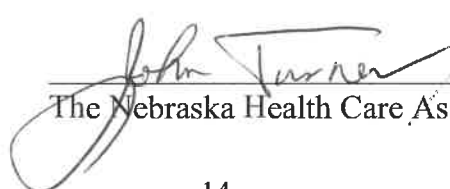
ARTICLE XVI. AMENDMENTS

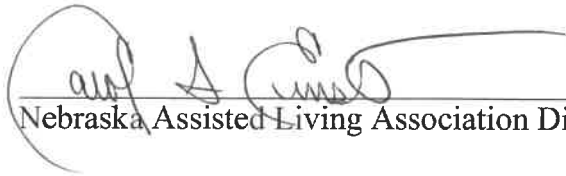
Section 1. Procedure. The Bylaws of NHCA may be amended by an affirmative vote of two-thirds ($\frac{2}{3}$) of the membership present at any business meeting, provided written notice of the meeting is given to the members stating one of the purposes of the meeting is to consider the proposed amendment.

Section 2. Board Approval. Proposed amendments to the Bylaws must first be approved by the Board of Directors and then sent to each member at least ten (10) days prior to a business meeting.

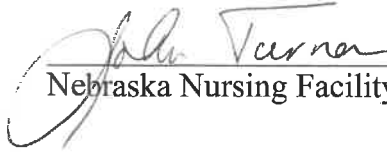
Section 3. Member Amendments. Amendments to the Bylaws may be proposed at any general meeting of the membership of NHCA by the voting representative of any member provider. However, amendments proposed in this manner shall not be acted upon until the next general membership meeting. If the Board of Directors fails to recommend the amendment to be placed before the next meeting, notice must be sent to the originator of the amendment and the voting representative shall have the opportunity to place the amendment before the membership at the next business meeting without the Board of Directors' recommendation.

Amended by vote of the membership on September 20, 2017.


The Nebraska Health Care Association Chairperson



Nebraska Assisted Living Association Division Chairperson



Nebraska Nursing Facility Association Division Chairperson