

**RESOLUTIONS**  
**OF THE BOARD OF DIRECTORS**  
**OF**  
**UNIVERSITY HEALTHCARE ADVANTAGE**  
**ACTING BY WRITTEN CONSENT**  
**a California nonprofit public benefit corporation**

November 13, 2013

**Ratification of Action of Incorporator; Indemnification of Incorporator**

WHEREAS Amir Dan Rubin the incorporator of the Corporation (the "Incorporator"), has appointed himself, Daniel J. Morissette, and Jenni Vargas as the initial directors of the Corporation; and

WHEREAS, such individuals hereby accept such appointment;

RESOLVED, that the resignation of the Incorporator of the Corporation is hereby accepted, the Incorporator is hereby discharged from any further liabilities or duties with respect to the Corporation and the Corporation further agrees to indemnify and hold harmless the Incorporator from any liability incurred in the past or the future with respect to organizing the Corporation; and

RESOLVED FURTHER, that all actions of the Incorporator taken for and on behalf of the Corporation since its organization are ratified, approved and confirmed as the acts and deeds of the Corporation, to the extent not contrary with any of the following resolutions of the Board.

**Minute Book**

RESOLVED, that the Corporation shall maintain as part of its corporate records a minute book, which shall include, but not be limited to, a record of the Articles of Incorporation of the Corporation, filed with the Secretary of State (the "Articles") and any restatements or amendment thereto, the Bylaws, minutes of all meetings of the Shareholders, the Board, any Board committees, and all written consents of the Shareholders, the Board and any Board committees (the "Minute Book").

**Confirmation of Agent for Service of Process**

RESOLVED, that Debra Zumwalt, Vice President and General Counsel, Stanford University, Office of the General Counsel, Building 170, Third Floor, Main Quad, Stanford, CA 94305-2038, named as the initial agent for service of process in the Articles, is hereby confirmed as the Corporation's agent for the purpose of service of process.

**Adoption of Bylaws**

RESOLVED, that the Bylaws bearing the draft date "August 31, 2013", as presented to the Board, and attached as Attachment 1, are adopted as the Bylaws of and for the Corporation; and

RESOLVED FURTHER, that the Secretary of the Corporation is authorized and directed to execute a Certificate of Secretary regarding the adoption of the Bylaws, to insert the Bylaws in the Minute Book and to ensure that a copy of the Bylaws is kept at the Corporation's principal office.

**Election of Officers**

RESOLVED, that the following persons are hereby duly elected to the offices of the Corporation set opposite their respective names, to serve until the next annual meeting or until their successors are duly elected and have qualified:

<u>Name</u>	<u>Title</u>
Amir Dan Rubin	Chairman of the Board and Chief Executive Officer
Daniel J. Morissette	Vice Chairman and Treasurer
Jenni Vargas	Secretary

**Fiscal Year**

RESOLVED, that the fiscal year of the Corporation shall end each year on the 31<sup>st</sup> day of the month of August.

**Statement by Domestic Nonprofit Corporation**

RESOLVED, that the form entitled "Statement of Information (Domestic Nonprofit Corporation)," as required to be filed with the California Secretary of State by California Corporations Code section 1502 shall be filed; and

RESOLVED FURTHER, that any change in the agent for service of process (or in his or her address) as stated in the aforementioned statement shall cause the President or Secretary to execute a new statement and send it to the Secretary of State, and in addition, those officers are directed hereby to file a new statement annually in accordance with the provisions of section 1502 of the California Corporations Code.

### Exemptions from Federal and State Taxes

RESOLVED, that the proper officers of the Corporation be, and each of them hereby is, authorized to consult with legal counsel to ascertain the availability of exemptions from taxation under the federal and state tax laws and, if such exemptions are available, such officers be, and each of them hereby is, authorized and directed to execute and file all necessary applications for exemption from those taxes with the appropriate state and federal tax authorities, and to pay any necessary filing fees.

### Principal Executive Office

RESOLVED, that the principal executive office of the Corporation shall be located at 3220 Blume Drive, Suite 260 Richmond, CA 94806-5741, Contra Costa County, State of California.

### Management Powers

RESOLVED, that the Chief Executive Officer and the Treasurer of the Corporation are authorized to sign and execute in the name and for and on behalf of the Corporation all applications, contracts, leases and other deeds and documents or instruments in writing of whatsoever nature that may be required in the ordinary course of business of the Corporation and that may be necessary to secure for the operation of the affairs, governmental permits and licenses for, and incidental to, the lawful operations of the business of the Corporation, and to do such acts and things as the Chief Executive Officer or the Treasurer deems necessary or advisable to fulfill such legal requirements as are applicable to the Corporation and its business; including to delegate to the Director of Operations, the Director of Finance, the Chief Medical Officer or any other person providing services to the Corporation the authority to execute in the name of and for and on behalf of the Corporation all documents described above in this resolution.

### Bank Depository

RESOLVED, that each of the Chief Executive Officer and the Treasurer of the Corporation are authorized and directed to select an FDIC bank or other financial institution ("Bank") for deposit of Corporation funds;

RESOLVED FURTHER, that the standard resolutions required by such Bank for opening such accounts are hereby adopted in their entirety as if set out in full herein;

RESOLVED FURTHER, that any checks, drafts, or other instruments for payment of money, endorsed on behalf of the Corporation for deposit with or collection by said Bank, may be so endorsed in the name of the Corporation by written or stamped endorsement, without designation or signature of the person making such endorsement;

RESOLVED FURTHER, that the Chief Executive Officer and the Treasurer of the Corporation are authorized and directed to certify to said Bank that these resolutions have been duly adopted, and are in conformity with the Bylaws, and to further certify to said Bank the names and specimen signatures of the present officers and/or individuals of the Corporation

authorized to sign on such account, and, if and when any change be made in the personnel of such officers, the fact of such change and the name and specimen signature of each new authorized signatory;

RESOLVED FURTHER, that said Bank is authorized to honor, receive, certify, or pay any instrument signed or endorsed in accordance with these resolutions and the certification provided for by these resolutions then in effect, including any such instrument drawn or endorsed to the personal order of, or presented for negotiation by, any officer signing or endorsing the same; and

RESOLVED FURTHER, that these resolutions and each certification herein provided for shall remain in full force and effect, and said Bank is authorized and requested to rely and act thereon until it shall receive at its office, either a certified copy of a further resolution of the Shareholders amending or rescinding these resolutions or a further certification of the names and signatures of the officers authorized to sign on such account.

#### **Required Incorporation Filings**

RESOLVED, the officers of the Corporation are authorized for and on behalf and in the name of the Corporation to prepare or cause to be prepared and to execute, deliver and file or approve on behalf of the Corporation the filing by any other person of all applications, consents, information and other documents required to be filed in connection with the incorporation of the Corporation pursuant to California law;

RESOLVED FURTHER, that the officers of the Corporation are authorized and directed for and on behalf of the Corporation to take all actions they deem necessary or advisable to secure federal and state employer identification numbers, if required, and to comply with all such laws regulating payroll reporting, withholding, and taxes; and

RESOLVED FURTHER, that the officers of the Corporation are authorized for and on behalf and in the name of the Corporation to execute such powers of attorney as may be necessary or appropriate to evidence the foregoing appointments.

#### **Knox-Keene Health Care Service Plan License Application**

WHEREAS, the Corporation intends to operate a Medicare Advantage plan (the "MA Plan") to arrange health care services for Medicare beneficiaries under a contract with the Centers for Medicare and Medicaid Services;

WHEREAS, in order to offer the MA Plan in California, the Corporation must obtain a license to operate as a health care service plan under the Knox-Keene Health Care Service Plan Act of 1975 ("Knox-Keene License");

WHEREAS, the Corporation submitted an application for a Knox-Keene License (the "License Application") to the California Department of Managed Health Care (the "DMHC") on August 31, 2013;

RESOLVED; that it is in the best interest of the Corporation to obtain a Knox-Keene License in order to operate an MA Plan in California;

RESOLVED FURTHER, that the preparation and submission of the License Application to the DMHC are hereby ratified, approved, and confirmed as acts and deeds of the Corporation; and

RESOLVED FURTHER, that the Corporation shall take such other actions as may be necessary or appropriate in connection with the License Application to obtain a Knox-Keene License.

#### **Administrative Services Agreement**

WHEREAS, the Corporation has entered into discussions with its affiliate, University HealthCare Alliance, a California nonprofit public benefit corporation (“UHA”), for UHA to provide administrative services in support of the Corporation’s operations as a health care service plan;

WHEREAS, such administrative services shall include provider network administration; claims payment and processing; clinical program support; reporting analytics, and metrics support; IT and general operations support; credentialing; office support; purchasing; billing and collections; capitation payment processing; claims support; medial and clinical management support; and real estate services; all to be provided by UHA at UHA’s cost, as further specified in the Administrative Services Agreement in substantially the form attached hereto as Attachment 2 (the “Administrative Services Agreement”).

RESOLVED, that the Administrative Services Agreement and the transactions contemplated therein are hereby approved.

#### **Subordinated Revolving Credit Agreement**

WHEREAS, in order to obtain access to working capital and meet the financial reserve requirements necessary to obtain and maintain a Knox-Keene License, the Corporation has entered into discussions with its sole corporate member, Stanford Hospital & Clinics, a California nonprofit public benefit corporation (“SHC”) for SHC to provide the Corporation with an unsecured, subordinated, revolving, line of credit in the amount of \$9,000,000 at an interest rate equal to the six month London Interbank Offered Rate without compounding, as further specified in the Subordinated Revolving Credit Agreement in substantially the form attached hereto as Attachment 3 (the “Credit Agreement”).

RESOLVED, that the Credit Agreement and the transactions contemplated therein are hereby approved.


#### **General Matters**

RESOLVED, that the Board hereby adopts, as if expressly set forth herein, the form of any and all resolutions required to be filed in connection with any applications, reports, filings, consents to service of process, powers of attorney and other papers, instruments and documents

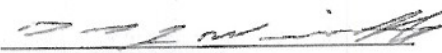
if the Secretary evidences such adoption by inserting copies of such resolutions in the Corporation's books, which shall thereupon be deemed to be adopted hereby with the same force and effect as if originally set forth herein;

RESOLVED FURTHER, that the officers of the Corporation are authorized in the name and on behalf of the Corporation (a) to prepare, negotiate, execute, deliver, file and record any and all certificates, agreements, instruments, reports, schedules, statements, consents, documents, listing applications and information as may be necessary to comply with the applicable laws and regulations of the State of California, (b) to pay all necessary and reasonable fees and expenses incurred in connection with the formation of the Corporation for the purposes of the foregoing resolutions, (c) to do or cause to be done all such other acts or things as they, or any of them, deem necessary, appropriate or desirable in order to make effective or implement the intent and purposes of the foregoing resolutions, with such changes, modifications and amendments therein as the officers executing the same may deem appropriate, and any such documents so executed or act or things done or caused to be done by such officers shall be conclusive evidence of such officer's authority in so executing or doing, and (d) to execute, deliver, file, acknowledge and record any and all such documents and instruments, and to take or cause to be done any and all such other things as they, or any of them, may deem necessary or desirable to effectuate and carry out the resolutions adopted hereby; and

RESOLVED FURTHER, that all actions previously taken by any officer, director, representative or agent of the Corporation in the name or on behalf of the Corporation in connection with the matter contemplated by the foregoing resolutions are adopted, ratified, confirmed and approved in all respects as the act and deed of the Corporation.

By:   
Name: Amir Dan Rubin  
Title: President & CEO, Stanford Hospital and Clinics  
Date: 11/15/13

By: \_\_\_\_\_  
Name: Jenni Vargas  
Title: Chief Strategy Officer, Stanford Hospital and Clinics  
Date: \_\_\_\_\_

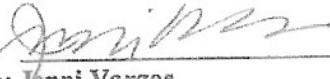
By:   
Name: Daniel J. Morissette  
Title: Chief Financial Officer, Stanford Hospital and Clinics  
Date: 11/13/13

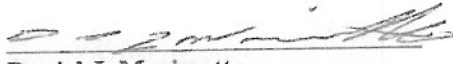
if the Secretary evidences such adoption by inserting copies of such resolutions in the Corporation's books, which shall thereupon be deemed to be adopted hereby with the same force and effect as if originally set forth herein;

RESOLVED FURTHER, that the officers of the Corporation are authorized in the name and on behalf of the Corporation (a) to prepare, negotiate, execute, deliver, file and record any and all certificates, agreements, instruments, reports, schedules, statements, consents, documents, listing applications and information as may be necessary to comply with the applicable laws and regulations of the State of California, (b) to pay all necessary and reasonable fees and expenses incurred in connection with the formation of the Corporation for the purposes of the foregoing resolutions, (c) to do or cause to be done all such other acts or things as they, or any of them, deem necessary, appropriate or desirable in order to make effective or implement the intent and purposes of the foregoing resolutions, with such changes, modifications and amendments therein as the officers executing the same may deem appropriate, and any such documents so executed or act or things done or caused to be done by such officers shall be conclusive evidence of such officer's authority in so executing or doing, and (d) to execute, deliver, file, acknowledge and record any and all such documents and instruments, and to take or cause to be done any and all such other things as they, or any of them, may deem necessary or desirable to effectuate and carry out the resolutions adopted hereby; and

RESOLVED FURTHER, that all actions previously taken by any officer, director, representative or agent of the Corporation in the name or on behalf of the Corporation in connection with the matter contemplated by the foregoing resolutions are adopted, ratified, confirmed and approved in all respects as the act and deed of the Corporation.

By: \_\_\_\_\_  
Name: **Amir Dan Rubin**  
Title: *President & CEO*, Stanford Hospital and Clinics  
Date: \_\_\_\_\_

By:   
Name: **Jenni Vargas**  
Title: *Chief Strategy Officer*, Stanford Hospital and Clinics  
Date: \_\_\_\_\_

By:   
Name: **Daniel J. Morissette**  
Title: *Chief Financial Officer*, Stanford Hospital and Clinics  
Date: \_\_\_\_\_

**ATTACHMENT 1**

Bylaws



**BYLAWS  
OF  
UNIVERSITY HEALTHCARE ADVANTAGE**

ARTICLE I: EFFECTIVE DATE, NAME, OFFICES, AND PURPOSE

Section 1.01 Name

This corporation shall be known as University HealthCare Advantage (hereinafter referred to as the “Company”).

Section 1.02 Principal Office

The principal office of the Company shall be located at 3220 Blume Drive #260, Richmond, California 94806, or such other location as may be determined by the Board of Directors of the Company (the “Board”) from time to time.

Section 1.03 Purposes

The Company is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the California Nonprofit Public Benefit Corporation Law for public and charitable purposes. The Company shall hold and may exercise such powers as may be conferred upon a nonprofit public benefit corporation by the California Nonprofit Public Benefit Corporation Law and as may be necessary or appropriate for the administration of the affairs and achievement of the purposes of the Company.

In addition, the Company is formed for the purpose of performing all things incidental or appropriate to the achievement of the purposes. The Company shall hold and may exercise such powers as may be conferred upon a nonprofit public benefit corporation by the laws of the State of California and as may be necessary or expedient for the administration of the affairs and attainment of the purposes of this corporation, provided, however, that in no event shall this corporation engage in activities which would cause it to lose its exemption under Section 501(a) of the Internal Revenue Code.

ARTICLE II: MEMBERSHIP OF THE COMPANY

Section 2.01 Members

The sole member of the Company is Stanford Hospital and Clinics, a California nonprofit public benefit corporation (the “Member”), which shall determine all matters or actions submitted to the Member for vote, approval or consent.

### Section 2.02 Action by the Member

Actions by the Member may be taken or approved in any manner permitted by the California Nonprofit Public Benefit Corporation Law. The Member may, in writing, authorize one (1) or more natural persons to vote on its behalf on any or all matters that may require or be submitted for a vote of the Member. Any such written authorization shall be filed with the Secretary.

### Section 2.03 Meetings of the Member

Regular meetings of the Members shall be held on such dates and at such locations as may be determined by the Members from time to time. Special meetings of the Members may be called at any time by the Board, the Chief Executive Officer or the Member.

### Section 2.04 Notice of Meetings

(a) Written notice of each meeting of the Member shall be given not less than ten (10) nor more than ninety (90) days before the date of the meeting to the Member; provided, however, that if notice is given by mail, and such notice is not mailed by first-class mail, then such notice shall be given not less than twenty (20) days before the meeting. Each notice shall state the place, date and time of the meeting and the nature of the business to be transacted at such meeting. Upon request in writing to the Chief Executive Officer or Secretary by any person entitled to call a special meeting of the Member, it shall be the duty of such officer to cause notice to be given to the Member that a meeting will be held at a time fixed by the Board, such time to be not less than thirty-five (35) nor more than ninety (90) days after the receipt of such request, and such notice to be given within twenty (20) days of receipt of such request.

(b) The notice of any meeting of the Member at which the following actions are to be taken shall specify the general nature of the proposed action: (i) adoption of an amendment to the Articles of Incorporation of the Company or these Bylaws, or (ii) the voluntary dissolution of the Company.

(c) Due notice of any special meeting shall be given to the Member by the Secretary by mail, personal delivery or facsimile. The recital by the Secretary in the minutes that due notice was given shall be sufficient evidence of the fact. Attendance of the Member at a meeting shall constitute a waiver of notice of and presence at such meeting, except when the Member objects at the beginning of the meeting to the transaction of any business because the meeting was not lawfully called or convened, or except when the Member expressly objects during the meeting to the consideration of those matters required by Section 2.04(b) to be specified in the notice of meeting in those instances in which the notice failed to so specify such matters.

### Section 2.05 Action By Written Consent

Any action required or permitted to be taken by the Member may be taken without a meeting if the Member consents in writing to the action. The written consents shall be filed with the minutes of the proceedings.

### Section 2.06 Dues and Assessments

No dues or assessments shall be imposed upon the Member.

### Section 2.07 Powers of the Member

The Member shall have all power and authority conferred upon it by the Articles of Incorporation of the Company, these Bylaws and the California Nonprofit Public Benefit Corporation Law.

## ARTICLE III: BOARD OF DIRECTORS OF THE COMPANY

### Section 3.01 Board of Directors

The overall responsibility for the operation and management of all affairs of the Company shall be vested in the Board of Directors (the “Board”), which shall have and may exercise all the powers of the Company, except as reserved to the Member by the California Nonprofit Public Benefit Corporation Law, the Articles of Incorporation of the Company or these Bylaws, or as delegated to a Committee of the Board in accordance with these Bylaws.

### Section 3.02 Standard of Care

(a) Each member of the Board (each, a “Director” and, collectively, the “Directors”) shall perform the duties of a Director, including duties on any Committee on which the Director may serve, in good faith, in a manner such Director believes to be in the best interests of the Company and with such care, including responsible inquiry, as an ordinary prudent person in a like situation would use under similar circumstances.

(b) In performing the duties of a Director, a Director shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by: (i) one (1) or more Officers or employees of the Company whom the Director believes to be reliable and competent in the matters presented; (ii) attorneys, independent accountants, or other persons, as to matters which the Director believes to be within such persons' professional or expert competence; or (iii) a committee of the Company upon which the Director does not serve, as to matters within its designated authority, which committee the Director believes to merit confidence, so long as, in any such case, the Director acts in good faith, after reasonable inquiry when the need therefore is indicated by the circumstances, and without knowledge that would cause such reliance to be unwarranted.

### Section 3.03 Number of Directors.

The Board shall consist of between 3 and 8 directors each of whom shall have one (1) vote with respect to all matters or actions submitted to the Board. The exact number of Directors shall be set by resolution of the Member.

#### Section 3.04 Election and Appointment of Directors.

Except as provided in these bylaws, Directors shall be elected at a regular meeting of the Member to hold office until a successor has been elected and qualified.

#### Section 3.05 Fees and Compensation and Expenses

Directors shall not receive any compensation for their services as Directors. Directors may be reimbursed in such amounts as may be determined from time to time by the Board for expenses actually incurred by such Directors while acting on behalf of the Company and/or expenses incurred in attending meetings of the Board. Nothing contained in these Bylaws shall be construed to preclude any Director from serving the Company in any other capacity as an officer, agent, employee, or otherwise, and receiving compensation therefor.

#### Section 3.06 Terms of Directors

Directors shall serve on the Board until the earliest of the Director's resignation, removal, or the appointment or election of and qualification of the Director's successor.

#### Section 3.07 Resignation

Any Director may resign at any time by giving written notice of such resignation to the Board or the Chief Executive Officer. Such resignation shall be effective as of the date specified in the notice, or, if no such date is specified, upon receipt of such notice by the Board or the Chief Executive Officer.

#### Section 3.08 Removal

Directors may be removed at any time without cause by vote of the Member. The Board may establish attendance requirements of Directors at meetings of the Board and may recommend the removal and replacement of Directors who fail to satisfy such requirements. In the event the Member reduces the size of the Board, the Member shall specify the Directors to be removed to effect such reduction.

#### Section 3.09 Vacancies

A vacancy in the Board shall be deemed to exist in the event of the death, resignation or removal of any Director or if the authorized number of Directors is increased. Any vacancy occurring among the Directors shall be filled by the Member in accordance with Section 3.04, the Board shall not be empowered to fill any vacancy on the Board, however caused.

#### Section 3.10 Inspection Rights

Each Director shall have the right to inspect, copy and make extracts of, in person or by agent or attorney, all books, records and documents of every kind and to inspect the physical properties of the Company. This right shall be subject to any and all policies adopted by the Board.

## ARTICLE IV: MEETINGS OF THE BOARD

### Section 4.01 Annual Meetings

An annual meeting of the Board shall be held each year at a time and place to be determined by the Board from time to time. Annual meetings shall be held at the principal office of the Company unless otherwise determined by the Board from time to time. Notice of the annual meeting shall not be required unless the place of the meeting is set for another location by the Board.

### Section 4.02 Regular Meetings

The Board may provide by resolution the time and place for the holding of regular meetings of the Board; provided, however, that such meetings shall be held not less frequently than quarterly and, provided further, that if the date so designated falls upon a legal holiday, then the meeting shall be held at the same time and place on the next succeeding business day which is not a legal holiday. No notice of such regular meetings of the Board shall be required to be given to the Directors.

### Section 4.03 Special Meetings

Special meetings of the Board may be called at any time by the Chief Executive Officer or by any two (2) or more Directors. Due notice of any special meeting shall be given to the Directors by mail at least four (4) days before the meeting or, if by personal delivery, facsimile, or telephone at least forty-eight (48) hours before the meeting. The recital by the Secretary in the minutes that due notice was given shall be sufficient evidence of the fact.

### Section 4.04 Place of Meetings

Meetings (whether regular, special or adjourned) of the Board shall be held at the principal office of the Company or at such other place as may be designated from time to time by the Board.

### Section 4.05 Telephonic Meetings

Directors may participate in regular or special meetings through use of a conference telephone or similar communications equipment, so long as all persons participating in such meeting can hear one another. Participation in a meeting pursuant to this Section 4.05 shall constitute presence in person at such meeting.

### Section 4.06 Quorum

A majority of the Directors then holding office shall constitute a quorum for the transaction of business. In the absence of a quorum at any meeting of the Board, a majority of the Directors present may adjourn the meeting as provided in Section 4.10 of these Bylaws. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the

withdrawal of enough Directors to leave less than a quorum, if any action taken is approved by at least a majority of the required quorum for such meeting.

#### Section 4.07 Voting

Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present shall be the act of the Board, unless the Articles of Incorporation of the Company, these Bylaws or the California Nonprofit Public Benefit Corporation Law specifically requires a greater number or provides otherwise.

#### Section 4.08 Action Without Meeting

Any action required or permitted to be taken by the Board may be taken without a meeting, if all Directors shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board. Such action by written consent shall have the same force and effect as a unanimous vote of such Directors.

#### Section 4.09 Waiver of Notice

Notice of a meeting need not be given to any Director who signs a waiver of notice, or a written consent to holding the meeting or an approval of the minutes of the meeting, whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to such Director. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Directors, or of a committee of Directors, need be specified in any such waiver, consent or approval.

#### Section 4.10 Adjournment

Any meeting of the Board, whether or not a quorum is present, may be adjourned to another time and place by the vote of a majority of the Directors present. Notice of the time and place are fixed at the meeting adjourned; provided, however, that if the meeting is adjourned for more than twenty-four (24) hours, notice of any adjournment to another time or place shall be given prior to the time of the adjourned meeting to the Directors who were not present at the time of the adjournment.

#### Section 4.11 Proceedings of Meetings

Determinations concerning the procedures for the conduct of meetings of the Board shall be made by the Chief Executive Officer, consistent with the provisions of these Bylaws and the California Nonprofit Public Benefit Corporation Law.

#### Section 4.12 Conflict of Interest Policy

The Board shall adopt and maintain a conflict of interest policy that incorporates the provisions of Section 5233 of the California Nonprofit Public Benefit Corporation Law. Such policy may include other elements, such as provisions based on the IRS model conflict of interest policy as determined by the Board to be relevant and appropriate to the structure and operations of the Corporation.

### ARTICLE V: COMMITTEES

#### Section 5.01 Establishment of Committees

The Board may create one (1) or more committees (“Committees”) to serve at the pleasure of the Board, and to have and exercise such powers as the Board, may delegate (except those powers which under the California Nonprofit Public Benefit Corporation Law, the Articles of Incorporation or these Bylaws, the Board is prohibited from delegating). No delegation of authority by the Board to a Committee or anyone else shall preclude the Board from exercising the authority required to meet its responsibility for the conduct of the business and affairs of the Company.

#### Section 5.02 Powers and Duties of Committees

The Board shall approve the duties and powers of the Committees and may amend such duties and powers from time to time. The duties and powers of all Committees shall be subject to the limitations contained in the California Nonprofit Public Benefit Corporation Law, or otherwise imposed by the Articles of Incorporation or these Bylaws.

#### Section 5.03 Committee Appointments, Composition

Except as otherwise set forth in these Bylaws, or any Committee charter adopted in accordance with these Bylaws, the chair and members of all Committees shall be appointed by the Board and shall serve at the pleasure of the Board. One (1) or more Directors may be designated as alternate members of any Committee, who may replace any absent member at any meeting of the Committee.

#### Section 5.04 Committee Term

Except as otherwise set forth in these Bylaws, or any Committee charter adopted in accordance with these Bylaws, the members of each Committee shall each serve on such Committee unless and until replaced by the Board. The resignation or removal of a Director from the Board shall effect that Director’s removal from any committee on which such Director serves. Except as otherwise set forth in these Bylaws, or any Committee charter adopted in accordance with these Bylaws, each member of a Committee may be removed at any time by the Board.

#### Section 5.05 Committee Powers and Limitations

Subject to the duty of the Board to exercise ultimate direction over the activities and affairs of the Company, the Board may, by resolution or adoption of a Committee charter, authorize any Committee, regardless of the presence or number of Directors, to carry out certain specified functions or responsibilities, or to provide such advice and recommendation as the Board shall require, but no such Committee shall have the authority to determine Company policy or otherwise exercise Board authority with respect to the business and affairs of the Company.

#### Section 5.06 Meetings

Except as otherwise provided in these Bylaws or by action of the Board, each Committee may adopt its own rules governing the time and place of holding and the method of calling its meetings and the conduct of its proceedings and shall meet as provided by such rules.

#### Section 5.07 Quorum

Unless otherwise determined by the Board a quorum shall exist if a majority of the Committee members attend in person or by teleconference or other electronic transmission by means of which all members participating can simultaneously hear the proceedings.

#### Section 5.08 Compliance with Medicare Program Requirements

The Company shall maintain such committees as may be required by the Medicare program and/or the Company's contract with the Centers for Medicare & Medicaid Services. Such committees may include, without limitation, a compliance committee, a quality improvement committee, a pharmacy and therapeutics committee, a peer review committee, and a credentialing committee. The compositions of such committees shall comply with applicable Medicare program requirements.

#### Section 5.09 Minutes and Reporting

Each Committee shall keep regular minutes of its proceedings, which shall be filed with the Secretary. All actions by any Committee shall be reported to the Board at the meeting of the Board immediately following such action.

### ARTICLE VI: OFFICERS OF THE COMPANY

#### Section 6.01 Officers

The officers of the Company shall be a Chair of the Board, a Chief Executive Officer, a Treasurer, and Secretary and such other officers as may be appointed by the Board pursuant to this Article VI (each, an "Officer" and, collectively, the "Officers").



### Section 6.02 Election/Appointment and Term

Except as otherwise set forth in these Bylaws, the Officers shall be elected by the Board and shall hold office for one (1) year terms, and until the election and qualification of their respective successors.

### Section 6.03 Chair of the Board

The Chair of the Board (the “Chair”) shall preside at all meetings of the Board and shall have such other powers and duties as may be prescribed by the Board, these Bylaws or the California Nonprofit Public Benefit Corporation Law.

### Section 6.04 Chief Executive Officer

The Chief Executive Officer shall, subject to the powers of the Board, exercise general direction and control of the Company and shall have such other powers and duties as may be prescribed by the Board, these Bylaws or the California Nonprofit Public Benefit Corporation Law.

### Section 6.05 Treasurer

The Treasurer shall serve as the chief financial officer of the Company and shall, subject to the control of the Board, keep and maintain, or cause to be kept and maintained, adequate and correct books and records of account in written form or any other form capable of being converted into written form. The Treasurer shall have such other powers and perform such other duties as may be prescribed by the Board, these Bylaws, or the California Nonprofit Public Benefit Corporation Law.

### Section 6.06 Secretary

The Secretary shall keep, or cause to be kept, a book of minutes in written form of the proceedings of the Board and the Committees. Such minutes shall include all waivers of notice, consent to the holdings of meetings, or approvals of the minutes of meetings executed pursuant to these Bylaws or the California Nonprofit Public Benefit Corporation Law. The Secretary shall give or cause to be given, notice of all meetings of the Board required by these Bylaws or by the California Nonprofit Public Benefit Corporation Law to be given, and shall cause the seal of the Company to be kept in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board, these Bylaws, or the California Nonprofit Public Benefit Corporation Law.

### Section 6.07 Resignation

Any Officer may resign at any time by giving written notice to the Company, subject to the rights, if any, of the Company under any contract to which the Officer is a party. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

### Section 6.08 Removal of Officers

Subject to the rights, if any, of an Officer under any contract of employment, the Officers may be removed, with or without cause, by the Board.

### Section 6.09 Vacancies

A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in these Bylaws for regular appointments to such office.

### Section 6.10 Compensation

The compensation, if any, of the Officers shall be fixed from time to time by the Board, and no Officer shall be prevented from receiving compensation by reason of the fact that the Officer may also be a Director.

## ARTICLE VII: INDEMNIFICATION BY THE COMPANY

### Section 7.01 Definitions

For the purposes of this section, “agent” means any person who is or was a Member, Director, Officer, employee, Committee member or other agent of the Company, or is or was a trustee, officer, employee, committee member or other agent of the Member with respect to any matter, act or omission concerning the Company, or is or was serving at the request of the Company as a director, officer, employee, committee member or agent of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise, or was a director, officer, employee, committee member or agent of a foreign or domestic corporation which was a predecessor corporation of the Company or of another enterprise at the request of such predecessor corporation; the terms “proceeding” and “expenses” shall have the meanings as set forth in Section 5238 of the California Nonprofit Public Benefit Corporation Law or any successor provision.

### Section 7.02 Indemnification of Persons

The Company shall, to the fullest extent permitted by law and in a manner consistent with Section 5238 of the California Nonprofit Public Benefit Corporation Law or any successor provision, indemnify any person who was or is a party or is threatened to be made a party, to any proceeding by reason of the fact that such person is or was an agent of the Company, against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with the proceeding.

### Section 7.03 Insurance

The Company shall have the power to purchase and maintain insurance on behalf of any agent of the Company against any liability asserted against or incurred by the agent in such capacity or

arising out of the agent's status as such whether or not the Company would have the power to indemnify the agent against such liability under the provisions of this Article; provided, however, that the Company shall have no power to purchase and maintain such insurance to indemnify any agent of the Company for a violation of Section 5233 of the California Nonprofit Public Benefit Corporation Law (relating to self-dealing transactions).

#### ARTICLE VIII: NON-DISCRIMINATION POLICY

It is the policy of the Company not to discriminate against any person within the meaning of any applicable law, regulation, rule or order.

#### ARTICLE IX: DISSOLUTION

In the event that the Company is dissolved for any reason in accordance with the California Nonprofit Public Benefit Corporation Law, the properties, monies and assets of the Company remaining after payment of the Company's debts shall be distributed in accordance with the provisions set forth in the Articles of Incorporation of the Company then in effect.

#### ARTICLE X: AMENDMENTS

These Bylaws may be amended at any time upon approval by the Board and the Member.

Adopted by the Board effective as of [date].

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Secretary