

# **OC**SHP

**BYLAWS OF THE  
ORANGE COUNTY SOCIETY  
OF HEALTH-SYSTEM PHARMACISTS  
(Most Recently Amended – May 2020)**

**BYLAWS OF THE ORANGE COUNTY  
SOCIETY OF HEALTH-SYSTEM PHARMACISTS**  
A California Nonprofit Mutual Benefit Corporation

## **BYLAWS**

**of the**

### **ORANGE COUNTY SOCIETY OF HEALTH-SYSTEM PHARMACISTS**

*(Most recently amended September 2013 and after approval of the general membership election of 2011).*

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**BYLAWS OF THE ORANGE COUNTY SOCIETY OF HEALTH-SYSTEM PHARMACISTS**

A California Nonprofit Mutual Benefit Corporation

**ARTICLE I  
NAME**

The name of this corporation shall be the Orange County Society of Health-System Pharmacists (OCSHP), the "Society".

**ARTICLE II  
PRINCIPAL OFFICE**

The principal office for the transaction of the business of the Corporation is in the County of Orange, State of California. The Board of Directors, of the Orange County Society of Health-System Pharmacists, may at any time or from time-to-time change the location of the principal office from one location to another. Any change of this location shall be noted by the Secretary on these Bylaws opposite this section, or this section may be amended to state the new location.

**ARTICLE III  
PURPOSES AND MISSION STATEMENT**

**SECTION 1. GENERAL PURPOSES**

This Corporation is a Nonprofit Mutual Benefit Corporation organized under the Nonprofit Mutual Benefit Corporation Law. The purpose to this Corporation is to engage in any lawful act or activity for which a corporation may be organized under such law.

**SECTION 2. VISION STATEMENT**

Pharmacists are Recognized as Leaders in Wellness, Patient Safety and the Optimal Use of Medications

**SECTION 3. MISSION STATEMENT**

To Represent and Empower Pharmacists and Pharmacy Technicians Practicing in Health-Systems to Promote Wellness, Patient Safety and Optimal Use of Medications

**SECTION 4. SPECIFIC PURPOSES**

The specific purposes and objectives of this corporation are to obtain and maintain status as a Regional Chapter Affiliate of the California Society of Health-System Pharmacists (CSHP), to participate fully in the activities of CSHP and to further the mission statement and specific purposes of CSHP, which include:

- (a) To promote rational, patient-oriented medication therapy across the continuum of care.
- (b) To foster the optimal and responsible use of medication-related technologies.
- (c) To promote pharmacists and technicians as integral members of the healthcare team in order to allow full utilization of their clinical skills and knowledge of the medication use process in each healthcare setting.
- (d) To serve as a primary advocate for advancing professional practice, optimizing patient outcomes, and improving the quality of patient care.

- (e) To promote pharmaceutical services that use sound pharmacoeconomic principles.
- (f) To advocate the pharmacist's and technician's value to patients by ensuring that appropriate clinical services and the medication use process are applied to their benefit.
- (g) To promote public health by fostering the optimal and responsible use of medications, including education for proper use and/or controlled use of medications.
- (h) To promote competency in the profession by offering state of the art education and training programs.

## **ARTICLE IV MEMBERSHIP**

### **SECTION 1. CLASSIFICATION AND VOTING MEMBERS**

- (a) Classification. Membership shall consist of the following classifications:
  - (i) Active Members. Active members shall be pharmacists licensed by any state, district, or territory of the United States or individuals graduated from an accredited pharmacy school and eligible for state licensure.
  - (ii) Technician Members: Technician members shall be technicians licensed and/or employed or retired by any state, territory, or district of the United States who support the purposes of CSHP.
  - (iii) Honorary Member: Honorary members may be elected from among individuals who are or have been especially interested in, or who have made outstanding contributions to, pharmacy practice in organized health care settings. Honorary members shall not pay dues but may hold office and vote if otherwise eligible for active membership.
  - (iv) Associate Members. Associate members in the Society shall consist of Supporting members and Student members. Associate members shall receive publications and general communications of the Society, may attend meetings, may be granted the privilege of the floor, but shall not be entitled to vote or hold an elected office, except as otherwise provided in these Bylaws.
    - a. Supporting Members: Supporting members may be individuals other than licensed pharmacists who support the purposes of CSHP.
    - b. Student Members: Student members may be a person who is either (a) a licensed California Intern Pharmacist, (b) a student eligible for a California Intern Pharmacist license, or (c) in a technician training program, and who support the purposes of CSHP.
- (b) Voting Members. Unless otherwise provided in these Bylaws, the term "voting member" as used in these Bylaws refers solely to Active and Honorary Members, provided the Honorary Member is otherwise eligible for active membership. So long as there are Technician Members, such members may vote in chapter elections. Other persons associated with the corporation may be referred to as members even though they are not voting members and no such reference shall confer active membership on anyone within the meaning of Section 5056 of the California Corporations Code. No person entitled to vote on any matter or in any capacity shall be entitled to more than one vote on each matter submitted to a vote by virtue of serving in any multiple capacity (i.e., no cumulative voting).

### **SECTION 2. FEES, DUES, AND ASSESSMENTS**

The dues of active, associate, and student members shall be established, assessed, and collected by CSHP.

### SECTION 3. TERMINATION OF MEMBERSHIP

- (a) Causes of Termination. The membership of any member of any classification shall terminate upon occurrence of any of the following events:
- (i) The death or resignation of the member;
  - (ii) Failure of a member to pay dues as required by CSHP;
  - (iii) The occurrence of any event which renders such member ineligible for membership or failure to satisfy membership qualifications;
  - (iv) The expulsion of the member by CSHP.
- (b) Suspension or Expulsion of a Member. A member may be suspended or expelled only by the Board of Directors of CSHP. The Board of Directors of Orange County Society of Health-System Pharmacists may, however, provide information to the Board of Directors of CSHP concerning its belief that the member has failed in a material and serious degree to observe CSHP's rules of conduct, or has engaged in conduct materially and seriously prejudicial to the purposes and interests of CSHP. A person whose membership is suspended by CSHP shall not be a member of the Orange County Society of Health-System Pharmacists during the period of such suspension.

## **ARTICLE V MEETINGS OF THE MEMBERS**

### SECTION 1. PLACE OF MEETING

Meetings of the members shall be held at the principal place of business of the Corporation or at such other place within or outside the State of California as may be recommended by the President and agreed upon by the Board of Directors.

### SECTION 2. GENERAL MEMBER MEETINGS

The general meeting of the members shall be held each calendar year prior to the Annual Installation. At this meeting, ratification of the ballot for nominees to the OCSHP Board members shall be performed and any other proper business may be transacted, subject to Section 5 of this Article V of these Bylaws.

### SECTION 3. INSTALLATION MEETINGS

The Installation Meeting shall serve as the Annual Meeting and shall be held each year in January, February, March, or April. At this meeting, Directors shall be installed and any other proper business may be transacted, subject to Section 5 of this Article V of these Bylaws

### SECTION 4. SPECIAL MEETINGS

- (a) Authorized Persons Who May Call Meetings. A special meeting of the members for any lawful purpose may be called at any time by any of the following: Board of Directors, the President, or five percent (5%) or more of the voting members.
- (b) Calling Meetings. A special meeting called by any person(s) (other than the Board of Directors) entitled to call a meeting shall be called by written request, specifying the general nature of the business proposed to be transacted, and such written request shall be delivered to an Officer. The Officer receiving the request shall cause notice to be properly given to the members entitled to vote, in accordance with the provisions of California Corporations Code Section 7511.
- (c) Proper Business of Special Meetings. No business other than the business the general nature of which is set forth in the notice of the meeting, may be transacted at a special meeting.

#### SECTION 5. NOTICE OF MEMBER MEETINGS

- (a) General Notice Contents. Whenever members are required or permitted to take any action at a meeting, written notice of the meeting shall be sent or otherwise given in accordance with the Subsection (c) of this Section 5 to each member entitled to vote. The notice shall specify the place, date, and hour of the meeting and:
  - (i) In the case of a special meeting, the general nature of the business to be transacted, and no other business may in that case be transacted; or,
  - (ii) In the case of the annual meeting, those matters which the Board of Directors, at the time of giving the notice, intends to present for action by the members, but except as provided in Section 6 of this Article V, any proper matter may be presented at the meeting.
- (b) Notice of Certain Agenda Items. Approval by the members of any of the following proposals is valid only if the notice or written waiver of notice sets the general nature of the proposal(s) and the necessary vote required:
  - (ii) Removing a Director without cause;
  - (iii) Filling vacancies on the Board of Directors subject to the provisions of Article VI, Section II;
  - (iv) Amending the Bylaws;
  - (v) Approving a contract for a transaction in which a Director has a material financial interest;
  - (vi) Disaffiliation with CSHP;
  - (vii) Electing to wind up and dissolve the corporation; or,
  - (viii) Approving a plan of distribution of assets, other than cash, not in accordance with liquidation rights of any class or classes as specified in the Article of Incorporation or these Bylaws, when corporation is in the process of winding up.
- (c) Manner of Giving Notice. Notice of any meeting of members shall be given in accordance with the provisions of California Corporations Code Section 7511.

#### SECTION 6. QUORUM

The majority of the members entitled to cast a vote shall constitute a quorum for the transaction of business provided, However, if any regular or annual meeting is actually attended in person by less than one-third (1/3) of the voting power the only matters that may be voted on are those which notice of their general nature was given under subsection (a) of Section 5 of this Article V.



## SECTION 7. VOTING

- (a) Eligibility to Vote. Subject to the provisions of the California Nonprofit Mutual Benefit Corporation Law, members entitled to vote at any meeting shall be Active Members in good standing as of the record date determined under Section 8 of this Article V.
- (b) Manner of Casting Votes. Votes may be taken by voice, by show of hands, by physical ballot, or electronically. Members shall have no right to accumulate their votes.
- (c) Voting. Each member entitled to vote shall be entitled to cast one vote on each matter submitted to a vote of the members.
- (d) Approval by Majority Vote. If a quorum is present, the affirmative vote of the majority of the voting power entitled to vote by mail ballot, or electronically shall be the action of the members, unless the California Nonprofit Mutual Benefit Corporation Law requires the vote of a greater number.

## SECTION 8. RECORD DATE FOR MEMBER NOTICE, VOTING, GIVING CONSENTS, AND OTHER ACTIONS

The "record date" for purposes of determining which members are entitled to receive notice of any meeting, to vote, to give consent, or to take other action shall be determined by the Board of Directors, or if it fails to do so, in accordance with the California Nonprofit Mutual Benefit Corporation Law.

## **ARTICLE VI DIRECTORS**

### SECTION 1. POWERS

- (a) General Corporate Powers. Subject to the provisions of the California Nonprofit Mutual Benefit Corporation Law and any limitations in the Articles of Incorporation or these Bylaws relating to action required to be approved by the members, the business and affairs of the Corporation shall be managed, and all corporate powers shall be exercised by or under the direction of the Board of Directors.
  - (i) The term "Board of Directors" shall refer to both Elected Directors and Officer Directors as defined in Article VI, Section 3 of these Bylaws
- (b) Specific Powers. Without prejudice to the general powers and subject to the same limitations, the Board of Directors shall have the power to:
  - (i) Appoint and remove all non-Director Officers, agents, and employees of the Corporation, and to prescribe such powers and duties for all Officers, agents, and employees as are not inconsistent with law, with the Articles of Incorporation or these Bylaws.
  - (ii) Conduct, manage, and control the affairs and business of the corporation and to make such rules and regulations therefore not inconsistent with law, with the Articles of Incorporation, or with these Bylaws as they may deem best.
  - (iii) Designate any place for the holding of any membership meeting or meetings; change the principal office of the Corporation for the transaction of its business from one location to another.
  - (iv) Borrow money and incur indebtedness for the purposes of the Corporation and to cause to be executed and delivered therefore in the Corporation's name promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, or other evidences of debt and securities.

- (v) Manage in such manner as they deem best all funds and property, real and personal, received and acquired by the Corporation; and to distribute, loan, or dispense the same and/or the income and profits there from.
- (vi) Fill vacancies on the Board of Directors until the membership shall elect a replacement as provided in Article VI, Section 11 of these Bylaws.
- (vii) Directors may only vote in person at a face-to-face meeting or by use of conference telephone so long as all Directors participating in the meeting can hear one another; no proxies shall be permitted.

## SECTION 2. NUMBER AND QUALIFICATIONS OF DIRECTORS

The authorized number of Elected Directors of the Corporation shall be four (4) until changed by amendment of the Articles of Incorporation. Directors must be active Members of OCSHP. No Director elected by the general membership shall be eligible to serve more than two (2) consecutive terms in the same office. No Director shall serve in a dual capacity as both an Elected Director and an Officer Director. Members of the OCSHP Board of Directors may simultaneously serve on the CSHP Board of Directors.

## SECTION 3. ELECTION, DESIGNATION, AND TERM OF OFFICE

- (a) Elected Directors. There shall be a total of four (4) Elected Directors who shall serve staggered two (2) year terms or until their respective successors are elected and take office. Elected Directors may also hold committee chair positions as authorized by the Board of Directors. Directors shall be elected for installation at the annual meeting. Nominations and voting for Elected Directors shall be conducted consistent with Sections 4 and 5 of this Article VI of these Bylaws.
- (b) Officer Directors. There shall be a total of five (5) Officer Directors. These Officers shall consist of President, Immediate Past President, President-Elect, Secretary, and Treasurer. President-Elect, President, and Immediate Past President shall serve staggered three (3) year terms or until their respective successors are elected and take office. A President-Elect shall be elected in each calendar year for installation at the Annual meeting next following the election and shall serve as a Director while she/he occupies the offices of President-Elect, President, and Immediate Past President. A Secretary or Treasurer shall serve as a Director while they occupy the office of Secretary or Treasurer. Nominations and voting for Officer Directors shall be conducted consistent with Sections 4 and 5 of this Article VI of these Bylaws.

## SECTION 4. NOMINATIONS

- (a) A Nominations Committee, chaired by the President-Elect, shall nominate candidates for the Elected and Officer Director positions to be vacated and should submit their names to the Board of Directors at least thirty (30) days prior to the election for approval prior to the general meeting.
- (b) Voting members may recommend for nomination any Active member for any position to be vacated by an Elected or Officer Director for the coming calendar year. Recommendations shall be given to the Nominating Committee or the Secretary to collect the names of the candidates to be placed on the ballot.
- (c) Nominations by Petition. If the corporation has five hundred (500) or more, but fewer than five thousand (5,000) voting members, members representing two percent (2%) of the voting power may nominate candidates for elected or Officer Directors by petition, signed by those members within eleven (11) months preceding the next time Directors are to be elected, and delivered to an Officer of the Corporation at least 75 days prior to the end of the existing term. On timely receipt of a petition signed by the required number of members, the Secretary shall

cause the names of the candidates named on it to be placed on the ballot along with the names of those candidates named by the Nominations Committee. If the Corporation has five thousand (5,000) or more members, members representing 1/20th of one percent of the voting power but not fewer than one hundred (100) members, may nominate candidates for Directors by a similar petition.

- (d) Ratification of approval of the Slate of Nominees. The slate of nominees for all elected offices shall be presented at the general approval meeting. A majority vote of the active members present and voting shall be required for approval.

## SECTION 5. VOTING

- (a) Solicitation of Votes. The Board of Directors shall formulate procedures that allow a reasonable opportunity for a nominee to communicate to members the nominee's qualifications and reasons for the nominee's candidacy, a reasonable opportunity for all nominees to solicit votes and a reasonable opportunity for all members to choose among candidates.
- (b) Use of Corporate Funds to Support Nominee. No corporate funds may be expended to support a nominee for Director after more people have been nominated for Director than can be elected.
- (c) Election. The names of the candidates, together with a brief review of their professional background, shall be sent by the Secretary or Chairperson of the Nominations Committee to every Active Member qualified to vote. The Secretary or Chairperson of the Nominations Committee shall mail the ballots or provide electronic ballots within thirty (30) days after receipt of all valid nominations and approval of the slate of nominees. Ballots, to be valid, must be returned by mail or via electronic to the Secretary or Chairperson of the Nominations Committee within thirty (30) days of original receipt of such ballots.
- (d) Counting of Ballots. Within thirty (30) days after the due date, at least two members of the Nominations Committee will tally the votes. No member who is on the ballot should participate in the ballot count. Candidates receiving the highest number of votes for each vacancy to be filled shall be elected as Directors. There shall be no cumulative voting. A tie shall be decided by the Board of Directors.
- (e) Installation of Directors. Directors shall be installed at the Annual installation meeting next following their election, except as provided in Section 11 of this Article VI of these Bylaws.

## SECTION 6. BOARD OF DIRECTOR MEETINGS

Regular meeting of the Board of Directors shall be held at least six (6) times per year without call or notice at such time and place as the Board of Directors shall fix from time-to-time.

## SECTION 7. SPECIAL MEETINGS

Special meetings of the Board of Directors, for any purpose or purposes, may be called at any time by the President or, upon application in writing, by any six (6) members of the Board of Directors. Such meetings may be held either in the principal office or at any place designated from time-to-time by resolution of the Board of Directors or by written consent of all of the Directors. Notice of the time and place of special meetings may be communicated to each Director by e-mail or phone.

## SECTION 8. QUORUM

A majority of the authorized number of voting Directors shall be necessary to constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors shall be regarded as an act of the Board of Directors, unless a greater number is required by law or by the Articles of Incorporation or by these Bylaws.

#### SECTION 9. ADJOURNMENT

A majority of the Directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place.

#### SECTION 10. NOTICE OF ADJOURNMENT

Notice of the time and place of holding an adjourned meeting need not be given, unless the meeting is adjourned for more than twenty-four (24) hours, in which case notice of an adjournment to another time and place shall be given, before the time of the adjourned meeting, to the Directors who were not present at the time of the adjournment.

#### SECTION 11. VACANCIES

- (a) Candidates. The Board of Directors is empowered and directed to fill all vacancies in the list of the candidates which may occur by death or resignation or for any other reason after the adjournment of the general meeting of the members and prior to the issuance of mail ballots.
- (b) President. If the President shall become unable to perform the duties of the office, the President-Elect shall succeed to the office of the President and shall continue to serve as President for the subsequent year.
- (c) President-Elect. If both the President and the President-Elect shall become unable to perform the duties of their offices, the Board of Directors shall appoint from the membership of the Board of Directors a President Pro Tempore to serve the remaining portion of the unexpired term. At the next general meeting of OCSHP, nominations shall be presented by the Committee on Nominations for the offices of the President and President-Elect, and an election shall be conducted in accordance with the provisions of these Bylaws.
- (d) Secretary and Treasurer. If either the Secretary or the Treasurer becomes unable to perform the duties of the office, the Board of Directors is empowered and directed to fill such vacancy until such time as a duly elected Secretary or Treasurer is installed. The election of a successor shall take place at the regular election corresponding to the end of the vacated officer's term.
- (e) Elected Directors. If an elected Director becomes unable to perform the duties of the office, the Board of Directors is empowered and directed to fill such vacancy until such time as a duly elected Director is installed. The election of a successor shall take place at the regular election corresponding to the end of the vacated Director's term.
- (f) Appointed Committee Chairpersons. If the office of an appointed Committee Chairperson becomes vacant between annual meetings of the Society, such an office may be filled by the Board of Directors.

#### SECTION 12. COMMITTEES

The Board of Directors may designate the following Committees, among others, to report directly to the Board of Directors:

- (a) **NOMINATIONS COMMITTEE:** The President shall appoint members on for this Committee consisting of at least three (3) members, which includes President-elect and two (2) elected officers or additional members of the President's choice prior to September 1st. The Chair of this Committee shall be the President-Elect. The Nominations Committee shall select candidates for OCSHP Directors, President-Elect, Secretary, Treasurer (every 2 years) and Regional Chapter Delegates as described in these Bylaws. It shall be the Committee's function to contact prospective candidates to determine their interest and ability to hold office. This Committee shall also be responsible for counting ballots.
- (b) **EDUCATIONAL AFFAIRS COMMITTEE** shall arrange and coordinate continuing education programs, identify and select speakers, and garner financial support for these programs. The Educational Affairs Committee shall also be responsible for maintaining documentation of continuing education programs as required by the accrediting agencies.
- (c) **MEMBERSHIP COMMITTEE** shall be responsible for the promotion of membership recruitment and retention and shall maintain a current list of active members, coordinating with the Communications Committee as needed.
- (d) **PUBLIC RELATIONS COMMITTEE** shall communicate to the Board of Directors suggestions for activities with the general public and shall coordinate such activities. This Committee shall also seek opportunities to promote the pharmacy profession through various media venues.
- (e) **HOSPITALITY COMMITTEE** shall coordinate the annual installation banquet including advertisement, securing a location, food and entertainment selections, and soliciting industry support. This Committee shall seek the approval of the Board of Directors prior to incurring any expense.
- (f) **COMMUNICATIONS COMMITTEE** shall provide timely communication with members informing them of OCSHP activities and functions.

### SECTION 13. LIAISONS

The President-Elect may appoint liaisons to other groups as is necessary for the furtherance of the specific purposes of the Society.

- (a) STUDENT LIAISON shall be responsible for communication Society related information to pharmacy students who work, live or attend school in this region. This liaison shall be responsible for working with the Membership Committee toward the recruitment and retention of student members of the Society, and will be responsible for relating matters of student interest to the Society membership.
- (b) TECHNCIAN LIAISON shall be responsible for communicating Society related information to other pharmacy technicians in this region and the Society membership.
- (c) CSHP LIAISON shall be appointed by CSHP according to the CSHP Bylaws and shall communicate Society related information to the CSHP Board of Directors. This liaison shall also relate matters of interest to this Society that may originate from CSHP.
- (d) NEW PRACTITIONER LIAISON shall be responsible to communicating with other new practitioners regarding Society activities and programs. They may also plan and organize educational and social events for new practitioners within the budget that is approved by the OCSHP Board of Directors for each event.
- (e) OTHER LIAISONS may be appointed by the President as s/he deems necessary to carry out the programs and responsibilities of the Society. These may be, but are not limited to, liaisons to other CSHP regional chapters or other pharmacist organizations.

## ARTICLE VII

## OFFICERS

### SECTION 1. NUMBER AND SELECTION

The Officers of the Corporation shall be the President, President-Elect, Immediate Past President, Secretary, and Treasurer, all of whom shall be Directors of the Corporation. The officers shall be selected as provided in Article VI of these Bylaws. Each shall hold office until she/he shall resign or shall be removed or otherwise disqualified to serve, or until a successor shall be selected and qualified. The Board of Directors may appoint such other officers as the business of the Corporation may require, each of whom shall hold office for such a period and have such authority and perform such duties as are provided in these Bylaws or as the Board of Directors may from time-to-time determine.

### SECTION 2. DUTIES (Appendix A)

- (a) **PRESIDENT:** The President shall preside at all meetings; shall appoint chairpersons to all Committees, not otherwise provided for; shall appoint a Nominations Committee consisting of at least three members, one of whom shall be the President Elect; shall preside as Chairperson of the Board of Directors; shall establish goals and objectives for the year at the first meeting of the Board of Directors following installation; and should attend CSHP Board of Directors and Regional Chapter Presidents meetings when possible; shall also be a regional delegate to the CSHP House of Delegates meeting.
- (b) **PRESIDENT-ELECT:** The President-Elect shall be a member of the Board of Directors and perform the duties of the office of the President whenever the President shall be unable to do so; shall also be a regional delegate to the CSHP House of Delegates meeting; and shall chair the OCSHP Nominations Committee. The President-Elect should begin to develop preliminary goals and objectives for the following year. The President-Elect should also attend the Regional Chapter Presidents meetings when possible.
- (c) **IMMEDIATE PAST PRESIDENT:** The Immediate Past President shall be a member of the Board of Directors and shall preside in the absence of the President and the President-Elect. The Immediate Past President shall also be a regional delegate to the CSHP House of Delegates meeting and shall chair the chapter delegation.
- (d) **SECRETARY:** The Secretary shall keep minutes of the meetings of OCSHP; shall notify individuals of their appointments to committees; shall notify members of the time and place of all meetings; and shall conduct the correspondence for OCSHP. The Secretary shall send a copy of the Board meeting minutes to the CSHP Board liaison within 30 days of the approval of the minutes. The Secretary shall maintain copies of the annual reports as specified in Article XII, Section 1 (b).
- (e) **TREASURER:** The Treasurer shall receive and keep account of all monies received by OCSHP and shall disburse them at the direction of the Board of Directors. The Treasurer shall, under the direction of the Board of Directors, prepare a budget for the coming year and shall submit a written report to the Board of Directors at the end of each fiscal year. The Board of Directors shall assure that the Treasurer's financial records are audited annually and just prior to the passage of responsibility to the new Treasurer. The Treasurer shall assure that OCSHP is in compliance with all federal and state financial reporting requirements.
- (f) **ELECTED DIRECTORS:** The Elected Director shall be a member of the Board of Directors and shall have been a past member of the Board of Directors as either an appointed or elected officer. The Elected Director shall assist in an advisory capacity providing historical perspective and noteworthy issues of past activities that may help with future projects and activities. The Elected Director shall promote and ensure that the rules that govern OCSHP shall be upheld at the regional level, including but not limited to the OCSHP Bylaws, purposes,

and Vision and Mission of OCSHP. An Elected Director may hold a Committee Chair position as authorized by the Board of Directors. An Elected Director shall not hold more than one elected position on the Board of Directors at any one time. Elected Directors shall not be eligible to serve more than two (2) consecutive terms in the same elected office or until their respective successors are elected and take office if there would be a vacancy in their absence.

## **ARTICLE VIII DELEGATES**

### **SECTION 1. COMPOSITION**

As a Regional Chapter of CSHP, OCSHP will be allotted such Delegates as are consistent with the Bylaws and procedures of CSHP. OCSHP shall select its entitled Delegates as herein provided.

### **SECTION 2. ALLOCATION**

The President, President-Elect, and Immediate Past President shall serve as designated Delegates to CSHP, unless they so decline.

### **SECTION 3. ELECTION**

(a) Nominations of Regional Delegates

(i) Candidates for Regional Delegates shall be active members of OCSHP.

(ii) A Nominations Committee, appointed by the President, shall nominate at least two (2) candidates more than the total number of Delegates apportioned by CSHP.

(b) Elections

(c) Delegates shall be elected in accordance with the provisions of Article VI Section 5 of these Bylaws and shall be elected for two (2) year terms.

(d) The active members in good standing will vote on nominations by closed ballot sent to the members by the Secretary or designee annually, in conjunction with the election of Directors.

(ii) Ballots, to be valid, must be returned to the Secretary or Chairperson of the Nominations Committee within thirty (30) days of the original mailing.

(iii) Within thirty (30) days after the due date, at least two members of the Nominations Committee will tally the votes. No member who is on the ballot should participate in the ballot count.

(iv) Candidates receiving the highest number of votes for the available delegate positions shall be elected. Alternate Delegates from the other candidates shall serve in rank order of the total number of votes received. There shall be no cumulative voting. A tie shall be decided by lot. Of the candidates for Delegate not elected, the two (2) candidates receiving the highest number of votes will be designated as "alternate Delegates" and shall serve as Delegates in the absence of the elected Delegates.

### **SECTION 4. MEETINGS**

The House of Delegates shall meet during the annual meeting of the California Society of Health-System Pharmacists and at such other times and places as it may determine by CSHP.





## SECTION 5. RESPONSIBILITIES

- (a) The Delegates are responsible for remaining current on issues involving OCSHP that may be presented at the CSHP House of Delegates and should know the feelings of the OCSHP membership through the Board of Directors. The Delegates shall also attend both meetings of the CSHP House of Delegates and all related meetings, such as the Open Forum, Town Hall, and chapter caucus, if scheduled. Delegates are encouraged to attend all OCSHP Board Meetings. The Delegate should attend the Regional Chapter Delegates Conference.
- (b) The Immediate Past President shall chair the chapter delegation. If the Immediate Past President is unable to serve, the President shall serve as Chair or may appoint another delegate to serve as Chair.

## SECTION 6. REPLACEMENT OF DELEGATES

- (a) An alternate Delegate shall replace any Delegate unable to serve at the CSHP House of Delegates meeting. Alternate Delegates shall be appointed in ranked order.
- (b) In the event that an insufficient number of Delegates will be present at the CSHP House of Delegates meeting, the Chair of the chapter delegation shall have the authority to appoint an active member of OCSHP to fill a vacant position.

# **ARTICLE IX COUNCILS, COMMITTEES, AND TASK FORCES**

## SECTION 1. FUNCTIONS

In working toward achievement of the purposes of OCSHP, the Board of Directors may appoint a Council, Committee, or Task Force to function in a developmental and advisory capacity, developing and implementing programs and policies authorized by the Board of Directors and proposing programs and policies to the Board of Directors in the major area of OCSHP interest to which it is assigned.

## SECTION 2. COMPOSITION

- (a) Chairperson: The Chairperson of each Council, Committee, and Task Force shall be appointed by the President with the approval of the Board of Directors. The Chairperson will coordinate activities of the Council. (b) Secretary: The Secretary of the Council, Committee, or Task Force shall be appointed by the Chairperson from members appointed to serve. The Secretary shall be responsible for the administrative functions of the Council, Committee, or Task Force. The Secretary shall send reports of all meetings to the President of the OCSHP no later than thirty (30) days following the meeting date.
- (b) Members
  - (i) The members of each Council, Committee, and Task Force shall be appointed by the President.
  - (ii) The number of members to be appointed to serve on any Council, Committee, or Task Force shall be determined by the President on the basis of the needs of the group to accomplish its charge.

- (iii) In making nominations for appointments to Councils, Committees, or Task Forces, the President shall, as in all appointments of OCSHP, take into consideration the geographic coverage of the membership over the state, and for each appointee, personal qualifications, abilities, and prior experience in the OCSHP's activities in the particular area of interest of the assigned group.
- (iv) Vacancies. The President shall be authorized to fill vacancies on a Council, Committee, or Task Force.

### **SECTION 3. AUTHORITY OF COUNCILS, COMMITTEES AND TASK FORCES**

- (a) Board Assignments. The Board of Directors shall have authority to assign a specific matter to a Council, Committee, or Task Force for its consideration. The Board of Directors shall provide such group with clearly stated expectation (i.e., "charge") with respect to action on assigned items.
- (b) Board Approval. Any matter presented for consideration directly to the Board of Directors may, prior to action by the Board of Directors, be referred for consideration and recommendations to a Council, Committee, or Task Force within whose area of responsibility the matter falls. In the event the Board of Directors does not act favorably upon a recommendation received from a Council, the matter shall be returned with explanation to the Council, Committee, or Task Force for its further consideration.
- (c) Final Board Authority. The Board of Directors shall have final authority over any project requiring the expenditure of OCSHP's funds, the proposals of Councils, Committees, and Task Forces, and the determination of which proposals require approval by the House of Delegates.

## **ARTICLE X INDEMNIFICATION OF DIRECTORS, DELEGATES, OFFICERS, EMPLOYERS, AND OTHER AGENTS**

### **SECTION 1. RIGHT OF INDEMNITY**

To the fullest extent permitted by law, this Corporation shall indemnify its Directors, Delegates, Officers, employees, and other persons described in Section 7237(a) of the California Corporations Code, including persons formerly occupying any such position, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any "proceeding", as that term is used in that section, and including any action by and in the right of the Corporation, by reason of the fact that the person is or was a person described in that section. "Expenses" as used in this Section 1 of this Article IX of the Bylaws, shall have the same meaning as in Section 7237(b) of the California Corporations Code.

### **SECTION 2. APPROVAL OF INDEMNITY**

On written request to the Board of Directors by any person seeking indemnification under Section 7237(b) or Section 7237(c) of the California Corporations Code, the Board of Directors shall promptly determine under Section 7237(e) of the California Corporations Code whether the applicable standard of conduct set forth in Section 7237(b) or Section 7237(c) has been met, and if so, the Board shall authorize indemnification. If the Board of Directors cannot authorize indemnification because the number of Directors who are parties to the proceedings with respect to which indemnification is sought, prevents the formation of a quorum of Directors who are not parties to that proceeding, the Board of Directors shall promptly call a meeting of members. At that meeting, the members shall determine under Section 7237(e) whether the applicable standard of conduct set forth in Section 7237(b) or Section 7237(c) has been met and, if so, the members present at the meeting in person shall authorize indemnification.

### SECTION 3. ADVANCEMENT OF EXPENSES

To the fullest extent permitted by law and except as otherwise determined by the Board of Directors in a specific instance, expenses incurred by a person seeking indemnification under Sections 1 and 2 of the Article IX of these Bylaws in defending any proceeding covered by those sections shall be advanced by the Corporation before final disposition of the proceeding, on receipt by the Corporation of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately determined that the person is entitled to be indemnified by the corporation for those expenses.

### SECTION 4. INSURANCE

This corporation shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its Directors, Delegates, Officers, employees, and other agents, against any liability asserted against or incurred by any Director, Delegate, Officer, employee, or agent in such capacity or arising out of the Director's, Delegate's, or agent's status as such.

## **ARTICLE XI AFFILIATION**

OCSHP shall be affiliated with the CSHP and subject to such rules and regulations as may be provided by the CSHP to govern its affiliates.

## **ARTICLE XII RECORDS AND REPORTS**

### SECTION 1. MAINTENANCE OF CORPORATE RECORDS

(a) Corporate Records The Corporation shall keep:

- (i) Adequate and correct books and records of account;
- (ii) Minutes in written form of the proceedings of its members, Board of Directors, and Committees of the Board; and
- (iii) A record of its members, giving their names and addresses and the class of membership held by each. All such records shall be kept at the Corporation's principal executive office, or if its principal executive office is not in the State of California, at its principal business office in this State.

(b) Annual Report

- (i) An annual report shall be prepared within one hundred twenty (120) days after the end of the Corporation's fiscal year. That report shall contain the following information in appropriate detail:
  - (A) A balance sheet as of the end of the fiscal year, and an income statement and statement of changes in financial position for the fiscal year, accompanied by any report on them by independent accountants, or if there is no report, by a certificate of an authorized officer of the Corporation that they were prepared without audit from the books and records of the Corporation.
  - (B) A statement of the place where the names and addresses of current members are located.

- (C) Any information that is required by Subsection (c) of this Section 1.
- (ii) The Corporation shall notify each member annually of the member's right to receive a financial report under this Section. Except as provided in Subsection (iii) of this Subsection (b), on written request by a member, the Board of Directors shall promptly cause the most recent annual report to be sent to the requesting member.
- (iii) This Section shall not apply if the corporation receives less than ten thousand dollars (\$10,000) in gross revenues or receipts during this fiscal year.
- (c) Annual Statement of Transaction and Indemnifications. As part of the annual report to all members, or as a separate document if an annual report is not issued, the corporation shall annually prepare and mail to its members and furnish to its Directors a statement of any transaction of indemnification for the following kind within one hundred twenty (120) days after the end of the Corporation's fiscal year.
- (i) Unless approved by members under Section 7233(a) of the California Corporations Code, any transaction (a) which the Corporation, its parent, or its subsidiary was a party, (b) which involved more than fifty thousand dollars (\$50,000) or was one of a number of such transactions with the same person involving, in the aggregate, more than fifty thousand dollars (\$50,000), and (c) which either of the following interested persons had a direct or indirect material financial interest (a mere common directorship is not a material financial interest):
- (A) Any Director or Officer of the Corporation, its parent, or its subsidiary.
- (B) Any holder of more than ten percent (10%) of the voting power of the Corporation, its parent or its subsidiary. The statement shall include a brief description of the transaction, the names of the interested persons, involved, the relationship to the corporation, the nature of their interest in the transaction, and, when practicable, the amount of that interest, provided that, in the case of a partnership in which such person is a partner, only the interest of the partnership need be stated.
- (ii) A brief description of the amounts and circumstances of any loans, guarantees, indemnifications, or advances aggregating more than ten thousand dollars (\$10,000) paid during the fiscal year to any Officer or Director of the Corporation under Sections 1, 2, and 3 of Article X of these Bylaws, unless the loan, guarantee, indemnification, or advance has already been approved by the members under Section 5034 of the California Corporations Code, where the loan or guarantee is not subject to the provisions of Section 7235(a) of that Code.

## **ARTICLE XIII**

### **PERSONAL LIABILITY AND PROPERTY INTEREST**

#### **SECTION 1. LIABILITY OF MEMBERS**

No member of the Corporation shall be personally liable to its creditors or for any indebtedness or liability, and any and all creditors shall look only to its assets for payment.

#### **SECTION 2. PROPERTY INTEREST UPON TERMINATION OF MEMBERSHIP**

If any member shall cease to be such, any interest she/he shall have in and to the property, assets, and privileges of the Corporation shall cease and revert to the Corporation and such cessation of membership shall operate as a release and assignment to the Corporation of all the right, title, and interest of such member in and to the property, assets, and privileges of the Corporation, provided,

however, that any succession of membership shall not affect any indebtedness of the Corporation to such member.

#### **ARTICLE XIV PARLIAMENTARY PROCEDURE**

Modern Rules of Order, latest edition, shall prevail at all meetings of OCSHP, except where contrary to these Bylaws or any standing rule.

#### **ARTICLE XV AMENDMENT TO BYLAWS**

##### **SECTION 1. PROPOSAL FOR AMENDMENT**

Except as otherwise provided by law or by the Articles of Incorporation, new Bylaws may be adopted or these Bylaws may be amended or repealed by the affirmative vote of a majority of the Board of Directors (or by the written consent thereof) or by the approval of the members as defined in Corporations Code Section 5034. A proposal to alter or amend these Bylaws may also be submitted in writing by two (2) or more active members at regular meeting and voted upon at the next regular meeting. In which a majority of votes cast is required for approval.

##### **SECTION 2. APPROVAL BY MEMBERSHIP**

Every proposition to alter or amend shall be submitted in writing by two (2) or more active members at a regular meeting of the Board of Directors. If approved by a majority of the Board of Directors, a notice of the proposed change must be mailed or electronically mailed to each member immediately following this meeting at which the proposed change was submitted. Each proposed change shall be submitted to the entire membership for a vote by mail ballot, in the same manner as the election of officers and Directors, as provided by these Bylaws. Any change approved by the membership shall be submitted to CSHP for approval.

#### **ARTICLE XVI MISCELLANEOUS**

##### **SECTION 1. INCOME AND DISTRIBUTION**

In the event of the liquidation or dissolution of the Corporation, whether voluntary or involuntary, no member shall be entitled to any distribution or division of its remaining property or its proceeds, and the balance of all money or other property received by the Corporation from any source, after the payment of all debts and obligations of the Corporation, shall be paid to or distributed to the ASHP Research and Education Foundation. No part of the income of the Corporation shall inure to the benefit of any member, trustee, Director, or Officer of the Corporation, or any private individual (except that reasonable compensation may be paid for services rendered to or for the Corporation affecting one or more of its purposes), and no member, trustee, or Officer of the Corporation or any private individual shall be entitled to share in the distribution of any of the corporate assets upon dissolution of the Corporation.

##### **SECTION 2. CONSTRUCTION OF DEFINITIONS**

Unless the context requires otherwise, the general provisions, rules of construction and definitions in the California Nonprofit Mutual Benefit Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of the above, the masculine gender includes the feminine and neuter, the singular includes the plural, the plural includes the singular, and the term "person" includes both the Corporation and a natural person.

**SECTION 3. INSPECTION OF ARTICLES AND BYLAWS**

The Corporation shall keep at its principal office the original or a copy of the Article s of Incorporation and Bylaws as amended or otherwise altered to date, certified by the Secretary which shall be open to inspection by all Active Members and Associate Members at all reasonable times and office hours.

**CERTIFICATION OF SECRETARY**

I, \_\_\_\_\_, the undersigned, certify that I am the personally elected and the acting Secretary of the Orange County Society of Health-System Pharmacists, a California Nonprofit Mutual Benefit Corporation, and that the above Bylaws, consisting of 14 pages are the Bylaws of the Corporation as originally adopted at the meeting of the Board of Directors held on February 19, 1991, as amended on November 16, 1994, and as since modified at the meeting of the Board of Directors held on \_\_\_\_\_, such changes being submitted to the general membership for a vote, and that they have not been amended or modified since that date.

DATED: \_\_\_\_\_

\_\_\_\_\_  
Secretary –

## **Appendix A**

September 19, 2012

Below are the responsibilities of each of the *elected* positions within OCSHP that include and are not limited to, what is described below. The Board will determine if such responsibilities will be amended and/or revoked at any time for each Office.

### ***Responsibilities of the President***

The President shall:

1. Be a member of the Board,
2. Preside at all meetings,
3. Appoint Chairpersons to all Committees, not otherwise provided for,
4. Assure that the Treasurer's financial records be audited annually, just prior to the passage of responsibility to the new Treasurer, by appointing a Financial Oversight Committee,
5. Preside as Chairperson of the Board,
6. Establish goals and objectives for the year at the first meeting of the Board following installation,
7. Attend CSHP Regional Chapter Presidents' meetings when possible,
8. Serve as one of the Regional Delegate to the CSHP House of Delegates meeting,
9. Install new OCSHP Delegates at the regular meeting of the Members at least one month prior to the annual meeting of CSHP, and
10. Submit a written report at the end of each calendar year to the membership and to CSHP.

### ***Responsibilities of the President-Elect***

The President-Elect shall:

1. Be a member of the Board,
  - a. Perform the duties of the office of the President whenever the President shall be unable to do so,
2. Chair the Nominations Committee. The composition and charge of this Committee is detailed in Article VI, Section 12 of these Bylaws.
3. Develop the preliminary goals and objectives for the following year.

### ***Responsibilities of the Immediate Past President***

The Immediate Past President shall:

1. Be a member of the Board, and
2. Preside in the absence of the President and President-Elect.

### ***Responsibilities of the Secretary***

The Secretary shall:

1. Keep the minutes of the meetings of the Society
2. Notify individuals of their appointments to the Committees
3. Notify members of the date, time, and place of all meetings
4. Conduct the correspondence of the Society
5. Send a copy of the Board meeting minutes to members of the Board and the CSHP Board Liaison within thirty (30) days following the meeting.

### ***Responsibilities of the Treasurer***

The Treasurer shall:

1. Receive and keep account of all monies received by the Society and shall disburse them at the direction of the Board,
2. Prepare a budget, under the direction of the Board, for the coming year and shall submit a written report to the Board at the end of each calendar year,
3. Ensure that the financial records are reviewed by the Board and taxes filed annually, and

4. Give a financial report monthly at the Board meeting.

### ***Responsibilities of the Directors***

The Elected Directors shall:

1. Be a member of the Board of Directors,
2. Have been a past member of the Board of Directors as either an appointed or elected officer,
3. Assist in an advisory capacity providing historical perspective and noteworthy issues of past activities that may help with future projects/activities, etc.,
4. Work with the Board of Directors to promote and help ensure the roles and rules that govern OCSHP be upheld at the regional level, namely, the OCSHP By-Laws, the standards, purposes, and Mission of CSHP and OCSHP, etc.,
5. Be able to hold a committee chair position as authorized by the Board of Directors,
6. Not be entitled to hold more than one elected position of the Board of Directors at any one time,
7. Not be eligible to serve more than two (2) consecutive terms in the same elected office, and
8. Be elected for a two (2) year term.

### ***Responsibilities of the Delegates***

The Delegates shall:

1. Be responsible for remaining current on the issues involving OCSHP that may be presented at the CSHP House of Delegates,
2. Represent the OCSHP membership regarding professional issues and legislation,
3. Attend both meetings of the CSHP House of Delegates, and
4. Attend Board meetings.

### ***Responsibilities of the Awards Committee***

The Awards Committee shall:

1. Consist of at least three (3) members appointed by the President of which one is a previous Pharmacist of the Year Award recipient.
2. Select candidates for CSHP Practitioner Recognition Program (Fellows), Pharmacist of the Year and Distinguished Service Awards, and OCSHP Student Leadership Awards.
3. Be responsible for counting ballots, reviewing curriculum vitae, and reviewing personal statements.

### ***Responsibilities of the Financial Oversight Committee***

The Financial Oversight Committee shall:

1. Be appointed by the President and consist of at least three (3) elected Board members (including the President), and
2. Assure that the Treasurer's financial records be reviewed annually, just prior to the passage of responsibility to the new Treasurer



**FOR REFERENCE:**



**Corporations Code Section 5034:**

5034. "Approval by (or approval of) the members" means approved or ratified by the affirmative vote of a majority of the votes represented and voting at a duly held meeting at which a quorum is present (which affirmative votes also constitute a majority of the required quorum) or written ballot in conformity with Section 5513, 7513, or 9413 or by the affirmative vote or written ballot of such greater proportion, including all of the votes of the memberships of any class, unit, or grouping of members as may be provided in the bylaws (subdivision (e) of Section 5151, subdivision (e) of Section 7151, or subdivision (e) of Section 9151) or in Part 2, Part 3, Part 4 or Part 5 for all or any specified member action.



**Corporations Code Section 5056:**

5056. (a) "Member" means any person who, pursuant to a specific provision of a corporation's articles or bylaws, has the right to vote for the election of a director or directors or on a disposition of all or substantially all of the assets of a corporation or on a merger or on a dissolution unless the provision granting such right to vote is only effective as a result of paragraph (2) of subdivision (a) of Section 7132. "Member" also means any person who is designated in the articles or bylaws as a member and, pursuant to a specific provision of a corporation's articles or bylaws, has the right to vote on changes to the articles or bylaws.

(b) The articles or bylaws may confer some or all of the rights of a member, set forth in this part and in Parts 2 through 5 of this division, upon any person or persons who do not have any of the voting rights referred to in subdivision (a).

(c) Where a member of a corporation is not a natural person, such member may authorize in writing one or more natural persons to vote on its behalf on any or all matters which may require a vote of the members.

(d) A person is not a member by virtue of any of the following:

(1) Any rights such person has as a delegate.

(2) Any rights such person has to designate or select a director or directors.

(3) Any rights such person has as a director.



**Corporations Code Section 7233:**

7233. (a) No contract or other transaction between a corporation and one or more of its directors, or between a corporation and any domestic or foreign corporation, firm or association in which one or more of its directors has a material financial interest, is either

void or voidable because such director or directors or such other corporation, business corporation, firm or association are parties or because such director or directors are present at the meeting of the board or a committee thereof which authorizes, approves or ratifies the contract or transaction, if:

(1) The material facts as to the transaction and as to such director's interest are fully disclosed or known to the members and such contract or transaction is approved by the members (Section 5034) in good faith, with any membership owned by any interested director not being entitled to vote thereon;

(2) The material facts as to the transaction and as to such director's interest are fully disclosed or known to the board or committee, and the board or committee authorizes, approves or ratifies the contract or transaction in good faith by a vote sufficient without counting the vote of the interested director or directors and the contract or transaction is just and reasonable as to the corporation at the time it is authorized, approved or ratified; or

(3) As to contracts or transactions not approved as provided in paragraph (1) or (2) of this subdivision, the person asserting the validity of the contract or transaction sustains the burden of proving that the contract or transaction was just and reasonable as to the corporation at the time it was authorized, approved or ratified.

A mere common directorship does not constitute a material financial interest within the meaning of this subdivision. A director is not interested within the meaning of this subdivision in a resolution fixing the compensation of another director as a director, officer or employee of the corporation, notwithstanding the fact that the first director is also receiving compensation from the corporation.

(b) No contract or other transaction between a corporation and any corporation, business corporation or association of which one or more of its directors are directors is either void or voidable because such director or directors are present at the meeting of the board or a committee thereof which authorizes, approves or ratifies the contract or transaction, if:

(1) The material facts as to the transaction and as to such director's other directorship are fully disclosed or known to the board or committee, and the board or committee authorizes, approves or ratifies the contract or transaction in good faith by a vote sufficient without counting the vote of the common director or directors or the contract or transaction is approved by the members (Section 5034) in good faith; or

(2) As to contracts or transactions not approved as provided in paragraph (1) of this subdivision, the contract or transaction is just and reasonable as to the corporation at the time it is authorized, approved or ratified.

This subdivision does not apply to contracts or transactions covered by subdivision (a).

### **Corporations Code Section 7235:**

7235. (a) Unless prohibited by the articles or bylaws, a corporation may loan money or property to, or guarantee the obligation of, any director or officer of the corporation or of its

parent, affiliate or subsidiary, provided:

(1) The board determines the loan or guaranty may reasonably be expected to benefit the corporation.

(2) Prior to consummating the transaction or any part thereof, the loan or guaranty is either:

(A) Approved by the members (Section 5034), without counting the vote of the director or officer, if a member, or

(B) Approved by the vote of a majority of the directors then in office, without counting the vote of the director who is to receive the loan or the benefit of the guaranty.

(b) Notwithstanding subdivision (a), a corporation may advance money to a director or officer of the corporation or of its parent, affiliate or subsidiary, for any expenses reasonably anticipated to be incurred in the performance of the duties of the director or officer of the corporation or of its parent, affiliate or subsidiary, provided that in the absence of such an advance the director or officer would be entitled to be reimbursed for these expenses by the corporation, its parent, affiliate, or subsidiary.

(c) The provisions of subdivisions (a) and (b) do not apply to credit unions, or to the payment of premiums in whole or in part by a corporation on a life insurance policy on the life of a director or officer so long as repayment to the corporation of the amount paid by it is secured by the proceeds of the policy and its cash surrender value, or to loans permitted under any statute regulating any special class of corporations.

### **Corporations Code Section 7237:**

7237. (a) For the purposes of this section, "agent" means any person who is or was a director, officer, employee or other agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise, or was a director, officer, employee or agent of a foreign or domestic corporation which was a predecessor corporation of the corporation or of another enterprise at the request of such predecessor corporation; "proceeding" means any threatened, pending or completed action or proceeding, whether civil, criminal, administrative or investigative; and "expenses" includes without limitation attorneys' fees and any expenses of establishing a right to indemnification under subdivision (d) or paragraph (3) of subdivision (e).

(b) A corporation shall have power to indemnify any person who was or is a party or is threatened to be made a party to any proceeding (other than an action by or in the right of the corporation to procure a judgment in its favor, an action brought under Section 5233 of Part 2 (commencing with Section 5110) made applicable pursuant to Section 7238, or an action brought by the Attorney General or a person granted relator status by the Attorney General for any breach of duty relating to assets held in charitable trust) by reason of the fact that such person is or was an agent of the corporation, against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of the corporation and, in the case of a criminal proceeding, had no reasonable cause to believe the

conduct of such person was unlawful. The termination of any proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in the best interests of the corporation or that the person had reasonable cause to believe that the person's conduct was unlawful.

(c) A corporation shall have power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action by or in the right of the corporation, or brought under Section 5233 of Part 2 (commencing with Section 5110) made applicable pursuant to Section 7238, or brought by the Attorney General or a person granted relator status by the Attorney General for breach of duty relating to assets held in charitable trust, to procure a judgment in its favor by reason of the fact that such person is or was an agent of the corporation, against expenses actually and reasonably incurred by such person in connection with the defense or settlement of such action if such person acted in good faith, in a manner such person believed to be in the best interests of the corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. No indemnification shall be made under this subdivision:

(1) In respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation in the performance of such person's duty to the corporation, unless and only to the extent that the court in which such proceeding is or was pending shall determine upon application that, in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for the expenses which such court shall determine;

(2) Of amounts paid in settling or otherwise disposing of a threatened or pending action, with or without court approval; or

(3) Of expenses incurred in defending a threatened or pending action which is settled or otherwise disposed of without court approval unless such action concerns assets held in charitable trust and is settled with the approval of the Attorney General.

(d) To the extent that an agent of a corporation has been successful on the merits in defense of any proceeding referred to in subdivision (b) or (c) or in defense of any claim, issue or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection therewith.

(e) Except as provided in subdivision (d), any indemnification under this section shall be made by the corporation only if authorized in the specific case, upon a determination that indemnification of the agent is proper in the circumstances because the agent has met the applicable standard of conduct set forth in subdivision (b) or (c), by:

(1) A majority vote of a quorum consisting of directors who are not parties to such proceeding;

(2) Approval of the members (Section 5034), with the persons to be indemnified not being entitled to vote thereon; or

(3) The court in which such proceeding is or was pending upon application made by the corporation or the agent or the attorney or other person rendering services in connection with the defense, whether or not such application by the agent, attorney or other person is opposed by the corporation.

(f) Expenses incurred in defending any proceeding may be advanced by the corporation prior to the final disposition of such proceeding

upon receipt of an undertaking by or on behalf of the agent to repay such amount unless it shall be determined ultimately that the agent is entitled to be indemnified as authorized in this section. The provisions of subdivision (a) of Section 7235 do not apply to advances made pursuant to this subdivision.

(g) No provision made by a corporation to indemnify its or its subsidiary's directors or officers for the defense of any proceeding, whether contained in the articles, bylaws, a resolution of members or directors, an agreement or otherwise, shall be valid unless consistent with this section. Nothing contained in this section shall affect any right to indemnification to which persons other than such directors and officers may be entitled by contract or otherwise.

(h) No indemnification or advance shall be made under this section, except as provided in subdivision (d) or paragraph (3) of subdivision (e), in any circumstance where it appears:

(1) That it would be inconsistent with a provision of the articles, bylaws, a resolution of the members or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or

(2) That it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

(i) A corporation shall have power to purchase and maintain insurance on behalf of any agent of the corporation against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such whether or not the corporation would have the power to indemnify the agent against such liability under the provisions of this section.

(j) This section does not apply to any proceeding against any trustee, investment manager or other fiduciary of an employee benefit plan in such person's capacity as such, even though such person may also be an agent as defined in subdivision (a) of the employer corporation. A corporation shall have power to indemnify such trustee, investment manager or other fiduciary to the extent permitted by subdivision (f) of Section 207.

### **Corporations Code Section 7511:**

7511. (a) Whenever members are required or permitted to take any action at a meeting, a written notice of the meeting shall be given not less than 10 nor more than 90 days before the date of the meeting to each member who, on the record date for notice of the meeting, is entitled to vote thereat; provided, however, that if notice is given by mail, and the notice is not mailed by first-class, registered, or certified mail, that notice shall be given not less than 20 days before the meeting. Subject to subdivision (f), and subdivision (b) of Section 7512, the notice shall state the place, date and time of the meeting and (1) in the case of a special meeting, the general nature of the business to be transacted, and no other business may be transacted, or (2) in the case of the regular meeting, those matters which the board, at the time the notice is given, intends to present for action by the members, but, except as provided in subdivision

(b) of Section 7512, any proper matter may be presented at the meeting for the action. The notice of any meeting at which directors

are to be elected shall include the names of all those who are nominees at the time the notice is given to members.

(b) Notice of a members' meeting or any report shall be given either personally or by mail or other means of written communication, addressed to a member at the address of the member appearing on the books of the corporation or given by the member to the corporation for purpose of notice; or if no such address appears or is given, at the place where the principal office of the corporation is located or by publication at least once in a newspaper of general circulation in the county in which the principal office is located. An affidavit of giving of any notice or report in accordance with the provisions of this part, executed by the secretary, assistant secretary or any transfer agent, shall be prima facie evidence of the giving of the notice or report.

If any notice or report addressed to the member at the address of the member appearing on the books of the corporation is returned to the corporation by the United States Postal Service marked to indicate that the United States Postal Service is unable to deliver the notice or report to the member at the address, all future notices or reports shall be deemed to have been duly given without further mailing if the same shall be available for the member upon written demand of the member at the principal office of the corporation for a period of one year from the date of the giving of the notice or report to all other members.

(c) Upon request in writing to the chairman of the board, president, vice president, or secretary by any person (other than the board) entitled to call a special meeting of members, the officer forthwith shall cause notice to be given to the members entitled to vote that a meeting will be held at a time fixed by the board not less than 35 nor more than 90 days after the receipt of the request. If the notice is not given within 20 days after receipt of the request, the persons entitled to call the meeting may give the notice or the superior court of the proper county shall summarily order the giving of the notice, after notice to the corporation giving it an opportunity to be heard. The court may issue such orders as may be appropriate, including, without limitation, orders designating the time and place of the meeting, the record date for determination of members entitled to vote, and the form of notice.

(d) When a members' meeting is adjourned to another time or place, unless the bylaws otherwise require and except as provided in this subdivision, notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. No meeting may be adjourned for more than 45 days. At the adjourned meeting the corporation may transact any business which might have been transacted at the original meeting. If after the adjournment a new record date is fixed for notice or voting, a notice of the adjourned meeting shall be given to each member who, on the record date for notice of the meeting, is entitled to vote at the meeting.

(e) The transactions of any meeting of members however called and noticed, and wherever held, are as valid as though had at a meeting duly held after regular call and notice, if a quorum is present either in person or by proxy, and if, either before or after the meeting, each of the persons entitled to vote, not present in person or by proxy, signs a written waiver of notice or a consent to the holding of the meeting or an approval of the minutes thereof. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Attendance of a person at a meeting shall constitute a waiver of

notice of and presence at the meeting, except when the person objects, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened and except that attendance at a meeting is not a waiver of any right to object to the consideration of matters required by this part to be included in the notice but not so included, if the objection is expressly made at the meeting. Neither the business to be transacted at nor the purpose of any regular or special meeting of members need be specified in any written waiver of notice, consent to the holding of the meeting or approval of the minutes thereof, unless otherwise provided in the articles or bylaws, except as provided in subdivision (f).

(f) Any approval of the members required under Section 7222, 7224, 7233, 7812, 8610, or 8719, other than unanimous approval by those entitled to vote, shall be valid only if the general nature of the proposal so approved was stated in the notice of meeting or in any written waiver of notice.

A court may find that notice not given in conformity with this section is still valid, if it was given in a fair and reasonable manner.

