

**BYLAWS
OF
VENTURA COUNTY HOME CARE ASSOCIATION, INC.
(a California nonprofit public benefit corporation)**

**ARTICLE I
NAME**

1.1 Name. The name of this Corporation is Ventura County Home Care Association, Inc. (this “Corporation”).

**ARTICLE II
PRINCIPAL OFFICE OF THE CORPORATION**

2.1 Principal Office. The principal office of this Corporation shall be located at 68 Long Court, Suite 2C, Thousand Oaks, California 91360, unless otherwise designated.

**ARTICLE III
PURPOSES**

3.1 Purposes. This Corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for charitable purposes.

The specific purpose of this Corporation is to provide healthcare education to the general public and healthcare professionals regarding the overall benefits of providing viable healthcare alternatives that are generally outside the realm of traditional hospitals and traditional medical facilities, i.e., accessing healthcare via hospice care, home care, and assisted living centers, all in accordance with this Corporation’s Articles of Incorporation, Bylaws, rules and regulations and applicable law.

ARTICLE IV DEDICATION OF ASSETS

4.1 Dedication of Assets. This Corporation's assets are irrevocably dedicated to charitable purposes. No part of the net earnings, properties, or assets of this Corporation, on dissolution or otherwise, shall inure to the benefit of any private person or individual, or to any Director or officer of this Corporation. On liquidation or dissolution, all properties and assets remaining after payment, or provision for payment, of all debts and liabilities of this Corporation shall be distributed to a nonprofit fund, foundation, or corporation that is organized and operated exclusively for charitable purposes and that has established its exempt status under internal Revenue Code section 501(c)(3).

ARTICLE V MEMBERSHIP

5.1 No Members. This Corporation shall have no voting members within the meaning of the Nonprofit Corporation Law. All actions that would otherwise require approval by a majority of all members or approval by members shall require only approval of the Board of Directors. All rights that would otherwise vest in members shall vest in the Directors. The Board of Directors may, in its discretion, admit individuals to one or more classes of nonvoting members; the class or classes shall have such rights and obligations, and may be required to pay such membership fees to support the charitable purposes of this Corporation, as the Board finds appropriate.

ARTICLE VI BOARD OF DIRECTORS

6.1. General Powers. Subject to the provisions and limitations of the California Nonprofit Public Benefit Corporation Law and any other applicable laws, the Corporation's activities and affairs shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board.

6.2. Specific Powers. Without prejudice to the general powers set forth in Section 6.1 of these Bylaws, but subject to the same limitations, the Board shall have the power to:

a. Appoint and remove at the pleasure of the Board, all Corporate officers, agents, and employees; prescribe powers and duties for them as are consistent with the law, the Articles of Incorporation, and these Bylaws; fix their compensation; and require from them security for faithful service.

b. Change the principal office or the principal business office in California from one location to another.

c. Borrow money and incur indebtedness on this Corporation's behalf and cause to be executed and delivered for this Corporation's purposes, in the Corporate name, promissory notes, bonds, debentures, deed of trust, mortgages, pledges, hypothecations, and other evidenced of debt and securities.

d. Adopt and use a corporate seal, and alter the form of the seal.

6.3. Number of Directors. The number of Directors which shall constitute the entire Board shall be five (5), until changed by a resolution amending such exact number, duly adopted by the Board of Directors. The initial Directors shall be selected by the Incorporator of this Corporation. Subsequent Directors will be elected by the Board of this Corporation at the annual meeting of the Board of Directors.

6.4. Restriction on Interested Persons as Directors. No more than 49 percent of the persons serving on the Board may be "interested persons." An interested person is (a) any person compensated by this Corporation for services rendered to it within the previous 12 months, whether as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a Director as Director; and (b) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of such person. However, any violation of this paragraph shall not affect the validity or enforceability of transactions entered into by this Corporation.

6.5. Election of Directors. After the initial Directors are elected by the Incorporator of this Corporation, at each subsequent annual meeting of the Board of Directors, the Board of Directors shall elect the Directors of this Corporation to hold office until the next annual meeting. Each Director, including a Director elected to fill a vacancy, shall hold office until the expiration of the term for which elected and until a successor has been elected and qualified.

6.6. Vacancies on Board of Directors.

a. **Events Causing Vacancies on Board.** A vacancy or vacancies on the Board of Directors shall occur in the event of (a) the death, removal, or resignation of any Director; (b) the declaration by resolution of the Board of a vacancy in the office of a Director who has been convicted of a felony, declared of unsound mind by a court order, or found by final order or judgment of any court to have breached a duty under California Nonprofit Public Benefit Corporation Law, Chapter 2, Article 3; or (c) the increase of the authorized number of Directors.

b. **Resignation of Directors.** Except as provided below, any Director may resign by giving written notice to the Chairman of the Board, if any, or to the President or the Secretary of the Board. The resignation shall be effective when the notice is given unless it specifies a later time for the resignation to become effective. If a Director's resignation is effective at a later time, the Board may elect a successor to take office as of the date when the resignation becomes effective.

Except on notice to the California Attorney General, no Director may resign if this Corporation would be left without a duly elected Director or Directors.

c. **Removal of Directors.** Any Director may be removed, with or without cause, by the vote of the majority of the members of the entire Board of Directors at a special meeting called for that purpose, or at a regular meeting, provided that notice of that meeting and of the removal questions are given as provided in Section 6.7.a.. Any vacancy caused by the removal of a Director shall be filled as provided in Section 6.6.d.

d. **Vacancies Filled by Board.** Any vacancy occurring in the Board of Directors may be filled by a special election. The elected successor shall serve the remainder of the unexpired term.

6.7. Meetings of Board of Directors

a. **Place of Board Meetings.** Meetings of the Board shall be held at any place that has been designated by resolution of the Board or in the notice of the meeting or, if not so designated, at the principal office of this Corporation.

b. **Annual Meetings.** The annual meetings of the Board of Directors shall commence in the year of 2003, and shall be held in the month of November on a date set by the Board. The agenda shall include reports on the prior year's activities by this Corporation, an annual financial report by the Chief

Financial Officer and reports by the Chairpersons of standing and special committees.

c. **Regular and Special Meetings.** Regular meetings of the Board of Directors shall be held quarterly with the exact place, date and times to be determined as needed by the President. Special meetings of the Board for any purpose may be called at any time by the President or by any four (4) members of the Board of Directors. A meeting may be postponed or canceled by the President with the concurrence of three (3) members of the Board of Directors.

d. **Notice of Special Meetings.** Notice of the time and place of special meetings shall be given to each Director by (a) personal delivery of written notice; (b) first-class mail, postage prepaid; (c) telephone, including a voice messaging system or other system or technology designed to record and communicate messages, either directly to the Director or to a person at the Director's office who would reasonably be expected to communicate that notice promptly to the Director; (d) facsimile; (e) electronic mail; or (f) other electronic means. All such notices shall be given or sent to the Director's address or telephone number as shown on this Corporation's records.

Notices sent by first-class mail shall be deposited in the United States mail at least four days before the time set for the meeting. Notices given by personal delivery, telephone, or electronic mail shall be delivered, telephoned, or sent, respectively, at least 48 hours before the time set for the meeting.

The notice shall state the time of the meeting and the place, if the place is other than this Corporation's principal office. The notice need not specify the purpose of the meeting.

e. **Meetings by Telephone or other Telecommunications Equipment.** Members of the Board of Directors or any committee designated thereby may participate in a meeting by means of a conference telephone, video screen communication, or other communications equipment. Participation in a meeting under this Section shall constitute presence in person at the meeting if all of the following apply:

(1) Each member participating in the meeting can communicate concurrently with all other members.

(2) Each member is provided the means of participating in all matters before the Board, including the capacity to propose, or to interpose an objection to, a specific action to be taken by this Corporation.

(3) The Board has adopted and implemented a means of verifying both of the following:

i. A person participating in the meeting is a Director or other person entitled to participate in the Board meeting.

ii. All actions of or votes by the Board are taken or cast only by the Directors and not by persons who are not Directors.

f. **Quorum.** A majority of the authorized number of Directors shall constitute a quorum for the transaction of any business except adjournment. Every action taken or decision made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be an act of the Board, subject to the more stringent provisions of the California Nonprofit Public Benefit Corporation Law, including, without limitation, those provisions relating to (a) approval of contracts or transactions in which a Director has a direct or indirect material financial interest, (b) approval of certain transactions between corporations having common directorships, (c) creation of and appointments to committees of the Board, and (d) indemnification of Directors. A meeting at which a quorum is initially present may continue to transact business, despite the withdrawal of some Directors from that meeting, if any action taken or decision made is approved by at least a majority of the required quorum for that meeting.

g. **Waiver of Notice.** Notice of a meeting need not be given to any Director who either before or after the meeting, signs a waiver of notice, a written consent to the holding of the meeting, or an approval of the minutes of the meeting. The waiver of notice or consent need not specify the purpose of the meeting. All such waivers, consents, and approvals shall be filed with the Corporate records or made a part of the minutes of the meetings. Notice of a meeting need not be given to any Director who attends the meeting and who, before or at the beginning of the meeting, does not protest the lack of notice to him or her.

h. **Action Without a Meeting.** Any action that the Board is required or permitted to take may be taken without a meeting if all Board members consent in writing to the action; provided, however, that the consent of any Director who has a material financial interest in a transaction to which this Corporation is a party and who is an "Interested Director" as defined in Corporations Code section 5233 shall not be required for approval of that transaction. Such action by written consent shall have the same force and effect as any other validly approved action of the Board. All such consents shall be filed with the minutes of the proceedings of the Board.

i. **Compensation and Reimbursement.** No Director shall receive any compensation for the services rendered in such capacity. Directors may be reimbursed for actual expenses incurred in the course of service for the benefit of the Corporation when incurred with the approval of the Board of Directors.

j. **Loans to Employees and Directors.** This Corporation shall not make personal loans to the Directors, officers or employees of this Corporation.

ARTICLE VII COMMITTEES OF BOARD OF DIRECTORS

7.1. **Creation and Powers of Committees.** The Board, by resolution adopted by a majority of the Directors then in office, may create one or more committees, each consisting of ~~two~~ ^{one} (2) or more Directors, to serve at the pleasure of the Board. Appointments to committees of the Board shall be by majority vote of the Directors then in office. Any such committee shall have all the authority of the Board, to the extent provided in the Board resolution, except that no committee may:

- a. Fill vacancies on the Board or any committee of the Board;
- b. Amend or repeal Bylaws or adopt new Bylaws;
- c. Amend or repeal any resolution of the Board that by its express terms is not so amendable or repealable; or
- d. Create any other committees of the Board or appoint the members of committees of the Board.
- e. Approve any contract or transaction to which this Corporation is a party and in which one or more of its Directors has a material financial interest, except as special approval is provided for in Corporations Code section 5233(d)(3).

7.2. **Meetings and Action of Committees.** Meetings and actions of committees of the Board shall be governed by, held, and taken under the provisions of these Bylaws concerning meetings and other Board actions, except that the time for general meetings of such committees and the calling of special meetings of such committees may be set either by Board resolution or, if none, by resolution of the committee. Minutes of each meeting shall be kept and shall be filed with the corporate records. The Board may adopt rules for the governance of any committee

as long as the rules are consistent with theses Bylaws. If the Board has not adopted rules, the committee may do so.

ARTICLE VIII OFFICERS

8.1. Officers of the Corporation.

a. **Offices Held.** The officers of the Corporation shall be a President, a Chief Financial Officer, and a Secretary. The Corporation may also have, at the discretion of the Board of Directors, a Chairman of the Board, and such other officers as may be appointed in accordance with the provisions of these Bylaws. Neither the Secretary nor the Chief Financial Officer may serve concurrently as the President or Chairman of the Board.

b. **Election of Officers.** Elections of officers shall take place at the annual meeting of the Board of Directors. Officers shall hold office for one (1)-year terms, or in the case of an officer unable to complete a term, a successor for the remainder of the term will be elected.

c. **Removal of Officers.** Without prejudice to the rights of any officer under an employment contract, the Board may remove any officer with or without cause. An officer who was not chosen by the Board may be removed by any other officer on whom the Board confers the power of removal.

d. **Resignation of Officers.** Any officer may resign at any time by giving written notice to the Board. The resignation shall take effect on the date the notice is received or at any later time specified in the notice. Unless otherwise specified in the notice, the resignation need not be accepted to be effective. Any resignation shall be without prejudice to any rights of this Corporation under any contract to which the officer is a party.

e. **Vacancies in Office.** A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these Bylaws for normal appointments to that office, provided, however, that vacancies need not be filled on an annual basis.

8.2. Responsibilities of Officers.

a. **President.** The President is the chief executive officer of this Corporation, subject to the control of the Board of Directors and with the advice of the Chairman of the Board, if any. The President can call and preside as chairman

at all Board meetings, when present. The President shall prepare agendas for all meeting of the members and Board of Directors and be a voting member of all committees. In general, the President shall perform all duties incident to the office of president and such other duties as may be prescribed by the Board of Directors.

b. **Vice-President.** If the President is absent or disabled, the Vice-Presidents, if any, in order of their rank as fixed by the Board, or not ranked, a Vice-President designated by the Board, shall perform all duties of the President. When so acting, a Vice-President shall have all powers of and be subject to all restrictions on the President. The Vice-Presidents shall have such other powers and perform such other duties as the Board or the Bylaws may require.

c. **Secretary.** The Secretary shall keep or cause to be kept, at this Corporation's principal office or such other place as the Board may direct, a book of minutes of all meetings, proceedings, and actions of the Board, and of committees of the Board. The minutes of meetings shall include the time and place that the meeting was held; whether the meeting was annual, general, or special, and, if special, how authorized; the notice given; and the names of persons present at Board and committee meetings.

The Secretary shall keep or cause to be kept, at the principal California office, a copy of the Articles of Incorporation and Bylaws, as amended to date.

The Secretary shall give, or cause to be given, notice of all meetings of the Board, and of committees of the Board that these Bylaws require to be given. The Secretary shall keep the corporate seal, if any, in safe custody and shall have such other powers and perform such other duties as the Board or the Bylaws may require.

d. **Chief Financial Officer.** The Chief Financial Officer shall be responsible for the receipt and safekeeping of all funds of this Corporation, which shall be deposited in such institutions and investments as designated by the Board of Directors. The Chief Financial Officer shall keep and maintain or cause to be maintained adequate and correct account of the properties, revenues, expenditures and business transactions of this Corporation. The books of account shall at all times be open to inspection by the Directors. The Chief Financial Officer shall report regularly to the Board of Directors on the status of funds of this Corporation. The Chief Financial Officer may have such other powers and perform other duties as may be prescribed from time to time by the Board of Directors.

ARTICLE IX CONTRACTS WITH DIRECTORS AND OFFICERS

9.1. Contracts with Directors and Officers. No Director of this Corporation nor any other corporation, firm, association, or other entity in which one (1) or more of this Corporation's Directors have a material financial interest, shall be interested, directly or indirectly, in any contract or transaction with this Corporation, unless (a) the material facts regarding that Director's financial interest in such contract or transaction or regarding such common directorship, officership, or financial interest are fully disclosed in good faith and noted in the minutes, or are known to all members of the Board prior to the Board's consideration of such contract or transaction; (b) such contract or transaction is authorized in good faith by a majority of the Board by a vote sufficient for that purpose without counting the votes of the interested Directors; (c) before authorizing or approving the transaction, the Board considers and in good faith decides after reasonable investigation that this Corporation could not obtain a more advantageous arrangement with reasonable effort under the circumstances; and (d) the Corporation for its own benefit enters into the transaction, which is fair and reasonable to the Corporation at the time the transaction is entered into.

This Section does not apply to a transaction that is part of an educational or charitable program of this Corporation if it (a) is approved or authorized by this Corporation in good faith and without unjustified favoritism and (b) results in a benefit to one (1) or more Directors or their families because they are in the class of persons intended to be benefited by the educational or charitable program of this Corporation.

ARTICLE X FISCAL YEAR

10.1. Fiscal Year. The fiscal year of this Corporation shall commence on January 1st and shall end on December 31st.

ARTICLE XI DISBURSEMENT OF FUNDS

11.1. Disbursement of Funds. The President and Chief Financial Officer of this Corporation are authorized signatories on this Corporation's checking accounts. The signatures of both officers shall be required for payment of all checks.

ARTICLE XII
EXCULPATION AND INDEMNIFICATION
OF DIRECTORS AND OFFICERS

12.1. Exculpation. No Director or officer shall be liable to anyone for any acts on behalf of this Corporation or any omissions with respect to this Corporation committed by such Director or officer, except for his or her own act or omission that is reckless, wanton, intentional or grossly negligent. No Director or officer shall be liable for the acts on the parts of anyone or other Directors. Directors shall not be liable personally for the debts, liabilities or obligations of this Corporation.

12.2. Indemnification. To the fullest extent permitted by law, this Corporation shall indemnify its Directors, officers, employees, and other persons described in Corporations Code section 5238(a), including persons formerly occupying any such positions, 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 an action by or 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 Bylaw, shall have the same meaning as in that section of the Corporations Code.

On written request to the Board by any person seeking indemnification under Corporations Code section 5238(b) or section 5238(c), the Board shall promptly decide under Corporations Code section 5238(e) whether the applicable standard of conduct set forth in Corporations Code section 5238(b) or section 5238(c) has been met and, if so, the Board shall authorize indemnification. If the Board cannot authorize indemnification, because the number of Directors who are parties to the proceeding with respect to which indemnification is sought prevents the formation of a quorum of Directors who are not parties to that proceeding, the Board shall diligently pursue alternate means permitted under the Corporations Code for a determination of whether the applicable standard of conduct has been met and, if so, shall authorize indemnification.

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

12.3. Insurance. This Corporation shall have the right, and shall use its best efforts, to purchase and maintain insurance to the full extent permitted by law on behalf of its officers, Directors, employees, and other agents, to cover any liability asserted against or incurred by any officer, Director, employee, or agent in such capacity or arising from the officer's, Director's, employee's, or agent's status as such.

ARTICLE XIII AMENDMENT AND REPEAL OF BYLAWS

13.4 Amendment and Repeal of Bylaws. These Bylaws may be amended or repealed and new Bylaws adopted by a majority vote of the Directors.

**SECRETARY'S CERTIFICATE
OF
ADOPTION OF
BYLAWS
OF
VENTURA COUNTY HOMECARE ASSOCIATION, INC.
(a California nonprofit public benefit corporation)**

I, Veronica Ekman, do hereby certify:

That I am the duly elected and acting Secretary of Ventura County Homecare Association, Inc., a California nonprofit public benefit corporation.

That the foregoing Bylaws constitute the Bylaws of said Corporation as adopted by the Directors of said Corporation by their Unanimous Written Consent on November 24, 2003.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 24 day of November, 2003.

Veronica Ekman
Veronica Ekman, Secretary