

BYLAWS OF THE ANESTHESIA QUALITY INSTITUTE

A District of Columbia Nonprofit Corporation

ARTICLE I

Name and Purpose

1.1 Name. The name of the corporation is the Anesthesia Quality Institute (AQI).

1.2 Purpose. AQI is organized and operated exclusively for charitable, educational, and scientific purposes within the meaning of section 501(c)(3) of the Internal Revenue Code of 1986 (the “Code”). In furtherance of these purposes, AQI will promote patient health and safety through the fostering of advances in quality of care measurement and improvements in the delivery of anesthesia medical care.

ARTICLE II

Offices and Registered Agent

2.1 Offices. AQI shall maintain continuously in the District of Columbia a registered office at such place as may be designated by the Board of Directors of AQI (“AQI Board”) or the Chief Executive Officer (“CEO”) of AQI. AQI may also have offices at such other places, both within and without the District of Columbia, as the AQI Board may from time to time determine.

2.2 Agent. AQI shall maintain continuously within the District of Columbia a registered agent, which agent shall be designated by the AQI Board or the CEO.

2.3 Changes. Any change in the registered office or registered agent of AQI shall be accomplished in accordance with the District of Columbia Nonprofit Corporation Act, D.C. Code, 2010 edition, Title 29, Chapter 4 (“D.C. Nonprofit Corporation Act”), and as provided in these Bylaws.

ARTICLE III

Board of Directors

3.1 General Powers and Duties. The policies of AQI shall be determined, and its affairs shall be managed, by the AQI Board, except for those powers reserved in this Article III and in Articles V, VII, VIII and IX, to the Board of Directors of The American Society of Anesthesiologists, Inc., (“ASA” and the “ASA Board,” respectively), a New York not-for-profit, nonstock corporation exempt from income tax under section 501(a) of the Code as an organization described in section 501(c)(6). The AQI Directors shall act only as a Board of Directors, or as a committee thereof; individual Directors shall have no power as such. Directors need not be citizens of the United States, or residents of the District of Columbia. All books, records, papers, and other properties of AQI shall at all times be subject to the inspection, supervision, and control of the AQI Board.

3.2 Composition of the Board of Directors.

3.2.1 Appointment. The AQI Board will make recommendations of nominees to the President of ASA, who shall submit a slate of nominations to the ASA Administrative Council for approval and to the ASA Board for final approval.

3.2.2 Number and Composition. The number of Directors of AQI shall be not less than six (6) or more than eight (8) and shall have the following composition: the CEO, who shall serve as an ex-officio Director and shall not be entitled to a vote; three (3) members of the ASA Administrative Council; an additional member or past member of the ASA Administrative Council, who shall serve as Chairperson of the AQI Board; one (1) member of the ASA Board; and up to two (2) additional Directors, who shall be ASA Active Members in good standing and may be members of the ASA Board. The composition of the AQI Board should seek to reflect a balance of practice models.

3.2.3 Term. Except as provided in Section 3.2.4 of this Article III, Directors shall serve for a term of three years or until their successors are appointed and qualified, or until their earlier resignation, removal, or death. A decrease in the number of Directors shall not reduce the term of any incumbent Director. Directors may be nominated by the AQI Board for additional terms, subject to approval by the ASA Administrative Council and final approval by the ASA Board.

3.2.4 Vacancies. Vacancies in the AQI Board shall be deemed to exist in the event of the resignation, removal, or death of a Director. In the case of a vacancy, the AQI Board shall make recommendations of nominees to the President of ASA, who shall submit a nomination to the ASA Administrative Council for approval and to the ASA Board for final approval. A Director appointed to fill a vacancy shall take office immediately upon appointment and shall hold office for the unexpired term of his or her predecessor.

3.2.5 Resignations. A Director may resign at any time by giving notice thereof in writing to the Treasurer of AQI. Any such resignation shall take effect at the time specified therein or, if the time is not specified therein, upon receipt of the notice. Acceptance of such resignation shall not be necessary to make it effective.

3.2.6 Removal. Directors may be removed from office at any time, with or without cause, upon a majority vote of the ASA Administrative Council.

3.3 Meetings of the Board of Directors.

3.3.1 Regular Meetings. Regular meetings of the AQI Board may be held, without notice, at such time and place as will from time to time be determined by the Board. Unless the Board determines otherwise, the last regular meeting of the Board in each annual accounting period of AQI shall constitute the annual meeting of the Board. Regular meetings may be held within or outside of the District of Columbia.

3.3.2 Special Meetings. Special meetings may be called at the discretion of the Chairperson of the AQI Board, by the Treasurer at the request of a majority of the Directors in office, or at the request of the CEO. A special meeting of the AQI Board may be held upon notice of at least three (3) days if notice is delivered personally or provided by facsimile or email and five (5) days if notice is provided by mail. Notice of a special meeting of the AQI Board shall specify the date, time and place of the meeting, but, except as otherwise provided in these Bylaws, need not specify the purpose for the meeting or the business to be conducted. Notice must be either delivered personally to each Director, mailed to his or her address as it appears on the records of AQI, sent by facsimile to his or

her facsimile number as it appears on the records of AQI, or sent to his or her email address as it appears on the records of AQI. If such notice is given by mail, it shall be deemed delivered when deposited in the United States mail properly addressed and with postage prepaid thereon. If such notice is given by facsimile or email, it shall be deemed delivered upon receipt of confirmation that the transmittal has been successful.

Notwithstanding the foregoing, a Director may waive notice of any meeting of the AQI Board by written statement filed with the AQI Board, or by oral statement at any such meeting. Attendance at a meeting of the AQI Board shall also constitute a waiver of notice, except where a Director states that he or she is attending for the purpose of objecting to the conduct of business on the ground that the meeting was not lawfully called or convened. Special meetings may be held within or outside of the District of Columbia.

3.3.3 Quorum. A majority of the number of the then-serving Directors shall constitute a quorum for the transaction of business at any meeting of the AQI Board.

3.3.4 Transactions by Board of Directors. Except as otherwise provided by law, the Articles of Incorporation, or these Bylaws, all matters before the AQI Board shall be decided by a majority vote of the Directors present at a meeting at which a quorum exists.

3.3.5 Action Taken Without Meeting. Any action required or permitted to be taken at any meeting of the AQI Board may be taken without a meeting if the text of the resolution or matter agreed upon is sent to all the Directors in office and all the Directors in office consent to such action in writing, setting forth the action taken. Such consent in writing shall have the same force and effect as a vote of the Board at a meeting and may be described as such in any document executed by AQI.

3.3.6 Attendance by the CEO and Staff. The CEO, in his or her capacity as ex-officio Director, and such AQI and ASA staff as the CEO may from time to time designate, shall be entitled to participate in meetings of the AQI Board, but shall not be entitled to vote.

ARTICLE IV

Committees

4.1 General Provisions. The AQI Board shall have the power at any time to: (i) define and delegate the purpose or purposes of any committee; (ii) designate a member of any committee as its chairperson; (iii) designate the term of committee membership and fill vacancies therein; (iv) change the membership of any committee; and (v) disband any committee. The designation of any such committee and the delegation thereto of authority shall not operate to relieve the AQI Board, or any individual Director, of any responsibility imposed by law. The members of a committee shall act only as a committee and shall report to the AQI Board on the committee's actions and findings.

4.2 Committees of the Board.

4.2.1 Committees of the Board. The AQI Board may, by resolution passed by a majority of all the Directors in office, designate one or more committees of the AQI Board, including, but not limited to, an Executive Committee, Audit Committee, and Compensation Committee. Except as otherwise required by law or these Bylaws, each such committee shall have such authority as the AQI Board shall grant it for the management of AQI. Each such committee of the AQI Board shall consist of at least two

Directors in office.

4.2.2 Executive Committee. The AQI Board may designate an Executive Committee, which shall be a committee of the AQI Board, and shall consist of at least two Directors in office. The Chairperson of the AQI Board will also serve as a member and Chairperson of the Executive Committee. The AQI Board may designate one or more of the Directors as alternate members of the Executive Committee, who may replace any absent or disqualified member at any meeting of the Executive Committee. Except as otherwise required by law or these Bylaws, the Executive Committee shall have such authority as the AQI Board shall grant it for the management of AQI. The Executive Committee shall keep regular minutes of its proceedings and shall report the same to the AQI Board. Vacancies in the Executive Committee shall be filled by the AQI Board, subject to approval by the ASA Administrative Council.

4.3 Advisory Committees. The AQI Board may, by resolution passed by a majority of the Directors present at a meeting at which quorum is present, designate one or more Advisory Committees, which shall have such powers as the AQI Board may assign it from time to time, but shall not have or exercise the authority of the AQI Board in the management of AQI. Any such committee may consist of Directors and other persons.

4.4 Attendance by the CEO and Staff. The CEO, and such AQI and ASA staff as the CEO may from time to time designate, shall be entitled to participate in meetings of the Executive Committee and all other committees, but shall not be entitled to vote in their capacity as CEO or staff.

ARTICLE V

Officers

5.1 Number and Titles. The officers of the Corporation will include a Chairperson, Treasurer, CEO and such other officers with such titles and duties as shall be stated in these Bylaws or as may be determined by the AQI Board.

5.2 Appointment and Term. Unless otherwise specified in these Bylaws, officers shall be elected by the AQI Board at its annual meeting and shall each be elected for a three (3) year term. If the election of such officers is not held at such meeting, such election shall be held as soon thereafter as may be convenient. Any number of offices may be held by the same person and officers may be re-elected to additional terms, provided, however, that the same individual may not hold the office of CEO and Treasurer simultaneously and service of more than three (3) years total in any single officer position shall require approval of the ASA Administrative Council.

5.3 Removal of Officers. Any officer of AQI may be removed, with or without cause, at any time by a majority of the AQI Directors in office, except for the office of Chairperson, who may be removed only by a majority vote of the ASA Administrative Council, and CEO, who shall serve as CEO as long as he or she shall remain ASA CEO. Removal from an officer position shall not result in removal as a Director, which shall be governed by Section 3.2.6 of these Bylaws.

5.4 Vacancies. Except for the offices of Chairperson and CEO, any vacancy occurring in any office of AQI may be filled by the AQI Board. At the expiration of an officer's service in office, such officer shall entrust upon his or her

successor all books, records, papers, and other properties of AQI.

5.5 Powers and Duties of Officers. The powers and duties of the officers of AQI shall be those customarily exercised by corporate officers holding such offices, except to the extent that such duties and powers are inconsistent with these Bylaws or with any provision made pursuant hereto.

5.6 The Chief Executive Officer. The CEO shall be the ASA CEO. The CEO shall be the chief executive officer of AQI and shall perform all duties customary to that office and shall supervise all of the affairs of AQI in accordance with any policies and directives approved by the AQI Board. The CEO shall have the power to change the registered agent and registered office of AQI in accordance with the D.C. Nonprofit Corporation Act.

5.7 The Chairperson. The Chairperson of the AQI Board shall be a current or past member of the ASA Administrative Council and shall serve a three (3) year term. The Chairperson shall preside at all meetings of the AQI Board at which he or she is present and shall perform such other duties as may be required of him or her by the AQI Board. Upon the occurrence of a vacancy of the office of Chairperson for any reason, the ASA Administrative Council, after consultation with the AQI Board, shall appoint a current or past member of the ASA Administrative Council who shall serve as Chairperson for a three (3) year term. The ASA Administrative Council may, after consultation with the AQI Board, re-appoint a current or past Chairperson to successive three (3) year terms.

5.8 The Treasurer. The Treasurer shall perform all duties customary to that office, shall have the custody of and be responsible for all corporate funds and securities, shall keep full and accurate accounts of receipts and disbursements in the books of AQI, and such other actions of AQI as the AQI Board shall direct. He or she shall deposit or cause to be deposited all monies or other valuable effects in the name of AQI in such depositories as shall be selected by the AQI Board.

5.8.1 Disbursement of Funds by Treasurer. The Treasurer shall disburse the funds of AQI as may be ordered by the AQI Board, taking proper vouchers for such disbursements, and shall render an account of all his or her transactions as Treasurer and of the financial condition of AQI to the CEO and the AQI Board at its regular meetings or when the CEO or AQI Board so require.

5.8.2 Annual Report by Treasurer. The Treasurer will render a report and accounting of the finances of AQI at the annual meeting of the ASA Board and at such other times as directed by the AQI Board.

5.8.3 Other Treasurer Duties. The Treasurer shall be also responsible for preparing the minutes of the meetings of the AQI Board and for maintaining and authenticating the minutes and governing documents. The Treasurer shall be responsible for keeping an accurate record of the proceedings of all meetings of the AQI Board, and such other actions of AQI as the AQI Board shall direct. He or she shall give or cause to be given all notices in accordance with these Bylaws or as required by law and, in general, perform all duties customary to the office of secretary. The Treasurer shall have custody of the corporate AQI seal, and he or she, shall have authority to affix the same to any instrument requiring it. When so affixed, it may be attested by his or her signature. The AQI Board may give authority to any officer to affix the AQI seal of and to attest the affixing by his

or her signature.

The Treasurer shall also serve as the Vice-Chairperson of the AQI Board and shall preside, in the absence of the Chairperson, at all meetings of the AQI Board and shall perform such other duties as may be required of him or her by the AQI Board.

ARTICLE VI

Indemnification of Directors, Officers, and Employees; Insurance

6.1 Indemnification of Directors and Officers. AQI shall indemnify any present or former Director or officer of AQI, and any individual who served at its request as a Director, officer, partner, member, trustee, employee or agent of another corporation, partnership, limited liability company, joint venture, trust, other enterprise or employee benefit plan, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with or arising out of any threatened, pending or completed claim, action, suit, proceeding, issue or matter, whether civil, criminal, legislative, administrative or investigative, in which he or she may be involved as a party or otherwise by reason of his or her being or having been such Director, officer, partner, member, trustee, employee or agent; provided that the Director or officer acted in good faith, without fraud, and in a manner that he or she reasonably believed to be in or not opposed to the best interests of AQI, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any claim, action, suit, proceeding, issue or matter by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, and the allegation or adjudication that the Director or officer was grossly negligent shall not, of themselves, create a presumption that the Director or officer did not act in good faith, without fraud, or in a manner that he or she reasonably believed to be in or not opposed to the best interests of AQI, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

6.2 Indemnification; Expenses Included. Indemnification includes amounts paid or incurred in connection with reasonable settlements if made with a view to the curtailment of the costs of litigation, except for the settlement of any claim asserted by or in the right of AQI for which a Director or officer shall have been adjudged to be liable to AQI.

6.3 Judgment Against Director or Officer. No indemnification shall be made in respect of any claim, action, suit, proceeding, issue or matter as to which the Director or officer shall have been adjudged to be liable to AQI, unless and only to the extent that the court or forum in which such action or suit was brought, or any other court or forum with jurisdiction to adjudicate the issue, shall determine upon application that, despite the adjudication

of liability and in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses that the court or other forum shall deem proper; provided, however, that in the event of such determination, no indemnification shall be made for judgments recovered on or amounts paid in settlement of any claims asserted by or in the right of AQI.

6.4 Determination to Indemnify. Any indemnification under this Article VI (unless ordered by a court or mandatory under Section 6.3) shall be made by AQI only as authorized in the specific case upon a determination that indemnification of the present or former Director or officer is proper in the circumstances because he or she has met the applicable standard of conduct set forth here. All decisions with respect to indemnification, advancement or matters related thereto, including without limitation any other determinations required under this Article VI shall be made by a committee of Directors (“Indemnification Committee”) who are not parties to such action, suit or proceeding designated by majority vote of the members of AQI Board who are not parties to such action, suit or proceeding even if less than a quorum.

6.5 Advance of Expenses. Expenses (including attorneys’ fees) incurred by a Director or officer in defending any civil, criminal, administrative or investigative action, suit or proceeding brought against the Director or officer by reason of the fact that he or she is or was serving as a Director or officer of AQI or is or was serving at the request of AQI as a Director, officer, partner, member, trustee, employee or agent of another corporation, partnership, limited liability company, joint venture, trust or other enterprise shall be paid by AQI in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by such Director or officer to repay such amount if it shall ultimately be determined that the Director or officer is not entitled to be indemnified by AQI as authorized hereunder; provided, however, that AQI shall not advance expenses (including attorneys’ fees) (a) where AQI itself, in its own name and right and not derivatively, is asserting claims against the Director or officer for intentional misconduct or (b) with respect to a criminal action or proceeding, if the Indemnification Committee determines that such action or proceeding involves the intentional misconduct or knowing violation of law by the Director or officer and that AQI has suffered or will suffer a financial loss or liability on account of the actions of the Director or officer. The Director’s or officer’s right to advancement of expenses shall not be subject to any condition other than submission of such an undertaking. The undertaking need not be secured and shall be accepted without reference to the financial ability of the Director or officer to make repayment.

6.6 Indemnification: Nonexclusive Right. The indemnification provided by this Article VI shall not be deemed exclusive of any other rights which such Director or officer may have under any agreement, vote of AQI Board, or otherwise.

6.7 Indemnification: No Violation of Chapter 42 of the Code. No indemnification shall be made under this Article VI if such indemnification would result in any liability for tax under chapter 42 of the Code.

6.8 Notice of Commencement of Action. As a condition of any right to indemnification hereunder, the Director or officer shall give AQI written notice of the commencement of a

claim, action, suit, proceeding, issue or matter against him or her as soon as practicable, but in any event, no later than sixty (60) days from when he or she becomes aware of such claim, action, suit, proceeding, issue or matter. Where a Director or officer fails to give such notice and that failure causes AQI material prejudice, AQI may, in its discretion, choose not to indemnify such Director or officer for any expenses incurred by him or her with respect to such claim, action, suit, proceeding, issue or matter. AQI shall have the right, at its election and expense, to assume or participate in the defense of any such civil action, suit or proceeding, if to do so will not subject it to a conflict of interest; if AQI assumes the defense, the Director or officer may participate in the defense at his or her own expense. AQI shall only be obligated to pay a settlement of a civil action, suit or proceeding to which it consents in writing, its consent not to be unreasonably withheld. If AQI is obligated to indemnify or advance expenses to a Director or officer as to a proceeding relating to his or her service at AQI's request as a Director, officer, partner, member, trustee, employee or agent of another corporation, partnership, limited liability company, joint venture, trust, or other enterprise, AQI's obligation shall be secondary to and in excess of any indemnification and advancement obligation owed by such other corporation, partnership, limited liability company, joint venture, trust or enterprise, or its insurer, and AQI shall be subrogated to the Director's or officer's rights to such obligation of indemnification, advancement or insurance, if not duly paid.

6.9 Indemnification of Employees. AQI may indemnify employees on the same terms and conditions as its Directors and officers or otherwise, if the AQI Board determines that it is in the best interests of AQI to indemnify any such employee.

6.10 Insurance. AQI shall have the power to purchase liability insurance on behalf of any person who is or was serving as a Director, officer, or employee of AQI, or is or was serving at the request of AQI as a Director, officer, partner, member, trustee, employee or agent of another corporation, partnership, limited liability company, joint venture, trust, other enterprise or employee benefit plan, whether or not AQI would have the power to indemnify such persons against liability under the Code.

6.11 Severability of Provisions. Each provision of this Article VI is intended to be severable, and, if any term or provision is invalid for any reason whatsoever, such invalidity shall not affect the validity of the remainder of this Article.

ARTICLE VII

Compensation of Directors and Officers

7.1 Compensation of Directors. Directors shall not receive any compensation for their services as such; however, the AQI Board may authorize reimbursement for reasonable expenses incurred in connection with the performance of services for AQI, including but not limited to, attendance at annual, regular, or special meetings of the AQI Board. Nothing herein contained shall be construed to preclude any Director from serving AQI in any other capacity and receiving compensation thereof.

7.2 Compensation of Officers. Salaries and other compensation of the officers may be fixed from time to time by the AQI Board, with approval from the ASA Administrative Council and provided that such salaries and compensation shall not be excessive in amount and shall be for services which are reasonable and necessary for performance of AQI's purposes and shall be determined in accordance with the procedures to establish a rebuttable presumption under

section 4958 of the Code and its applicable Treasury Regulations.

ARTICLE VIII

Miscellaneous

Provisions

8.1 Seal.

8.1.1 Inscription. The corporate seal of AQI shall have inscribed thereon the name of the corporation, the year of its organization, and the words “Corporate Seal, District of Columbia.”

8.1.2 Use and Custody. The seal may be used by causing it, or a facsimile thereof, to be impressed or affixed, or reproduced otherwise. The Treasurer, or any other officer so authorized by the AQI Board, shall have custody of the corporate seal and shall have authority to affix the seal to any instrument requiring it; and, when so affixed, it may be attested to by his or her signature.

8.2 Signatories. All checks, drafts or other orders for the payment of money shall be signed by such officer or officers or such other person or persons as the AQI Board may from time to time designate.

8.3 Annual Accounting Period. The annual accounting period of AQI shall be determined by resolution of the AQI Board.

8.4 Grants. The AQI Board may prospectively or retroactively authorize any officer or officers, agent or agents, in the name, and on behalf, of AQI and in the administration of an approved program, to make any grants or contributions or provide financial assistance to any qualified individuals or organizations.

8.5 Execution of Contracts. The AQI Board, except as otherwise provided in these Bylaws, may prospectively or retroactively authorize any officer or officers, agent or agents, in the name, and on behalf, of AQI, to enter into any contract, or execute and deliver any instrument as may be necessary to carry out the purposes of AQI. Any such authority may be general or confined to specific instances.

8.6 Loans. The AQI Board may authorize the CEO or any other officer or agent of AQI to: (i) obtain loans and advances at any time for AQI from any bank, trust company, firm, corporation, individual, or other institution; (ii) make, execute, and deliver promissory notes, bonds, or other certificates or evidences of indebtedness of AQI; and (iii) pledge and hypothecate, or transfer any securities or other property of AQI as security for any such loans or advances. Such authority conferred by the AQI Board may be general or confined to specific instances. No loans shall be made by AQI to any Director or officer thereof.

8.7 Gifts. The AQI Board may accept on behalf of AQI any contribution, gift, bequest, or devise for the purposes of AQI.

8.8 Investments. AQI shall have the right to invest and reinvest any funds held by it according to

the judgment of the AQI Board. The AQI Board is restricted to the prudent investments which a Director is or may hereafter be permitted by law to make.

8.9 Voting of Securities Held by AQI. Stocks and other securities owned by AQI shall be voted, in person or by proxy, as the AQI Board may specify. In the absence of any direction by the AQI Board, such stocks and securities shall be voted as the CEO may determine.

8.10 Annual Audit. The AQI Board may require an annual audit be made of the books and accounting records of AQI by an independent certified public accountant.

8.11 Policies and Procedures Regarding Data Registries. To the extent ASA develops policies and procedures regarding data registries or any other activities of AQI, AQI shall operate in a manner consistent with such policies and procedures.

ARTICLE IX

Amendments

9.1 Amendment of Bylaws. These Bylaws may be altered, amended or repealed, or new Bylaws may be adopted, by a majority vote of the ASA Administrative Council, and final approval by the ASA Board.

9.2 Amendment of Articles of Incorporation. The Articles of Incorporation may be altered or amended, or new Articles of Incorporation may be adopted, by a majority vote of the ASA Administrative Council, and final approval by the ASA Board.

ARTICLE X

Effect of Provisions of Law and Articles of Incorporation

10.1 Effect of Provisions of Law and Articles of Incorporation. Each of the provisions of these Bylaws shall be subject to and controlled by specific provisions of the D.C. Nonprofit Corporation Act or the Articles of Incorporation that relate to their subject matter, and shall also be subject to any exceptions or more specific provisions dealing with the subject matter appearing in these Bylaws, as amended from time to time.

Approved August 19, 2017