

SECOND AMENDED AND RESTATED BYLAWS

OF

UNIVERSITY HEALTH CARE, INC.

ARTICLE I

OFFICES

1.01. **Principal and Business Offices.** The Corporation may have such principal and other business offices, within Dane County, State of Wisconsin, as the Board of Directors may designate or as the business of the Corporation may require from time to time.

1.02. **Registered Office.** The registered office of the Corporation required by the Wisconsin Statutes to be maintained in the State of Wisconsin may be, but need not be, identical with the principal office in the State of Wisconsin, and the address of the registered office may be changed from time to time by the Board of Directors. The business office of the registered agent of the Corporation shall be identical to such registered office.

ARTICLE II

PURPOSES

2.01. The Corporation is organized and shall be operated exclusively for the purposes set forth in Article III of the Articles of Incorporation.

ARTICLE III

MEMBERS

3.01. **Number.** The Corporation shall have three (3) Members: The University of Wisconsin Medical School, the University of Wisconsin Hospital and Clinics Authority and the University of Wisconsin Medical Foundation.

3.02. **Voting Rights.** Each Member shall be entitled to one vote on any matter submitted to a vote of the Members.

3.03. **Annual Meeting of Members.** The annual meeting of Members shall be held at a

date, time and place determined by the Board of Directors. Such meeting shall be for the purpose of transacting any business as may come before the meeting. Failure to hold such an annual meeting at the designated time shall not work a forfeiture or dissolution of the Corporation.

3.04. Special Meetings of Members. Special meetings of the Members may be called by the President, the Board of Directors, or by two or more Members. Such meetings shall be held at a time and place determined by the person(s) calling such a meeting.

3.05. Notice of Members' Meetings; Waiver. Notice of meetings of the Members shall be given by telephone or by written notice delivered personally or by mail or facsimile transmission to each Member at his/her business address or at such other address as such Member shall have designated in writing filed with the Secretary. Notice in the case of telephone, personal delivery or facsimile transmission shall be given not less than twenty-four (24) hours prior to the time of the meeting. If mailed, such notice shall be delivered at least seventy-two (72) hours prior to the meeting and shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. Whenever any notice whatever is required to be given to any Member of the Corporation under the Articles of Incorporation or Bylaws or any provision of law, a waiver thereof in writing, signed at any time, whether before or after the time of meeting, by the Member entitled to such notice, shall be deemed equivalent to the giving of such notice. The attendance of a Member at a meeting shall constitute a waiver of notice of such meeting, except where a Member attends a meeting and objects to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any meeting of the Members need to be specified in the notice or waiver of notice of such meeting.

3.06. Quorum. Two Members shall constitute a quorum at a meeting of Members.

3.07. Manner of Acting. The act of a majority of the votes entitled to be cast by Members shall be the act of the Members, unless a greater proportion is required by the Wisconsin Non-Stock Corporation Law, the Articles of Incorporation or these Bylaws.

3.08. Conduct of Meetings. The President, or in the President's absence, the Chair of the Board, or, in their absence, any Member chosen by a majority of the Members present, shall call each meeting of the Members to order and shall act as the Chairperson of such meeting. The Chairperson may appoint any Member to act as Secretary of the meeting.

3.09. Unanimous Consent without Meeting. Any action required or permitted by the Articles of Incorporation, these Bylaws or any provision of law to be taken by the Members at a meeting or by resolution may be taken without a meeting if a consent in writing setting forth the actions so taken is signed by all the Members.

3.10. Meeting by Telephone or by Other Communication Technology. Any action required or permitted by the Articles of Incorporation, these Bylaws, or any provision of law to be taken by the Members at a meeting may be taken through the use of communications by which (a) all participating Members may simultaneously hear each other during the meeting, or (b) or all communication during the meeting is immediately transmitted to each participating Member and

each participating Member is able to immediately send messages to all other participating Members.

ARTICLE IV

BOARD OF DIRECTORS

4.01. General Powers and Number. The business and affairs of the Corporation shall be managed by the Board of Directors. The number of the Directors of the Corporation shall be ~~four~~ (4)-seven (7). These Bylaws may be amended to enlarge or reduce the number of Directors, except that the number of Directors shall not be reduced to less than three (3). The Directors, all of whom shall serve ex-officio, shall be the: (a) President of the University of Wisconsin Medical Foundation, (b) Chief Operating Officer of the University of Wisconsin Medical Foundation, (c) Chief Executive Officer of the University of Wisconsin Hospital and Clinics Authority, (d) Chief Financial Officer of the University of Wisconsin Hospital and Clinics Authority, (e) Dean of the University of Wisconsin Medical School, (f) Senior Associate Dean for Administration and Finance of the University of Wisconsin Medical School, and the (g) President of University Health Care, Inc. If a vacancy exists in any such position, the person acting in such a position shall serve as a Director until such time as the position is filled.

4.02. Chair of the Board. The Chair of the Board shall alternate annually between the President of the University of Wisconsin Medical Foundation and the Chief Executive Officer of the University of Wisconsin Hospital and Clinics. The Chair of the Board shall preside at all meetings of the Board of Directors and shall carry out such other duties and have such responsibilities as may be specified by the Board of Directors.

4.03. Resignation. A Director who is not an ex-officio member of the Board of Directors may resign at any time by filing a written resignation with the President of the Corporation.

4.04. Removal. A Director shall be removed from office when the Director ceases to hold a position enumerated in Sec. 4.01 of these Bylaws which entitles that Director to hold the office of Director. If a Director is not an ex-officio member of the Board of Directors, then such Director may be removed by the affirmative vote of a majority of the Directors then in office.

4.05. Regular Meetings. The Board of Directors may provide, by resolution, the time and place for the holding of regular meetings without any other notice than such resolution.

4.06. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the Chair of the Board, the President, Vice President or any two Directors. Any such person calling a special meeting of the Board of Directors may fix any place as the place for holding such meeting, and if no other place is fixed, the place of meeting shall be the principal business office of the Corporation in the City of Madison.

4.07. Notice; Waiver. Notice of special meetings of the Board of Directors shall be given by telephone or by written notice delivered personally or by mail or facsimile transmission to each

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Director at his/her business address or at such other address as such Director shall have designated in writing filed with the Secretary. Notice in the case of telephone, personal delivery or facsimile transmission shall be given not less than twenty-four (24) hours prior to the time of the meeting. If mailed, such notice shall be delivered at least seventy-two (72) hours prior to the meeting and shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. Whenever any notice whatever is required to be given to any Director of the Corporation under the Articles of Incorporation or Bylaws or any provision of law, a waiver thereof in writing, signed at any time, whether before or after the time of meeting, by the Director entitled to such notice, shall be deemed equivalent to the giving of such notice. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting and objects to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any special meeting of the Board of Directors need to be specified in the notice or waiver of notice of such meeting. No notice need be given for any regular meeting when the time and place of such regular meeting has been fixed by a duly adopted resolution of the Board of Directors.

4.08. Quorum. Except as otherwise provided by the Wisconsin Non-Stock Corporation Law, the Articles of Incorporation, or these Bylaws, a majority of the number of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but a majority of the Directors present (though less than a quorum) may adjourn the meeting from time to time without further notice.

4.09. Manner of Acting. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by the Wisconsin Non-Stock Corporation Law, or by the Articles of Incorporation or these Bylaws.

4.10. Conduct of Meetings. The Chair of the Board, and in the Chair's absence, the President, and in the Chair's and President's absence, any Director chosen by the Directors present, shall call meetings of the Board of Directors to order and shall act as the presiding officer of the meeting. The presiding officer may appoint any director or other person to act as secretary of the meeting.

4.11. Vacancies. A vacancy occurs in the Board of Directors when a Director ceases to hold the position which qualifies that Director to be a Director under § 4.01. Any vacancy created by an increase in the number of Directors shall be filled by a vote of a majority of the Members.

4.12. Compensation. No compensation shall be paid by any Director for serving as a member of the Board of Directors, except that a Director may be reimbursed for expenses actually incurred by such Director in carrying out any activity of the Corporation which is within the scope of its purposes as set forth in Article III of the Articles of Incorporation.

4.13. Presumption of Assent. A Director of the Corporation who is present at a meeting of the Board of Directors or a committee thereof of which he/she is a member at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his/her dissent shall be entered in the minutes of the meeting or unless he/she shall file his/her written

dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

4.14. Committees. The Board of Directors may establish such committees as it shall deem necessary and desirable to enable the Corporation to carry out its purposes. Each such committee shall fix its own rules governing the conduct of its activities and shall make such reports to the Board of Directors of its activities as the Board of Directors may request.

4.15. Unanimous Consent without Meeting. Any action required or permitted by the Articles of Incorporation or Bylaws or any provision of law to be taken by the Board of Directors at a meeting or by resolution may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all the Directors then in office.

4.16. Meetings by Telephone or by Other Communication Technology. Any action required or permitted by the Articles of Incorporation or Bylaws or any provision of law to be taken by the Board of Directors or a committee of the Board of Directors at a meeting may be taken through the use of any means of communication by which (a) all participating Directors may simultaneously hear each other during the meeting, or (b) 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.

ARTICLE V

OFFICERS OF THE CORPORATION

5.01. Number and Qualifications. The Principal Officers of the Corporation shall be a President, a Vice President, a Secretary and a Treasurer, each of whom shall be elected by a majority vote of the Board of Directors. Such other Officers and Assistant Officers as may be deemed necessary may be elected or appointed by the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Vice President and President and Secretary.

5.02. Election and Term of Office. The Officers of the Corporation to be elected by the Board of Directors shall be elected annually by the Board of Directors at a regular meeting of the Board of Directors. Each Officer shall hold office until a successor shall have been duly elected or until his/her prior death, resignation or removal.

5.03. Removal. Any Officer or agent may be removed by the Board of Directors whenever in its judgment the best interests of the Corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election shall not of itself create contract rights.

5.04. Vacancies. A vacancy in any principal office because of death, resignation, removal

or otherwise shall be filled by the Board of Directors for the unexpired portion of the term.

5.05. President. The President shall be the chief executive officer of the Corporation and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the Corporation. The President shall have authority, subject to such rules as may be prescribed by the Board of Directors, to appoint such agents and employees of the Corporation as he/she shall deem necessary to carry out the purposes of the Corporation as set forth in Article III of the Articles of Incorporation, to prescribe their powers, duties and compensation, and to delegate authority to them. Such agents and employees shall hold office at the discretion of the President. The President shall have authority to sign, execute and acknowledge, on behalf of the Corporation, all deeds, mortgages, bonds, contracts, leases, reports and other documents or instruments necessary or proper to carry out the purposes of the Corporation as set forth in Article III of the Articles of Incorporation, or which shall be authorized by resolution of the Board of Directors to carry out such purposes; and, except as otherwise provided by law or the Board of Directors, the President may authorize the Vice President or other Officer or agent of the Corporation to sign, execute and acknowledge such documents or instruments in the President's place and stead. In general he/she shall perform all duties incident to the office of chief executive officer and such other duties as may be prescribed by the Board of Directors from time to time.

5.06. Vice President. In the absence of the President or in the event of the President's death, inability or refusal to act, or in the event for any reason it shall be impracticable for the President to act personally, the Vice President shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice President shall perform such other duties and have such authority as from time to time may be delegated or assigned to the Vice President by the President or by the Board of Directors. The execution of any instrument of the Corporation by the Vice President shall be conclusive evidence, as to third parties, of the Vice President's authority to act in the stead of the President.

5.07. Secretary. The Secretary shall (a) keep the minutes of the meetings of the Board of Directors in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the corporate records; (d) keep or arrange for the keeping of a register of the post office address of each Director which shall be furnished to the Secretary by such Director; and (e) in general perform all duties incident to the office of Secretary and have such other duties and exercise such authority as from time to time may be delegated or assigned to the Secretary by the President or by the Board of Directors.

5.08. Treasurer. The Treasurer shall in general perform all the duties incident to the office of Treasurer and have such other duties and exercise such other authority as from time to time may be delegated or assigned to the Treasurer by the President or by the Board of Directors.

5.09. Assistants and Acting Officers. The Board of Directors shall have the power to appoint any person to act as assistant to any Officer, or as agent for the Corporation in his/her stead, or to perform the duties of such Officer whenever for any reason it is impracticable for such Officer to act personally, and such Assistant or Acting Officer or other agent so appointed by the Board of Directors shall have the power to perform all the duties of the office to which he/she is so appointed

to be assistant, or as to which he/she is so appointed to act, except as such power may be otherwise defined or restricted by the Board of Directors.

5.10. Compensation. The Board of Directors may provide for the payment of reasonable compensation to the Principal Officers of the Corporation or to any of them. If established, such reasonable compensation shall be fixed from time to time by the Board of Directors or by a duly authorized committee thereof.

ARTICLE VI

CONTRACTS, LOANS, CHECKS AND DEPOSITS; SPECIAL CORPORATION ACTS

6.01. Contracts. The Board of Directors may authorize any Officer or Officers, agent or agents, to enter into any contract or execute or deliver any instrument in the name of and on behalf of the Corporation, and such authorization may be general or confined to specific instances. No contract or other transaction between the Corporation and one or more of its Directors or any other corporation, firm, association, or entity in which one or more of its Directors or Officers are financially interested, 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 the contract or transaction, 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, which authorize, approve, or ratify such contract or transaction; or (3) the contract or transaction is fair and reasonable to the Corporation. 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 transactions, but such interested Directors shall abstain from any vote to authorize, approve or ratify such contract or transaction.

6.02. Loans. No indebtedness for borrowed money shall be contracted on behalf of the Corporation and no evidence of such indebtedness shall be issued in its name unless authorized by or under the authority of a resolution of the Board of Directors. Such authorization may be general or confined to specific instances.

6.03. Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, notes or other evidence of indebtedness issued in the name of the Corporation, shall be signed by any Officer of the Corporation or an agent of the Corporation duly appointed for that purpose.

6.04. Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as may be selected by or under the authority of a resolution of the Board of Directors.

ARTICLE VII

SEAL

7.01. The Corporation shall not have a corporate seal.

ARTICLE VIII

MEDICAL CENTER SUPPORT

8.01. The Board of Directors shall annually consider gifts or grants to the University of Wisconsin Medical School, the University of Wisconsin Hospital and Clinics Authority, and/or the University of Wisconsin Medical Foundation.

ARTICLE IX

AMENDMENTS

9.01. By Members. These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by a majority vote of the Members present at an annual or special meeting of the Members at which a quorum is in attendance.

9.02. By Directors. These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by the Board of Directors at any regular or special meeting of the Board of Directors by a unanimous vote of the Directors. Notwithstanding the foregoing, no Bylaw adopted by the Members shall be amended or repealed by the Board of Directors unless such authority is conferred by the Members on the Board of Directors.

ARTICLE X

DISSOLUTION

10.01. The Corporation may be dissolved by the affirmative vote or written consent of two-thirds of the Members of the Corporation. Upon the dissolution of the Corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the Corporation, dispose of all of the assets of the Corporation as provided in the Articles of Incorporation.

ARTICLE XI

INDEMNIFICATION

11.01. Indemnification for Successful Defense. After receipt of a written request pursuant to Section 11.03, the Corporation shall indemnify a Director or Officer, to the extent he or she has been successful on the merits or otherwise in the defense of a proceeding, for all reasonable expenses incurred in the proceeding if the Director or Officer was a party because he or she is a Director or Officer of the Corporation.

11.02. Other Indemnification.

(a) In cases not included under Section 11.01, the Corporation shall indemnify a Director or Officer against all liabilities and expenses incurred by the Director or Officer in a proceeding to which the director or officer was a party because he or she is a Director or Officer of the Corporation, unless liability was incurred because the Director or Officer breached or failed to perform a duty he or she owes to the Corporation and the breach or failure to perform constitutes any of the following:

(1) A willful failure to deal fairly with the Corporation in connection with a matter in which the Director or Officer has a material conflict of interest.

(2) A violation of criminal law, unless the Director or Officer had reasonable cause to believe his or her conduct was lawful or no reasonable cause to believe his or conduct was unlawful.

(3) A transaction from which the Director or Officer derived an improper personal profit.

(4) Willful misconduct.

(b) Determination of whether indemnification is required under this Section shall be made pursuant to Section 11.05.

(c) The termination of a proceeding by judgment, order, settlement or conviction, or upon a plea of no contest or an equivalent plea, does not, by itself, create a presumption that indemnification of the Director or Officer is not required under this Section.

11.03. Written Request. A Director or Officer who seeks indemnification under Section 11.01 or 11.02 shall make a written request to the Corporation.

11.04. Nonduplication. The Corporation shall not indemnify a Director or Officer under Section 11.01 or 11.02 if the Director or Officer has previously received indemnification or allowance of expenses from any person, including the Corporation, in connection with the same proceedings. However, the Director or Officer shall have no duty to look to any other person for indemnification.

11.05. Determination of Right to Indemnification.

(a) Unless otherwise provided by the Articles of Incorporation or by written agreement between the Director or Officer and the Corporation, any Director or Officer seeking indemnification under Section 11.02 shall select one of the following means for determining his or her right to indemnification:

(1) By a majority vote of a quorum of the Board of Directors consisting of Directors who are not at the time parties to the same or related proceedings. If a quorum of disinterested Directors cannot be obtained, by majority vote of a committee duly appointed by the Board of Directors and consisting solely of two or more Directors who are not at the time parties to the same or related proceedings. Directors who are parties to the same or related proceedings may participate in the designation of members of the committee.

(2) By independent legal counsel selected by a quorum of the Board of Directors or its committee in the manner prescribed in sub. (1) or, if unable to obtain such a quorum or committee, by a majority vote of the full Board of Directors, including Directors who are parties to the same or related proceedings.

(3) By a panel of three arbitrators consisting of one arbitrator selected by those Directors entitled under sub. (2) to select independent legal counsel, one arbitrator selected by the Director or Officer seeking indemnification and one arbitrator selected by the two arbitrators previously selected.

(4) By a court under Section 11.08.

(5) By any other method provided for in any additional right to indemnification permitted under Section 11.07.

(b) In any determination under sub. (a), the burden of proof shall be on the Corporation to prove by clear and convincing evidence that indemnification under Section 11.02 should not be allowed.

(c) A written determination as to a Director's or Officer's right to indemnification under Section 11.02 shall be submitted to both the Corporation and the Director or Officer within 60 days of the selection made under sub. (a).

(d) If it is determined that indemnification is required under Section 11.02, the Corporation shall pay all liabilities and expenses not prohibited by Section 11.04 within 10 days after receipt of the written determination under sub. (c). The Corporation shall also pay all

expenses incurred by the Director or Officer in the determination process under sub. (a).

11.06. Advance Expenses. Within 10 days after receipt of a written request by a Director or Officer who is a party to a proceeding, the Corporation shall pay or reimburse his or her reasonable expenses as incurred if the Director or Officer provides the Corporation with all of the following:

(1) A written affirmation of his or her good faith belief that he or she has not breached or failed to perform his or her duties to the Corporation.

(2) A written undertaking, executed personally or on his or her behalf, to repay the allowance to the extent that it is ultimately determined under Section 11.05 that indemnification under Section 11.02 is not required and that indemnification is not ordered by a court. The undertaking under this subsection shall be an unlimited, general obligation of the Director or Officer and may be accepted without reference to his or her ability to repay the allowance. The undertaking may be secured or unsecured.

11.07. Nonexclusivity.

(a) Except as provided in sub. (b), Sections 11.01, 11.02 and 11.06 do not preclude any additional right to indemnification or allowance of expenses that a Director or Officer may have under any of the following:

(1) The Articles of Incorporation.

(2) A written agreement between the director or officer and the Corporation.

(3) A resolution of the Board of Directors.

(b) Regardless of the existence of an additional right under (a), the Corporation shall not indemnify a Director or Officer, or permit a Director or Officer to retain any allowance of expenses, unless it is determined by or on behalf of the Corporation that the Director or Officer did not breach or fail to perform a duty he or she owes to the Corporation which constitutes conduct under Section 11.02(a)(1), (2), (3) or (4). A Director or Officer who is a party to the same or related proceedings for which indemnification or an allowance of expenses is sought may not participate in a determination under this subsection.

(c) Sections 11.01 through 11.12 do not affect the Corporation's power to pay or reimburse expenses incurred by a Director or Officer in any of the following circumstances:

(1) As a witness in a proceeding to which he or she is not a party.

(2) As a plaintiff or petitioner in a proceeding because he or she is or was an employee, agent, Director or Officer of the Corporation.