

**BYLAWS OF THE MINNESOTA PERFUSION SOCIETY,  
A MINNESOTA NON-PROFIT CORPORATION**

**ARTICLE I.**

**NAME**

The name of this corporation is MINNESOTA PERFUSION SOCIETY.

**ARTICLE II.**

**OFFICES OF THE CORPORATION**

A. PRINCIPAL OFFICE.

The principal office for the transaction of the activities, affairs, and business of the corporation is located at 7728 West 84th Street Circle, Bloomington, Minnesota 55438.

The board of directors may change the principal office from one location to another. Any change of location of the principal office shall be noted by the secretary on these bylaws opposite this Section, or this Section may be amended to state the new location.

B. OTHER OFFICES.

The board may at any time establish branch or subordinate offices at any place or places where the corporation is qualified to conduct its activities.

**ARTICLE III.**

**PURPOSES AND LIMITATIONS**

A. GENERAL PURPOSES.

The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under such law.

B. Within the context of the general purposes stated above, this corporation shall:

Promote the use of extracorporeal technology and assure the highest quality of care is delivered to the general public.

**ARTICLE IV.**

## MEMBERS

### A. MEMBERSHIP.

#### (1) QUALIFICATIONS AND RIGHTS OF MEMBERSHIP.

##### (a) CLASSES AND QUALIFICATIONS.

This corporation shall have one class of members, designated as follows: PARTICIPANT. Any person dedicated to the purposes of this corporation and a clinically active perfusionist practicing primarily within the State of Minnesota shall be eligible for membership on approval of the membership application by the board and the payment of such dues and fees as the board may fix from time to time.

##### (b) VOTING MEMBERS.

Participant members shall have the right to vote, as set forth in these bylaws, on the election of directors, on the disposition of all or substantially all of the assets of the corporation, on any merger and its principal terms and any amendment of those terms, and on any election to dissolve the corporation. In addition, those members shall have all rights afforded members under Chapter 317A of the Minnesota Statutes. If the corporation is dissolved, those members shall receive a prorated distribution of all assets, exclusive of those held in charitable trust, remaining after payment or provision for payment of the obligations and debts of the corporation and provision for any other payment required under applicable law.

##### (c) OTHER PERSONS ASSOCIATED WITH THE CORPORATION.

The corporation may refer to other persons or entities associated with it as "members" even though such persons or entities are not voting members as set forth in Section IV A(1)(b) of these bylaws, and no such reference shall constitute anyone a member within the meaning of Chapter 317A of Minnesota Statutes unless that person or entity shall have qualified for such a voting membership under Section IV A(1)(a) of these bylaws. References in these bylaws to members shall mean members as defined in Chapter 317A

of the Minnesota Statutes i.e., the members of the participant class set forth in Section IV A(1)(a) of these bylaws. By amendment of its articles of incorporation or of these bylaws, the corporation may grant some or all the rights of a member of any class, as set forth in these bylaws, to any person or entity that does not have the right to vote on any of the matters specified in Section IV A(1)(b) of these bylaws, but no such person or entity shall be a member within the meaning of Chapter 317A of the Minnesota Statutes.

(2) DUES, FEES, AND ASSESSMENTS.

Each member must pay, within the time and on the conditions set by the board, the dues, fees, and assessments in amounts to be fixed from time to time by the board. The dues, fees, and assessments shall be equal for all members of each class, but the board may, in its discretion, set different dues, fees, and assessments for each class.

(3) GOOD STANDING.

Those members who have paid the required dues, fees, and assessments in accordance with these bylaws and who are not suspended shall be members in good standing.

(4) TERMINATION AND SUSPENSION OF MEMBERSHIP.

(a) CAUSES OF TERMINATION.

A membership shall terminate on occurrence of any of the following events:

- (a) Resignation of a member, on reasonable notice to the corporation;
- (b) Expiration of the period of membership, unless the membership is renewed on the renewal terms fixed by the board;
- (c) Failure of a member to pay dues, fees, or assessments as set by the board within six months after they become due and payable;
- (d) Occurrence of any event that renders a member ineligible for membership, or failure to satisfy membership qualifications;
- (e) Expulsion of the member under Section IV A(4)(c) of these bylaws, based on the good faith determination by the board, or a committee or

person authorized by the board to make such a determination, that the member has failed in a material and serious degree to observe the rules of conduct of the corporation, or has engaged in conduct materially and seriously prejudicial to the purposes and interests of the corporation.

(b) **SUSPENSION OF MEMBERSHIP.**

A member may be suspended, under Section IV A(4)(c) of these bylaws, based on the good faith determination by the board, or a committee or person authorized by the board to make such a determination, that the member has failed in a material and serious degree to observe the corporation's rules of conduct, or has engaged in conduct materially and seriously prejudicial to the purposes and interests of the corporation. A person whose membership is suspended shall not be a member during the period of suspension.

(c) **PROCEDURE FOR EXPULSION OR SUSPENSION.**

If grounds appear to exist for expulsion or suspension of a member under Sections IV A(4)(a) & IV A(4)(b) of these bylaws, the procedure set forth below shall be followed:

- (a) The member shall be given 15 days' prior notice of the proposed expulsion or suspension and the reasons for the proposed expulsion or suspension. Notice shall be given by any method reasonably calculated to provide actual notice. Any notice given by mail shall be sent by first-class or registered mail to the member's last address as shown on the corporation's records.
- (b) The member shall be given an opportunity to be heard, either orally or in writing, at least five days before the effective date of the proposed expulsion. The hearing shall be held, or the written statement considered, by the board or by a committee or person authorized by the board to determine whether the expulsion or suspension should take place.

- (c) The board, committee, or person shall decide whether or not the member should be expelled, suspended, or sanctioned in some other way. The decision of the board, committee, or person shall be final.

(5) TRANSFER OF MEMBERSHIPS.

No membership or right arising from membership shall be transferred. Subject to Section IV D(4) of these bylaws, all membership rights cease on the member's death or dissolution.

(6) MEETINGS OF MEMBERS.

(a) PLACE OF MEETING.

Meetings of the members shall be held at any place within or outside Minnesota designated by the board or by written consent of all persons entitled to vote at the meeting, given before or after the meeting. In the absence of any such designation, members' meetings shall be held at the corporation's principal office.

(b) ANNUAL MEETING.

An annual members' meeting shall be held on the 15th day of May, unless the board fixes another date or time and so notifies members as provided in Section IV A(6)(d)(iii) of these bylaws. If the scheduled date falls on a legal holiday, the meeting shall be held on the next full business day. At this meeting, directors shall be elected and any other proper business may be transacted, subject to Sections IV A(6) (d) (ii) through IV A(6)(e)(i) of these bylaws.

(c) SPECIAL MEETINGS.

(i) PERSONS AUTHORIZED.

A special meeting of the members for any lawful purpose may be called at any time by the board of directors, the chairman of the board, if any, or by the president, or by at least 50 members with voting rights, or 10 percent of the members with voting rights, whichever is less, by delivering to the person or treasurer a signed

and dated written demand for the meeting describing the purpose for which it is to be held.

(ii) CALLING MEETINGS.

A special meeting called by any person (other than the board) entitled to call a meeting shall be called by written request, specifying the general nature of the business proposed to be transacted, and submitted to the chairman of the board, if any, or the president or any vice president or the secretary of the corporation. The officer receiving the request shall cause notice to be given promptly to the members entitled to vote, in accordance with Sections IV A(6)(d)(i) through IV A(6)(d)(iv) of these bylaws, stating that a meeting will be held at a specified time and date fixed by the board, provided, however, that the meeting date shall be at least 30 but no more than 90 days after receipt of the request. If the notice is not given within 20 days after receipt of the request, the person or persons requesting the meeting may give the notice. Nothing in this Section shall be construed as limiting, fixing, or affecting the time at which a meeting of members may be held when the meeting is called by the board.

(iii) PROPER BUSINESS OF SPECIAL MEETING.

No business, other than the business the general nature of which was set forth in the notice of the meeting, may be transacted at a special meeting.

(d) NOTICE REQUIREMENTS FOR MEMBERS' MEETINGS.

(i) GENERAL NOTICE REQUIREMENTS.

Whenever members are required or permitted to take any action at

a meeting, written notice of the meeting shall be given, in accordance with Section IV A(6)(d)(iii) of these bylaws, to each member entitled to vote at that meeting. The notice shall specify the place, date, and hour of the meeting and, (1) for a special meeting, the general nature of the business to be transacted, and no other business may be transacted, or (2) for the annual meeting, those matters that the board, at the time notice is given, intends to present for action by the members, but except as provided in Section IV A(6)(e) of these bylaws, any proper matter may be presented at the meeting. The notice of any meeting at which directors are to be elected shall include the names of all persons who are nominees when notice is given.

(ii) NOTICE OF CERTAIN AGENDA ITEMS.

Approval by the members of any of the following proposals, other than by unanimous approval by those entitled to vote, is valid only if the notice or written waiver of notice states the general nature of the proposal or proposals:

- (a) Removing a director without cause;
- (b) Filling vacancies on the board;
- (c) Amending the articles of incorporation;
- (d) Approving a contract or transaction between the corporation and one or more directors, or between the corporation and any entity in which a director has a material financial interest;
- (e) Electing to wind up and dissolve the corporation;
- (f) Approving a plan of distribution of assets, other than money, not in accordance with liquidation rights of any class or classes as specified in the articles or bylaws, when the

corporation is in the process of winding up.

(iii) MANNER OF GIVING NOTICE.

Notice of any meeting of members shall be in writing and shall be given at least 10 but no more than 90 days before the meeting date. The notice shall be given either personally or by first-class, registered, or certified mail, or by other means of written communication, charges prepaid, and shall be addressed to each member entitled to vote, at the address of that member appearing on the books of the corporation or at the address given by the member to the corporation for the purposes of notice. If no address appears on the corporation's books and no address has been so given, notice shall be deemed to have been given if either (1) notice is sent to that member by first-class mail or telegraphic or other written communication to the corporation's principal office or (2) notice is published at least once in a newspaper of general circulation in the county in which the principal office is located.

(iv) AFFIDAVIT OF MAILING NOTICE.

An affidavit of the mailing of any notice of any members' meeting, or of the giving of such notice by other means, may be executed by the secretary, assistant secretary, or any transfer agent of the corporation, and if so executed, shall be filed and maintained in the corporation's minute book.

(e) QUORUM.

(i) PERCENTAGE REQUIRED.

Ten percent of the voting power shall constitute a quorum for the transaction of business at any meeting of member, provided however, that if any regular or annual meeting is actually attended in person or by proxy by less than one third of the voting power, the only matters that may be voted on are those of which notice of

their general nature was given under the first and second sentences of Section IV A(6)(d)(i) of these bylaws.

(ii) LOSS OF QUORUM.

Subject to Section IV A(6)(e)(i) of these bylaws, the members present at a fully called or held meeting at which a quorum is present may continue to transact business until adjournment, even if enough members have withdrawn to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the members required to constitute a quorum.

(f) ADJOURNMENT AND NOTICE OF ADJOURNED MEETING.

Any members' meeting, whether or not a quorum is present, may be adjourned from time to time by the vote of the majority of the members represented at the meeting, either in person or by proxy. No meeting may be adjourned for more than 45 days. When a members' meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which adjournment is taken. If after 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. At the adjourned meeting, the corporation may transact any business that might have been transacted at the original meeting.

(g) VOTING.

(i) ELIGIBILITY TO VOTE.

Subject to the provisions of the Chapter 317A of the Minnesota State Statutes, members entitled to vote at any meeting of members shall be participant members in good standing as of the record date determined under Sections IV C(1) & IV C(2) of these bylaws.

(ii) MANNER OF CASTING VOTES.

Voting may be by voice or ballot, except that any election of directors must be by ballot if demanded by any member at the meeting before the voting begins.

(iii) VOTING.

Each member entitled to vote shall be entitled to cast one vote on each matter submitted to a vote of the members.

(iv) APPROVAL BY MAJORITY VOTE.

If a quorum is present, the affirmative vote of the majority of the voting power represented at the meeting, entitled to vote and voting on any matter, shall be the act of the members, unless the vote of a greater number or voting by classes is required by Chapter 317A of Minnesota State Statutes or by the articles of incorporation.

(h) WAIVER OF NOTICE OR CONSENT.

(i) WRITTEN WAIVER OR CONSENT.

The transactions of any members' meeting, however called or noticed and where held, shall be as valid as though taken at a meeting duly held after regular call and notice, if (1) a quorum is present either in person or by proxy, and (2) either before or after the meeting, each member entitled to vote, who is not present in person or by proxy, signs a written waiver of notice, a consent to the holding of the meeting, or an approval of the minutes. The waiver of notice, consent, or approval need not specify either the business to be transacted or the purpose of any meeting of members, except that if action is taken or proposed to be taken for approval of any of those matters specified in Section IV A(6)(d)(ii) the waiver of notice, consent, or approval shall state the general nature of the proposal. All such waivers, consents, or approvals shall be filed with the corporate records or made a part of the

minutes.

(ii) WAIVER BY ATTENDANCE.

A member's attendance at a meeting shall also constitute a waiver of notice of and presence at that meeting, unless the member objects at the beginning of the meeting to the transaction of any business because the meeting was not lawfully called or convened. Also, attendance at a meeting is not a waiver of any right to object to the consideration of matters required to be included in the notice of the meeting but not so included, if that objection is expressly made at the meeting.

B. ACTION WITHOUT A MEETING.

(1) ACTION BY UNANIMOUS WRITTEN CONSENT.

Any action required or permitted to be taken by the members may be taken without have the same force and effect as the unanimous vote of the members.

(2) ACTION BY WRITTEN BALLOT WITHOUT A MEETING.

Any action that may be taken at any meeting of members may be taken without

(a) SOLICITATION OF WRITTEN BALLOTS.

The corporation shall distribute one written ballot to each member entitled to vote on the matter. Such ballots shall be mailed or delivered in the manner required by Section IV A(6)(d)(iii) of these bylaws. All solicitations of votes by written ballot shall (1) indicate the number of responses needed to meet the quorum requirements, (2) with respect to ballots other than for election of directors, state the percentage of approvals necessary to pass the measure or measures, and (3) specify the time by which the ballot must be received in order to be counted. Each ballot so distributed shall (1) set forth the proposed action, (2) provide the members an opportunity to specify approval or disapproval of each proposal, and (3) provide a reasonable time in which to return the ballot to

the corporation. If the corporation has 100 or more members, any written ballot distributed to 10 or more members shall provide, subject to reasonable specified conditions, that if the person solicited specifies a choice with respect to any such matter, the vote shall be cast in accordance with that specification. In any election of directors, a written ballot that a member marks "withhold," or otherwise marks in a manner indicating that authority to vote is withheld, shall not be voted either for or against the election of a director.

(b) NUMBER OF VOTES AND APPROVALS REQUIRED.

Approval by written ballot shall be valid only when (1) the number of votes cast by ballot (including those ballots that are marked "withhold" or otherwise indicate that authority to vote is withheld) within the time specified equals or exceeds the quorum required to be present at a meeting authorizing the action, and (2) the number of approvals equals or exceeds the number of votes that would be required approval at a meeting at which the total number of votes cast was the same as the number of votes cast by written ballot without a meeting.

(c) REVOCATION.

A written ballot may not be revoked.

(d) FILING.

All written ballots shall be filed with the secretary of the corporation and maintained in the corporate records for at least three years.

C. RECORD DATE FOR NOTICE, VOTING, WRITTEN BALLOTS, AND OTHER ACTIONS.

(1) RECORD DATE DETERMINED BY BOARD.

For purposes of determining the members entitled to notice of any meeting,

entitled to vote at any meeting, entitled to vote by written ballot, or entitled to exercise any rights with respect to any lawful action, the board may fix, in advance, a record date. The record date so fixed (1) for notice of a meeting shall not be more than 90 or less than 10 days before the date of the meeting; (2) for voting at a meeting shall not be more than 60 days before the date of the meeting; (3) for voting by written ballot shall not be more than 60 days before the day on which the first written ballot is mailed or solicited; and (4) for any other action shall not be more than 60 days before that action.

(2) RECORD DATE NOT DETERMINED BY BOARD.

(a) RECORD DATE FOR NOTICE OR VOTING.

If not otherwise fixed by the board, the record date for determining members entitled (1) to receive notice of a meeting of members shall be the business day next preceding the day on which notice is given or, if notice is waived, the business day next preceding the day on which the meeting is held and (2) to vote at the meeting shall be the day on which the meeting is held.

(b) RECORD DATE FOR ACTION BY WRITTEN BALLOT.

If not otherwise fixed by the board, the record date for determining members entitled to vote by written ballot shall be the day on which the first written ballot is mailed or solicited.

(c) RECORD DATE FOR OTHER ACTIONS.

If not otherwise fixed by the board, the record date for determining members entitled to exercise any rights with respect to any other lawful action shall be the date on which the board adopts the resolution relating to that action, or the 60th day before the date of that action, whichever is later.

(3) MEMBERS OF RECORD.

For purposes of Sections IV C(1) through IV C(2)(c), a person holding a

membership at the close of business on the record date shall be a member of record.

D. PROXIES.

(1) RIGHT OF MEMBERS.

Each person entitled to vote shall have the right to do so either in person or by one or more agents authorized by a written proxy, signed by the person and filed with the secretary of the corporation. A proxy shall be deemed signed if the member's name is placed on the proxy (whether by manual signature, typewriting, telegraphic transmission, or otherwise) by the member or the member's attorney-in-fact.

- (2) FORM OF SOLICITED PROXIES. If the corporation has  
 100 or more members, any form of proxy distributed to 10 or more members shall afford an opportunity on the proxy to specify a choice between approval and disapproval of each matter or group of related matters and shall provide, subject to reasonable specified conditions, that when the person solicited specifies a choice with respect to any such matter, the vote shall be cast in accordance with that specification. In any election of directors, any form of proxy that a member marks "withhold," or marks otherwise in a manner indicating that the authority to vote for the election of directors is withheld, shall not be voted either for or against the election of a director.

(3) REQUIREMENTS THAT GENERAL NATURE OF SUBJECT OF PROXY BE STATED

Any revocable proxy covering matters for which a vote of the members is required, including amendments to the articles of incorporation; amendments to the articles or bylaws changing proxy rights; removal of directors without cause; filling vacancies on the board of directors; the sale, lease, exchange, conveyance, transfer, or other disposition of all or substantially all of the corporate assets unless the transaction is in the usual or regular course of the corporation's activities; the

principal terms of a merger or the amendment of a merger agreement; the election to dissolve the corporation; contracts or transactions between the corporation and one or more directors or between the corporation and an entity in which the director has a material financial interest; or a plan of distribution of assets other than money to members when the corporation is in the process of winding up, when the distribution is not in accordance with liquidation rights of any class or classes, shall not be valid unless the proxy sets forth the general nature of the matter to be voted on.

(4) REVOCABILITY.

A validly executed proxy that does not state that it is irrevocable shall continue in full force and effect until (a) revoked by the member executing it before the vote is cast under that proxy, (i) by a writing delivered to the corporation stating that the proxy is revoked, (ii) by a subsequent proxy executed by that member and presented to the meeting, or (iii) as to any meeting, by the member's personal appearance and voting at the meeting, or (b) written notice of the death or incapacity of the maker of the proxy is received by the corporation before the vote under the proxy is counted; provided, however, that no proxy shall be valid after the expiration of 11 months from the date of the proxy, unless otherwise provided in the proxy, except that the maximum term of a proxy shall be three years from the date of execution. The revocability of a proxy that states on its face that is irrevocable shall be governed by Chapter 317A of Minnesota State Statutes.

E. ELECTION OF DIRECTORS

(1) NOMINATIONS BY COMMITTEE

The chairman of the board, or the president if there is no chairman, shall appoint a committee to select qualified candidates for election to the board at least 120 days before the date of any election of directors. This nominating committee shall make its report at least 90 days before the date of the election, and the secretary shall forward to each member, with the notice of meeting required by Sections IV A(6)(d)(i) through IV A(6)(d)(iv) of these bylaws, a list of all candidates

nominated by committee under this Section.

(2) NOMINATIONS BY MEMBERS (CORPORATIONS WITH 500 TO 4999 MEMBERS)

If the corporation has 500 or more, but fewer than 5000, members, members representing 2 percent of the voting power may nominate candidates for directors by a petition, signed by those members within 11 months preceding the next time directors are to be elected, and delivered to an officer of the corporation. 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 nominating committee.

(3) NOMINATIONS BY MEMBERS (CORPORATIONS WITH 5000 OR MORE MEMBERS)

If the corporation has 5000 or more members, members representing 1/20 of 1 percent of the voting power, but in no event fewer than 100 members may nominate candidates for directors by a petition, signed by those members within 11 months preceding the next time directors are to be elected, and delivered to an officer of the corporation. 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 nominating committee.

(4) NOMINATIONS FROM THE FLOOR.

If the corporation has 500 or more members and if there is a meeting of members to elect directors, any member present at the meeting in person or by proxy may place names in nomination.

(5) SOLICITATION OF VOTES.

The board 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 the nominees.

(6) USE OF CORPORATE FUNDS TO SUPPORT NOMINEE.

Without board authorization, no corporate funds may be expended to support a nominee for director after more people have been nominated for director than can be elected.

**ARTICLE V.  
DIRECTORS**

A. POWERS.

(1) GENERAL CORPORATE POWERS.

Subject to the provisions and limitations of Chapter 317A of the Minnesota State Statutes and any other applicable laws, the corporation's activities and affairs shall be managed, and all corporate power shall be exercised, by or under the board's direction.

(2) SPECIFIC POWERS.

Without prejudice to the general powers set forth in Section V A(1) of these bylaws, but subject to the same limitations, the directors shall have the power to:

- (a) Appoint and remove at the pleasure of the board all the corporation's officers, agents, and employees; prescribe powers and duties for them that are consistent with the law, with the articles of incorporation, and with these bylaws; and fix their compensation and require from them security for faithful performance of their duties.
- (b) Change the principal office or the principal business office in Minnesota from one location to another; cause the corporation to be qualified to conduct its activities in any other state, territory, dependency, or country; and conduct its activities within or outside

Minnesota.

- (c) Adopt and use a corporate seal.
- (d) Borrow money and incur indebtedness on behalf of the corporation and cause to be executed and delivered for the corporation's purposes, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecation's, and other evidences of debt and securities.

(3) CHAIRMAN OF THE BOARD.

The authority and powers of the chief executive officer shall be those of the chairman of the board referred to in these Bylaws.

B. NUMBER AND QUALIFICATION OF DIRECTORS.

The board of directors shall consist of at least three but no more than five directors until changed by amendment to these bylaws. The exact number of directors shall be fixed, within those limits, by a resolution adopted by the board of directors, but shall in any event be an odd number. **The qualifications for directors are that each director must be a clinically active perfusionist practicing primarily within the State of Minnesota.**

C. ELECTION, DESIGNATION, AND TERM OF OFFICE.

All directors shall be elected at each annual meeting of members occurring during an odd-numbered year to hold office until the next annual meeting occurring during an odd-numbered year: however, if any such directors are not elected at any odd-numbered year annual meeting, they may be elected at any special members' meeting held for that purpose or at an even numbered year annual meeting or by written ballot. Each such director, including a director elected to fill a vacancy or elected at a special members' meeting or even-numbered year annual meeting or by written ballot, shall hold office until expiration of the term for which elected and until a successor has been elected and qualified. All directors shall be designated by the existing Board of Directors. Each such director shall hold office for two years and until a successor has been designated and has qualified.

D. VACANCIES ON BOARD.

(1) EVENTS CAUSING VACANCY.

A vacancy or vacancies on the board shall exist on the occurrence of the following: (a) the death 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 declared of unsound mind by an order of court or convicted of a felony, or, if the corporation holds assets in charitable trust, has been found by a final order or judgment of any court to have breached a duty arising under Chapter 317A of the Minnesota State Statutes M); (c) the vote of the directors, or; (d) the increase of the authorized number of directors.

(2) RESIGNATIONS.

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 when the resignation becomes effective.

(3) FILLING VACANCIES.

Vacancies on the board may be filled by a majority of the directors then in office, whether or not less than a quorum, or by a sole remaining director.

(4) NO VACANCY ON REDUCTION OF NUMBER OF DIRECTORS.

No reduction of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.

E. DIRECTORS' MEETINGS.

(1) PLACE OF MEETINGS.

Meetings of the board shall be held at any place within or outside Minnesota 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 the

corporation.

(2) MEETINGS BY TELEPHONE.

Any meeting may be held by conference telephone or similar communication equipment, as long as all directors participating in the meeting can hear one another. All such directors shall be deemed to be present in person at such a meeting.

(3) ANNUAL MEETING.

Annually, on the 15th day of May (except when that falls on a holiday) the board shall hold a regular meeting for purposes of organization, election of officers, and the transaction of other business. Notice of this meeting is not required.

(4) OTHER REGULAR MEETINGS.

Other regular meetings of the board may be held without notice at such time and place as the board may fix from time to time.

(5) SPECIAL MEETINGS.

(a) AUTHORITY TO CALL.

Special meetings of the board for any purpose may be called at any time by the chairman of the board, if any, the president or any vice president, or the secretary or any two directors.

(b) NOTICE.

(i) MANNER OF GIVING NOTICE.

Notice of the time and place of special meetings shall be given to each director by one of the following methods: (a) by personal delivery of written notice; (b) by first-class mail, postage prepaid; (c) by telephone, 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; or (d) by telegram, charges prepaid. All such notices shall be given or sent to the

director's address or telephone number as shown on the records of the corporation.

(ii) TIME REQUIREMENTS.

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

(iii) NOTICE CONTENTS.

The notice shall state the time of the meeting, and the place if the place is other than the principal office of the corporation. It need not specify the purpose of the meeting.

(6) QUORUM.

A majority of the authorized number of directors shall constitute a quorum for the transaction of business, except to adjourn. 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 the act of the board, subject to the provisions of Chapter 317A of the Minnesota State Statutes, including, without limitation, those provisions relating to (a) approval of contracts or transactions between the corporation and any entity in which a director has a material financial interest, (b) creation of and appointments to committees of the board, and (c) indemnification of directors. A meeting at which a quorum is initially present may continue to transaction business, despite the withdrawal of directors, if any action taken or decision made is approved by at least a majority of the required quorum for that meeting.

(7) 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 does not protest, before or at the commencement of the meeting, the lack of notice to him or her.

(8) ADJOURNMENT.

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

(9) NOTICE OF ADJOURNED MEETING.

Notice of the time and place of holding an adjourned meeting need not be given unless the original meeting is adjourned for more than 24 hours. If the original meeting is adjourned for more than 24 hours, notice of any 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.

F. ACTION WITHOUT A MEETING.

Any action that the board is required or permitted to take may be taken without a meeting if all members of the board consent in writing to that action. Such action by written consent shall have all 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.

G. COMPENSATION AND REIMBURSEMENT.

Directors may receive such compensation, if any, for their services, and such reimbursement of expenses, as may be determined by board resolution to be just and reasonable as to the corporation at the time the resolution is adopted.

## H. COMMITTEES.

### (1) COMMITTEES OF THE BOARD.

The board, by resolution adopted by a majority of the directors then in office, provided a quorum is present, may create one or more committees, each consisting of two or more directors and no persons who are not 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. The board may appoint one or more directors as alternate members of any such committee, who may replace any absent member at any meeting. Any such committee, to the extent provided in the board resolution, shall have all the authority of the board except that no committee, regardless of board resolution, may:

- (a) Take any final action on any matter that, under Chapter 317A of the Minnesota State Statutes, also requires approval of the members or approval of a majority of all members;
- (b) Fill vacancies on the board or on any committee that has the authority of the board;
- (c) Fix compensation of the directors for serving on the board or on any committee;
- (d) Amend or repeal bylaws or adopt new bylaws;
- (e) Amend or repeal any board resolution that by its express terms is not so amendable or repealable;
- (f) Create any other committees of the board or appoint the members of the committees of the board;
- (g) Expend corporate funds to support a nominee for director after more people have been nominated for director than can be elected;  
or
- (h) With respect to any assets held in charitable trust, approve any contract or transaction between the corporation and one or more of

its directors or between the corporation and an entity in which one or more of its directors or have a material financial interest, subject to provisions of Chapter 317A of the Minnesota State Statutes.

(2) **MEETINGS AND ACTION OF COMMITTEES.**

Meetings and actions of committees of the board shall be governed by, held, and taken in accordance with, the provisions of these bylaws concerning meetings and other board actions except that the time for regular meetings of such committees and calling of special meetings of such committees may be determined either by board resolution, or if there is none, by resolution of the committee. Minutes of each meeting of any committee of the board shall be kept and shall be filed with the corporate records. The board may adopt rules for the government of any committee that are consistent with these bylaws or, in the absence of rules adopted by the board, the committee may adopt such rules.

**ARTICLE VI.**

**OFFICERS**

A. **OFFICERS OF THE CORPORATION.**

The officers of the corporation shall be a chief executive officer, a secretary, and a chief financial officer. The corporation may also have, at the board's discretion, a chairman of the board, one or more vice presidents, one or more assistant secretaries, one or more assistant treasurers, and such other officers as may be appointed in accordance with Section VI C of these bylaws. Any number of offices may be held by the same person.

B. **ELECTION OF OFFICERS.**

The officers of the corporation, except those appointed under Section VI C of these bylaws, shall be chosen annually by the board and shall serve at the pleasure of the board, subject to the rights, if any, of any officer under any contract of employment.

C. OTHER OFFICERS.

The board may appoint and may authorize the chairman of the board, the president, or other officer to appoint any other officers that the corporation may require. Each officer so appointed shall have the title, hold office for the period, have the authority, and perform the duties specified in the bylaws or determined by the board.

D. REMOVAL OF OFFICERS.

Without prejudice to any rights of an officer under any contract of employment, an officer may be removed with or without cause by the board, and also, if the officer was not chosen by the board, by any officer on whom the board may confer that power of removal.

E. RESIGNATION OF OFFICERS.

Any officer may resign at any time by giving written notice to the corporation. The resignation shall take effect as of the date the notice is received or at any time specified in the notice and, unless otherwise specified in the notice, the resignation shall be without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party.

F. 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 regular appointments to that office, provided, however, that vacancies need not be filled on an annual basis.

G. RESPONSIBILITIES OF OFFICERS.

(1) CHAIRMAN OF THE BOARD.

If a chairman of the board is elected, he or she shall preside at board meetings and shall exercise and perform such other powers and duties as the board may assign from time to time. If there is no president, the chairman of the board shall also be the chief executive officer and shall

have the powers and duties perceived by these bylaws for the president of the corporation.

(2) PRESIDENT.

Subject to such supervisory powers as the board may give to the chairman of the board, if any, and subject to the control of the board, the president shall be the general manager of the corporation and shall supervise, direct, and control the corporation's activities, affairs, and officers. The president shall preside, in the absence of the chairman of the board, or if there is none, at all board meetings. The president shall have such other powers and duties as the board or bylaws may prescribe.

(3) VICE PRESIDENTS.

In the absence or disability of the president, the vice presidents, if any, in order of their rank as fixed by the board or, if not ranked, a vice president designated by the board 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 prescribe.

(4) SECRETARY.

(a) BOOK OF MINUTES.

The secretary shall keep or cause to be kept, at the 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 of holding, whether the meeting was annual, regular, or special and, if special, how authorized, the notice given, and the names of those present at board and committee meetings. The secretary shall keep or cause to be kept,

at the principal office in Minnesota, a copy of the articles of incorporation and bylaws, as amended to date.

(b) NOTICES, SEAL, AND OTHER DUTIES.

The secretary shall give, or cause to be given, notice of all meetings of the board and of committees of the board required by these bylaws to be given. The secretary shall keep the corporate seal in safe custody and shall have such other powers and perform such other duties as the board or the bylaws may prescribe.

(5) CHIEF FINANCIAL OFFICER.

(a) BOOKS OF ACCOUNT.

The chief financial officer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the corporation's properties and transactions. The chief financial officer shall send or cause to be given to the directors such financial statements and reports as are required by law, these bylaws, or by the board to be given. The books of account shall be open to inspection by any director at all reasonable times.

(b) DEPOSIT AND DISBURSEMENT OF MONEY AND VALUABLES.

The chief financial officer shall deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the corporation with such depositories as the board may designate, shall disburse the corporation's funds as the board may order, shall render to the president, chairman of the board, if any, and the board, when requested, an account of all transactions as chief financial officer and of the financial condition of the corporation, and shall have such other powers and perform such other duties as the board or the bylaws may prescribe.

(c) BOND.

If required by the board, the chief financial officer shall give the corporation a bond in the amount and with the surety or sureties specified by the board for faithful performance of the duties of the office and for restoration to the corporation of all its books, papers, vouchers, money, and other property of every kind in the possession or under the control of the chief financial Officer on his or her death, resignation, retirement, or removal from office.

**ARTICLE VII.**  
**INDEMNIFICATION**

A. RIGHT OF INDEMNITY.

To the fullest extent permitted by law, this corporation shall indemnify its directors, officers, employees, and other persons described in Chapter 317A of the Minnesota State Statutes, 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 an action by or in the rights 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 Chapter 317A of the Minnesota State Statutes.

B. APPROVAL OF INDEMNITY.

On written request to the board by any person seeking indemnification under Chapter 317A of the Minnesota State Statutes, the board shall promptly determine under Chapter 317A whether the applicable standard of conduct set forth in Section or Section has been met, and, if so, the board shall authorize

indemnification.

C. **ADVANCEMENT OF EXPENSES.**

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 Sections VII A and VII B 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.

**ARTICLE VIII.**

**INSURANCE**

The corporation shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its officers, directors, employees, and other agents, against any liability asserted against or incurred by any officer, director, employee, or agent in such capacity or arising out of the officer's, director's, employee's, or agent's status as such.

**ARTICLE IX.**

**RECORDS AND REPORTS**

A. **MAINTENANCE OF CORPORATE RECORDS.**

The corporation shall keep:

- (1) Adequate and correct books and records of account;
- (2) Written minutes of the proceedings of its board and committees of the board.

B. **INSPECTION BY DIRECTORS.**

Every director shall have the absolute right at any reasonable time to inspect the corporation's books, records, documents of every kind, physical properties, and the

records of each of its subsidiaries. The inspection may be made in person or by the director's agent or attorney. The right of inspection includes the right to copy and make extracts of documents.

C. ANNUAL REPORT.

- (1) An annual report shall be prepared within 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 such report, by the certificate of an authorized officer of the corporation that they were prepared without audit from the books and records of the corporation.
  - (b) Any information that is required by Section IX D
- (2) This Section shall not apply if the corporation receives less than \$10,000 in gross revenues or receipts during the fiscal year.

D. ANNUAL STATEMENT OF CERTAIN TRANSACTIONS AND INDEMNIFICATION.

As part of the annual report, or as a separate document if no annual report is issued, the corporation shall annually prepare and furnish to its directors a statement of any transaction or indemnification of the following kinds within 120 days after the end of the corporation's fiscal year:

- (1) Any transaction (a) to which the corporation, its parent, or its subsidiary was a party, (b) which involved more than \$5,000 or was one of a number of such transactions with the same person involving, in the aggregate, more than \$5,000, and (c) in 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 10 percent 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 interested persons involved, their 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.

- (2) A brief description of the amounts and circumstances of any loans, guaranties, indemnification's, or advances aggregating more than \$5,000 paid during the fiscal year to any officer or director of the corporation under Sections VII A, VII B and VII C of these bylaws, unless the loan, guaranty, indemnification, or advance is not subject to the provisions of Chapter 317A of the Minnesota State Statutes.

## **ARTICLE X.**

### **CONSTRUCTION AND DEFINITIONS**

Unless the context requires otherwise, the general provisions, rules of construction, and definitions in Chapter 317A of the Minnesota State Statutes shall govern the construction of these bylaws. Without limiting the generality of the preceding sentence, the masculine gender includes the feminine and neuter, the singular includes the plural and the plural includes the singular, and the term "person" includes both a legal entity and a natural person.

## **ARTICLE XI.**

### **AMENDMENTS**

To amend these bylaws shall require a majority vote of both the board of directors and the general membership.

**ARTICLE XII.**

**MISCELLANEOUS**

A. INUREMENT OF INCOME.

No part of the net earnings of the association shall inure to the benefit of or be distributable to, its members, trustees, officers, or other private persons except that the association shall be authorized and empowered to pay reasonable compensation for services rendered.

B. LEGISLATIVE OR POLITICAL ACTIVITIES.

No substantial part of the activities of the association shall be the carrying of propaganda or otherwise attempting to influence legislation and the association shall not participate in or intervene (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office.

C. DISSOLUTION CLAUSE.

Upon the dissolution of the association, the association shall after paying or making provisions for the payment of the liabilities of the association, dispose of all the assets of the association exclusively for the purpose of the association in such a manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious, or scientific purposes as such at the time qualify as an exempt organization or organizations under section 501 (c) (6) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law), as the Board of Directors shall determine. Any such assets not so disposed of shall be disposed of by the Court of Common Pleas of the County in which the principal office of the association is located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purpose.

**ARTICLE XIII.**

**CERTIFICATE OF SECRETARY**

I certify that I am the duly elected Chairman and in the Secretary's absence acting Secretary of MINNESOTA PERFUSION SOCIETY, INC. , a Minnesota nonprofit corporation, that the above bylaws, consisting of pages, are the bylaws of this corporation as adopted by the board of directors on October 3, 1998 and that they have not been amended or modified since that date.

Executed on the \_\_\_\_\_ day of October, 1998, at the Doubletree Grand Hotel, 7901 24th Avenue South, Bloomington, Minnesota.

---

Chairman