

**BY-LAWS**  
**OF**  
**PKD FOUNDATION**  
**(Formerly the ‘PKR Foundation’)**

**Incorporated August 20, 1982**

**(Amended as of 4/28/01; 1/26/02; 1/25/03; 10/22/05; 1/28/06; 4/23/06; 1/19/07; 4/29/07; 4/26/08; 9/25/09;  
1/23/10)**

**ARTICLE I**

Purposes

This corporation, which shall hereinafter be called the “Corporation”, is organized to carry out certain charitable, scientific and educational purposes, within the meaning of Section 501 (c) (3) of the Internal Revenue Code of 1986, as amended, including the development and implementation of a comprehensive program of research and study of the cause, treatment and cure of polycystic kidney disease; and to those ends to receive, take and hold by gift, grant, assignment, transfer, devise or bequest, either absolutely or in trust for such purposes, any property, real, personal, or mixed, without limitation as to amount or value except such limitations, if any, as may be imposed by law; provided, however, that no part of the net earnings of the Corporation shall inure to the benefit of any private individual, and provided further that no substantial part of its activities shall involve the carrying on of propaganda, or otherwise attempting to influence legislation.

**ARTICLE II**

Offices

The Corporation shall have and continuously maintain in the State of Missouri a registered office and a registered agent whose office is identical with such registered office, and may have such other offices within or without the State of Missouri as the Board of Trustees may from time to time determine.

**ARTICLE III**

Members

The Corporation shall not have members.

## ARTICLE IV

### Board of Trustees

- Section 1.** General Powers. The affairs of the Corporation shall be overseen by its Board of Directors, which shall be known as the “Board of Trustees” and the individual members thereof as “Trustees”. The Board of Trustees shall appoint a President who shall serve as the chief executive officer of the Corporation.
- Section 2.** Number and Tenure. The Board of Trustees shall have at the minimum three trustees and at the maximum 19 trustees. The Trustee term of office shall be three years, except for ex officio Trustees and except as provided in Section 7 hereof. Ex officio Trustees shall include: The Chair of the Scientific Advisory Committee, who shall be elected annually by the Board of Trustees at the Annual Election to serve one-year renewable term as Trustee. Trustees, other than ex officio Trustees, shall be divided as evenly as practicable into three annual classes in respect to terms of office. Trustees of the Corporation shall be ineligible for election to the Board of Trustees for a period of one year after serving six successive years as Trustee. Notwithstanding the foregoing, (i) a Trustee whose initial term of office is less than the full term of three years may serve such initial term in addition to the six successive years as a Trustee specified above; and (ii) the Chairman, Vice-Chair, Secretary and/or Treasurer of the Corporation shall be eligible for election to the Board of Trustees so long as they continue to serve contemporaneously as Chairman, Vice-Chair, Secretary and/or Treasurer and thereafter shall be ineligible for election to the Board of Trustees for a period of one year. Trustees need not be residents of the United States.
- Section 3.** Regular Meetings. A schedule of regular meetings of the Board of Trustees for the following calendar year shall be approved by the Board of Trustees no later than December 31 of each year. The annual election of Trustees and/or officers shall occur at the first regular meeting of the Board of Trustees each year (“Annual Election”). Unless otherwise ordered by the Board of Trustees, regular meetings shall be held at the Corporation’s registered office in the State of Missouri. Meetings of the Board of Trustees may be held within or without the State of Missouri.
- Section 4.** Special Meetings. Special meetings of the Board of Trustees may be called by or at the request of the Chairman or two or more of the Trustees and may be held at any place, either within or without the State of Missouri, specified in the notice of meeting. If the notice of meeting does not fix a place for holding such special meeting, it shall be held at the Corporation’s registered office in the State of Missouri.
- Section 5.** Notice. Notice of any meeting of the Board of Trustees shall be given at least five business days previously thereto by written notice delivered personally or sent by mail, telecopy or e-mail to each trustee at his address as shown by the records of the Corporation. Any Trustee may waive notice of any meeting. The attendance of a Trustee at any meeting shall constitute a waiver of notice of such meeting, except where a Trustee attends any meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Trustees need be specified in the notice or waiver of notice of such

meeting, unless specifically required by law or by these By-Laws.

- Section 6.** Quorum; Voting. A majority of the Board of Trustees shall constitute a quorum for the transaction of business at any meeting of the Board of Trustees; provided that if less than a majority of the Trustees are present at said meeting, a majority of the Trustees present may adjourn the meeting from time to time without further notice. All actions taken at any meeting of the Board of Trustees shall be decided by a majority vote of Trustees present unless otherwise specified in these By-Laws or required by law; the Foundation's governance process does not make provision for proxy voting. Each Trustee shall have one vote in all matters to be voted on by the Board of Trustees.
- Section 7.** Vacancies. Any vacancy occurring in the Board of Trustees and any Trusteeship to be filled by reason of an increase in the number of Trustees shall be filled by the Board of Trustees as soon as practicable. Such action may be taken by the Board of Trustees at a regular or special meeting, by mail-in or by electronic vote. In order to maintain three evenly divided classes of office as specified in Section 2 hereof: (i) A Trustee elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office; (ii) A Trustee elected by reason of an increase in the number of Trustees may be elected to a term of office of less than three years; and (iii) When a Trustee becomes an ex officio Trustee by virtue of being elected Chairman or Vice-Chair, a vacancy shall be deemed to have occurred in the Board of Trustees and the Trustee elected to fill such vacancy shall have a term of office coterminous with the unexpired term of office of the newly-elected Chairman or Vice-Chair immediately prior to the occurrence of such vacancy.
- Section 8.** Compensation. Trustees, as such, shall not receive any compensation for simply serving as a Trustee, but may be reimbursed by the Corporation for expenses of attendance at regular or special meetings of the Board of Trustees; provided that nothing herein contained shall be construed to preclude any Trustee from serving the Corporation in any other capacity and receiving compensation in return for services rendered to the Corporation. Trustees requesting reimbursement of expenses in order to attend a Board of Trustees meeting shall submit a request to the Chairman of the Board no later than 30 days in advance of the next regular or special meeting for which the Trustees is requesting reimbursement. Trustees will be reimbursed in accordance with the policies for reimbursement of employees of the foundation.
- Section 9.** Telephone Conference Calls. The members of the Board of Trustees or of any committee designated by the Board of Trustees may participate in a meeting of the Board of Trustees or committee by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other, and participation in a meeting in this manner shall constitute presence in person at the meeting.
- Section 10.** Action by Consent. Any action which is required to be or may be taken at a meeting of the Board of Trustees, or of the Executive Committee or any other committee of the Board of Trustees, may be taken without a meeting if consents in writing, setting forth the action so taken, are signed by all of the members of the Board of Trustees or of the committee as the case may be. The consents shall have the same force and effect a unanimous vote at a meeting duly filed under Chapter 355, Revised Statutes of Missouri, as amended. The secretary shall file the consents with the minutes of the Board of Trustees or of the committee as the case may be.

**Section 11.** Conflict of Interest. Where a Trustee may be related in any way to any firm or organization with which the Corporation conducts or may consider conducting business, that relationship must be disclosed by that Trustee to the full Board of Trustees. Any transaction involving a potential conflict of interest between a Trustee and the Corporation shall be conducted with fair, open and honest bidding or other objective measure to promote the best interests of the Corporation. Decisions regarding a transaction involving a potential conflict of interest between a Trustee and the Corporation shall be made only after open discussion at a meeting of the full Board of Trustees. The Trustee with the potential conflict may properly participate in such discussion, may not be counted in the quorum necessary to hold the meeting, and shall not vote in the final decision. Each member of the Board of Trustees shall annually complete a Conflict of Interest form and submit same to the Secretary of the Corporation.

**Section 12.** Absence. Any elected officer or trustee who shall be absent from two (2) regular meetings of the Board of Trustees during a single administrative year, without first being excused for good reason by the Chair (or the Vice-Chair in the Chair's absence), shall automatically vacate his/her seat on the Board of Trustees and the vacancy shall be filled as prescribed in the By-laws; however, the Board of Trustees shall consider each absence of an elected officer or trustee as a separate circumstance and may expressly waive such absence by affirmative vote of a majority of its members.

## ARTICLE V

### Officers

**Section 1.** Officers. The officers of the Corporation shall be a Chair, a Vice-Chair, a Secretary and a Treasurer and such other officers as may be elected in accordance with the provisions of this Article. Any two or more offices may be held by the same person except that no person may hold both the offices of Chairman and Secretary.

**Section 2.** Election. The officers of the Corporation shall be elected every year by the Board of Trustees at the Annual Election. Each officer shall hold office for one year and until his successor shall have been duly elected and shall have qualified.

**Section 3.** Removal. Any officer elected or appointed by the Board of Trustees may be removed by the Board of Trustees whenever in its judgment the best interests of the Corporation would be served thereby.

**Section 4.** Vacancies. A vacancy in any office may be filled or new offices created and filled at any regular or special meeting or by mail-in vote of the Board of Trustees. An officer elected to fill a vacancy shall be elected or appointed for the unexpired term of his predecessor in office.

**Section 5.** Duties of the Chairman; Term Limit. When elected, the Chairman shall preside at meetings of the Board of Trustees and, subject to the direction and control of the Board of Trustees, shall direct the policy and oversight of the Corporation. The Chairman shall perform such other duties as may be prescribed by the Board of Trustees from time to time, including chairing the Executive Committee. An individual may not serve more than three consecutive terms as Chairman, in addition to filling any unexpired term of his/her predecessor in office. Upon

completion of the Chair's three, one-year terms, he/she becomes the Immediate Past Chair and shall (unless otherwise decided by the full Board) serve one additional year on the Board for the purposes of leadership and institutional continuity.

**Section 6.** Duties of the Vice-Chair; Term Limits. When elected and in the absence of the Chair, or in the event of the Chair's inability or refusal to act, the Vice-Chair shall preside at all meetings of the Board of Trustees, **and** shall perform such other duties as may be prescribed by the Board of Trustees from time to time. An individual may not serve more than three consecutive terms as Vice-Chair, in addition to filling any unexpired term of his predecessor in office.

**Section 7.** Duties of the Treasurer. If required by the Board of Trustees, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Trustees shall determine, the expense of which shall be paid by the Corporation. He/she shall have charge and custody of and be responsible for all funds of the Corporation; receive and give receipts for moneys due and payable to the Corporation from any source whatsoever, and deposit all such moneys in the name of the Corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of these By-Laws; and in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned by the Chairman or by the Board of Trustees, including Chairing the Financial Oversight Committee.

**Section 8.** Duties of the Secretary. The Secretary shall keep the minutes of the meeting of the Board of Trustees in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these By-Laws or as required by law; be custodian of the corporate records; and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned by the President or by the Board of Trustees.

## ARTICLE VI

### Committees

**Section 1.** Formation of Committees with Management Authority. The Board of Trustees, by resolution adopted by a majority of the Trustees in office, may designate committees, in addition to the Executive Committee, Governance Committee, Planning & Assessment Committee and the Financial Oversight Committee set forth in this Article VI, which shall have and exercise the authority of the Board of Trustees in the oversight of the Corporation to the extent provided in said resolution or in these By-Laws. Designation of such committees and the delegation of authority thereto shall not operate to relieve the Board of Trustees, or any individual Trustee, of any responsibility imposed upon it or him by law. Each such committee shall consist of two or more Trustees.

**Section 2.** Executive Committee. The Chair of the Board of Trustees will chair the Executive Committee. Membership on the Executive Committee will include the Board's (1) chair; (2) Vice-Chair; (3) chairs of the two standing committees which the Vice-Chair does not Chair and (4) chair of the Foundation's advisory committee (Scientific Advisory) subject to ratification by the Board of Trustees, at the Annual Election. Between meetings of the Board of Trustees, the Executive

Committee shall have and exercise the power and authority of the Board of Trustees in the oversight of the Corporation except for matters relating to the finances of the Corporation. The Board of Trustees may withdraw or limit the powers of the Executive Committee at any time and, subject to the rights created in outside parties, may amend or rescind any action taken by the Executive Committee.

Other functions include: (1) ensuring effective delegation from the Board to the President/CEO including acting as adviser; reviewing the President/CEO's performance; dealing with sensitive human resource and/or emergency issues, (2) organize the work of the Board in terms of planning Board meetings; approving Board agendas; delegating responsibilities; and receiving departmental reports through the President/CEO.

The Executive Committee will meet via teleconference in advance of regular Board meetings and on an "as needed" basis; meetings will be called by the Board Chair in consultation with the President/CEO.

**Section 3.** Financial Oversight Committee. The Financial Oversight Committee shall consist of the Treasurer and at least three additional Trustees appointed by the Chairman annually at the Annual Election. Between meetings of the Board of Trustees, the Financial Oversight Committee shall have and exercise the power and authority of the Board of Trustees in the oversight of the finances of the Corporation. The Board of Trustees may withdraw or limit the powers of the Financial Oversight Committee at any time and, subject to the rights created in outside parties, may amend or rescind any action taken by the Financial Oversight Committee.

The Financial Oversight Committee is to be responsible for the review and oversight of all financial matters, including but not limited to: (a) budget review and recommendation; (b) review of interim financial statements; (c) work and interface with independent auditors as appropriate and presentation of the auditor's report with accompanying annual financial statements to the Board; and (d) oversight of contract management and review/update of the organization's bylaws.

Other functions include: (1) Ensuring the organization's alignment with legal and/or ethical norms such as Sarbanes-Oxley, etc.; (2) Reviewing accounting procedures and practices employed by the Foundation to insure the quality and integrity of financial systems; and (3) at least one fund-raising initiative for which it is responsible. The Financial Oversight Committee will meet prior to every Board meeting and as often as necessary for the fulfillment of their tasks, with meetings called by the Committee Chair in consultation with the Chairman of the Board and the President/CEO.

**Section 4.** Governance Committee. The Governance Committee shall consist of a Chair and at least three additional Trustees appointed by the Chairman. The Governance Committee shall nominate one eligible person for each Trusteeship and office to be filled by vote of the Board of Trustees and shall report its nominees to the Board of Trustees prior to such vote. The Governance Committee shall ensure that a candidate for the office of Vice-Chair is nominated at least 18 months in advance of the current Chair's term completion, in order to allow for sufficient overlap and time for implementation and execution of a transition plan. The Governance Committee shall

serve in a leadership capacity regarding the identification, recruitment, nomination, orientation and retention of Board members and will seek to identify the Board's (1) needs, (2) size, and (3) the mix of key competencies its members represent. The Governance Committee shall be responsible for cultivating and qualifying appropriate candidates, managing the Board officer selection process, overseeing new member orientation and ongoing Board training, and engaging all members in meaningful service.

Other functional responsibilities include at least one fund-raising initiative for which it is responsible, and periodic review of organizational structure/function to ensure continued effectiveness including, but not limited to, Board tenure, Board size, and related issues. The Governance Committee will meet prior to every Board meeting and as often as necessary for the fulfillment of their tasks, with meetings called by the Committee Chair in consultation with the President/CEO.

**Section 5.** Planning & Assessment Committee. The Planning & Assessment Committee shall consist of a Chair and at least three additional Trustees as appointed by the Chairman of the Board for the purpose of assuring the organization remains true to its mission and vision through the careful development of supportive strategies, tactics, business planning and metrics and to generate regular reports to the Board of Trustees regarding execution plans, related costs, progress and outcome measurements and be responsible for at least one fund-raising initiative.

**Section 6.** Formation of Other Committees not having Management Authority. Other committees not having and exercising the authority of the Board of Trustees in the management of the Corporation, may be designated by a resolution adopted by the Board of Trustees at a regular meeting, at a special meeting or by mail-in or electronic vote. Except as set forth otherwise herein, any such committee may consist of Trustees and non-Trustees. The chair of each committee and its non ad-hoc members shall be elected members of the Board of Trustees.

**Section 7.** Formation of Task Forces not having Management Authority: As a general rule, prior to any meeting of the board (but not less than 45 days), any Board member may recommend to the Executive Committee an item for potential inclusion on the agenda. After presentation and discussion, the board's chair (in consultation with one or more of the committee chairs) will determine if the issue at hand should be handled by staff or if a Task Force should be formed to research the issue and submit an action plan to the full Board.

In general, a Task Force, (a) will consist of between 3-7 members, (b) will emanate from the function being addressed by its committee of origin, (c) can also have its genesis in the recommendation from Executive staff and Department heads, (d) will exist for 3 to 6 months (longer or shorter, if necessary – based on achievement of its goals) and then disband, (e) will not require the establishment of a “job description,” (f) and will bring its recommendation(s) back to the Board of Trustees for review and (possible) action.

If the Executive Committee approves the formation of a Task Force, the Chairman shall – at his/her discretion, appoint its members and/or delegate same to the Governance Committee.

**Section 8.** Tenure of Committee Members. Each member of the Executive Committee, Financial Oversight Committee, Planning & Assessment Committee and Governance Committee shall continue as

such for a one year term and until his/her successor is appointed, unless the committee shall be sooner terminated, or unless such member is removed from such committee, or unless such member shall cease to be a Trustee or otherwise qualify as a member thereof. Each member of any other committee shall continue as such for a one-year term and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member is removed from such committee, or unless such member shall cease to be a Trustee or otherwise qualify as a member thereof. Vacancies in the membership of any committee shall be made in the same manner as provided for original appointments.

**Section 9.** Quorum. Unless otherwise provided in the resolution of the Board of Trustees designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members of a committee present at a meeting at which a quorum is present shall be the act of the committee.

**Section 10.** Committee Rules. Each committee may adopt rules for its own governance not inconsistent with these By-Laws or with rules adopted by the Board of Trustees.

**Section 11.** Form of Meeting. Any committee formed hereunder may meet in person, conduct its business by agreement in writing, or participate in a meeting by means of conference telephone, or similar communications equipment whereby all persons participating in said meeting can hear each other, unless the Board of Trustees shall expressly withhold from a committee any of such authorized forms of conducting business.

**Section 12.** Advisory committees, by their nature, are intended to connect the Board and the organization as a whole with key organizational constituencies which possess unique knowledge/experience/skills helpful to complement the Board's work – not duplicate or intrude upon it.

The Board shall maintain one advisory committee, the Scientific Advisory Committee. The Chair of this advisory committee shall (a) serve on the Executive Committee; (b) serve on the board as an ex-officio, voting member, and (c) annually report to the Board of Trustees.

## ARTICLE VII

### Scientific Advisory Committee

**Section 1.** General. The Scientific Advisory Committee ("SAC") is an advisory body which shall provide guidance and input to the Board of Trustees and the Corporation regarding scientific matters in the area of renal cystic diseases as they relate to research, professional education and the application of these matters to clinical science. The SAC shall also be responsible for guidance and development of research programs of the Corporation.

**Section 2.** Membership. The Board of Trustees may appoint to membership in the SAC, physicians and scientists who have demonstrated professional interest, expertise, scientific acumen and scholarly work in the broad field of renal cystic diseases.

**Section 3.** Officers; Removal. The Board of Trustees shall appoint a member of the SAC to act as Chair of

the SAC, and may create other SAC officer positions to be filled by members of the SAC. Any person so appointed as a member of the SAC or as one of its officers may be removed by the Board of Trustees whenever in its judgment the best interests of the Corporation would be served thereby. The SAC Chair shall serve on the Executive Committee.

**Section 4.** Governance. The SAC shall govern its operation pursuant to its by-laws which, together with all alterations, amendments and repeals thereto, shall be subject to approval by the Board of Trustees.

## **ARTICLE VIII**

### Contracts, Checks, Deposits and Funds

**Section 1.** Contracts. The Board of Trustees may authorize any officer or officers, agent or agents of the Corporation, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation and such authority may be general or confined to specific instances.

**Section 2.** Checks, Drafts, and Other Instruments. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation, shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Trustees.

**Section 3.** Deposits. All funds of the Corporation shall be deposited to the credit of the Corporation in such banks, trust companies, or other depositories as the Board of Trustees may select.

**Section 4.** Gifts. The Board of Trustees may accept on behalf of the Corporation any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Corporation.

## **ARTICLE IX**

### Books and Record

The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, Board of Trustees and committees having any of the authority of the Board of Trustees.

## **ARTICLE X**

### Fiscal Year

The fiscal year of the Corporation shall begin on the first day of July and end on the last day of June in each year.

## **ARTICLE XI**

## Seal

The Board of Trustees shall provide a corporate seal which shall be in the form of a circle and shall have inscribed therein the name of the Corporation.

## **ARTICLE XII**

### Indemnification

Every person who is or shall be or shall have been a Trustee or officer of the Corporation and his personal representatives shall be indemnified by the Corporation against all costs and expenses reasonably incurred by or imposed upon him in connection with or resulting from any action, suit or proceeding to which he may be made a party by reason of his being or having been a Trustee or officer of the Corporation or of any subsidiary or affiliate thereof, except in relation to such matters as to which he shall finally be adjudicated in such action, suit or proceeding to have acted in bad faith and to have been liable by reason of willful misconduct in the performance of his duty as such Trustee or officer. "Costs and expenses" shall include, but are not limited to, attorneys' fees and expenses and other out-of-pocket expenses as incurred, damages and reasonable amounts paid in settlement.

## **ARTICLE XIII**

### Amendments

These By-Laws may be altered, amended or repealed and new By-Laws may be adopted by the affirmative vote of two-thirds of the Trustees present at any meeting at which a quorum is present, provided that due notice of such meeting embodying such proposed changes shall have been furnished to or waived by all Trustees.

## **ARTICLE XIV**

### Dissolution

Upon the dissolution of the Corporation, the Board of Trustees shall, after paying or making provision for the payment of all of the liabilities of the Corporation, dispose of all the assets of the Corporation exclusively for the purposes of the Corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable and educational purposes as shall at the time qualify as an exempt organization or organizations under Section 501 (c) (3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law), as the Board of Trustees shall determine. Any such assets not so disposed of shall be disposed of by the Circuit Court of the County in the State of Missouri in which the principal office of the Corporation is then located, exclusively for the purposes of the Corporation in such manner, or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.