

BYLAWS
OF
PHOENIX DERMATOLOGIC SOCIETY

ARTICLE 1

Section 1.1 - Location. The location of the corporation and its principal office shall be at 11130 N. Tatum Blvd, Suite 100, Phoenix, AZ 85028, but the corporation may have such other offices, within and without the State of Arizona, as the affairs of the corporation in the opinion of the Board of Directors may require.

Section 1.2 - Fiscal Year. The fiscal year of the corporation shall end on December 31 of each year.

ARTICLE 2

Members

Section 2.1 - Membership Categories. The corporation shall have members. There shall be five categories of Members, as follows:

2.1.1 Fellow - Fellow members shall be medical (M.D.) or osteopathic (D.O.) dermatologists and/or dermatopathologists residing in Arizona, certified or eligible for certification by the American Board of Dermatology or the American Osteopathic Board of Dermatology.

2.1.2 Associate - Associate members shall be medical (M.D.) or osteopathic (D.O.) physicians of other specialties that are closely affiliated with dermatology. This member must reside in the state of Arizona.

2.1.3 Resident - Resident members shall be any medical (M.D.) or osteopathic (D.O.) physician engaged in training at a certified residency program in the state of Arizona.

2.1.4 Affiliate – Affiliate members shall be any nurse practitioner or physician’s assistant working with a Fellow of the Society.

2.1.5 Honorary - Honorary members of the Society may be elected by the membership upon recommendation of the Board of Directors and shall be laymen or physicians distinguished for service or high achievement in dermatology in the state of Arizona.

Section 2.2 – Dues. As a condition of membership, Fellow Members, Associate Members and Affiliate Members shall be required to pay dues on an annual basis, at such levels as established by the Board of Directors. The continuing failure, for a period of one hundred eighty (180) days, to pay dues shall result in the loss of Membership privileges until dues are brought current.

Section 2.3 – Privileges. The privileges associated with each category of membership shall be as follows:

2.3.1 Fellow members shall be equally privileged to vote, hold office and participate in all open and Fellow only meetings of the Society, to attend and take part in all proceedings, and to enjoy all of the rights and privileges conferred by the Society upon its members.

2.3.2 Associate members may participate in all open meetings of the Society and enjoy all other rights and privileges conferred upon the members of the Society, except that they shall not have the right to vote or hold office.

2.3.3 Resident members may participate in all open meetings of the Society and enjoy all other rights and privileges conferred upon the members of this Society, except that they shall not have the right to vote or to hold office. Resident members shall be exempt from annual dues.

2.3.4 Affiliate members rights and privileges in the Society will be limited to those expressly extended to them by the Fellows of the Society. They shall not have the right to vote, to hold office, serve as a member of the Board, or serve on any committee of the Society. As of the writing of these by-laws, affiliate members may attend all open meetings and participate in other organized events in which the society is engaged.

2.3.5 Honorary members may participate in all open meetings of the Society and enjoy all other rights and privileges conferred upon members by the Society except that they shall not have the right to vote or to hold office. Honorary members shall be exempt from annual dues.

Section 2.4 – Meetings of Members. Membership meetings shall be held as follows:

2.4.1 There shall be four regular meetings of the Members each year. The election of Officers and Directors for each upcoming two-year term shall take place at the last regular meeting of the preceding year. All regular meetings of the Members shall be scheduled by the President. Members shall be given at least two weeks' advance notice of all regular meetings.

2.4.2 Special meetings for the transaction of stated business only, may be called by the president, the Board of Directors, or by petition by any five active Fellow

members of the Society. The membership shall be given at least two (2) weeks' notice of a special meeting.

2.4.3 Twenty percent (20%) of the Members eligible to vote shall constitute a quorum at any meeting of the Members.

Section 2.5 – Application For Membership.

2.5.1 Applicants for membership shall submit to the Secretary/Treasurer of the Society a curricula vitae and two letters of recommendation. One of the letters of recommendation shall be from a person who can attest to the applicant's ability and ethical character. The second letter of recommendation shall be from a member of the Society. The applicant must agree to abide by these by-laws, any amendments to the by-laws, and any future revision of the by-laws. The applicant must agree to be bound by the provisions of these by-laws relating to consideration of applications. The Secretary/Treasurer shall review the application and if it meets the criteria for the membership category being applied for, will present it to a quorum of the Society for consideration.

2.5.2 Each applicant shall agree, by signing the application form, to waive all rights to legal actions against all persons involved in:

- (a) Providing information to the Society;
- (b) Review of any application; and,
- (c) Any other matters undertaken by the Society or its membership with respect to Society membership. The exclusive remedy for any action taken by the Society or its members connected with application of membership or termination of membership shall be to seek a review of the

correctness of decisions made. Whether a review should be conducted and the nature of that review shall be at the sole discretion of the president of the Society. A three-quarter majority vote of a quorum of Fellow members of the Society is required to adopt any recommendation from this review. No action undertaken by an applicant or member seeking such review shall contain or be joined with any claim for money damages.

2.5.3 The Secretary/Treasurer shall review the application and undertake whatever investigation is necessary in order to determine that the applicant meets the criteria for the membership category being applied for, is of high moral and ethical character, and possesses exceptional professional standing. Investigation may, but need not include, an interview with the applicant. The Secretary/Treasurer shall determine whether or not to recommend an applicant for membership. A recommended applicant shall be presented to a quorum of the Fellow members of the Society for consideration at the next business meeting. Following the presentation, the membership shall vote on the applicant. An applicant whom the Secretary/Treasurer does not recommend for membership may appeal to the President of the Society who can override the Secretary/Treasurer's determination. If the President concurs not to recommend the applicant for membership, this will be considered final.

2.5.4 Election to membership shall be made by three-quarters majority of a quorum of the Society. The result of the vote shall be promptly conveyed to the applicant by the Secretary/Treasurer.

Section 2.6 – Term of Membership. Society membership shall be for a period of one calendar year or the remainder thereof, with renewal based upon the payment of

annual dues and the continued meeting of the requirements of the category of membership held. Membership shall terminate upon the occurrence of any of the following:

2.6.1 Fellow, Associates and Affiliate memberships shall terminate upon failure to pay dues with 180 days of the dues payment deadline. Society membership may be reinstated by the payment of all past dues.

2.6.2 Affiliate membership shall terminate upon failure to maintain employment with a dermatologist who is a Fellow of the Society 90 days after such employment terminates. This category of membership may be terminated by a majority vote of a quorum of Fellows of the Society. The Society and its members will be under no obligation to provide compensation or refund of dues in either case.

2.6.3 Resident membership shall be terminated if 90 days pass without active participation in residency training or upon completion of residency training.

2.6.4 The membership of any individual may be terminated by a three-quarters majority vote of a quorum of the Society. The cause of termination shall be entirely at the discretion of the Society.

2.6.5 If a member of the Society does not reside in the state of Arizona for a period of one year, the membership of that individual shall be terminated. A waiver of this termination clause may be obtained from the president of the Society and the waiver will be effective for one year. Additional waivers may be granted for subsequent years at the sole discretion of the president of the Society.

ARTICLE 3

Board of Directors

Section 3.1 - Number of Directors. The affairs of the corporation shall be managed by a Board of Directors of not less than three (3) nor more than thirty-five (35) directors.

Section 3.2 - Election of Directors. The directors shall be elected by the Members at the annual meeting of the Members to a term of two (2) years. All elected officers shall be deemed to have been elected as Directors.

Section 3.3 - Vacancies. Any vacancy or vacancies occurring on the Board of Directors may be filled by the affirmative vote of a majority of the remaining directors, though less than a quorum, and any director so chosen shall hold office until the next annual meeting of directors or until his or her successor is elected and qualified. Any newly created directorship shall be deemed a vacancy.

Section 3.4 - General Powers. The Board of Directors shall have the power to control and manage all of the affairs and property of the corporation, to exercise, in addition to the powers and authorities expressly conferred upon it by these bylaws or by the Articles of Incorporation, but subject to all restrictions on such powers expressly provided therein, all powers that may be lawfully exercised, and to cause the corporation to do all things that may lawfully be done by the corporation. Without limiting the generality of the foregoing, the Board of Directors may restrict, enlarge or otherwise modify the powers and duties of any or all of the officers of the corporation. Further, the Board shall have the power to decide finally and to effectuate and perform decisions of the Board regarding to whom and in what amounts and at what times and under what

conditions contributions, payments and distributions shall be made in furtherance of the pursuits and objects of this corporation; accordingly, the Board shall make such contributions, payments and distributions of the corporation's properties and assets and income as may be decided upon from time to time by a decision of the majority of the Board as contained in its minutes; further, in lieu of making contributions, payments and distributions in the form of cash monies, the pursuits and objects of this corporation may be accomplished by distribution of the corporation's properties in kind, or the Board may, as it sees fit, undertake the accomplishment of the pursuits and objects by undertaking projects, establishing scholarships or similar funds, or maintaining scientific research and studies, but all nevertheless strictly of the type permitted under the Articles of Incorporation.

The Board shall have the power, if the Board should so decide, to appoint a corporate trustee or investment advisor to receive, manage, hold, invest and disburse funds or properties or assets of the corporation, subject to the control and decision of the Board in exercising its powers pursuant to the immediately preceding paragraph hereof; and in these connections, the Board may enter into a contract or agreement with such corporate trustee or investment advisor containing the various terms and conditions covering such relationship, including but not restricted to the powers and duties of the corporate trustee or investment advisor.

The Board shall have the power to pay salaries or other compensation to Directors and officers for personal services actually rendered by them, but such salaries or compensations shall not be in excess of a reasonable allowance for such personal services rendered by such Directors and officers.

Notwithstanding anything herein to the contrary, it is strictly understood and agreed that the Board's powers, prerogatives, duties and responsibilities shall be vested in them and shall be exercised by them strictly in a fiduciary capacity to carry out, perform and accomplish the pursuits and objects of this corporation and their powers are expressly limited so as to do nothing nor accomplish any act which would be in contravention or derogation of the pursuits and objects as stipulated above.

Section 3.5 - Quorum. Fifty and 1/100 percent (50.01%) of the number of directors which would constitute a full Board of Directors, as of the time of any meeting of the Board of Directors, shall constitute a quorum for the transaction of business at that meeting, but a lesser number may adjourn any meeting to a stated time and place. No notice need be given to any director of the time and place at which a meeting will be reconvened, provided such time and place are announced at the meeting prior to adjournment.

Section 3.6 - Manner of Acting. When a quorum is present at any meeting of the Board of Directors, the act of a majority of the directors present shall constitute the act of the Board of Directors except as may be otherwise provided by law or in these bylaws.

Section 3.7 - Acting Without Meeting. Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if a consent in writing setting forth the act is signed by all of the directors. The consent shall have the same force and effect as a unanimous vote.

Section 3.8 - Committees. A majority of the number of directors which would constitute a full Board of Directors as of the time the directors so act may designate one or more committees, each of which may be give part or all of the authority of the Board

of Directors, except that no such committee shall exercise the authority of the Board of Directors in reference to the following matters: (a) filling vacancies on the Board of Directors or any committee thereof, (b) adopting, amending, or repealing any bylaws, (c) fixing the compensation of directors, (d) electing or removing any officer of the Board, or (e) amending the corporation's Articles of Incorporation. Membership on committees and the chairmanship of committees shall be determined by the President. The Board of Directors, with or without cause, may dissolve any such committee or remove any director from any committee at any time.

All committees, including the standing committees, shall have and exercise the authority of the Board only to the extent provided by written resolution of the Board.

Section 3.9 - Annual Meeting. The annual meeting of the Board of Directors shall be held immediately prior to the last meeting of the Members in each calendar year. Notice of the annual meeting stating its time and place shall be given to each director in one of the following ways: (a) by communicating actual notice to the director at least seventy-two (72) hours before the time of such meeting, (b) by written notice left at or telegraphed to a usual place of business of the director or to his or her residence at least ten (10) days before the time of the meeting, or (c) by placing a written notice in the mail, postage prepaid, addressed to a usual place of business or to the residence of the director at least ten (10) days before the time of the meeting. Any person who has given notice hereunder may make an affidavit that the notice was given, which, as to the facts stated therein, shall be conclusive. Notice of any meeting of the Board of Directors may be waived in writing before or after the meeting by any director, and the presence of any director at any meeting of the Board of Directors shall be deemed a waiver of notice by

him or her unless the director attends the meeting for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called or convened. Any meeting of the Board of Directors may be held by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this section shall constitute presence in person at such meeting.

Section 3.10 - Special Meetings. Special Meetings of the Board of Directors may be called by the Secretary at the request of any one (1) or more directors. Notice of any special meeting stating its time and place shall be given to each director in one of the following ways: (a) by communicating actual notice to the director at least seventy-two (72) hours before the time of such meeting, (b) by written notice left at or telegraphed to a usual place of business of the director or to his or her residence at least ten (10) days before the time of the meeting, or (c) by placing a written notice in the mail, postage prepaid, addressed to a usual place of business or to the residence of the director at least ten (10) days before the time of the meeting. Any person who has given notice hereunder may make an affidavit that the notice was given, which, as to the facts stated therein, shall be conclusive. Notice of any meeting of the Board of Directors may be waived in writing before or after the meeting by any director, and the presence of any director at any meeting of the Board of Directors shall be deemed a waiver of notice by him or her unless the director attends the meeting for the express purpose of objection to the transaction of any business because the meeting was not lawfully called or convened.

Section 3.11 - Place of Meetings. Meetings of the Board of Directors, annual or special, may be held either within or without the State of Arizona. If an annual

meeting is held at a place other than the corporation's principal office, the notice provisions of Section 3.10 shall apply to the annual meetings as if the annual meeting were a special meeting.

Section 3.12 - Removal and Resignations. Any director may be removed at any time, with or without cause, by a fifty and 01/100 percent (50.01%) vote of the directors then in office. Any director who is absent from three consecutive board meetings or is absent from more than twenty-five percent (25%) of the board meetings in any fiscal year will be removed automatically unless the Board acts affirmatively to retain the director. A director may resign at any time by written notification to the corporation at its principal office or to the corporation's statutory agent. Unless otherwise specified in the notice, said notice shall be effective upon receipt thereof by the corporation.

ARTICLE 4

Officers

Section 4.1 – President, Vice President, Secretary and Treasurer. The officers of the corporation shall consist of a President, Vice President / President Elect, and a Secretary / Treasurer. The officer shall be elected at the annual meeting of the Members by a majority of the Members present at the meeting. The officers shall serve for a two-year term, beginning on the first day of the calendar year following their election.

Section 4.2 - Other Officers. Such other officers and agents as may be deemed necessary may be elected or appointed by the Board of Directors or by any officer of the corporation to whom the authority has been delegated by express resolution of the Board of Directors.

Section 4.3 - Authority of Officers. All officers of the corporation, as between themselves and the corporation, shall have only such general and specific authority and perform only such general and specific duties in the management of the corporation as provided in these bylaws or by the Board of Directors.

Section 4.4 - President. The President shall have the general powers and duties of managing and operating the business of the corporation and shall see that all orders and resolutions of the board are carried into effect. The President shall have the power to employ such staff personnel as he or she may deem necessary for the transaction of the business of the corporation, subject to the prior approval by the Board, of the individual or individuals, compensation and tenure, and the President shall have such additional powers and duties as may be vested in him from time to time by the Board of Directors.

Section 4.5 - Vice President/President Elect. In the absence of the president or in the event of his death, inability or refusal to act, the vice president (or in the event there be more than one vice president, the vice presidents in the order designated at the time of their election, or in the absence of any designation, then in the order of their election) shall perform the duties and exercise the powers of the president. Any vice president shall have such powers and perform such duties as may be delegated to him by the board of directors.

Section 4.6 - Secretary. The Secretary shall keep or cause to be kept accurate minutes of all meetings of the Board of Directors and Executive Committee and shall perform all the duties commonly incident to the office of Secretary of a nonprofit corporation and shall have such other powers as the Board of Directors shall from time to time determine. The Secretary shall keep the corporation's minute record. The Secretary

shall serve all notices required either by law or by these bylaws and in case of his or her absence or refusal or neglect so to do, notices may be served by any person thereunto directed by the President. In the absence of the Secretary or Assistant Secretary if any elected or appointed, a Secretary pro tem may be appointed to perform the duties of the Secretary.

Section 4.7 - Treasurer. The Treasurer shall have charge of the funds of the corporation and shall be the general financial agent for the corporation. The Treasurer shall keep or cause to be kept full and accurate accounts of the financial affairs of the corporation, shall render or cause to be rendered a statement of the financial affairs of the corporation at each annual meeting of the Board of Directors and whenever else the Board of Directors may require. The Treasurer shall have such other powers and perform such other duties as the Board of Directors shall determine from time to time.

Section 4.8 - Other Officers. Such other officers as may be deemed necessary shall have such powers and duties as are usually vested in such officers in nonprofit corporations, unless the person or persons appointing them decrease those powers or duties, and shall have such other powers and duties as the Board of Directors shall determine from time to time.

Section 4.9 - Removal of Officers. Any officer elected or appointed may be removed by the person or persons authorized to elect or appoint such officer whenever in their judgment the best interests of the corporation will be served by the removal, but such removal shall be without prejudice to the contract rights, if any, of the person removed. Election or appointment of an office shall not of itself create contract rights. Nothing in this Article shall be construed to limit the authority of the Board of Directors,

or any properly authorized committee or member thereof, or of any properly authorized officer, to cause the corporation to enter into a binding contract with an officer according to the terms of which the officer will render services to the corporation for a period of more than one year.

ARTICLE 5

Solicitation and Acceptance of Funds

Section 5.1 - Solicitation of Funds. The corporation may solicit contributions from any persons or corporations upon such terms and conditions consistent with the provisions of Articles of Incorporation and subject to the provisions of Sections 5.2, as the directors shall deem appropriate.

Section 5.2 - Acceptance of Funds. The corporation may accept contributions, grants and gifts from any persons, partnerships, corporations, governmental entity or other entities upon such terms and conditions, consistent with the provisions of the Articles of Incorporation, as the directors shall deem appropriate.

Section 5.3 - Investment of Funds. Consistent with the provisions of the Articles of Incorporation, the corporation may retain or dispose of any investments and other assets contributed to it pursuant to Section 5.1 and 5.2 and may invest and reinvest in such bonds, notes, certificates of deposit and other securities as the directors shall deem appropriate; provided, however, that the corporation shall not retain or invest in any real property, equity securities, partnership interests or business enterprises except upon the approval of the Board of Directors in each case.

ARTICLE 6

Execution of Instruments

Section 6.1 - Checks. All checks, drafts and order for payment of money shall be signed in the name of the corporation by any officer of the corporation authorized by the Board to so act.

Section 6.2 - Contracts, and Conveyances. When the execution of any contract, conveyance or other instrument has been authorized by the Board, the President or any Vice President, and the Secretary or Assistant Secretary, may execute the same in the name and on behalf of this corporation and may affix the corporate seal thereto. The Board shall have power to designate the officers and agents who shall have authority to execute any instrument on behalf of this corporation.

ARTICLE 7

Power to Borrow Money

Section 7.1 - Power of Board to Borrow Money. The Board shall have full power and authority to borrow money whenever in the discretion of the Board the exercise of said power is required in the general interests of this corporation, and in such case the Board may authorize the proper officers of this corporation to make, execute and deliver in the name and on behalf of this corporation such notes, bonds and other evidences of indebtedness as said Board shall deem proper, and said Board shall have full power to mortgage the property of this corporation, or any part thereof, as security for such indebtedness.

ARTICLE 8

Amendment of Bylaws

Section 8.1 - Amendments. The Board of Directors shall have the power to amend, alter or repeal these bylaws and to adopt new bylaws by a sixty-six percent (66%) vote of the directors then in office. Any amendment, alteration or repeal of these bylaws shall not be effective until ratified by the majority of those Members eligible to vote at a regularly scheduled or special meeting of the Members.

ARTICLE 9

Extraordinary Acts

Section 9.1 - Extraordinary Acts. Any merger, consolidation, sale of all, or substantially all, of the assets, or voluntary dissolution of this corporation shall require an affirmative vote of seventy-five percent (75%) of all of the directors then in office and a majority of those Members eligible to vote.

CERTIFICATION OF ADOPTION

The undersigned certifies that the foregoing bylaws were duly adopted by the Board of Directors of Phoenix Dermatologic Society, an Arizona nonprofit corporation by Consent in Lieu of Minutes of the Organizational Meeting of the Board of Directors dated the 12th day of November, 2011 and ratified at a meeting of the Members on December 11, 2011.