

Japanese Heart Failure Society Articles of Incorporation

Section 1 General Items

Article 1 Name

The name of this Entity shall be “Japanese Heart Failure Society”.

Article 2 Office

The primary office of the Entity shall be located in Bunkyo-ku, Tokyo.

Section 2 Purpose and Business

Article 3 Purpose

The purpose of the Entity shall be the provision of a forum for presenting research on heart failure and related topics; the promotion of research regarding heart failure through the exchange of knowledge and information and contributing to the development of the study of medicine in Japan.

Article 4 Business

In order to achieve the Purpose of the previous Article, the Entity shall be engaged in the following business.

- 1) Holding academic conferences
- 2) Publishing academic publications
- 3) Acting as a liaison and cooperating with domestic and foreign academic associations related to heart failure research.
- 4) Other business necessary for the achievement of the Purpose of the Entity.

Section 3 Members and Delegates

Article 5 Composition of the Entity

1 The Entity shall be comprised of the following types of members.

- 1) Full members: individuals who have joined in support of the Purpose of the Entity.
- 2) Honorary members: full members that have worked many years for the advancement of the Entity, and who, after the decision of the Board of Directors, have been nominated in the General Meeting of Members.
- 3) Special members: full members who have made particular achievements in the field of heart failure, and who, after the decision of the Board of Directors, have been nominated in the General Meeting of Members.
- 4) Associate members: corporation, associations, or individuals who support the Purpose of the Entity, and who wish to cooperate in advancing the Entity.

2 The Entity shall have delegates, which shall be members according to the Entity and the regulations of the General Foundations Act (hereinafter referred to as the “Foundations Act”).

3 The number of delegates shall be set by the Board of Directors prior to selection, and may total up to 20% of full members.

4 Members that are 65 years of age or older as of March 31 in the year of selection may not be selected as delegates.

5 Delegates shall be selected from among full members, and requirements for delegate selection shall be set forth in separate rules in the General Meeting of Members, in addition to the requirements established by these Articles of Incorporation.

6 The term of delegates shall be from the date of selection until the next selection of delegates two years hence. However, in the event a delegate is the subject of a General Meeting of Members vote, a dissolution of membership, an inquiry into responsibility, or dismissal from a directorship (including demands for a motion to object as governed by Article 278, Paragraph 1 of the Foundations Act), the delegate in question shall maintain membership status until the objection is resolved. In that event, the delegate in question shall not have voting rights in regards to the appointment or removal of directors or auditors, nor to changes in the Articles of Incorporation.

7 Full members may exercise the following membership rights set forth in the Foundations Act, similar to a delegate.

- 1) Foundations Act Article 14, Paragraph 2 (viewing articles of incorporation)
- 2) Foundations Act Article 32, Paragraph 2 (viewing membership list)
- 3) Foundations Act Article 50, Paragraph 6 (viewing members' certificate of proxy rights)
- 4) Foundations Act Article 51, Paragraph 4 and Article 52, Paragraph 5 (viewing voting ballots)
- 5) Foundations Act Article 57, Article 4 (viewing minutes of General Meeting of Members)
- 6) Foundations Act Article 129, Paragraph 3 (viewing accounting documents, etc.)
- 7) Foundations Act Article 229, Paragraph 2 (viewing balance sheets of liquidated entities)
- 8) Foundations Act Article 246, Paragraph 3, Article 250, Paragraph 3, and Article 256, Paragraph 3 (viewing merger agreements)

8 Directors and auditors shall be responsible for damages to the Entity from a dereliction of responsibility, and regardless of Article 112 of the Foundations Act, this responsibility may not be exempted without the unanimous agreement of all full members.

Article 6 Acquiring Membership Status

Those desiring to join as full or associate members must request membership by submitting a membership application form as set forth by the Board of Directors.

Article 7 Membership Dues

1 Full or associate members shall have the obligation to pay a fee, set forth as a Supplementary Rule, as membership dues used to pay for operating expenses incurred through Entity activities.

2 Honorary or special members shall not be required to pay membership dues.

Article 8 Willful Withdrawal

Members may submit a withdrawal form established by the Board of Directors to willfully withdraw membership from the Entity.

Article 9 Expulsion

1 Members may be expelled from the Entity by the decision of the General Meeting of Members for any of the following reasons.

- 1) Violations of the Articles of Incorporation or other rules.
- 2) Actions that damage the reputation of the Entity or are opposed to its purpose.
- 3) Other valid reasons.

2 When expelling a member for any of the reasons listed in the preceding paragraph, that member must be notified at least one week prior to the General Meeting of Members in question, and an opportunity must be provided to that member to offer a defense.

Article 10 Losing Membership Qualifications

1 In addition to Article 2 above, a member may be disqualified from membership for any of the following reasons.

- 1) That member has not paid membership dues two years in a row.
- 2) That member has died or the organization to which the member belongs has dissolved.

2 Full members that are delegates will lose their qualifications as delegates and as members when disqualified according to Article 2 above, or for the reasons listed in the preceding paragraph.

Article 11 Rights and Obligations when Losing Membership Qualifications

1 In the event a member has been disqualified according to Article 3 above, that member shall lose membership rights within the Entity, and shall be excused from any duties. However, that member shall not be excused from any unfinished duties.

2 The Entity shall not return already submitted membership dues or other monies even after a member has lost membership qualifications.

Section 4 General Meeting of Members

Article 12 Composition

1 The General Meeting of Members shall be comprised of all delegates.

2 Honorary or special members may attend the General Meeting of Members and express opinions with the understanding of the meeting chair. However, they may not participate in decision-making.

Article 13 Authority

The General Meeting of Members shall vote on the following items.

- 1) Amount of membership dues
- 2) Member expulsion
- 3) Appointment and dismissal of directors and auditors

- 4) Approval of balance sheets and income statements (net asset statements)
- 5) Changes to the Articles of Incorporation
- 6) Dissolution and disposal of surplus assets
- 7) Mergers and transfers of business, in whole or in part.
- 8) Other items set forth by law or in these Articles of Incorporation to be decided by the General Meeting of Members

Article 14 Convening Meetings

In addition to the regular General Meeting of Members held once every three months of the fiscal year, Extraordinary General Meetings may be convened as necessary.

Article 15 Convocation to Meetings

1 Except where otherwise set forth by law, General Meetings of Members shall be convened by the Chairman based on the decision of the Board of Directors.

2 When convening a General Meeting of Members, members must be informed in writing, at least two weeks prior to the meeting, of the meeting date and time, location, and purpose.

Article 16 Meeting Chair

The role of Chair of the General Meeting of Members shall be filled by the Chairman.

Article 17 Voting Rights

One vote within the General Meeting of Members shall be granted to each delegate.

Article 18 Resolutions

1 Except where otherwise set forth by law or the Articles of Incorporation, resolutions of the General Meeting of Members shall be decided by a majority of delegate votes, where a majority of delegates with voting rights in the General Meeting of Members are in attendance.

2 Regardless of the preceding paragraph, the following resolutions shall be decided by a two-thirds vote of delegates, where a majority of delegates with voting rights in the General Meeting of Members are in attendance.

- 1) Member exclusions
- 2) Dismissal of auditors
- 3) Changes to Articles of Incorporation
- 4) Dissolution
- 5) Mergers or total transfer of business
- 6) Other items as set forth by law

Article 19 Exercising Proxy Voting Rights

1 Delegates who cannot attend the General Meeting of Members for unavoidable reasons may grant proxy voting rights to another delegate.

2 The preceding paragraph may only be applied when the delegate to whom proxy voting rights are entrusted is in attendance at the General Meeting of Members in question.

Article 20 Meeting Minutes

Minutes of the General Meeting of Members shall be kept as set forth by law.

Article 21 Reporting to Members

Agenda items and items decided upon in the General Meeting of Members shall be reported to all members.

Section 5 Officers, Etc.

Article 22 Installation of Officers

The Entity shall have the following officers.

Directors: between 20 and 30

Auditors: up to 2

2 One of the directors shall act as Chairman, who shall also be the Representative Director of the Entity according to the Foundations Act.

Article 23 Appointment of Officers

1 Directors and auditors shall be selected by vote in the General Meeting of Members.

2 The Chairman shall be selected from among directors by decision of the Board of Directors.

3 An auditor of the Entity may not simultaneously serve as a director or Chairman as set forth in Section 7.

4 Necessary items in regards to selection of officers shall be set forth in these Articles of Incorporation, as well as in separate rules.

Article 24 Work and Authority of Directors

1 Directors shall make up the Board of Directors, and shall represent the Entity as set forth by law and in these Articles of Incorporation.

2 The Chairman shall represent the Entity as set forth by law and in these Articles of Incorporation.

3 The Chairman shall report the status of the Chairman's work to the Board of Directors at least twice each fiscal year with intervals of at least four months in between.

Article 25 Work and Authority of Auditors

1 Auditors shall audit the work of directors and create audit reports as set forth by law.

2 Auditors shall request reports on business from directors, and may investigate work and assets of the Entity.

Article 26 Officer Terms

1 The term of directors shall end at the regularly scheduled final General Meeting of Members of the fiscal year within two years of appointment, with reappointments

possible. **However, a reappointment of the Chairman is not possible after a total of four years in office.**

2 The term of auditors shall end at the regularly scheduled final General Meeting of Members of the fiscal year within two years of appointment, with reappointments possible.

3 Regardless of the preceding two paragraphs, the terms of directors and auditors selected to fill vacancies of directors retiring prior to term end shall end with the original term of the predecessor.

4 In the event there are not sufficient numbers of directors or auditors according to Article 22, directors and auditors shall perform their respective duties even after retiring from their duties or after their term has expired until replacements have been selected.

Article 27 Dismissal of Officers

1 Directors and auditors may be dismissed at any time by vote of the General Meeting of Members.

2 In the event of dismissal of an auditor, the dismissal must be done by a two-thirds vote of delegates at a General Meeting of Members at which a majority of delegates are present.

3 In the event of dismissal per Paragraph 1, directors and auditors must be provide an opportunity to offer a defense prior to a vote of the General Meeting of Members.

4 The Chairman may be dismissed by vote of the Board of Directors.

Article 28 Compensation

Officers shall not be compensated. However, they may be reimbursed for expenses incurred in the course of their duties.

Section 6 Board of Directors

Article 29 Board Composition

1 The Entity shall have a Board of Directors.

2 The Board of Directors shall be comprised entirely of directors.

3 Auditors shall attend Board of Directors meetings and express their opinions when necessary.

4 The President and President-elect may attend Board of Directors meetings and express their opinions.

Article 30 Board Authority

The Board of Directors shall have the following duties.

- 1) Making decisions on the work of the Entity.
- 2) Supervising directors as they carry out their work.
- 3) Selecting and dismissing a Chairman.

Article 31 Convening Meetings

1 The Board of Directors meetings are convened by the Chairman.

2 When convening a Board of Directors meeting, each director and auditor shall be notified at least one week in advance of the meeting as to the meeting date and time, location, and purpose, either in writing or via electromagnetic methods.

Article 32 Meeting Chair

The President shall act as chair of Board of Directors meetings.

Article 33 Voting

1 Votes of the Board of Directors shall be decided by a majority, where a majority of directors are in attendance and have no particular conflict of interest regarding the vote in question.

2 Regardless of the preceding paragraph, only Board of Directors votes that pass resolutions fulfilling the requirements of Article 96 of the Foundations Act shall be accepted.

Article 34 Meeting Minutes

1 Minutes of Board of Directors meetings shall be kept in accordance with the law.

2 Chairmen and auditors attending Board of Directors meetings shall affix their signature and seal to the meeting minutes mentioned in the preceding paragraph.

Section 7 President

Article 35 Establishing a President

The Entity shall have one President.

Article 36 Duties

1 The duties of the President shall be to supervise the Academic Meetings.

2 The President and President-elect shall attend Board of Directors meetings while in office.

Article 37 Term of Office

The term of office for the President shall begin on the day of appointment and end at the close of the Academic Meeting over which the President presides.

Section 8 Secretary General

Article 38 Establishing of the Secretary General

The Entity shall have a Secretary General.

Article 39 Duties

The Secretary General shall apportion out Entity duties per the decision of the Board of Directors.

Article 40 Appointment

1 The Secretary General shall be delegated by the Chairman following the vote of the Board of Directors.

2 The term of office of the Secretary General shall be one year, with a reappointment possible.

Section 9 Committees

Article 41 Committees

1 The Entity may create committees required to fulfill responsibilities by the decision of the Board of Directors.

2 Committee members and Committee Chairs shall be delegated by the Chairman from among full members, following the vote of the Board of Directors.

Section 10 Accounting

Article 42 Fiscal Year

The fiscal year of the Entity shall begin September 1 of each year and end August 31 of the following year.

Article 43 Asset Management and Operation

The Chairman shall manage and operate Entity assets by vote of the Board of Directors.

Article 44 Business Planning and Budgeting

1 Documents noting the business plans and budgets for the Entity shall be created by the Chairman prior to the day before the start of the fiscal year. The Board of Directors shall vote on the documents and report to the General Meeting of Members. This shall also be the case for changes to said documents.

2 Regardless of the preceding paragraph, when a budget has not been created for reasons beyond control, the Chairman shall have revenues and expenses based upon the budget of the year prior until a budget can be created.

3 Revenues and expenses mentioned in the preceding paragraph shall be viewed as revenues and expenses of the newly created budget.

Article 45 Reporting and Accounting

1 The

Chairman shall create documents regarding business reporting and accounting at the close of each fiscal year. Said documents shall be audited by auditors and approved by the Board of Directors.

- 1) Business reports
- 2) Supplementary statements to business reports
- 3) Balance sheets
- 4) Income statements (net asset accounting statements)
- 5) Supplementary statements to balance sheets and income statements (net asset statements)
- 6) List of assets

2 Of the documents listed in the preceding paragraph as being approved, 1, 3, 4, and 6 must be approved in a regular General Meeting of members.

3 In addition to the documents listed in Paragraph 1, the following documents shall be stored in the primary office for five years and made available for general viewing. Additionally, the Articles of Incorporation and membership roll shall be placed in the primary office and made available for general viewing.

- 1) Audit reports
- 2) List of directors and secretary generals
- 3) Important documents stating figures providing an overview of the operational organization and business activities.

Article 46 Distribution of Surpluses

In the event of an account surplus, said surplus shall not be distributed back to members.

Section 11 Changes to the Articles of Incorporation and Dissolution

Article 47 Changes to Articles of Incorporation

These Articles of Incorporation may be changed by the vote of the General Meeting of Members.

Article 48 Dissolution

The Entity shall be dissolved by vote of the General Meeting of Members, or for reasons set forth by law.

Article 49 Disposal of Residual Assets

Residual assets held by the company in the event of liquidation shall, upon decision of the General Meeting of Members, be gifted to a public benefit corporation or similar Entity as defined in Article 40, Paragraph 1 of the Special Taxation Measures Law, where said Entity falls under Article 5, Number 17 of the Public Interest Corporation Authorization Law.

Section 12 Public Notices

Article 50 Method of Public Notices

- 1 The Entity shall make public notices electronically.
- 2 In the case of accident or other circumstance where the electronic public notice of the preceding paragraph is not possible, public notice will be given through publication in an official journal.

Section 13 Supplementary Rules

Article 51 Delegation to Detailed Regulations

In addition to rules set forth in these Articles of Incorporation, Detailed Regulations required for the operation of the Entity shall be set forth by vote of the Board of Directors or the General Meeting of Members.

Section 14 Supplementary Provisions

Article 52 Establishment of Entity

1 The Entity shall be established at the primary office location upon registration of establishment.

2 In conjunction with the establishment of the Entity, all rights and duties of the Japanese Heart Failure Society, a volunteer society, shall be vested in the Entity.

Article 53 First Fiscal Year

The first fiscal year of the Entity shall begin on the date of establishment of the Entity and end on August 31, 2015.

Japanese Heart Failure Society Detailed Regulations of the Articles of Incorporation

Section 1 Secretariat

Article 1 The Secretariat shall be located at the address of the Association for Supporting Academic Societies (Koishikawa Urban 4F, 5-3-13 Otsuka Bunkyo-ku Tokyo).

Section 2 Members

Article 2 The Entity shall distribute a newsletter to members.

Article 3 Members may preferentially participate in the various businesses sponsored by the Entity. Associate members may listen in on these businesses.

Section 3 Selection of Delegates

Article 4 The selection of delegates shall be done by approval of the General Meeting of Members after recommendations from the Board of Directors based on applications by a Full Member A.

Article 5 When applying for the role of delegate, a Full Member A shall submit the following documents to the Chairman.

- 1) Delegate Application: the specified application form, which requires recommendations from two delegates.
- 2) Curriculum vitae (no specified format).
- 3) List of accomplishments (no specified format).

Article 6 For reappointments, delegates shall be selected according to items 1) and 2) in the preceding Article, though two delegate recommendations shall not be required.

Article 7 Regardless of the preceding article, elected delegates may be reappointed one time after the end of their term. They shall thereafter be selected in accordance with the rules stipulated in Article 3.

Section 4 Selection of Directors and Auditors

Article 8 The Board of Directors shall recommend candidates for directors, which shall be approved in the General Meeting of Members.

Article 9 The Board of Directors shall recommend candidates for auditors, which shall be approved in the General Meeting of Members.

Article 10 Selected directors and auditors may be reappointed one time after their term of office ends. They shall thereafter be selected in accordance with the rules stipulated in Article 2.

Section 5 Membership Dues

Article 11 Membership dues for the Entity are as follows.

- 1) Full Member A: 10,000 yen annually
- 2) Full Member B: 3,000 yen annually
- 3) Associate Member: 200,000 yen annually per unit

Section 6 Supplementary Rules

Article 12 These detailed regulations may be changed by the vote of the Board of Directors or the General Meeting of Members.

Article 13 Disputes regarding the interpretation of these detailed regulations shall be settled by the determination of the Board of Directors. However, items relating to said disputes shall be revised promptly.

Section 7 Supplementary Provisions

1. These detailed regulations shall be put into effect from the date of establishment of the Entity.
2. Regardless of the regulations set forth in Section 3, Trustees of the Japanese Heart Failure Society, a volunteer organization, shall be selected as delegates of the Entity upon establishment of the Entity. However, their term of office shall end with the regular General Meeting of Members held in 2015.