

**AMENDED AND RESTATED BYLAWS  
OF  
WISCONSIN UNITED FOR HEALTH FOUNDATION, INC.**

**ARTICLE I**

**Purpose**

The purposes of this Foundation shall be as set forth in the Articles of Incorporation of the Foundation. These Bylaws specify various matters affecting the operations and governance of the Foundation.

**ARTICLE II**

**Members**

The Foundation shall have no members but shall be managed by its Board of Directors as set forth in Article III of these Bylaws.

**ARTICLE III**

**Directors**

Section 1. Powers. Subject to the limitations of the Articles of Incorporation of the Foundation, these Bylaws and the laws of the State of Wisconsin, the affairs of the Foundation shall be managed by the Board of Directors. The Board of Directors may not substitute its judgment for that of a Public and Community Health Oversight and Advisory Committee (“PCHOAC”) with respect to matters subject to the authority (not merely the advice) of the PCHOAC as set forth in the Final Decision and Order of the Commissioner of Insurance, dated March 28, 2000 (the “Order”), or for that of the University of Wisconsin Medical School or Medical College of Wisconsin (“Medical Schools”) with respect to matters determined by the Medical Schools in accordance with the revised instruments approved by the Commissioner of Insurance under the Order.

Section 2. Number; Appointment; Term.

(a) The number of Directors of this Foundation shall be nine (9). The Wisconsin Commissioner of Insurance shall appoint all Directors. Directors need not be residents of the State of Wisconsin.

(b) Except as otherwise provided herein, each Director shall hold office for a term of not less than five (5) years, as set by the Commissioner of Insurance, or until such Director's successor shall have been duly appointed or until such Director's death, resignation or removal. Directors may be re-elected to serve more than one (1) term in office. The initial terms of the Directors are set forth in Section 2(d). The terms of the Directors shall be staggered so that less than all of the Directors are appointed in any one year.

(c) In making appointments to the Board of Directors, the Commissioner of Insurance shall comply with the following requirements:

i. Five (5) members of the Board of Directors (referred to as the “Public Directors”) shall be members who are not representatives of either the University of Wisconsin Foundation, the University of Wisconsin Medical School, the Medical College of Wisconsin, or affiliated in any way with Blue Cross & Blue Shield United of Wisconsin (“BCBSUW”) or an affiliate of BCBSUW. Two (2) members of the Board of Directors (referred to as the “UW Directors”) shall be representatives of the University of Wisconsin Medical School. Two (2) members of the Board of Directors (referred to as the “MCOW Directors”) shall be representatives of the Medical College of Wisconsin.

ii. One of the members must be an individual who is widely recognized as a statewide health care advocate and who is independent of influence by BCBSUW, affiliates of BCBSUW, the University of Wisconsin Medical School or the Medical College of Wisconsin.

iii. One of the members must be active in a minority community.

iv. At least two of the members must have investment or management backgrounds.

(d) The following individuals have been appointed by the Commissioner of Insurance to serve as members of the Board of Directors until their terms expire as stated next to their name, they resign or are removed:

The Public Directors shall be:

- |                   |                       |
|-------------------|-----------------------|
|                   | <u>Term to Expire</u> |
| Louise G. Trubek  |                       |
| Dr. Howard Fuller |                       |
| David G. Meissner |                       |
| Thomas L. Lyon    |                       |
| Ben Brancel       |                       |

The UW Directors shall be:

- |                      |                       |
|----------------------|-----------------------|
|                      | <u>Term to Expire</u> |
| Robert F. Froehlke   |                       |
| George K. Steil, Sr. |                       |

The MCOW Directors shall be:

Term to Expire

Katherine M. Hudson  
John W. Daniels, Jr.

Mr. Ben Brancel is also appointed initial Chair/President for the purpose only of presiding over the election of a permanent Chair/President.

Section 3. Resignation. A Director may resign at any time by giving written notice to the Secretary of the Foundation, who shall advise the Board of Directors of such resignation. Such resignation shall take effect at the time specified therein or, if no time is specified, then upon receipt of the resignation by the Secretary of the Foundation, and unless otherwise specified therein, acceptance of such resignation shall not be necessary to make it effective.

Section 4. Removal. Any individual Director may be removed from office, only for Cause either by the Commissioner of Insurance or a vote of 75% of the other Directors then in office. "Cause" shall include theft, dishonesty, fraudulent misconduct, or gross dereliction of duty to the Foundation.

Section 5. Vacancies.

(a) Unless otherwise determined by the Commissioner of Insurance, the Commissioner of Insurance shall make appointments to fill vacancies, including vacancies due to expiration of a term, from nominees provided as follows:

i. Public Directors. A nomination committee composed of Public Directors, other than the Public Director who is vacating the Board position, shall supply the Commissioner of Insurance with at least three nominees for each vacancy.

ii. UW Directors. The University of Wisconsin Medical School shall supply the Commissioner of Insurance with at least three nominees for each vacancy.

iii. MCOW Directors. The Medical College of Wisconsin shall supply the Commissioner of Insurance with at least three nominees for each vacancy.

(b) Notwithstanding the foregoing, in each case nominations are only required if the prior incumbent of the position is not available or willing to serve an additional term or if the Commissioner of Insurance requests such nominations.

(c) Each Director so appointed shall hold office for the unexpired portion of the term such Director was appointed to fill or until such Director's successor is appointed and qualified, or until such Director's death, resignation or removal.

Section 6. Meetings.

(a) Annual Meeting. A regular annual meeting of the Board of Directors shall be held each year during such month as determined by the Board of Directors and at such time and place as may be designated by the Chair/President of the Foundation, or by any Vice President if the Chair/President is unable to act, for the election of officers and the transaction of such other business as may properly come before the meeting. In the event of failure, through oversight or otherwise, to hold the annual meeting of Directors in any year during the month herein provided, the meeting, upon waiver of notice or upon due notice, may be held at a later date, and any election had or business transacted at such meeting shall be as valid and effectual as if had or transacted at the annual meeting during the month herein provided.

(b) Other Regular Meetings. Other regular meetings of the Board of Directors of the Foundation may be held with or without notice at such regularly recurring time and place as the Board of Directors may designate.

(c) Special Meetings. Special meetings of the Board of Directors for any purpose or purposes shall be held whenever called by the Chair/President of the Foundation, or if the Chair/President is absent or is unable or refuses to act, by any Vice President or by a majority of Directors.

(d) Open Meetings and Records. The Foundation will conduct itself in accordance with standards in the Wisconsin public meeting and public records laws except to the extent exceptions are allowed under standards approved by the Commissioner of Insurance as consistent with the Foundation's function and the public interest.

Section 7. Notices. With the exception of regular meetings as set forth in Section 6(b) above of this Article, notice of any meeting of the Board of Directors, in each case specifying the place, date and hour of the meeting, shall be given to each Director by delivering notice, orally or in writing, not more than thirty (30) days prior to the date of the meeting, but at least twenty-four (24) hours before the time set for such meeting or, if notification is by mail, by mailing such notice at least five (5) days before the day set for such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, with postage prepaid, addressed to the Director at the Director's address as it appears on the records of the Foundation. Neither the business to be transacted at, nor the purpose of, any meeting of the Board of Directors need be specified in the notice or waiver of such notice of such meeting.

Section 8. Waiver of Notice. The transaction of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum is present and if, either before or after the meeting, a written waiver of notice of the meeting, containing the same information as would have been required to be included in a proper notice of the meeting, is signed by (a) each Director not present at the meeting and (b) each Director present at the meeting who objected thereto to the transaction of any business because the meeting was not lawfully called or convened. All such waivers shall be filed with and made a part of the minutes of the meeting.

Section 9. Action Without Meeting. Any action which may be taken at a meeting of the Board of Directors may be taken without a meeting if all of the Directors shall

consent in writing to such action. Such action by written consent shall have the same force and effect as the unanimous vote of the Directors.

Section 10. Quorum; Action of Directors. A majority of the number of Directors fixed pursuant to the Articles of Incorporation or these Bylaws shall constitute a quorum for the transaction of business. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act or decision of the Board of Directors, unless the act of a greater proportion is required by law, the Articles of Incorporation or these Bylaws. All members of the Board who are representatives of the University of Wisconsin Medical School or the Medical College of Wisconsin shall exclude themselves from any discussion or voting at Board meetings or participation in any closed sessions of the Board concerning any issue relating to allocation of funds to, or acceptance of a plan submitted by, either the University of Wisconsin Medical School or the Medical College of Wisconsin. Such members shall be excluded even if the meeting, vote or discussion does not relate to the institution they represent.

Section 11. Adjournment. Any meeting of the Board of Directors, whether regular or special, and whether or not a quorum is present, may be adjourned from time to time by the vote of a majority of the Directors present. At any such adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting adjourned.

Section 12. Organization. The Chair/President, or in the absence of the Chair/President, a chairman chosen by a majority of the Directors present, shall act as chairman at every meeting of the Board of Directors. The Secretary of the Foundation, or in the absence of the Secretary, any person appointed by the chairman of the meeting, shall act as Secretary of the meeting.

Section 13. Methods of Conducting Meetings. Directors may participate in any regular or special meeting or in any meeting of a committee of Directors by any means of communication by which either (1) all participating Directors may simultaneously hear each other during the meeting or (2) all communication during the meeting is immediately transmitted to each participating Director and each participating Director is able to immediately send messages to all other participating Directors. If a meeting is conducted through the use of one of the foregoing means, all participating Directors must be informed that a meeting is taking place at which official business may be transacted. A Director participating in such a meeting is deemed to be present in person at the meeting. If requested by any Director, minutes of the meeting shall be prepared and distributed to each Director.

Section 14. Compensation. Upon resolution of the Board of Directors, any one (1) or more Directors may receive reasonable compensation for their services as Directors and reimbursement of expenses in attending any meeting of the Board of Directors or in otherwise fulfilling their duties as Directors hereunder. Nothing herein contained shall be construed to preclude any Director from serving the Foundation in any other capacity, or receiving reasonable compensation therefor.

Section 15. Committees.

(a) Standing or Temporary Advisory Committees Without Board Authority.

The Board of Directors or the Chair/President may authorize, and appoint or remove members of (whether or not members of the Board of Directors), standing and/or temporary committees to consider appropriate matters, make reports to the Chair/President and/or Board of Directors, and fulfill such other advisory functions as may be designated. The designation of such standing and/or temporary committees, and the members thereof, shall be recorded in the minutes of the Board of Directors.

(b) Executive or Other Committees with Limited Board Authority.

The Board of Directors may by appropriate resolution designate one (1) or more committees, each of which shall consist of three (3) or more Directors elected by the Board of Directors, which to the extent provided in said resolution or in these Bylaws, shall have and may exercise, when the Board of Directors is not in session, the powers of the Board of Directors in the management of the affairs of the Foundation, except action with respect to election of officers, the filling of vacancies in the Board of Directors, and the formation of and the filling of vacancies in committees with limited board authority pursuant to this subsection. The Board of Directors may elect one (1) or more Directors as alternate members of any such committee, who may take the place of any absent committee member or members at any meeting of such committee. The designation of such committee or committees and the delegation thereto of authority shall not operate to relieve the Board of Directors or any individual Director of any responsibility imposed upon the Board of Directors or any individual Director by law.

Section 16. Director Conflicts of Interest.

No contract or other transaction between the Foundation and one (1) or more of its Directors or any other corporation, firm, association, or entity in which one (1) or more of its Directors are directors or officers or has a material financial interest, shall be either void or voidable because of such relationship or interest or because such Director or Directors are present at the meeting of the Board of Directors or a committee thereof which authorizes, approves or ratifies such contract or transaction or because his or her votes are counted for such purpose, if (1) the fact of such relationship or interest is disclosed or known to the Board of Directors or committee which authorizes, approves or ratifies the contract or transaction by a vote or consent sufficient for the purpose without counting the votes or consents of such interested Directors; or (2) the fact of such relationship or interest is disclosed or known to the members entitled to vote and they authorize, approve or ratify such contract or transaction by vote or written consent; or (3) the contract or transaction is fair and reasonable to the Foundation. Common or interested Directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or a committee thereof which authorizes, approves or ratifies such contract or transaction.

**ARTICLE IV**  
**OFFICERS**

Section 1. Officers.

The Foundation shall have a Chair/President, one or more Vice Presidents, a Secretary, a Treasurer and such other officers or assistant officers as the Directors may from time to time elect. Any two (2) or more of said offices may be held by the

same person, except that the offices of Chair/President and Secretary and the offices of Chair/President and Vice President may not be held by the same person.

Section 2. Election. The officers of the Foundation shall be chosen annually by the Board of Directors at its annual meeting. The office of Chair/President shall be filled by a Public Director. Each officer shall hold office until such officer's successor shall have been duly elected and qualified, or until such officer's death, resignation or removal. Election or appointment as an officer shall not of itself create contract rights.

Section 3. Resignation. Any officer may resign at any time by giving written notice to the Board of Directors or the Secretary of the Foundation. Such resignation shall take effect at the time specified therein or, if no time is specified, then upon receipt of the resignation by the Secretary or the Board of Directors as the case may be, and, unless otherwise specified therein, acceptance of such resignation shall not be necessary to make it effective.

Section 4. Removal. Any officer may be removed from office by the action of the Board of Directors, whenever in its judgment the best interests of the Foundation will be served thereby, without prejudice to the contract rights, if any, of the officer so removed.

Section 5. Vacancies. A vacancy occurring in any office, for any reason, may be filled for the unexpired portion of the term of said office by the Board of Directors.

Section 6. Chair/President. In addition to presiding over the meetings of the Board of Directors, the Chair/President shall be the chief executive officer of the Foundation and shall have such duties, responsibilities and powers as may be necessary to carry out the directions and policies of the Board of Directors or as are prescribed in these Bylaws or otherwise delegated by the Board of Directors and shall at all times be subject to the policies, control and direction of the Board of Directors. The Chair/President may sign and execute, in the name of the Foundation, any instrument or document consistent with the foregoing general delegation of authority or any other instrument or document specifically authorized by the Board of Directors, except when the signing and execution thereof shall have been expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Foundation; provided, that neither the Chair/President nor any other officer may sign any deed or instrument of conveyance or endorse any security or execute any checks, drafts, or other orders for payment of money, notes, acceptances, or other evidence of indebtedness without the specific authority of the Board of Directors pursuant to Article VI below of these Bylaws dealing with such matters. The Chair/President shall, whenever it may in the Chair/President's opinion be necessary, prescribe the duties of other officers and employees of the Foundation, in a manner not inconsistent with the provisions of these Bylaws and the directions of the Board of Directors.

Section 7. Vice Presidents. In the absence or disability of the Chair/President, the Vice President shall perform the duties of the Chair/President, and when so acting shall have all the powers of, and be subject to all the restrictions on, the Chair/President. If at any such time the Foundation has more than one Vice President, the duties and powers of the Chair/President shall pass to the Vice Presidents in order of their rank as fixed by the Board of Directors, or if they are not so ranked, to the Vice President designated by the Board of Directors. The Vice

Presidents shall have such other powers and perform such other duties as may be prescribed for them from time to time by the Board of Directors, or these Bylaws.

Section 8. Secretary. The Secretary shall:

(a) Certify and keep at the principal office of the Foundation the original or a copy of its Articles of Incorporation and Bylaws, as amended or otherwise altered to date.

(b) Keep at the principal office of the Foundation or such other place as the Board of Directors may direct, a book of minutes of all meetings of the Board of Directors and committees thereof, with the time and place of holding, whether regular or special and, if special, how authorized, the notice thereof given, and the names of those present at the meetings.

(c) See that all notices are duly given in accordance with the provisions of these Bylaws or as required by law.

(d) Be custodian of the records and of the seal of the Foundation, if any, and see that it is engraved, lithographed, printed, stamped, impressed upon, or affixed to all documents, the execution of which on behalf of the Foundation under its seal is duly authorized in accordance with the provisions of these Bylaws.

(e) See that the books, reports, statements and all other documents and records required by law are properly kept and filed.

(f) In general, perform all duties incident to the office of Secretary, and such other duties as from time to time may be assigned by the Board of Directors.

Section 9. Treasurer. The Treasurer shall perform, or have performed under the Treasurer's direction, the following functions:

(a) Have charge and custody of, and be responsible for, all funds and securities of the Foundation, and deposit all such funds in the name of the Foundation in such banks, trust companies or other depositaries as shall be selected by the Board of Directors.

(b) Keep and maintain adequate and correct accounts of the Foundation's properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital and surplus.

(c) Render interim statements of the condition of the finances of the Foundation to the Board of Directors upon request, and render a full financial report at the annual meeting of the Board of Directors.

(d) Receive, and give receipt for, moneys due and payable to the Foundation from any source whatsoever.



(e) In general, perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to the Treasurer by the Board of Directors.

Section 10. Compensation. The reasonable compensation of the officers, if any, shall be fixed from time to time by the Board of Directors, and no officer shall be prevented from receiving such compensation by reason of the fact that such officer is also a Director of the Foundation.

## **ARTICLE V**

### **Audits, Reports, and Examination**

Section 1. Audits and Reports. The Foundation will cause to be prepared and filed with the Commissioner of Insurance those reports required by the Commissioner of Insurance, including, to the extent required, financial reports audited by an independent accounting firm and reports of the distribution of funds.

Section 2. Examination. The Foundation shall permit the Commissioner of Insurance to examine and report upon the condition and affairs of the Foundation if the Commissioner of Insurance determines there is reasonable cause to do so.

## **ARTICLE VI**

### **Instruments; Bank Accounts; Checks and Drafts; Loans; Securities**

Section 1. Execution of Instruments. Except as otherwise provided in these Bylaws, the Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Foundation, and such authorization may be general or confined to specific instances. Except as so authorized, or as in these Bylaws otherwise expressly provided, no officer, agent, or employee shall have any power or authority to bind the Foundation by any contract or engagement or to pledge its credit or to render it liable for any purpose in any amount.

Section 2. Bank Accounts. The Board of Directors from time to time may authorize the opening and keeping of general and/or special bank accounts with such banks, trust companies or other depositories as may be selected by the Board or by any officer or officers, agent or agents of the Foundation to whom such power may be delegated from time to time by the Board of Directors. The Board of Directors may make such rules and regulations with respect to said bank accounts, not inconsistent with the provisions of these Bylaws, as the Board may deem expedient.

Section 3. Checks and Drafts. All checks, drafts or other orders for the payment of money, notes, acceptances, or other evidences of indebtedness issued in the name of the Foundation, shall be signed by such officer or officers, agent or agents, of the Foundation, and in such manner, as shall be determined from time to time by resolution of the Board of Directors. Endorsements for deposit to the credit of the Foundation in any of its duly authorized

depositories may be made without counter-signature by the Chair/President or any Vice President or the Treasurer or any Assistant Treasurer, or by any other officer or agent of the Foundation to whom the Board of Directors, by resolution, shall have delegated such power, or by hand-stamped impression in the name of the Foundation.

Section 4. Loans. No loans shall be contracted on behalf of the Foundation and no evidence of indebtedness shall be issued in its name unless authorized by or under the authority of a resolution of the Board of Directors. Such authority may be general or confined to specific instances. No loans may be made to any officer or Director of the Foundation, directly or indirectly, except that reasonable advances of reimbursable expenses may be made in the discretion of the Chair/President or, in the case of the Chair/President, as determined by the Board of Directors.

Section 5. Sale of Securities. The Board of Directors may authorize and empower any officer or officers to sell, assign, pledge or hypothecate any and all shares of stocks, bonds or securities, or interest in stocks, bonds or securities, owned or held by the Foundation at any time, including without limitation because of enumeration, deposit certificates for stock and warrants or rights which entitle the holder thereof to subscribe for shares of stock, and to make and execute to the purchaser or purchasers, pledgee or pledgees, on behalf and in the name of the Foundation, any assignment of bonds or stock certificates representing shares of stock owned or held by the Foundation, and any deposit certificates for stock, and any certificates representing any rights to subscribe for shares of stock. However, the Foundation shall not offer or sell any securities in violation of any State or Federal securities law registration or other requirement.

## **ARTICLE VII** **Miscellaneous**

Section 1. Fiscal Year. The fiscal year of the Foundation shall end on such date as shall be established by the Board of Directors.

Section 2. Corporate Seal. The seal of the Foundation, if one is adopted by the Board of Directors of the Foundation, shall contain the name of the Foundation and the word "Wisconsin."

## **ARTICLE VIII** **Indemnification**

Section 1. Mandatory Indemnification. The Foundation shall, to the fullest extent permitted or required by the Statute, indemnify each Director and Officer against any and all Liabilities, and advance any and all reasonable Expenses as incurred by a Director or Officer, arising out of or in connection with any Proceeding to which such Director or Officer is a Party because he is a Director or Officer of the Foundation. The rights to indemnification granted hereunder shall not be deemed exclusive of any other rights to indemnification against Liabilities or the advancement of Expenses to which such person may be entitled under any written agreement, board resolution, vote of members, the Statute or otherwise. The Foundation may, but shall not be required to, supplement the right to indemnification against Liability and

advancement of Expenses under this Section 1 by the purchase of insurance on behalf of any one or more of such persons, whether or not the Foundation would be obligated to indemnify such person under this Section 1. The term "Statute," as used in this Article, shall mean Sections 181.0871 through 181.0883 of the Wisconsin Nonstock Corporation Law and all amendments thereto which permit or require the Foundation to provide broader indemnification rights than prior to the amendment. All other capitalized terms used in this Article and not otherwise defined herein shall have the meaning set forth in Section 181.0871 of the Statute.

Section 2. Private Foundation Limitations. Notwithstanding the foregoing, no indemnification will be permitted to the extent such indemnification would constitute an act of "self-dealing" or is otherwise subject to excise taxes under Chapter 42 of the United States Internal Revenue Code of 1986, as amended, or is prohibited under Section 181.0320 of the Wisconsin Statutes or any similar successor provision thereto.

Section 3. Limited Liability of Volunteers. Each individual (other than an employee of the Foundation) who provides services to or on behalf of the Foundation without compensation ("Volunteer") shall be immune from liability to any person for damages, settlements, fees, fines, penalties or other monetary liabilities arising from any act or omission as a Volunteer, to the fullest extent provided by Section 181.0670 of the Wisconsin Nonstock Corporation Law or any similar successor provision thereto. For purposes of this section, it shall be conclusively presumed that any Volunteer who is licensed, certified, permitted or registered under state law and who is performing services to or on behalf of the Foundation without compensation is not acting within the scope of his or her professional practice under such license, certificate, permit or registration, unless otherwise expressly indicated to the Foundation in writing.

## **ARTICLE IX**

### **Amendment**

These Bylaws may be amended at any time by an affirmative vote of 75% of the members of the Board of Directors; provided, however, that any amendments must be approved by the Commissioner of Insurance.

## **ARTICLE X**

### **Permitted Distributions**

The Foundation may make a distribution to another corporation if:

(a) The distribution is made in accordance with the stated purpose(s) of the Foundation;

(b) After the distribution, the Foundation is able to pay its debts as they become due in the usual course of its activities;

(c) After the distribution, the Foundation's total assets would equal at least the sum of its total liabilities; and

(d) The corporation to which the distribution is being made may not distribute any part of its income to members, directors or officers and is exempt from taxation under Section 501 of the Internal Revenue Code.