

BYLAWS

Article I Members

Section 1. Qualifications for Membership.

Membership shall be entirely of one class, comprised of those persons serving as the chairman of the board, the chief of staff, and the administrator, or their designee, of each Qualified Organization as defined in Article II of the Articles of Incorporation of this corporation.

Section 2. Register of Qualified Organizations.

The corporation shall maintain a current register of the Qualified Organizations and shall update such register for any substituted, new or additional Qualified Organizations resulting from Board of Director action as provided in Article II of the Articles of Incorporation of this corporation.

Section 3. Rights of Membership.

All members shall have an equal interest in the corporation and equal voting rights in the election of the Board of Directors.

Section 4. Terms of Membership and Termination of Membership.

Membership shall be coincidental with service as chairman of the board, chief of the medical staff, or administrator of a participating non-profit rural health care facility. When a member no longer holds one of these designated offices in a participating facility, he shall cease to be a member of this corporation and his successor in such office shall replace him as a member of this corporation. Persons who are associated with facilities as defined in Article II of the Articles of Incorporation of this corporation may, upon written notice to the corporation, decline to be members of the corporation, and this shall not prejudice the availability of services to that facility on the same terms as any other health care facility.

Article II Meetings of Members

Section 1. Meetings.

There shall be one regular, annual meeting to be held pursuant to notice each year, and such other special meetings to be held from time to time as specified in the notice of said meetings. Such special meetings must be called in compliance with Minnesota Statutes, Section 317.22, Subdivision 3.

Section 2. Location of Meetings.

Meetings shall be whatever place designated by the Board of Directors or other authorized person who has called the meeting, which location must be specified in the notice of the meeting.

Section 3. Notice of Meetings.

Except in cases of adjournment as dealt with in Minnesota Statutes, Section 317.22, Subdivision 8, there must be a notice given to all members of any regular or special meeting of the corporation. Such notice must be in writing, and mailed by first class mail, or e-mailed to the address of the member as reflected in the corporate membership record. The notice of a regular meeting must be not less than five days or more than sixty days prior to the date of the proposed meeting, and the notice of a special meeting must be not less than five days or more than thirty days prior to the date of the proposed meeting. In the case of a special meeting called by someone other than the Board, if the Secretary fails to give notice as requested within seven days of the request for a special meeting, the person requesting the special meeting may set the meeting date and give notice of the meeting. When a person gives notice as a result of the failure of the Secretary to set a meeting date and sends notice of the meeting, he must still comply with the requirement that notice precedes the meeting by at least five days and not more than thirty

days. In computing the time for the giving of notice, the date of mailing is not to be included but the date of the meeting is included in computing the number of days for the notice requirement.

Section 4. Waiver of Notice.

A member may make written waiver of notice before, at, or after a meeting. The waiver shall be filed with the person designated to act as Secretary of the meeting, and such person shall enter said waiver upon the records of the meeting. Furthermore, appearance at a meeting is deemed a waiver of notice, unless it is solely for the purpose of asserting the illegality of the meeting.

Section 5. Mail Voting.

There may be mail votes when such procedure is established for a single question and according to a procedure adopted by the Board of Directors by resolution. Mail votes may also be obtained via the internet or by facsimile. E-mail and voting by fax shall be acceptable when such procedure has been adopted by the Board of Directors by resolution.

Section 6. Quorum.

At least ten percent (10%) of the members entitled to vote must be present in person or by proxy to constitute a quorum for the conduct of business; but if less than 10% of voting members are present at said meeting, a majority of those present may adjourn the meeting from time to time without further notice. If a quorum is present when a duly called or held meeting is convened, the members present may continue to transact business until adjournment, even though the withdrawal of members originally present leaves less than the proportion or number otherwise required for a quorum. When a vote is conducted by mail a quorum is presented when the number of approvals equals or exceeds the number of votes required to approve the matter at a meeting.

Section 7. Voting.

Voting shall be either by voice or by ballot. A ballot can be placed electronically via e-mail or by facsimile also.

Section 8. Elections.

When voting in elections of Directors, each member may vote only once in any such election, there being no cumulative voting.

**Article III
Directors**

Section 1. Duties and Powers.

The Board of Directors shall be responsible for all activities and operations of the corporation and shall manage the general operations of the corporation. Directors need not be residents of the State of Minnesota.

Section 2. Qualifications.

Directors must be members of Medi-Sota.

Section 3. Number of Directors.

The number of members of the Board of Directors shall be equivalent to the number of Qualified Organizations, less the number of facilities, if any, whose administrator, board chairman, and chief of staff have elected under Article I, Section 3, to decline membership in this corporation. Said Directors shall be chosen and serve terms as provided in Sections 4 and 5 of this Article III.

Section 4. Term of Office

The first Board of Directors shall serve until the first annual meeting of the corporation, or as soon thereafter as successors are elected and qualified. A regular term of office shall commence with the close of the annual meeting and end at the close of the annual meeting marking the end

of the term. The first Directors elected shall serve staggered terms, as determined by drawing lots, with three (3) Directors to serve one (1) year terms, three (3) Directors to serve two (2) year terms, and four (4) Directors to serve three (3) year terms (or such other equal distribution that reflects the total number of Board members). Thereafter, a regular term of office shall be for three (3) years, with Directors being elected at the annual meeting of the corporation. Any vacancies other than those created by the expiration of a term shall be filled by the Board of Directors if the vacancy occurs at a time other than the annual meeting. Persons elected to fill a vacancy shall be elected to fill the unexpired portion of the vacant position. There is no limit to the number of terms a Director may serve.

Section 5. Election Procedure.

Each member shall have only one vote and there shall be no cumulative voting. The Board of Directors shall appoint a nominating committee of three members of the Board of Directors at least thirty (30) days prior to the annual meeting of the corporation, and this committee shall nominate one candidate for each anticipated vacancy for consideration by the members for election to the Board of Directors. This committee may be the same committee appointed to nominate officers. Further nominations may be made from the floor at the time of the election of Directors at the annual meeting. The members shall vote for candidates for the Board of Directors from a slate of candidates including one or more nominees for each vacancy to be filled; provided, however there shall be no more than one nor less than one person on the Board of Directors from each Qualified Organization otherwise eligible for Board representation, unless the individuals from that Qualified Organization have elected not to participate in the affairs of this corporation, as provided in Article I, Section 4, above.

Section 6. Resignation.

Any member of the corporation and Board of Directors may resign at any time by giving written notice thereof to the President or Secretary of the corporation. The resignation shall take effect at the date of receipt of such notice or at any later date specified in the resignation, and the acceptance of the resignation shall not be necessary to make it effective unless acceptance is a condition of the resignation.

Section 7. Removal and Vacancies.

No person may continue as a Director who is no longer a member of this corporation, and service as a Director shall terminate automatically and immediately upon loss of membership. Furthermore, any Director or the entire Board of Directors may be removed by a vote of the members, with or without cause, at a meeting properly convened for such purpose, according to the provisions of Minnesota Statutes, Section 317.20, Subdivision 10 (2). Any vacancy occurring in the Board of Directors for any reason shall be filled by a majority vote of all of the remaining members of the Board of Directors, notwithstanding the fact that the remaining members may not represent a quorum of the full Board. A Director elected to fill a vacancy shall be elected for an interim term to run from the date of election or as soon thereafter as he may commence to serve, until the next annual meeting of the corporation, at which time the members shall elect a successor to fill the vacant position for the remaining part of the unexpired term of his predecessor.

Section 8. Compensation.

Members of the Board of Directors acting in such capacity shall not receive any compensation for their services, but Directors, otherwise qualified as such, may be employed by this corporation and compensated for those services other than their duties as a Director, and, in any

event, members of the Board may be reimbursed for reasonable and necessary expenses actually incurred for the benefit of the corporation.

Article IV Meetings of Directors

Section 1. Regular Meetings.

The Board of Directors of this corporation shall hold regular meetings of the Board of Directors at least twice a year, pursuant to a resolution of the Board of Directors establishing the meeting schedule. Regular meetings shall be held pursuant to written notice.

Section 2. Special Meetings.

Except as otherwise provided by statute, special meetings of the Board may be called for any purpose by the President, or by the Secretary upon written request of any three (3) Directors. Written notice of any such special meetings, stating the time, place and purpose thereof, shall be mailed to each Director not less than five (5) days or more than thirty (30) days before such special meeting. No business shall be transacted at any special meeting except as stated in the notice of the meeting. Such special meetings may be held at a place designated by the officers as specified in the notice of the special meeting

Section 3. Location of Meetings.

Meetings shall be whatever place designated by the Board of Directors or other authorized person who has called the meeting, which location must be specified in the notice of the meeting.

Section 4. Notice of Meetings.

Except in cases of adjournment as dealt with in Minnesota Statutes, Section 317.22, Subdivision 8, there must be a notice given to all members of any regular or special meeting of the corporation. Such notice must be in writing and mailed by first class mail to the address of the

member as reflected on the corporate record or emailed to the email address on file for the member. In the case of a regular meeting, the notice must be not less than five (5) days nor more than sixty (60) days prior to the date of the proposed meeting. In the case of a special meeting, the notice must precede the meeting by at least five (5) days and no more than thirty (30) days. In computing the time for the giving of notice, the date of mailing is not to be included but the date of the meeting is included in computing the number of days for the notice requirement.

Section 5. Waiver of Notice.

A member may make written waiver of notice before, at, or after a meeting. The waiver shall be filed with the person designated to act as Secretary of the meeting, and such person shall enter said waiver upon the records of the meeting. Furthermore, appearance at a meeting is deemed a waiver of notice, unless it is solely for the purpose of asserting the illegality of the meeting.

Section 6. Manner of Acting.

The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless a greater number is required by law or by these Bylaws. Any action required by law to be taken at a meeting of Directors, or any action which may be taken at a meeting of Directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Directors.

Section 7. Voting.

Voting shall be either by voice or by ballot. A ballot can be placed electronically via e-mail or by facsimile also.

Section 8. Mail Voting.

There may be mail votes according to a procedure adopted by the Board of Directors by resolution. Mail votes may also be obtained via the internet or by fax. E-mail and voting by fax shall be acceptable when such procedure has been adopted by the Board of Directors by resolution.

Section 9. Quorum.

At least one-fourth (1/4) of the established Directors present in person, remotely by video conferencing or teleconferencing, or by proxy, shall constitute a quorum for the conduct of business; but if less than one-fourth of directors are present at said meeting, a majority of those present may adjourn the meeting from time to time without further notice. When a vote is conducted by mail, approval by written ballot under this section is valid only if the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting.

Article V Officers

Section 1. Officers.

The officers of this corporation shall be the president; one or more vice presidents (the number thereof to be determined by the Board of Directors), a secretary, a treasurer, and such other officers as may be provided for in accordance with provisions of this Article. The Board of Directors may elect or appoint such other officers as it shall deem desirable, such officers to have the authority to perform the duties prescribed, from time to time, by the Board of Directors. Any two or more offices may be held by the same person, except the offices of president and secretary, president and treasurer, or president and vice president.

Section 2. Qualifications.

Any person duly elected by the board of Directors may be an officer.

Section 3. Elections

A nominating committee with respect to the election of officers shall be appointed by the Board of Directors at least thirty (30) days prior to the regular meeting of the Board of Directors preceding the annual meeting of the corporation, such committee to consist of three (3) members of the Board of Directors. The nominating committee shall prepare a slate of candidates proposed by the offices of the corporation. The slate of candidates proposed by the nominating committee shall be mailed to each member of the Board of Directors not less than five (5) days before the regular Board meeting preceding the annual meeting of the corporation. At such meeting, the Board of Directors shall elect the officers of the corporation for the ensuing year from the slate prepared by the nomination committee and from nominations presented at the Board of Directors' meeting. A majority vote of those Directors present and voting shall be required to elect an officer of this corporation. All officers thus elected shall take office at the close of the meeting at which they are elected. Each officer shall hold office until his successor shall have qualified.

Section 4. New Offices.

New offices may be created and filled at any meeting of the Board of Directors, or in any manner whereby the Board of Directors is properly empowered to act.

Section 5. Removal.

Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the corporation would be served thereby.

A majority of the vote of the entire Board shall be required to effect the removal of an officer.

Section 6. President.

The President shall be the principal executive officer of the corporation and shall in general supervise and control all of the business and affairs of the corporation. He shall preside at all meetings of the Board of Directors. He may sign with the secretary or any other proper officer of the corporation authorized by the Board of Directors any deeds, mortgages, bonds, contracts or other instruments which Board of Directors is authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these bylaws or by statutes to some other officer or agent of the corporation; and in general the President shall perform all duties instant to the office of the president and such other duties as may be prescribed by the Board of Directors from time to time.

Section 7. Vice President.

In the absence of the President, or in the event of his 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 of their election) shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all of the restrictions upon the President. Any Vice President shall perform such other duties as shall from time to time be assigned to him by the President or the Board of Directors.

Section 8. Treasurer.

If required by the Board of Directors, the Treasurer shall give a bond conditioned upon the faithful discharge of his duties in such sums and with such surety or sureties as the Board of Directors shall determine. He shall have charge and custody of and be responsible for all funds and securities of the corporation; receive and give receipts for money due and payable to the corporation from any source whatsoever; and deposit all such monies in the name of the corporation in such banks, trust companies or other depositories as shall be selected by the Board of Directors; and in general perform all the duties instant to the office of treasurer and such other duties as shall from time to time be assigned to him by the President or by the Board of Directors.

Section 9. Secretary.

The Secretary shall keep the minutes of the meetings of the Board of Directors in one or more books provided for that purpose. It shall also be the duty of the Secretary to see that all notices are duly given in accordance to the provisions of these Bylaws or as required by law, be custodian of the corporate records, and in general perform all duties instant to the office of secretary and such other duties as shall from time to time be assigned to him by the president or by the Board of Directors. The Secretary may assign custodial duties to the Executive Director if the Medi-Sota office is determined more appropriate.

Section 10. Compensation of Officers.

Officers of this corporation shall serve without compensation unless compensation for an officer is approved by a vote of two-thirds of the entire Board. Provided, however, in any event, officers may be reimbursed for reasonable and necessary expenses actually incurred for the benefit of the corporation.

Article VI

Committees

Section 1. Committees to be created.

The Board of Directors may, from time to time, create committees to perform specific and designed functions and delegate to such committees the power to carry out their responsibilities. Such action by the Board of Directors shall be by resolution, adopted by a majority of the Directors present at a regular or special meeting. The Board may also delegate to each of the committees the responsibility and authority of establishing its procedures to be followed.

Section 2. Committee Quorums.

Unless otherwise provided in the resolution of the Board of Directors creating a committee, a majority of such committee members shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

Section 3. Qualifications for Committee Membership.

Any person appointed by the Board of Directors may be a member of a committee properly constituted hereunder.

Section 4. Termination of Committees.

A committee shall automatically terminate upon the completion of a specified task for which it was created. In other situations, committees may have their activities terminated and be disbanded by a majority vote of all the members of the Board of Directors.

Section 5. Executive Committee.

There is hereby established an executive committee which shall have the full authority and responsibility to conduct the affairs of this corporation in every respect and at all times except when the Board of Directors or the corporate members are convened; provided that action taken

by the members or the Board of Directors shall be comprised of those persons designated as members of the executive committee by action of the Board of Directors.

Article VII Contracts and Funds

Section 1. Contracts.

The Board of Directors may authorize any officer or officers, or agent of the corporation, in addition to the officers so authorized by these Bylaws, 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, Etc.

All checks, drafts or orders for the payment of money, notes, or other evidence of indebtedness 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 be, from time to time, determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer or an Assistant Treasurer and countersigned by the President or a Vice President of the corporation.

Section 3. Deposits.

All funds of the corporation shall be deposited, from time to time, to the credit of the corporation in such banks, trust companies or other depositories as the Board of Directors may select.

Section 4. Purchase of Land.

The corporation, through the Board of Directors, or any officer or officers designated by the Board of Directors may enter into contracts for the purchase or sale of land and for the construction of buildings. Also, the corporation, in the manner herein designated, may execute

and deliver evidences of indebtedness and in this manner or in any other manner borrow funds to be used in furtherance of the purpose of this corporation, when such action is requested or approved in advance by specific resolution of the Board of Directors.

Section 5. Property.

Any property acquired by this corporation and any buildings or premises constructed, owned or leased by this corporation shall be devoted exclusively to the purposes of this corporation. That property and premises may not be devoted to any use contrary to the interests of the corporation and should this corporation cease to function, the Board of Directors shall use the assets to satisfy the expenses and obligations of the corporation and shall distribute any excess to one or more non-profit entities devoted to similar purposes.

**Article VIII
Books and Records**

Section 1.

The corporation shall keep complete records and accounts and shall also keep minutes of the proceedings of the corporation and of its Board of Directors and of any committees having any of the authorities of the Board of Directors, and shall keep at the registered or principal office a record giving the names and addresses of the Directors. All books and records of the corporation may be inspected by any member or his agent or attorney for any proper purpose at the location of the registered or principal office of this corporation at any reasonable time. Furthermore, the corporation shall prepare and publish an annual report and financial statements, which shall be distributed by mail to all of the members. Said report and statements shall be prepared and mailed prior to the annual meeting following the year the reports and statements are based.

Article IX Fiscal Year

Section 1.

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

Article X Amendments to Bylaws

Section 1.

These Bylaws may be altered, amended or repealed and new Bylaws may be adopted according to the procedure prescribed herein.

Section 2.

The Bylaws may be altered, repealed or adopted by a two-thirds majority vote of the members voting at a regular or special meeting called for that purpose at which there is a quorum present. Notice of the meeting must describe or set forth the proposed amendment.

Article XI Rules of Procedure

Section 1.

The proceedings of all meetings of the Board of Directors, committees, or members of this corporation shall be governed by Robert's Rules of Order, Revised, except insofar as those rules are in any way inconsistent with these Bylaws, in which case the Bylaws shall control.

Article XII Seal

Section 1.

This corporation shall have no seal.