

 Policies and Procedures	Policy	Document #: GOV.3.1.001 Revision: 7 Approval Date: 22/April/2022 Page 1 of 17 Effective Date: 22/April/2022
FACT Bylaws		

1.0 Purpose

The purpose of this document is to describe the Bylaws that govern FACT. The Bylaws include FACT officers, members, committees, and Board of Directors.

2.0 Scope

FACT Bylaws are to describe the operation of the charitable, scientific, and educational purposes of the organization as well as to execute the purposes of the Principal Members, ISCT and ASTCT. The FACT Bylaws are applicable to all aspects of the organization and its personnel.

3.0 Responsibility

- 3.1 It will be the responsibility of FACT to ensure that:
- 3.1.1 All members of the Board of Directors, Principal Members, personnel, volunteers, and committee members have access to these Bylaws.
 - 3.1.2 The Bylaws described herein are followed.
 - 3.1.3 The Bylaws are available to all persons associated with FACT.

4.0 References

- 4.1 Appointing Members and Officers to the Board of Directors, GOV.3.6.001
- 4.2 Policy of Reserve Funds and Investments, FIN.13.1.001
- 4.3 Robert’s Rules of Parliamentary Procedure, <https://robertsrules.com/>

5.0 Definitions and Abbreviations

- 5.1 ASTCT: American Society for Transplantation and Cellular Therapy
- 5.2 Board of Directors: Board of Directors of FACT
- 5.3 ISCT: International Society for Cell and Gene Therapy

6.0 Bylaws

6.1 ARTICLE 1: NAME

- 6.1.1 The name of the corporation shall be the Foundation for the Accreditation of Cellular
- 6.1.2 Therapy (“FACT”). The registered office shall be located at the location specified in FACT’s Articles of Incorporation. FACT may also have offices at such other places as the Board of Directors of FACT (the “Board of Directors”) may from time to time determine.

6.2 ARTICLE II: PURPOSES

- 6.2.1 FACT is organized and shall be operated exclusively for charitable, scientific, and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”). Within these broad general purposes, the specific goals and objectives of FACT shall be the voluntary inspection and accreditation of cellular therapy programs and facilities and establishment of standards for medical and laboratory practices in the field of cellular therapy. In accomplishment of such purposes, FACT is exempt from private foundation status under Section 509(a)(2) of the Code as a public charity that normally receives (1) more than 33-1/3 percent of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions (subject to certain exceptions) and (2) no more than 33-1/3 percent of its support

from gross investment income and unrelated business (less section 511 tax) from businesses acquired by FACT after June 30, 1975. In this regard, FACT will:

- 6.2.1.1 Establish standards for the provision of quality medical and laboratory practice in the field of hematopoietic cell transplantation and other cellular therapies.
 - 6.2.1.2 Conduct voluntary inspection and accreditation program for centers engaged in the medical and/or laboratory aspects of hematopoietic cell transplantation and other cellular therapies.
 - 6.2.1.3 Recognize compliance with standards by issuance of certificates of accreditation.
 - 6.2.1.4 Conduct programs of education and research resulting from the accreditation process and publish the results thereof in furtherance of the public interests of FACT.
 - 6.2.1.5 Accept grants, gifts, bequests, and devises in support of the purposes of FACT.
 - 6.2.1.6 Perform such other functions as may be necessary or appropriate to fulfill the purposes of FACT.
- 6.2.2 In furtherance of such purposes, FACT is authorized to:
- 6.2.2.1 Receive, own, invest, use, and hold cash and other property of every kind and character, and to use, apply, and expend the same, including the income or proceeds therefrom.
 - 6.2.2.2 Undertake any other act or action permitted by the Nebraska Nonprofit Corporation Act, Ne. Rev. Stat. §21-1901 to 21-19,177 (the “Act”).
- 6.2.3 *Standards.* FACT shall establish standards of performance for cellular therapy programs and facilities, which standards shall apply to all phases of collection, processing, and administration of hematopoietic cells, cord blood banking, and other cellular therapies. These standards shall be made available to health institutions, health professionals, clinical laboratories, health facilities, and other interested members of the scientific and medical community and public, in publications of FACT. These standards are designed to provide minimum guidelines for facilities and individuals performing hematopoietic cell transplantation and other cellular therapies or providing support services for such procedures. These standards are not intended to include all of the procedures and practices that a facility or individual should implement if the standard of practice in the community or federal or state laws or regulations establish additional requirements.

Accreditation. FACT shall adopt surveys and report forms and procedures, conduct inspections, make accreditation decisions, and issue certificates of accreditation, in accordance with administrative policies.

6.3 **ARTICLE III: MEMBERS**

- 6.3.1 The Principal Members of FACT shall be the International Society for Cell and Gene Therapy (“ISCT”) and the American Society for Transplantation and Cellular Therapy (“ASTCT”), represented by their respective boards of directors. The Principal Members of FACT shall have all of the rights, powers, and privileges granted to members under the Act and these Bylaws. FACT shall have no capital stock, nor shall any of its Principal Members nor any member of its Board of Directors, or any other individual at any time, either upon a dissolution of FACT (except as hereinafter provided in these Bylaws) or in any other event, (i) be considered to be the owner of or entitled to, to any extent, any of the assets, funds, or properties of FACT or (ii) derive any profit from its operation, all of which shall be used exclusively for and in furtherance of the public charitable, scientific, and educational purposes for which FACT is formed.

- 6.3.2 *Additional Members.* Additional organizations may be admitted to membership in FACT upon the unanimous written consent of the Principal Members according to section 6.4.3.
- 6.3.3 *Appointments.* The Principal Members, or certain of the additional Principal Members, if any, shall appoint members of the Board of Directors as provided in these Bylaws and in accordance with the procedure for *Appointing Members and Officers to the Board of Directors.*
- 6.3.3.1 The Leadership and Nominations Committee will identify a set of potential appointees for recommendations to the Principal Members.
- 6.3.3.2 Potential appointees will be identified based on participation as a FACT inspector, contributions made to FACT committees, specific expertise, and/or professional strengths.
- 6.3.3.3 Potential appointees may not be employed by a company that sells goods or services related to cellular therapy or cord blood banking.
- 6.3.3.4 Potential appointees will not pose an unacceptable conflict of interest with FACT.
- 6.3.3.5 Principal Members will be provided with a description of qualifications and expertise sought by FACT for each nomination period.
- 6.3.3.6 A preliminary review of the potential appointees will be conducted with Principal Members to ensure appropriate representation of the Principal Members.
- 6.3.3.7 Final potential appointees will be ranked by the Nominations Committee and rationale for selecting individuals will be included with recommendations to the Principal Members. The recommended potential appointees are submitted to the Principal Members for review and formal proposal to the FACT Board of Directors.
- 6.3.3.8 Prior to appointment, the Committee will contact the potential appointees to ascertain their willingness to serve on the FACT Board of Directors.
- 6.3.3.9 The FACT Board will approve the formal appointment.
- 6.3.4 *Interest of Members.* No Principal Member of FACT shall have any right, title, or interest in or to the whole or any part of the assets of FACT, and no Principal Member shall be entitled to either the whole or any part of such assets in the event of termination of the Principal Member's membership in FACT except upon dissolution of FACT as provided in its Articles of Incorporation and in Article XI of these Bylaws.
- 6.3.5 *Dissolution.* FACT shall not be dissolved except as provided in Article XI. Upon the dissolution of FACT, after FACT's liabilities and obligations have been paid and discharged (or adequate provisions have been made therefore) and any other transfers or conveyances required by law have been made, FACT's remaining assets shall be distributed, in equal part, to such of FACT's Principal Members as qualify at the time of such distribution as organizations described in Section 501(c)(3) of the Code (and exempt from federal income tax under Section 501(a) of the Code) and Sections 509(a)(1) or 509(a)(2) of the Code, or if none of the members so qualify, then to an organization that does qualify as such, to be selected by majority vote of the Board of Directors. The amount of the distribution under this article shall be determined by majority vote of the Board of Directors.
- 6.3.6 *Reserve Fund.* A reserve fund shall be established and maintained in an amount deemed sufficient by the Board of Directors to assure the continuity of operations of FACT. The

size and source of support to this reserve fund shall be set out in the annual budget as approved by the Board of Directors.

- 6.3.7 *Resignation.* Any Principal Member that is not delinquent in the payment of any amount owing to FACT may resign, effective December 31 of any year, upon giving to FACT at least sixty (60) days' prior notice in writing. In the event of any such resignation, the resigned Principal Member shall have no claim upon any assets of FACT.
- 6.3.8 *Termination of Membership.* If any Principal Member shall fail to make any payment owing to FACT pursuant to Section 6.5.18, within thirty (30) days after the same becomes due, its membership shall forthwith terminate and it shall have no claim on any assets of FACT. Neither ISCT's nor ASTCT's membership may be terminated for any reason other than failure to pay required payments.
- 6.3.9 *Reinstatement.* If any Principal Member resigns or if its membership is terminated pursuant to Section 6.3.8, it shall be eligible for reinstatement only if one full year has expired from the date of resignation or termination of membership; it pays to FACT an amount equal to the total amounts that it would have been required to pay pursuant to Section 6.3.8 if it had continued its membership; and reinstatement is approved in the same manner as though the organization seeking reinstatement was being considered for admission to membership pursuant to Section 6.3.2.
- 6.3.10 *Transfer.* Membership in FACT is not transferable or assignable.

6.4 **ARTICLE IV: MEETINGS OF PRINCIPAL MEMBERS**

- 6.4.1 *Annual Meeting.* An annual meeting of Principal Members shall be held on a date, and at a time and place to be fixed by the FACT Board of Directors, for the transaction of such business of FACT as may come before the meeting. The board of directors of each Principal Member shall designate the person or persons who will represent that Principal Member at any meeting of Principal Members.
- 6.4.2 *Special Meetings.* Special meetings of the Principal Members may be called either by the chair of the Board of Directors (the "Board Chair"), the Board of Directors, or any Principal Member.
- 6.4.3 *Voting.* At all meetings of Principal Members, each Principal Member is entitled to one vote, except to the extent otherwise provided by or inconsistent with these Bylaws.
- 6.4.4 *Place.* The Board of Directors shall designate the place for annual meetings of the Principal Members and for any special meeting called by the Board of Directors for the Principal Members. If no designation is made or if a special meeting be otherwise called, the place of meeting shall be the registered office of FACT in the State of Nebraska; provided, however, that if all of the Principal Members shall meet at any time and place and consent in writing to holding of the meeting, such meeting shall be valid without call or notice and at such meeting corporate action may be taken.
- 6.4.5 *Notice.* Written notice stating the place, day, and hour, and in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered, either personally, by mail, or by electronic mail, to each Principal Member not less than ten nor more than forty days before the date of each meeting of Principal Members. If mailed, the notice shall be deemed delivered when deposited in the United States mail addressed

to the Principal Member at its address as it appears on the records of FACT, with postage thereon prepaid.

- 6.4.6 *Action by Written Consent.* Any action required or permitted by law to be taken at a meeting of Principal Members may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Principal Members entitled to vote with respect to the subject matter thereof.
- 6.4.7 *Quorum.* Principal Members present in person or by proxy holding a majority of the votes pursuant to this article shall constitute a quorum. If a quorum is not present at any meeting, the Principal Members present may adjourn the meeting from time to time without further notice.
- 6.4.8 *Proxies.* Any Principal Member may vote by proxy executed in writing.
- 6.4.9 *Board of Directors Meeting.* Although Principal Members are not members of the Board of Directors and do not vote in meetings of the Board, the Board Chair may, or at the written request by no fewer than 20 percent (20%) of the voting Directors shall, invite one representative from each Principal Member to attend a meeting of the Board of Directors as non-voting, ex officio attendees.

6.5 **ARTICLE V: BOARD OF DIRECTORS**

- 6.5.1 *Authority and Responsibility.* The governing body of FACT shall be its Board of Directors (“Board of Directors” or “Board”). The Board shall actively promote the purpose and mission of FACT and supervise, direct and control its policies, business affairs and financial affairs; provided however, the Board may not exercise any power or discretion under these Bylaws if such exercise would jeopardize the Corporation’s qualification for (1) exemption from federal income taxation under Code Sections 501(a) and 501(c)(3), (2) exclusion from private foundation status under Code Section 509(a)(2), and/or (3) status as a charitable organization under Code Section 170(b)(1)(A)(vi) or Code Section 170(b)(1)(A)(viii), as the case may be.
- 6.5.2 *Composition.* The Board of Directors shall consist of up to eighteen (18) voting members. The voting members shall be the President, the President-Elect, the Immediate-Past President, the Public Director, the Standards Chair, a representative of the American Society for Apheresis (ASFA), and the designated representatives of the Principal Members (which include the Vice President, the Secretary, and the Treasurer). The Chief Executive Officer and the Chief Medical Officer shall be non-voting, ex officio members of the Board. The Board may add additional non-voting, ex officio members to the Board, as necessary.
- 6.5.3 *Chair.* The President shall serve as Chair of the Board of Directors (“Board Chair”). If the President is unavailable, unable or unwilling to serve, the responsibility for chairing meetings of the Board shall pass to the Vice President, the Secretary, and the Treasurer, respectively.
- 6.5.4 *Manner of Selection and Terms.* The terms of the voting members of the Board of Directors shall be based on calendar years.

- 6.5.4.1 *Presidential Officers.* The President, President-Elect and Immediate-Past President shall be members of the Board of Directors while serving their terms of office.
- 6.5.4.2 *Representatives of Principal Members.* Each Principal Member is entitled to appoint six (6) representatives for seats on the Board of Directors, provided that each appointment is affirmed by vote of the FACT Board of Directors. The term of each appointed Director shall be three (3) years, with a maximum of three consecutive full terms. The appointments shall be in annual classes so that each Principal Member appoints two representatives each year. Each appointment shall be in writing, executed by an official representative of the Board of Directors of the Principal member. Each appointed Director shall serve for the term to which appointed, or until his or her death, resignation, or removal. An individual appointed to fill a vacancy may serve an additional three full consecutive terms.
- 6.5.4.3 *Public Director.* The Public Director shall be a person whose knowledge and experience will assist the Board of Directors in furthering the purpose and mission of FACT and shall be considered an advocate for cellular therapy patients. The Public Director shall be elected by the members of the Board of Directors for a term of three years and may serve a maximum of three consecutive terms.
- 6.5.4.4 *Chair of Standards Committee.* The Chair of the Standards Committee shall be appointed by the Board to serve a term of approximately three years encompassing one edition of each set of FACT Standards. The term shall commence with the initiation of a new edition of the FACT Hematopoietic Cell Therapy Standards and end with the initiation of the next edition of that set of Standards. The Chair of the Standards Committee will continue as a member of the Board if currently serving as a Director at the time of appointment as Chair of the Standards Committee. The Chair of the Standards Committee will occupy an independent seat on the Board if not currently serving as a Director.
- 6.5.5 *Other Participants.* At the discretion of the Board of Directors, members of the FACT staff, consultants and guests may attend and participate in the meetings of the Board, but they shall not be entitled to vote.
- 6.5.6 *Vacancies.* In the event of a Director's death, resignation, removal or inability to act, the Principal Member that appointed that Director (or the Board of Directors in the case of a Public Director or Chair of the Standards Committee and Executive Committee in the case of the Immediate-Past President) shall appoint a successor in the manner provided in Section 6.5.4.2. The successor shall complete the term that has been vacated. If the vacancy is a representative of a Principal Member and the Principal Member fails to appoint a successor within ninety (90) days, the Board at its sole discretion may make an appointment to fill the vacancy and complete the term. A vacancy in the office of Immediate-Past President may be filled with Past President or Past Vice President appointees by the Executive Committee.

- 6.5.7 *Resignation.* Any Director may resign from the Board of Directors at any time by giving written notice to the President or Secretary. Such resignation shall take effect on the date of receipt or at the time specified in the written notice.
- 6.5.8 *Removal.* Any Director may be removed from office, with or without cause, by a two-thirds vote of the Directors attending any regular or special meeting of the Board of Directors at which a quorum is present.
- 6.5.9 *Means of Acting.* An act of a majority of the voting members of the Board of Directors present at a duly called meeting at which there is a quorum shall be an act of the Board of Directors, unless the act of a greater number is required by law, the Articles of Incorporation, or these Bylaws.
- 6.5.10 *Annual and Regular Meetings.* An annual meeting of the Board of Directors shall be held, without notice other than this provision, on the same day and the same place as the annual meeting of the Principal Members. The Board of Directors may designate by resolution the time and venue for the annual meeting. Additional meetings or telephone conference calls may be called by the Board Chair or at the written request submitted to the Board Chair by no fewer than twenty percent (20%) of the voting Directors.
- 6.5.11 *Meetings by Conference Call.* Any meeting of the Board of Directors, or a committee thereof, may be held by telephone or video conference or by other means in which all persons participating in the meeting can hear and speak to all other participants.
- 6.5.12 *Notice.* Notice of regular meetings and conference call meetings of the Board of Directors shall be given at least ten (10) days prior to the meeting. The notice shall be delivered personally or by mail or electronic mail to each Director's address as it appears in the records of FACT. If the notice is mailed, it shall be deemed delivered when correctly addressed with postage pre-paid and deposited with the United States Postal Service. If notice is sent by electronic mail, it shall be deemed delivered when the correctly addressed message reaches the recipients' e-mail server.
- 6.5.13 *Emergency Meetings.* Emergency meetings of the Board of Directors may be called at the request of the President or at the written request submitted to the President by no fewer than 20 percent (20%) of the voting Directors. Notice of the emergency meeting must be communicated expeditiously to all Directors, although any Director may waive notice of an emergency meeting. Neither the business to be transacted at, nor the purposes of an emergency meeting of the Board needs to be specified in the notice of the meeting. For the transaction of business in an emergency meeting, there must be a quorum, as defined in Section 6.5.14.
- 6.5.14 *Quorum.* A majority of the voting members of the Board of Directors shall constitute a quorum for the transaction of business at any duly called meeting of the Board. If less than a majority of all voting members is present, a majority of the voting members present may adjourn the meeting to another time without further notice. If a quorum is present when a duly called or held meeting is convened, the Directors present may continue to transact business until adjournment, even though the withdrawal of Directors originally present leaves fewer than the number Directors otherwise required for a quorum.
- 6.5.15 *Proxies.* Any Director may vote by proxy executed in writing and delivered to the President or Secretary.

- 6.5.16 *Action by Written Consent.* Any action required or permitted by law to be taken at a meeting of the Board, or a committee thereof, may be taken without a meeting if a consent in writing, setting forth the proposed action, is signed by at least two-thirds of the members of the Board.
- 6.5.17 *Mail Ballot.* The Board, as well as committees thereof, may act without a meeting if written consent is obtained by mail or electronic mail ballot, signed by two-thirds of the voting Directors or two-thirds of the members of the committee.
- 6.5.18 *Budget.* At its annual meeting or last regular meeting of each calendar year, the Board of Directors shall adopt the FACT operating budget and reserve fund budget for the next calendar year. These budgets may be revised at any regular or special meeting of the Board of Directors. If a budget requires a special assessment for Principal Members, the proportions assigned to the Principal Members must be equal. A payment schedule may be negotiated individually with each Principal Member.
- 6.5.18.1 *Reserve Fund.* The Board of Directors shall establish and maintain a reserve fund in an amount deemed sufficient by the Board through special or regular assessments for Principal Members to assure the continuity of operations of FACT. The size and source of support to this reserve fund shall be set out in the annual budget as approved by the Board of Directors.
- 6.5.19 *Parliamentary Procedure.* The conduct of all meetings of the Board of Directors, and committees thereof including the Executive Committee, shall be guided by the most current edition of the Robert's Rules of Order, *available at* <https://robertsrules.com/>.
- 6.5.20 *Attendance.* Members of the Board of Directors shall maintain a minimum fifty percent (50%) rate of attendance at regular and special meetings of the Board of Directors and meetings of committees on which they serve. When a Director fails to meet this requirement for a calendar year, the Board of Directors shall review the Director's attendance record and may remove the Director in the manner provided in Section 6.5.8.
- 6.5.21 *Compensation and Reimbursement of Expenses.* Persons serving as voting members of the Board shall not receive any salary or compensation for their services as a Director. A Director may be reimbursed for reasonable expenses, including travel and lodging, incurred on behalf of FACT or while performing duties as a Director of FACT. A Director may be reasonably compensated for other services provided to FACT if the compensation is fully disclosed to and approved by the Board of Directors in advance of the performance or delivery of those services.
- 6.5.22 *Principal Members Meeting.* Although the FACT Board of Directors are not members of the Principal Members meeting and do not vote in meetings of the Principal Members, a Principal Member may invite either the Executive Committee or the entire Board to attend a meeting of the Principal Members as non-voting, ex officio attendees.

6.6 **ARTICLE VI: OFFICERS**

- 6.6.1 *Elected Officers.* The elected officers of FACT shall be President, President-Elect, Vice President, Immediate-Past President, Secretary and Treasurer. While serving as an officer, the Vice President, the Secretary, and the Treasurer must be current members of the Board representing a Principal Member.

- 6.6.2 *Appointed Officers.* The Board shall appoint officers to carry out the administrative responsibilities of FACT. The appointed officers of FACT shall be the Chief Executive Officer, as further described in Article IX of these Bylaws, and the Chief Medical Officer, as further described in Article VIII of these Bylaws. The Board may appoint or may authorize the Chief Executive Officer to appoint other officers, as necessary, for the proper operation of FACT. The Board of Directors shall fix the compensation of the Chief Executive Officer and Chief Medical Officer, shall review the compensation for all other appointed officers, and shall determine the reasonableness of such compensation at least once every two years by considering compensation data based on benchmarking studies conducted by reliable third parties utilizing national comparability data on salary and benefits of organizations of similar size, revenue, and mission.
- 6.6.3 *Manner of Selection and Terms.* The election of officers will be held at the annual meeting of the Board of Directors, and terms will begin on January 1 of the next calendar year. The terms of President and Vice President shall be staggered with the terms of Secretary and Treasurer. No two offices may be held by the same person
- 6.6.3.1 *President.* The term of the President is two years, with a maximum of two consecutive terms. If, upon taking office, the President is a Director representing a Principal Member, then that Director's seat becomes vacant and may be filled in accordance with Section 6.5.6. The President continues to serve as a voting member of the Board of Directors until the conclusion of his or her term as President and Immediate-Past President.
- 6.6.3.2 *Vice President.* The term of the Vice President is two years or until the conclusion of his or her term as a member of the Board of Directors.
- 6.6.3.3 *President-Elect.* The term of the President-Elect is up to one year. A President-Elect shall be chosen upon or during the incumbent President's final year of office, either because the President is reaching a term limit or has announced his or her intention to not seek re-election. In other years, the office of President-Elect will be vacant.
- 6.6.3.4 *Immediate-Past President.* The term of the Immediate-Past President shall coincide with the term of the current President.
- 6.6.3.5 *Secretary.* The term of the Secretary is two years or until the conclusion of his or her term as a member of the Board of Directors.
- 6.6.3.6 *Treasurer.* The term of the Treasurer Secretary is two years or until the conclusion of his or her term as a member of the Board of Directors.
- 6.6.4 *Duties and Responsibilities.* The officers are responsible for implementation of the policies and actions of the Board of Directors.
- 6.6.4.1 *President.* The President is the principal officer of FACT. The President shall serve as Board Chair at all meetings of the Board of Directors and its Executive Committee, having primary responsibility for the agenda of each meeting. The President shall also preside at the annual meeting of the Principal Members of FACT. The President shall have oversight for the implementation of all orders

and resolutions of the Board of Directors. The President may sign on behalf of FACT any contracts, documents, deeds, mortgages, bonds, or other instruments authorized by the Board of Directors, except as otherwise provided by these Bylaws or by resolution of the Board of Directors and shall be a non-voting, ex-officio member of all committees. In the absence or disability of the Chief Executive Officer, the President shall perform all of the duties of the Chief Executive Officer and when so acting shall have all the powers and be subject to all the restrictions upon the Chief Executive Officer, including the power to sign all instruments and to take all actions which the Chief Executive Officer is authorized to perform by the Board of Directors or these Bylaws. The President shall have the general powers and duties usually vested in the office of president of a corporation and such other powers and duties as may be prescribed by the Board.

- 6.6.4.2 *President-Elect.* The President-Elect shall assist the President in the discharge of the duties of President, as the President may direct, and shall perform other duties as may be assigned from time to time by the Board of Directors. The President-Elect shall succeed to the office of President if a vacancy occurs in the office of President.
- 6.6.4.3 *Vice President.* The Vice President shall act as President when the President is absent, other than when a vacancy occurs in the office of President. When so acting, the Vice President shall have all responsibility, power, and authority of the President, and shall have such other powers and duties as may be assigned by the Board of Directors. If there is no President-Elect and the office of President is vacant, the Vice President shall act as President until such time as a replacement has been appointed. The Vice President acting as President does not create a vacancy in the office of Vice President.
- 6.6.4.4 *Immediate-Past President.* The Immediate-Past President shall provide an orderly transfer of duties and responsibilities to his or her successor, and provide advice and counsel as requested by the Officers, the Executive Committee, and the Board of Directors.
- 6.6.4.5 *Secretary.* The Secretary shall have primary responsibility for the minutes of the Board of Directors, the Executive Committee, and the annual meeting of the Principal Members; assure that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; be the custodian of the corporate records and of the seal of FACT and assure that the seal is properly affixed to all documents requiring the same; keep a register of the name and address of each Principal Member and each Director; and perform other duties customarily incident to the office of Secretary or that may be assigned by the Board of Directors.
- 6.6.4.6 *Treasurer.* The Treasurer shall have charge of and be responsible for all funds and securities of FACT, receipt and payment for monies due to and payable by FACT, and deposit of all such monies in the name of FACT in such banks, trust companies, or other depositories as may be designated by the Board of Directors; assure that all authorized accounts payable are paid promptly; assure that an adequate accounting system is maintained to give a true and accurate record of the financial transactions and position of FACT; present accurate and

clear reports of such transactions and reserve funds to the Board of Directors; and perform other duties customarily incident to the office of Treasurer or that may be assigned by the Board of Directors.

6.6.5 *Vacancies.* A vacancy in any elected office shall be filled as soon as practical after the vacancy occurs, at a regular or specially called meeting of the Board of Directors in the manner prescribed for annual elections in Section 6.6.3. Each filled vacancy will be for the remainder of the vacated term. Except, however, if the office of President becomes vacant and the office of President-Elect is occupied, then the President-Elect will automatically fill the vacancy in the office of President and continue serving as President in the next term. A person elected to fill a vacancy will not be barred as a candidate for that same office in the next term. A vacancy in the office of Immediate-Past President may be filled with Past President or Past Vice President appointees by the Executive Committee.

6.6.6 *Removal.* Any officer may be removed from office by a two-thirds vote of the Directors attending any regular or specially called meeting of the Board of Directors at which a quorum is present.

6.6.7 *Compensation and Expense Reimbursement.* An officer may be reimbursed for reasonable expenses, including travel and lodging, incurred on behalf of FACT or while performing duties as an officer of FACT. An officer also may receive a salary or compensation in a reasonable amount for services to FACT that are necessary in carrying out FACT's purposes. The salary or compensation, if any, shall be determined at the sole discretion of the Board of Directors, and in no event will be excessive.

6.7 ARTICLE VII: COMMITTEES

6.7.1 *Standing Committees.* The Board of Directors shall have three (3) standing committees whose voting members are composed entirely of board members. They shall be:

6.7.1.1 *Executive Committee.* The voting members of the Executive Committee shall consist of the President, the President-Elect (if applicable), the Vice President, the Immediate-Past President, the Secretary, the Treasurer, and the Chair of the Standards Committee. The non-voting, ex officio members of the Executive Committee shall consist of the Chief Executive Officer and the Chief Medical Officer as Chair of the Accreditation Committees. The President shall act as Chair of the Executive Committee. In the absence of the President, the order of succession for chairing the Executive Committee shall be the Vice President, the Secretary, and the Treasurer. Between meetings of the Board of Directors, the Executive Committee may exercise the powers of the Board of Directors for management of the policies and business of FACT, except that the Executive Committee may not (1) adopt or amend the annual budget, (2) elect officers, (3) amend the Bylaws, or (4) act in any way that is prohibited by law, the FACT Articles of Incorporation, or the FACT Bylaws. At any later time, the Board of Directors may modify or rescind any action of the Executive Committee. It shall be the express duty of the Executive Committee to:

- 6.7.1.1.1 Take such actions for the Board as may be required between meetings of the Board, and otherwise exercise the authority of the Board, subject only to the superior authority of the Board of Directors.
 - 6.7.1.1.2 Confer with the Chief Executive Officer regarding all matters relating to Section 6.9.4 through 6.9.4.11 and such other matters as may arise in the exercise of the Chief Executive Officer's responsibilities.
 - 6.7.1.1.3 Confer with the Chief Medical Officer regarding all matters relating to Section 6.8.4 and such other matters as may arise in the exercise of the Chief Medical Officer's responsibilities.
- 6.7.1.2 *Finance Committee.* The Finance Committee shall consist of the Treasurer, the President, and the Vice President. The Treasurer shall serve as Chair of the Finance Committee. It shall be the duty of the Finance Committee to oversee the fiscal needs of FACT, both as to capital and operating needs, develop and implement the investment policies of FACT, review the internal and external audits, and report and make recommendations to the Board thereon. All actions of the Finance Committee are subject to final approval by the Board of Directors.
- 6.7.1.3 *Leadership and Nominations Committee.* The Leadership and Nominations Committee shall consist of the Immediate-Past President, the President and the Vice President, and two (2) additional members appointed by the Board. The term of appointment for non-officers shall be two years, with a maximum of two terms. The Immediate-Past President shall serve as Chair of the Leadership and Nominations committee. In the event that the Immediate-Past President is not available, another Past President or Past Vice President appointee will be assigned to this role by the Executive Committee.
- 6.7.1.4 It shall be the duty of the Leadership and Nominations Committee to recommend candidates that the Board may nominate to the Principal Members for appointment to the FACT Board of Directors according to section 6.3.3.
- 6.7.2 *Other Standing Committees.* FACT shall have five (5) additional standing committees whose members and chairs are appointed by the Board of Directors. Each of these standing committees must include in its membership at least two members of the Board of Directors. The chairs may or may not be a member of the Board of Directors.
- 6.7.2.1 *Standards Committee.* The Standards Committee shall be responsible for developing, publishing, interpreting, and revising the Standards to be used to determine the qualifications necessary to receive accreditation by FACT. The Standards Committee shall monitor scientific developments, educational requirements, and standards of practice to determine revisions to the Standards that should be recommended to enhance the integrity and quality of the programs and the safety of patients. The Standards Committee

shall meet at the call of the Chair of the Standards Committee. All actions of the Standards Committee are subject to final approval by the Board of Directors.

- 6.7.2.1.1 The Standards Committee shall be comprised of individual discipline-specific subcommittees, each responsible for a specific set of FACT Standards.
- 6.7.2.1.2 The Board shall appoint subject matter experts as members of the Standards Committee, whether members of the Board or not, as necessary to fulfill the committee responsibilities. Each member of the Standards Committee shall serve an approximately three-year term beginning at the initiation of a new edition of Standards and ending at the initiation of the subsequent edition of that set of Standards, with no limit on reappointments..
- 6.7.2.2 *Cellular Therapy Accreditation Committee.* The Cellular Therapy Accreditation Committee shall be responsible for developing, interpreting, implementing, and revising the procedures for evaluating applicants for accreditation, determining whether applicants comply with the standards, developing an appeals process, reviewing appeals, and developing such other procedures as are necessary to ensure a fair and objective process for assessing applicants for accreditation. The Chief Medical Officer shall serve as the Chair of the Cellular Therapy Accreditation Committee pursuant to Section 6.8.4. The Board shall appoint members to the Committee, whether members of the Board or not, as it deems necessary to include expertise in all areas of cellular therapy. Each member shall serve a two-year term with no limit on reappointments. All actions of the Cellular Therapy Accreditation Committee are subject to the final approval by the Board of Directors.
- 6.7.2.3 *Cord Blood Bank Accreditation Committee.* The Cord Blood Bank Accreditation Committee shall be responsible for developing, interpreting, implementing, and revising the procedures for evaluating applicants for accreditation, determining whether applicants comply with the International Standards for Cord Blood Banking, developing an appeals process, reviewing appeals, and developing such other procedures for assessing applicants for accreditation. The Chief Medical Officer shall serve as the Chair of the Cord Blood Bank Accreditation Committee pursuant to Section 6.8.4. The Board shall appoint members to serve on the Committee, whether members of the Board or otherwise, as it deems necessary to include expertise in all areas of cord blood banking. Each member shall serve a two-year term with no limit on reappointments. All actions of the Cord Blood Bank Accreditation Committee are subject to the final approval by the Board.
- 6.7.2.4 *Education Committee.* The mission of the Education Committee shall be to identify, develop, implement, and maintain actions to improve the quality of the inspection process, and provide educational resources for inspectors, accredited programs, and the cell therapy community. The committee shall have a minimum of six (6) members including the Chair of the Education

Committee, appointed by the Board of Directors. Each member shall serve a two-year term, with no limit on reappointments. The Education Committee may adopt its own schedule of operating procedures, subject to approval by the Board.

6.7.2.5 *Grievance Committee.* The mission of the Grievance Committee shall be to receive, review and attempt resolution of any challenge to the impartiality, professionalism or ethical conduct of any FACT officer, member of the Board, inspector, or staff, or any challenge to the compliance with Standards of any accredited program or facility. The committee shall have a minimum of six (6) members including the Chair of the Grievance Committee, appointed by the Board. Each member shall serve a two-year term, with no limit on reappointments. The Grievance Committee may adopt its own schedule of operating procedures, subject to approval by the Board.

6.7.3 *Special Committees.* The Board may create special committees for specific tasks. The Board Chair shall appoint the members of special committees, subject to approval by the Board, from members of the Board and other persons whether or not affiliated with Principal Members. Special committees shall serve only for the purposes for which created and shall stand discharged upon completion of the tasks. Any member of a special committee may be removed from that committee with or without cause by a majority vote by the Board.

6.8 **ARTICLE VIII: CHIEF MEDICAL OFFICER**

6.8.1 *Qualifications.* The Chief Medical Officer shall be a physician appropriately qualified to carry out administrative responsibilities for FACT standards and accreditation programs.

6.8.2 *Manner of Selection.* The Chief Medical Officer shall be appointed by the Board of Directors and shall serve at the pleasure of the Board or as otherwise determined by contract with the Board.

6.8.3 *Compensation.* The compensation of the Chief Medical Officer shall be fixed from time to time by the Board of Directors.

6.8.4 *Duties and Responsibilities.* The Chief Medical Officer shall have the delegated authority and responsibility for the administration of the FACT standards, accreditation, education, quality improvement, and grievance programs and procedures, subject to such policies and orders as may be issued by the Board of Directors, or by limitations stated in the Bylaws. The Chief Medical Officer shall serve as Chair of the Cellular Therapy Accreditation Committee and the Cord Blood Bank Accreditation Committee and shall be a non-voting, ex officio member of the Executive Committee and Board of Directors.

6.9 **ARTICLE IX: CHIEF EXECUTIVE OFFICER**

6.9.1 *Qualifications.* The Chief Executive Officer shall be appropriately qualified to carry out the administrative responsibilities of FACT.

6.9.2 *Manner of Selection.* The Chief Executive Officer shall be appointed by the Board of Directors and shall serve at the pleasure of the Board or as otherwise determined by contract with the Board.

6.9.3 *Compensation.* The compensation of the Chief Executive Officer shall be fixed from time to time by the Board of Directors.

6.9.4 *Authority and Duties.* If a Chief Executive Officer is appointed by the Board of Directors, he or she shall be the chief executive officer of the Corporation, shall have supervision over all FACT staff and the business and operations of FACT, and shall be responsible for the administration of FACT activities and departments, subject to the policies and orders as may be issued by the Board of Directors, or by limitations stated in these Bylaws. The Chief Executive Officer shall be a non-voting, ex officio member of the Executive Committee and Board of Directors and shall have the general powers and duties of management usually vested in the office of chief executive officer of a corporation and such other powers and duties as may be assigned by the Board. In addition, the Chief Executive Officer shall have the following specific authority and duties:

6.9.4.1 To prepare and submit to the Board of Directors for approval the plan of organization of the personnel and others concerned with the operations of FACT programs.

6.9.4.2 To prepare and submit to the Board of Directors for approval an Employee Handbook describing the policies and procedures for FACT personnel.

6.9.4.3 To oversee the preparation of an annual budget showing expected receipts and expenditures, which shall be submitted to the Board of Directors for approval at its last regular meeting of each calendar year; to prepare the assessment for expenses under the budget for each Principal Member in accord with current policy for such allocation; and to present the amount of the contribution to the budget assessed against each Principal Member at the last regular meeting of the Board of Directors, provided that each Principal Member shall be notified on or before June 1 of any contemplated increase in the amount of its assessment for the succeeding calendar year.

6.9.4.4 To ensure the appropriate personnel are employed to fulfill the duties and responsibility of activities authorized by the Board of Directors.

6.9.4.5 To see that all physical properties of FACT shall be kept safe and in a good state of repair and operating condition.

6.9.4.6 To supervise all business affairs of FACT.

6.9.4.7 To submit reports of activities to the Board of Directors or its authorized committees as requested.

6.9.4.8 To attend meetings of the Principal Members and the Board of Directors.

6.9.4.9 To serve as a liaison officer and to channel all official communication between FACT and the Principal Members.

6.9.4.10 To sign contracts, documents, and instruments authorized by the Board of Directors in accordance with FACT's Procurement Policy.

6.9.4.11 To perform such other duties as may be assigned by the Board of Directors.

6.10 **ARTICLE X: MISCELLANEOUS**

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

- 6.10.2 *Checks.* All checks, drafts, and other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of FACT, shall be signed by such officer or officers, agent or agents of FACT and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination, such instruments shall be signed by the Treasurer and countersigned by the President.
- 6.10.3 *Gifts.* The Board of Directors may accept on behalf of FACT any grant, contribution, gift, bequest, or devise for the general purposes or for any special purpose of FACT.
- 6.10.4 *Indemnity.* To the extent permitted by law, each Director, officer, committee member, and other agent of FACT shall be held harmless and indemnified by FACT against all claims and liabilities and all costs and expenses, including attorney's fees, reasonably incurred or imposed upon him or her in connection with or resulting from any action, suit or proceeding, or the settlement or compromise thereof, to which he or she may be made a party by reason of any action taken or omitted to be taken by him or her as Director, officer, committee member, or agent of FACT, in good faith. To the extent permitted by law, this right of indemnification shall apply to such person whether or not he or she is a Director, officer, committee member, or agent at the time such liabilities, costs or expenses are imposed or incurred and, in the event of his or her death, shall extend to his or her legal representatives. To the extent appropriate and reasonably available, and permitted by law, FACT shall insure against any potential liability hereunder.

6.11 **ARTICLE XI: DISSOLUTION**

- 6.11.1 FACT may be voluntarily dissolved in the following manner:
- 6.11.1.1 By (i) the adoption of a resolution by the Board of Directors recommending that FACT be dissolved and directing that the question of such dissolution be submitted to a vote at a regular or special meeting of Principal Members, or (ii) the request of any Principal Member that the question of such dissolution be submitted to a vote at a regular or special meeting of Principal Members; or
- 6.11.1.2 By the giving of notice pursuant to Section 6.4.5, stating that the purpose, or one of the purposes, of the meeting of Principal Members is to consider the advisability of dissolving FACT.
- 6.11.2 A resolution to dissolve FACT requires approval at a meeting of Principal Members by at least two-thirds of the votes of all Principal Members present or represented by proxy.

6.12 **ARTICLE XII: AMENDMENTS TO BYLAWS**

- 6.12.1 These Bylaws may be altered, amended, or repealed and new Bylaws may be adopted by the affirmative vote of three-fourths of the voting members of the FACT Board present at any regular or special meeting of the Board at which a quorum is present.

6.13 **ARTICLE XIII: AMENDMENTS TO ARTICLES OF INCORPORATION**

- 6.13.1 The Articles of Incorporation may be amended in the following manner:
- 6.13.1.1 By (i) the adoption of resolution by the Board of Directors setting forth the proposed amendment and directing that it be submitted to a vote at a regular

or special meeting of Principal Members or (ii) the request of one-twentieth (1/20) or more of the Principal Members that the proposed amendment be submitted to a vote at a regular or special meeting of Principal Members; and

6.13.1.2 By the giving of notice pursuant to Section 6.4.5, stating that the purpose, or one of the purposes, of the meeting of Principal Members is to consider the proposed amendment to the Articles of Incorporation.

6.13.2 A resolution to amend the Articles of Incorporation adopted at a meeting of Principal Members requires at least two-thirds of the votes of all Principal Members present or represented by proxy.

Approved by (date):
FACT Board of Directors (04/22/2022)