

BYLAWS OF THE
INTERNATIONAL HEALTH ECONOMICS ASSOCIATION

These Bylaws are adopted by the Corporation and are supplemental to the Pennsylvania Nonprofit Corporation Act of 1988 as the same shall from time to time be in effect. (incorporated 10 May 1994, revised 7 July 2010)

ARTICLE 1
NAME, DEFINITIONS, LOCATION, AND PURPOSE

Section 1.1 *Name*

The name of the Corporation is International Health Economics Association (the “Corporation”).

Section 1.2 *Definitions*

“The Code” means the Internal Revenue Code of 1986 as amended of the United States

“Board” means the Board of Directors as constituted in Clause 4.1

“member” means a person or organization admitted to membership under Clause 2.1, or 2.2.

“meeting” includes meetings held with attendance in person or via electronic link up.

“in writing” includes notice sent by email or other electronic format.

“ Ballot” includes those conducted in written or electronic format.

Section 1.3 *Location*

The principal office of the Corporation shall be at the address of the Executive Director, 435 East Durham Street, Philadelphia, or any location in the Commonwealth of Pennsylvania as the Board of Directors of the Corporation shall from time to time determine to best serve the purposes of the Corporation.

Section 1.4 *Purposes*

The Corporation has been incorporated under the Pennsylvania Nonprofit Corporation Law for charitable, scientific or educational purposes within the meaning of Section 501 (c) (3) of the Internal Revenue Code of 1986, as amended, for the following purposes:

- (i) to increase communication among health economists,
- (ii) to foster a higher standard of debate in the application of economics to health and health care systems and,
- (iii) to assist young researchers at the start of their careers.

Section 1.5 ***Activities***

To give effect to its purposes the Corporation may

- (i) receive subscriptions from members;
- (ii) accept, hold, invest, reinvest and administer any gifts, bequests, devises, benefits of trust and property of any kind, without limitation as to amount or value;
- (iii) use, disburse or donate the income or principal thereof for said purposes, including the making of distributions to organizations that qualify as exempt under Section 501 (c) (3) of the code;
- (iv) Hold scientific conferences and other meetings;
- (v) Publish and promote the publication of any printed or electronic material or produce and promote the production of any audio/visual material;
- (vi) Do all other lawful things necessary.

Section 1.6 ***Emblems and Trade Marks***

The Corporation shall have the sole and exclusive right to have and use any emblem, badge, decoration, descriptive or designing mark and title hereafter adopted by the Corporation for carrying out its purposes.

ARTICLE 2
MEMBERSHIP

Section 2.1 ***Individual Members***

Any person agreeing with the purposes of the Corporation and paying the annual membership fee is eligible to be a member and may apply in the manner prescribed by the Board from time to time. The Board may designate special categories of membership for organizations, research institutes, government agencies, universities or other groups but only individual members have voting powers as members.

Section 2.2 ***Affiliates***

Formally organized groups of health economists active in a particular region, country or topic agreeing to standards and conditions as determined by the Board may apply for designation and recognition as “iHEA Affiliates.” Individual iHEA members of iHEA Affiliates shall have regular voting rights, but the Affiliate itself shall have no voting rights, but may have such other benefits as provided by the Board.

Section 2.3 ***Conjoint memberships***

Individuals who are members of affiliated health economics associations paying dues that include iHEA membership shall also be members of the Corporation.

Section 2.4 ***Resignation***

- (i) A member may resign at any time by sending a written notice of resignation to the Executive Director.
- (ii) A person ceases to be a member of the Corporation if the person

Dies;
Is expelled from the Corporation;
Does not pay the annual dues as described in clause 2.1 or 2.2

Section 2.5 *Expulsion*

A member may be expelled from the Corporation by a sixty percent vote of the Directors of the Corporation. Where the Directors of the Corporation are considering expulsion of a member, the Executive Director will notify the member in writing, as soon as possible. The member may respond to the case for expulsion, by replying in writing to the Executive Director, within fourteen days of the receipt of the notice. If such a response is filed, the Directors shall conduct a meeting to reconsider the expulsion, and any decisions from this meeting shall be final and unappealable.

Where the Board expels a member, the Executive Director must notify the member in writing as soon as possible.

Section 2.6 *Dues and Assessments*

Dues for individual members, for Universities, and for any other category of membership shall be set annually by the Board and notified to members.

ARTICLE 3
MEETINGS OF MEMBERS

Section 3.1 *Place of Meetings*

All meetings of the Members shall be held at such places, within or without the Commonwealth of Pennsylvania, as shall be determined by the Board from time to time.

Section 3.2 *General Meetings*

- (i) The Executive Director must notify members of the place, day and time of the meeting and the business to be transacted. Notice must be in writing and must be given not less than 35 days before the meeting.
- (ii) A quorum will be 30 members. If within half an hour after the appointed time for the commencement of the meeting, a quorum is not present, the meeting is to be adjourned to another time as specified by the Board.
- (iii) A member may appoint a proxy to vote at a general meeting on the member's behalf. Written notice must be received by the Executive Director at least 24 hours before the commencement of the meeting.
- (iv) A motion put to the meeting will be decided on a show of hands, unless before or on the declaration of the show of hands, a poll is demanded.
- (v) In the event that equal votes are cast for and against a motion, that motion is lost.
- (vi) The Corporation must hold a general meeting in each two-year period, at the time of the International Health Economics Association Conference.
- (vii) The ordinary business of such a meeting will be to confirm the meetings of the previous Conference general meeting, and any other general

- meetings held since that date; and to receive and consider reports from the Board.
- (viii) Other general meetings may be called as determined by the Board, or on the written petition of at least five per cent of members.
 - (ix) The President of the Association shall preside at all general meetings, or in his/her absence the immediate Past President. In the absence of both these persons, the meeting may appoint a chairperson.

ARTICLE 4

BOARD OF DIRECTORS

Section 4.1 *Board of Directors*

There will be a Board of Directors of the Corporation that will be comprised of five officers (Officers: the President, the immediate Past President, the President-Elect, the Secretary/Treasurer, the Executive Director/CEO) and at least 4 but not more than 15 other directors. The Board may invite observers to attend its meeting without voting rights; and such observers will normally include Associate Director/Deputy CEO, the Conference Organizing Committee Chair for the current conference and the Conference Organizing Committee Chair for the next conference.

Section 4.2 *Powers and responsibilities of the Board*

- (i) The Board determines the strategic directions for the Corporation.
- (ii) The Board shall appoint the Executive Director.
- (iii) The Board shall determine the remuneration of the Executive Director.
- (iv) The Board shall approve and confirm the Chair of the Conference Organizing Committee, on recommendation from the Executive Director.
- (v) In addition to the powers and duties conferred on the Board under the laws of the Commonwealth of Pennsylvania, The Board may borrow money or purchase, sell, lease or otherwise dispose of any real estate or other property of the Corporation.
- (vi) The Board shall also have the authority to interpret the provisions of the Bylaws and its interpretation shall be binding upon the Corporation.
- (vii) The Board may appoint committees of the Board, both as standing committees and as ad hoc committees.
- (viii) An Executive Committee of the Board comprised of the Officers and one or more persons designated by the Board may be formed by the Board to make decisions and take actions on behalf of the Board between Board meetings, subject to review and re-affirmation by the Board at its next regular meeting. In no event, however, shall the Executive Committee have the authority to:
 - a) Fill vacancies on the Board.
 - b) Adopt, amend or repeal the Bylaws.
 - c) Amend or repeal any resolution of the Board.
 - d) Act on matters committed by these Bylaws or by resolution of the Board to another committee of the Board

- (ix) The Board and/or Executive Committee will, in the event of a vacancy of a Director, appoint a member to fill that office for the balance of the term of the previous Director.

Section 4.3 Powers and responsibilities of the Executive Director

- (i) The Executive Director shall manage the affairs of the Corporation.
- (ii) The Executive Director may appoint an Associate to assist in the management of the affairs of the Corporation.

Section 4.4 Elections and Appointment of Directors

- (i) The President, the Secretary/Treasurer and the Directors-At-Large shall be elected by all members of the Corporation from a list of nominations drawn up according to Section 4.5.
- (ii) An election shall be held every year;
- (iii) An election shall be held every two years for the office of President;
- (iv) An election shall be held every four years for the office of Secretary/Treasurer, and in the alternate year to the election of the President;
- (v) The election shall be held by secret ballot, conducted prior to the end of the calendar year.
- (vi) There shall be at least three but not more than eight Directors-At-Large elected by the membership as a whole.
- (vii) The board may allow up to eight iHEA-Affiliates (see Article 2, Section 2.2) to nominate members for confirmation by the Board as Affiliate Directors.
- (viii) The Board may appoint up to three Directors to meet special needs and concerns as determined by the Board from time to time.

Section 4.5 Nominating Committee

The Nominating Committee shall be a standing Committee of the Board, formed and chaired by the immediate past-president and including the Executive Director. The Nominating Committee shall identify suitable candidates. Nominations may also be made by a petition from five per cent of voting members. All nominations must be accompanied by the written consent of the candidate.

Section 4.6 Terms of Office

- (i) Each director shall serve for a term of four years from the beginning of the calendar year following the declaration of the ballot. Directors may be re-elected for one additional term; and shall be eligible for nomination for a new term any time after one year from the completion of their term of office.
- (ii) The President shall serve a term of two years and shall be eligible for re-election to the Board at any time after two years from the completion of his/her term of office.

- (iii) Directors shall be eligible for the nomination for the position of President notwithstanding the number of terms or completion of their term as an Ordinary Member or as Secretary/Treasurer.
- (iv) The President-Elect shall serve a term of two years, and then be moved for nomination as President.
- (v) The immediate Past President shall serve a term of two years, immediately following the completion of his/her term as President.
- (vi) The Secretary/Treasurer shall serve a term of four years, may be re-elected to the position of Secretary/Treasurer for one additional term, and shall be eligible for nomination for the position of Secretary/Treasurer or of ordinary Director at any time after one year from the completion of his/her term of office.

Section 4.7 Resignations

The office of any Director becomes vacant if s/he resigns the office in writing to the President or Secretary/Treasurer; or ceases to be a member of the Corporation.

Section 4.8 Meetings

- (i) There will be an annual meeting of the Board to be held in each calendar year on such date and at such time and place as the Directors of the Corporation shall by resolution determine.
- (ii) Other meetings of the Board shall be held at such times and places as the Directors of the Corporation shall by resolution determine. A meeting of the Board shall be called on the written request of the Executive Director, or at least five Directors. The meeting shall be held not less than ten (10) days before, and not more than thirty (30) days after, receipt of such a request.
- (iii) The Executive Director must notify the Directors of the place, day and time of the meeting and the business to be transacted, in writing at least five days before the meeting.
- (iv) In the interim between regular meetings of the Board, decisions may be made and actions taken by the Executive Committee of the Board subject to review and reaffirmation by the full Board at its next regular meeting subject to the limitations set forth in Section 4.2(viii).

Section 4.9 Conduct of meetings.

- (i) A quorum shall be seven Directors for regular meetings and three Directors for Executive Committee Meetings.
- (ii) The President of the Corporation shall chair the meetings, and in his/her absence the immediate Past President. Should both be absent, the meeting will elect its own chair.
- (iii) If equal votes are cast for and against a motion, that motion is lost.
- (iv) If all Directors have signed a document containing a statement that they are in favor of a resolution set out in the document, that resolution is deemed to have been passed at a meeting of the Board held on the day the document was last signed by a Director.

- (v) The Secretary/Treasurer shall ensure that true and accurate records of meetings are kept.
- (vi) Any meeting of the Board or Executive Committee or any other committee of the Corporation can be conducted by teleconference call or by any means of communication by which all Directors participating can hear each other. This may include meetings through electronic mail communications, provided advance notice of the special Board meeting via electronic mail and its duration is sent to all Directors and provided there is evidence that: (a) all such Directors were aware of the electronic mail meeting occurring, including receipt of a read receipt from the recipient's email server; (b) all Directors received all electronic mail correspondence; and (c) the electronic mail communication is concluded within the time frame set forth in the advance notice of special Board meeting.

Section 4.10 *Committees of the Board*

- (i) Committees will be appointed by the Board with terms of reference as determined by the Board from time to time.
- (ii) The Chair of the Committee will be appointed by the Board, and at least one current Director will serve on each Committee.
- (iii) There will be a Nominating Committee, as specified in Clause IV.5.
- (iv) There will an Audit Committee as a Standing Committee of the Board, to audit and oversee the books and records of the Corporation, to determine the manner in which funds shall be deposited to the credit of the Corporation and expended on behalf of the Corporation.
- (v) No Committee is enabled to take action on matters committed by resolution of the Board or by Pennsylvania law to the full Board of Directors or to another Committee of the Board.

Section 4.11 *Removal from office*

A Director may be removed by a sixty percent vote of the Directors of the Corporation.

Section 4.12 *Compensation*

- (i) The income and property of the Corporation must be applied solely to the purposes of the Corporation and no portion is to be paid or transferred to any Director, other than for remuneration of goods supplied or services rendered, or for reimbursement of expenses actually incurred on Corporation business or on behalf of the Association.
- (ii) Nothing in clause (i) prevents payment of remuneration to the Executive Director or any associates duly appointed.

ARTICLE 5

**PERSONAL LIABILITY OF DIRECTORS AND INDEMNIFICATION
OF DIRECTORS, OFFICERS AND OTHER PERSONS**

Section 5.1 *Personal Liability of Directors*

- (i) A director of this Corporation shall not be personally liable for monetary damages as such for any action taken, or any failure to take any action, unless:
 - (a) the director has breached or failed to perform the duties of his or her office under 15 Pa. C.S.C. Section 5712 (which, as amended from time to time, is hereafter called Section 5712); and
 - (b) the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness.

- (ii) This Section 5.1 shall not limit a director's liability for monetary damages to the extent prohibited by the provisions of the Pennsylvania Nonprofit Corporation Law of 1988.

Section 5.2 *Mandatory Indemnification of Directors and Officers*

The Corporation shall, to the fullest extent permitted by applicable law, indemnify its directors and officers who were or are a party or are threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (whether or not such action, suit or proceeding arises or arose by or in the right of the Corporation or other entity) by reason of the fact that such director or officer is or was a director or officer of the Corporation or is or was serving at the request of the Corporation as a trustee, director, officer, employee, general partner, agent or fiduciary of another corporation, partnership, joint venture, trust or other enterprise (including service with respect to employee benefit plans), against expenses (including, but not limited to , attorneys' fees and costs), with respect to any employee benefit plan) and amounts paid in settlement actually and reasonable incurred by such director or officer in connection with such action, suit or proceeding, except as otherwise provided in Section 5.4 hereof. A director or officer of the Corporation entitled to indemnification under this Section 5.2 is hereafter called a "person covered by Section 5.2 hereof".

Section 5.3 *Expenses*

Expenses incurred by a person covered by Section 5.2 hereof in defending a threatened, pending or completed civil or criminal action, suit or proceeding shall be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such person to repay such amount if it shall ultimately be determined that such person is not entitled to be indemnified by the Corporation, except as otherwise provided in Section 5.4.

Section 5.4 *Exceptions*

No indemnification under Section 5.2 or advancement or reimbursement of expenses under Section 5.3 shall be provided to a person covered by Section 5.2 hereof;

- (i) if a final unappealable judgment or award establishes that such director or officer engaged in self-dealing, willful misconduct or recklessness;
- (ii) for expenses or liabilities any type whatsoever (including, but not limited to, judgments, fines, and amounts paid in settlement) which have been paid directly to such person by an insurance carrier under a policy of officers' and directors' liability insurance maintained by the Corporation or other enterprise; or
- (iii) for amounts paid in settlement of any threatened, pending or completed action, suit or proceeding without the written consent of the Corporation, which written consent shall not be unreasonable withheld.

The Board of Directors of the Corporation is hereby authorized, at any time by resolution, to add to the above list of exceptions from the right of indemnification under Section 6.2 or advancement or reimbursement of expenses under Section 6.3, but any such additional exception shall not apply with respect to any event, act or omission which has occurred prior to the date that the Board in fact adopts such resolution. Any such additional exception may, at any time after its adoption, be amended, supplemented, waived or terminated by further resolution of the Board of the Corporation.

Section 5.5 *Continuation of Rights*

The indemnification and advancement or reimbursement of expenses provided by, or granted pursuant to, this Article VI shall continue as to a person who has ceased to be a Director or officer of the Corporation, and shall inure to the benefit of the heirs, executors and administrators of such person.

Section 5.6 *General Provisions*

- (i) the term “to the fullest extent permitted by applicable law”, as used in this Article Vi, shall mean the maximum extent permitted by public policy, common law or statute. Any person covered by Section 5.2 thereof may, to the fullest extent permitted by applicable law, elect to have the right to indemnification or to advancement or reimbursement of expenses, interpreted, at such person’s option;
 - (a) on the basis of the applicable law on the date this Article 5 was adopted, or
 - (b) on the basis of the applicable law in effect at the time of the occurrence of the event or events giving rise to the action, suit or proceeding, or
 - (c) on the basis of the applicable law in effect at the time indemnification is sought
- (ii) the right of a person covered by Section 5.2 hereof to be indemnified or to receive an advancement or reimbursement of expenses pursuant to Section 5.3;
 - (a) may also be enforced as a contract right pursuant to which the person entitled thereto may bring suit as if the provisions hereof were set forth in a separate written contract between the Corporation and such person, and

- (b) shall continue to exist after the rescission or restrictive modification (as determined by such person) of this Article 5 with respect to events, acts or omissions occurring before such rescission or restrictive modification is adopted.
- (iii) if a request for indemnification or for the advancement or reimbursement of expenses pursuant hereto is not paid in full by the Corporation within thirty (30) days after a written claim has been received by the Corporation together with all supporting information reasonable requested by the Corporation, the claimant may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim (plus interest at the prime rate announced from time to time by the Corporation's primary banker) and, if successful in whole or in part, the claimant shall be entitled also to be paid the expenses (including, but not limited to, attorney's fees and costs) of prosecuting such claim. Neither the failure of the Corporation (including its Board of Directors, independent legal counsel, or its Members) to have made a determination prior to the commencement of such action that indemnification of or the advancement or reimbursement of expenses to the claimant is proper in the circumstances, nor an actual determination by the Corporation (including its Board of Directors, independent legal counsel, or its Members) that the claimant is not entitled to indemnification or to the reimbursement or advancement of expenses, shall be a defense to the action or create a presumption that the claimant is not so entitled.
- (iv) the indemnification and advancement or reimbursement of expenses provided by, or granted pursuant to, this Article 5 shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement or reimbursement of expenses may be entitled under any bylaw, agreement, vote of the Members or directors or otherwise, both as to action in such director's or officer's official capacity and as to action in another capacity while holding that office.
- (v) nothing contained in this Article 5 shall be construed to limit the rights and powers the Corporation possesses under Subchapter C of the Pennsylvania Nonprofit Corporation Law of 1988 (as amended from time to time), the Directors' Liability Act, or otherwise, including, but not limited to, the powers to purchase and maintain insurance, create funds to secure or insure its indemnification obligations, and any other rights or powers the Corporation may otherwise have under applicable law.
- (vi) the provisions of this Article 5 may, at any time (and whether before or after there is any basis for a claim for indemnification or for the advancement or reimbursement of expenses pursuant hereto), be amended, supplemented, waived, or terminated, in whole or in part, with respect to

any person cover by Section 5.2 hereof by a written agreement signed by the Corporation and such person.

- (vii) the Corporation shall have the right to appoint the attorney for a person covered by Section 5.2 hereof, provided such appointment is not unreasonable under the circumstances.

Section 5.7 *Optional Indemnification*

The Corporation may, to the fullest extent permitted by applicable law, indemnify and advance or reimburse expenses for persons in all situations other than that covered by this Article VI.

ARTICLE 6
INCOME AND PROPERTY

Section 6.1 *Uses of income and property*

The income and property of the Corporation must be applied solely to the purposes of the Corporation and no portion is to be paid or transferred to any member, other than for remuneration of goods supplied or services rendered, or for reimbursement of expenses actually incurred on Corporation business or on behalf of the Association.

Section 6.2 *Reporting*

The Secretary/Treasurer shall ensure that

- (i) True accounts are kept of all money spent and received by the Corporation, and assets and liabilities of the Corporation.
- (ii) An annual financial report is prepared and distributed to members.
- (ii) The accounts, records and other documents are available for inspection by members of the Corporation free of charge at times determined by the Audit Committee.

Section 6.3 *Fiscal year.*

The fiscal year of the Corporation shall be as determined by the Board from time to time.

Section 6.4 *Winding up*

If upon winding up of the Corporation there remains any property after the satisfaction of all debts and liabilities, it must be transferred to some other organization having purposes or objects consistent with the purposes of the Corporation, as determined by the Board.

ARTICLE 7
ADOPTION, AMENDMENT AND REPEAL

Section 7.1 *Adoption and Effective Date*

These Bylaws, which are supplemental to the Pennsylvania Nonprofit Corporation Law of 1988, as the same may be in effect from time to time, were initially adopted as the Bylaws of the Corporation as of the 10th day of May 1994, by the Board of Directors. The initial Board of Directors was elected by the Incorporator. These by-laws were revised and adopted by the Board of Directors on the 7th day of July, 2010.

Section 7.2 *Amendment or Repeal*

These Bylaws may be amended or repealed, in whole or in part, and new Bylaws may be adopted, by the vote of a majority of the directors then in office at any meeting of the Board after notice to all directors of that purpose.

Notice of the amendment must be given in writing by the Executive Director at least thirty days before the meeting at which the amendment is to be considered.

Section 7.3 *Recording*

The text of each amendment to or repeal of these Bylaws shall be attached hereto with a notation of the date of such amendment or repeal.

Section Amended

Date Amended

Adopted By