

AMENDED AND RESTATED BYLAWS  
FOR  
CARE 1ST HEALTH PLAN ARIZONA, INC.

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BYLAWS  
FOR  
CARE 1st HEALTH PLAN ARIZONA, INC.

ARTICLE I  
CORPORATE OFFICES

1.1 PRINCIPAL OFFICE

The Board of Directors shall fix the location of the principal executive office of the corporation at any place within or outside the State of Arizona. If the principal executive office is located outside Arizona and the corporation has one or more business offices in Arizona, then the Board of Directors shall fix and designate a principal office in Arizona.

1.2 OTHER OFFICES

The Board of Directors may at any time establish branch or subordinate offices at any place or places.

ARTICLE II  
MEETING OF SHAREHOLDERS

2.1 PLACE OF MEETINGS

Meetings of shareholders shall be held at any place within or outside the State of Arizona designated by the Board of Directors. In the absence of any such designation, shareholders' meetings shall be held at the principal executive office of the corporation or at any place consented to in writing by all persons entitled to vote at such meeting, given before or after the meeting and filed with the secretary of the corporation.

2.2 ANNUAL MEETING

An annual meeting of shareholders shall be held each year on a date and at a time designated by the Board of Directors. At that meeting, Directors shall be elected. Any other proper business may be transacted at the annual meeting of the shareholders.

2.3 SPECIAL MEETINGS

Special meetings of the shareholders for any purpose or purposes whatsoever may be called at any time, subject to the provisions of Sections 2.4 and 2.5 of these Bylaws ("Bylaws"), by the Board of Directors, the Chairman of the Board, the President or by Care 1st Health Plan, Inc., in its capacity as the sole shareholder of the corporation ("C1HP"). Such meeting shall be held at such time and place specified by the party calling the meeting.

2.4 NOTICE OF SHAREHOLDERS' MEETING

So long as C1HP is the sole shareholder of the corporation, notices of meetings may be waived. If the corporation has additional shareholders all notices of meetings shall be sent or otherwise given in accordance with Section 2.5 of these Bylaws not less than ten (10) (or if sent by third class mail pursuant to Section 2.5 of these Bylaws, not less than thirty (30) nor more than sixty (60)) days before the date of the meeting of each shareholder entitled to vote thereat. Such notice shall specify the place, date and hour of the meeting, and (i) in the case of a special meeting as provided by Title 10 of the Arizona Revised Statutes ("ARS"), the general nature of the business to be transacted, and no business other than that specified in the notice may be transacted, or (ii) in the case of the annual meeting, those matters which the Board of Directors, at the time of the mailing of the notice, intends to present for action by the shareholders, but subject to the provision of the next paragraph of this Section 2.4, any proper matter may be presented at the meeting for such action. The notice of any meeting at which Directors are to be elected shall include the names of nominees

intended at the time of the notice to be presented by the Board for election.

If action is proposed to be taken at a meeting for approval of (i) a contract or transaction in which a Director has a direct or indirect financial interest, pursuant to Section 10-861 of the ARS, (ii) an amendment of the Articles of Incorporation, pursuant to Section 10-1002 or 10-1003 of the ARS, (iii) a reorganization of the corporation, pursuant to Section 10-1101 of the ARS, (iv) a voluntary dissolution of the corporation, pursuant to Section 10-1402 of the ARS, or (v) a distribution other than in accordance with the rights of any outstanding preferred shares, pursuant to Section 10-640 of the ARS, then any notice required to be given under this Section 2.4 shall also state the general nature of that proposal.

## 2.5 MANNER OF GIVING NOTICE: AFFIDAVIT OF NOTICE

Notice of a shareholders' meeting that is required to be given under Section 2.4 shall be given either personally or by first-class mail, or, if the corporation has outstanding shares held of record by five hundred (500) or more persons (determined as provided in Section 10-707 of the ARS) on the record date for the shareholders' meeting, notice may be sent by third-class mail, or other means of written communication, addressed to the shareholder at the address of the shareholder appearing on the books of the corporation for the purpose of notice; or if no such address appears or is given, at the place where the principal executive office of the corporation is located or by publication at least once in a newspaper of general circulation in the county in which the principal office is located. The notice shall be deemed to have been given at the time when delivered personally or deposited in the mail or sent by other means of written communication.

If any notice (or any report referenced in Article VII of these Bylaws) addressed to a shareholder at the address of such shareholder appearing on the books of the corporation is returned to the corporation by the United States Postal Service marked to indicate that the United States Postal Service is unable to deliver the notice to the shareholder at that address, all future notices or reports shall be deemed to have been duly given without further mailing if the same shall be available to the shareholder upon written demand at the principal executive office of the corporation for a period of one (1) year from the date of the giving of the notice.

An affidavit of mailing of any notice or report in accordance with the provisions of this Section 2.5, executed by the Secretary, Assistant Secretary, or any transfer agent, shall be prima facie evidence of the giving of the notice or report.

## 2.6 QUORUM

Unless otherwise provided in the Articles of Incorporation of the corporation, a majority of the shares entitled to vote, represented in person, or by proxy, shall constitute a quorum at a meeting of the shareholders. The shareholders present at a duly called or held meeting at which a quorum is present may continue to transact business until adjournment notwithstanding the withdrawal of enough shareholders to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the shares required to constitute a quorum.

In the absence of a quorum, any meeting of shareholders may be adjourned from time to time by the vote of a majority of the shares represented either in person or by proxy, but no other business may be transacted, except as provided in the last sentence of the preceding paragraph.

## 2.7 ADJOURNED MEETING: NOTICE

Any shareholders' meeting, annual or special, whether or not a quorum is present, may be adjourned from time to time by the vote of the majority of the shares represented at that meeting, either in person or by proxy.

When any meeting of shareholders, either annual or special, is adjourned to another time or place, notice need not be given of the adjourned meeting if its time and place are announced at the meeting at which the adjournment is taken. However, if the adjournment is for more than forty-five (45) days from the date set for the original meeting or if a new record date for the adjournment meeting is fixed, a notice of the adjourned meeting shall be given to each shareholder of record entitled to vote at the adjourned meeting in accordance with the provisions of Section 2.4 and 2.5 of these Bylaws. At any adjourned meeting the corporation may transact any business which might have been transacted at the original meeting.

## 2.8 VOTING

The shareholders entitled to vote at any meeting of shareholders shall be determined in accordance with the provisions of Section 2.11 of these Bylaws, subject to the provisions of Sections 10-721 through 10-723 of the ARS (relating to voting shares held by a fiduciary, nominees, in the name of a corporation, or in joint ownership.)

Elections for Directors and voting on any other matter at a shareholders' meeting need not be by ballot unless a shareholder demands election by ballot at the meeting and before the voting begins.

Except as provided in the last paragraph of this Section 2.8, or as may be otherwise provided in the Articles of Incorporation, each outstanding share, regardless of class, shall be entitled to one vote on each matter submitted to a vote of the shareholders. Any holder of shares entitled to vote on any matter may vote part of the shares in favor of the proposal and refrain from voting the remaining shares or may vote them against the proposal other elections to office, but, if the shareholder fails to specify the number of shares such shareholder is voting affirmatively, it will be conclusively presumed that the shareholder's approving vote is with respect to all shares which the shareholder is entitled to vote.

The affirmative vote of the majority of the shares represented and voting at a duly held meeting at which a quorum is present (which shares voting affirmatively also constitute at least a majority of the required quorum) shall be the act of the shareholders, unless the vote of a greater number or voting by classes is required by the ARS or by the Articles of Incorporation.

At a shareholders' meeting at which Directors are to be elected, a shareholder shall be entitled to cumulate votes either (i) by giving one candidate a number of votes equal to the number of Directors to be elected multiplied by the number of votes to which that shareholder's shares are normally entitled or (ii) by distributing the shareholder's votes on the same principle among as many candidates as the shareholder thinks fit, if the candidate or candidates' names have been placed in nomination prior to the voting, and the shareholder has given notice prior to the voting of the shareholder's intention to cumulate the shareholders' votes. If any one shareholder has given such a notice, then every shareholder entitled to vote may cumulate votes for candidates in nomination. The candidates receiving the highest number of affirmative votes, up to the number of board Directors to be elected, shall be elected; votes against any candidate and votes withheld shall have no legal effect.

## 2.9 VALIDATION OF MEETINGS, WAIVER OF NOTICE, CONSENT

The transactions of any meeting of shareholders, either annual or special, however called and noticed, and wherever held, are as valid as though they had been taken at a meeting duly held after regular call and notice, if a quorum is present, either in person or by proxy, and if, either before or after the meeting, each of the persons entitled to vote, not present in person or by proxy, signs a written waiver of notice or a consent to the holding of the meeting or an approval of the minutes thereof. Neither the business to be transacted at nor the purpose of any annual or special meeting of shareholders need be specified in any written waiver of notice or consent to the holding of the meeting or approval of the minutes thereof, except that if action is taken or proposed to be taken for approval of any of those matters specified in the second paragraph of Section 2.4 of these Bylaws, the waiver of notice or consent or approval shall state the general nature of the proposal. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Attendance of a person at a meeting shall constitute a waiver of notice of and presence at that meeting, except when the person objects, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened and except that attendance at a meeting is not a waiver of any right to object to the consideration of matters required by the ARS to be included in the notice of such meeting but not so included, if such objection is expressly made at the meeting.

## 2.10 SHAREHOLDER ACTION BY WRITTEN CONSENT WITHOUT A MEETING

Any action which may be taken at any annual or special meeting of shareholders may be taken without a meeting and without prior notice, if a consent in writing, setting forth the action so taken, is signed by the holders of outstanding shares having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted.

Directors may not be elected by written consent except by unanimous consent of all shares entitled to vote for the election of such Directors. However, a Director may be elected at any time to fill any vacancy on the Board of Directors, by the written consent of the holders of a majority of the outstanding shares entitled to vote for the election of such Director.

All such consents shall be maintained in the corporate records. Any shareholder giving a written consent, or the shareholder's proxy holders, or a transferee of the shares, or a personal representative of the shareholder, or their respective proxy holders, may revoke the consent by a writing received by the Secretary of the corporation before written consents of the number of shares required to authorize the proposed action have been filed with the Secretary.

If the consents of all shareholders entitled to vote have not been solicited in writing, the Secretary shall give prompt notice of any corporate action approved by the shareholders without a meeting by less than unanimous written consent to those shareholders entitled to vote who have not consented in writing. Such notice shall be given in the manner specified in Section 2.5 of these Bylaws.

In the case of approval of (i) a contract or transaction in which a Director has a direct or indirect financial interest, pursuant to Section 10-862 of the ARS, (ii) indemnification of a corporate "agent", pursuant to Section 10-855 of the ARS, (iii) a reorganization of the corporation, pursuant to Section 10-1101 of the ARS, and (iv) a distribution in dissolution other than in accordance with the rights of outstanding preferred shares, pursuant to Section 10-640 of the ARS, the notice shall be given at least ten (10) days before the consummation of any action authorized by that approval, unless the consents of all shareholders entitled to vote have been solicited in writing. So long as C1HP is the sole shareholder of the corporation any notice required by this Section 2.10 is waived.

## 2.11 RECORD DATE FOR SHAREHOLDER NOTICE: VOTING: GIVING CONSENTS

In order that the corporation may determine the shareholders entitled to notice of any meeting or to vote, the Board of Directors may fix, in advance, a record date, which shall not be more than sixty (60) days nor less than ten (10) days prior to the date of such meeting nor more than sixty (60) days before any other action. Shareholders at the close of business on the record date are entitled to notice and to vote, as the case may be, notwithstanding any transfer of any shares on the books of the corporation after the record date, except as otherwise provided in the Articles of Incorporation or the ARS.

A determination of the shareholders of record entitled to notice of or to vote at a meeting of shareholders shall apply to any adjournment of the meeting unless the Board of Directors fixes a new record date for the adjourned meeting, but the Board of Directors shall fix a new record date if the meeting is adjourned for more than forty-five (45) days from the date set for the original meeting.

If the Board of Directors does not so fix a record date:

- (a) The record date for determining shareholders entitled to notice of or to vote at a meeting of shareholders shall be at the close of business on the business day next preceding the day on which notice is given or, if notice is waived, at the close of business on the business day next preceding the day on which the meeting is held.
- (b) The record date for determining shareholders entitled to give consent to corporate action in writing without a meeting, (i) when no prior action by the Board has been taken, shall be on the day on which the first written consent is given, or (ii) when prior action by the Board has been taken, shall be at the close of business on the day on which the Board adopts the resolution relating thereto, or the sixtieth (60th) day prior to the date of such other action, whichever is later.

## 2.12 PROXIES

Every person entitled to vote for Directors, or on any other matter, shall have the right to do so either in person or by one or more agents authorized by a written proxy signed by the person or filed with the Secretary of the corporation. A proxy shall be deemed signed if the shareholder's name or other authorization is placed on the proxy (whether by manual signature, typewriting, telegraphic or electronic transmission or otherwise) by the shareholder or the shareholder's attorney-in-fact. A validly executed proxy which does not state that it is irrevocable shall continue in full force and effect unless (i) the person who executed the proxy revokes it prior to the time of voting by delivering in a writing to the corporation stating that the proxy is revoked or by executing a subsequent proxy and presenting it to the meeting or by attendance at such meeting and voting in person, or (ii) written notice of the

death or incapacity of the maker of that proxy is received by the corporation before the vote pursuant to that proxy is counted; provided, however, that no proxy shall be valid after the expiration of eleven (11) months from the date thereof, unless otherwise provided in the proxy. The dates contained in the forms of proxy presumptively determine the order of execution, regardless of the postmark dates on the envelopes in which they are mailed. The revocability of proxy states on its face that it is irrevocable and shall be governed by the provisions of Sections 705(e) and 705(f) of the ARS.

## 2.13 INSPECTORS OF ELECTION

In advance of any meeting of shareholders, the Board of Directors may appoint inspectors of election to act at the meeting and any adjournment thereof. If inspectors of election are not appointed or designated or if any persons so appointed fail to appear or refuse to act, then the Chairman of the meeting may, and on the request of any shareholder or a shareholder's proxy shall, appoint inspectors of election (or persons to replace those who so fail to appear) at the meeting. The number of inspectors shall be either one (1) or three (3). If appointed at a meeting on the request of one (1) or more shareholders or proxies, the majority of shares represented in person or by proxy shall determine whether one (1) or three (3) inspectors are to be appointed.

The inspectors of election shall determine the number of shares outstanding and the voting power of each, the shares represented at the meeting, the existence of a quorum, and the authenticity, validity, and effect of proxies, receive votes, ballots or consents, hear and determine all challenges and questions in any way arising in connection with the right to vote, count and tabulate all votes or consents, determine when the polls shall close, determine the result and do any other acts that may be proper to conduct the election or vote with fairness to all shareholders.

## ARTICLE III DIRECTORS

### 3.1 POWERS

Subject to limitations of the Articles and these Bylaws and of pertinent restrictions of the ARS, all the activities and affairs of the corporation shall be exercised by or under the direction of the Board of Directors. Without prejudice to these general powers, but subject to the same limitations, it is hereby expressly declared that the Board shall have the following powers in addition to the other powers enumerated in these Bylaws:

- (a) To select and remove all the Officers, agents, and employees of the corporation, prescribe duties for them as may not be inconsistent with law, with the Articles of Incorporation, or with these Bylaws, fix the terms of their offices and their compensation, and in their discretion, require from these Officers, agents, and employees security for faithful service.
- (b) To make disbursements from the funds and properties of the corporation as are required to fulfill the purposes of this corporation as are more fully set out in the corporation's Articles of Incorporation, and generally to conduct, manage, and control the activities and affairs of the corporation, and to make rules and regulations not inconsistent with law, the Articles of Incorporation, or with these Bylaws, as they may deem best.
- (c) To adopt, make and use a corporate seal and to alter the form of the seal from time to time as they may deem best.
- (d) To borrow money and incur indebtedness for the purposes of the corporation and to cause to be executed and delivered therefor, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, or other evidences of debt and securities therefor.
- (e) To carry on a business and apply any resulting profit to any activity in which it may legally engage.

The authorized number of Directors of the corporation shall be not less than three (3) and not more than fifteen (15), with the initial number of Directors being set at three (3), as authorized by Arizona Corporations ARS and the Articles of Incorporation of this corporation, until changed by an amendment to the Articles of Incorporation or this Bylaw duly adopted by the vote or written



consent of holders of a majority of the outstanding shares of each class of shares entitled to vote. No reduction of the authorized number of Directors shall have the effect of removing any Director before that Director's term of office expires.

### 3.2 ELECTION AND TERM OF OFFICE OF DIRECTORS

So long as C1HP is the sole shareholder of the corporation, all of the Directors of this corporation shall be designated only by C1HP and shall serve at the pleasure of C1HP. Each Director shall serve for such term as C1HP specifies and shall serve until such term expires, or such Director resigns or is removed by C1HP, provided, however, that if the Director is a Director of C1HP, then the Director shall serve for the same term as the Director serves on the C1HP Board of Directors.

### 3.3 REMOVAL

Any Director designated by C1HP may be removed from office prior to expiration of the term of office with or without cause only by C1HP or with the written consent of C1HP.

### 3.4 RESIGNATION AND VACANCIES

Any Director may resign effective on giving written notice to the Chair of the Board, the President, or the Secretary of the Board, unless the notice specifies a later time for the effectiveness of the resignation. If the resignation is to take effect at some future time, a successor may be selected before that time, to take office when the resignation becomes effective.

Vacancies in the Board shall be filled by designation by C1HP. Each Director so designated shall hold office until the expiration of the term of the replaced Director and until a successor has been designated by C1HP. A vacancy or vacancies in the Board shall be deemed to exist in case of the death, resignation or removal of any Director, or if the authorized number of Directors is increased.

The Board may declare vacant the office of a Director who has been declared of unsound mind by a final order of court, or convicted of a felony, or, in the case of a corporation holding assets in charitable trust, has been found by a final order or judgment of any court to have breached any duty arising under the law Arizona governing assets. No reduction of the authorized number of Directors shall have the effect of removing any Director prior to the expiration of the Director's term of office.

### 3.5 PLACE OF MEETINGS, MEETINGS BY TELEPHONE

Notwithstanding anything to the contrary provided in these Bylaws, any meeting (whether regular, special or adjourned) of the Board of Directors of the corporation may be held at any place within or without Arizona that has been previously designated for that purpose by resolution or by the unanimous written consent of the Board.

Members of the Board may participate in a meeting through use of conference telephone, electronic video screen communications, or other communications equipment, so long as all members participating in the meeting can communicate with all of the other members concurrently, each member is provided the means of participating in all matters before the board, including the capacity to propose, or to interpose an objection, to a specific action to be taken, and the corporation adopts and implements some means of verifying that the person communicating by telephone, electronic video screen, or other communications equipment is a Director entitled to participate in the board meeting, and that all statements, questions, actions, or votes were made by that Director and not by another person not permitted to participate as a Director.

### 3.6 REGULAR MEETINGS

Regular meetings of the Board of Directors may be held without notice, if the Board of Directors fixes the time and place of such meetings.

### 3.7 SPECIAL MEETINGS: NOTICE

Subject to the provisions of the following paragraph, special meetings of the Board of Directors for any purpose or purposes

may be called at any time by the Chairman of the Board, the President, any Vice President, the secretary, or any two (2) Directors.

Notice of the time and place of special meetings shall be delivered personally or by telephone to each Director or sent by first-class mail, telegram, charges prepaid or by telecopier, addressed to each Director at that Director's address as it is shown on the records of the corporation. If the notice is mailed, it shall be deposited in the United States mail at least four (4) days before the time of the holding of the meeting. If the notice is delivered personally or by telephone or by telecopier or telegram, it shall be delivered personally or by telephone or by telecopier or to the telegraph company at least forty eight (48) hours before the time of the holding of the meeting. Any oral notice given personally or by telephone may be communicated either to the Director or to a person at the office of the Director who the person giving the notice has reason to believe will promptly communicate it to the Director. The notice need not specify the Purpose of the meeting.

### 3.8 QUORUM

Except as otherwise provided herein, a majority of the authorized number of Directors shall constitute a quorum except when a vacancy or vacancies prevents a majority, whereupon a majority of the Directors in office shall constitute a quorum, provided a majority shall constitute either one third of the authorized number of Directors or at least two Directors, whichever is larger, or unless the authorized number of Directors is only one. A majority of the Directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. Except as the Articles of Incorporation, these Bylaws, and the ARS may provide, the 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 of Directors.

### 3.9 WAIVER OF NOTICE

Notice of a meeting need not be given to any Director who signs a waiver of notice or a consent to holding the meeting or an approval of the minutes thereof, 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 billed with the corporate records or made a part of the minutes of the meeting. A waiver of notice need not specify the purpose of any regular or special meeting of the Board of Directors.

### 3.10 ADJOURNMENT

A majority of the Directors present, whether or not a quorum is present, may adjourn any Directors meeting to another time and place. Notice of the time and place of holding an adjourned meeting need not be given to absent Directors if the time and place be filed at the meeting adjourned, except as provided in the next sentence. If the meeting is adjourned for more than 24 hours, notice of any adjourn 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.

### 3.11 NOTICE OF ADJOURNMENT

If the meeting is adjourned for more than twenty-four (24) hours, notice of any adjournment to another time and place shall be given prior to the time of the adjourned meeting to the Directors who were not present at the time of adjournment.

### 3.12 BOARD ACTION BY WRITTEN CONSENT WITHOUT A MEETING

Any action required or permitted to be taken by the Board of Directors may be taken without a meeting, if all members of the Board 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 the Board of Directors.

### 3.13 FEES AND COMPENSATION OF DIRECTORS

Directors (as such) may receive compensation for their services as Directors. Directors may receive a reasonable allowance for personal services actually rendered pursuant to resolution passed by a majority vote at a regular or special meeting of the

Directors; reimbursement for expenses as may be fixed or determined by the Board. Directors may serve the organization in some other capacity for which compensation is paid.

### 3.14 INTERESTED DIRECTORS

Notwithstanding anything to the contrary contained in these Bylaws, no Director of the corporation shall participate in any vote by the corporation to enter into, or otherwise involving, a proposed provider contract if the Director has an ownership interest in the proposed provider. Additionally, any Director having such an ownership interest shall not be counted for purposes of determining whether a quorum is present at the meeting at which the vote relating to the prospective provider contract is taken.

## ARTICLE IV COMMITTEES

### 4.1 COMMITTEES OF DIRECTORS

Committees of the Board may be appointed by resolution passed by a majority of the whole Board. Committees shall be composed of two or more members of the Board, and shall have the powers of the Board as may be expressly delegated to it by resolution of the Board of Directors, except with respect to:

- (a) The approval of any action for which the ARS also requires shareholder approval (must be approved by the Board as a whole);
- (b) The filling of vacancies on the Board or on any committee;
- (c) The fixing of compensation of the Directors for serving on the Board or on any committee;
- (d) The amendment or repeal of Bylaws or the adoption of new Bylaws;
- (e) The amendment or repeal of any resolution of the Board which by its express terms is not so amendable or repealable;
- (f) The appointment of other committees of the Board or the members thereof;
- (g) The expenditure of corporate funds to support a nominee for Director after there are more people nominated for Director than can be elected; or
- (h) The approval of any self-dealing transaction, as these self-dealing transactions are defined in the ARS.

Any committee may be designated an Executive Committee or by another name as the Board shall specify. The Board shall have the power to prescribe the manner in which proceedings of any committee shall be conducted. In the absence of any prescription, the committee shall have the power to prescribe the manner in which its proceeding shall be conducted. Unless the Board or the committee shall otherwise provide, the regular and special meetings and other actions of any committee shall be governed by the provision of this Article applicable to meetings and actions of the Board. Minutes shall be kept of each meeting of each committee.

### 4.2 MEETINGS AND ACTION OF COMMITTEES

Meetings and actions of committees shall be governed by, and held and taken in accordance with, the provisions of Article III of these Bylaws, Section 3.5 (Place of Meetings), Section 3.6 (Regular Meetings), Section 3.7 (Special Meetings and Notice), Section 3.8 (Quorum), Section 3.9 (Waiver of Notice), Section 3.10 (Adjournment), Section 3.11 (Notice of Adjournment), and Section 3.12 (Action without Meeting), with such changes in the context of those Bylaws as are necessary to substitute the committee and its members for the Board of Directors and its members; provided, however, that the time of regular meetings of committees may be determined either by resolution of the Board of Directors or by resolution of the committee, that special meetings of committees shall

also be given all alternate members, who shall have the right to attend all meetings of the committee. The Board of Directors may adopt rules for the government of any committee not consistent with the provisions of these Bylaws.

## ARTICLE V OFFICERS

### 5.1 OFFICERS.

The Officers of the corporation shall be a Chair of the Board, a President, or both, a Secretary, and a Chief Financial Officer. The corporation may also have, at the discretion of the Board of Directors, one or more Vice Presidents, one or more Assistant Secretaries, and other Officers as may be appointed in accordance with the provisions of Section 5.3 of this Article. One person may hold two or more offices, except that neither the Secretary nor the Chief Financial Officer may serve concurrently as the President or the Chair of the Board.

### 5.2 ELECTION

The Officers of the corporation, except those Officers as may be appointed in accordance with the provisions of Section 5.3 or Section 5.5 of this Article, shall be chosen annually by, and shall serve at the pleasure of, the Board of Directors, subject to the rights, if any, of an Officer under any contract of employment. Each Officer shall hold his or her office until he or she resigns, is removed, or becomes otherwise disqualified to serve, or until his or her successor is elected and qualified.

### 5.3 SUBORDINATE OFFICERS

The Board of Directors may appoint, and may empower the President to appoint, other Officers as the business of the corporation may require, each of whom shall hold office for the period, have authority, and perform duties as are provided in the Bylaws or as the Board of Directors may from time to time determine.

### 5.4 REMOVAL AND RESIGNATION

Any Officer may be removed, either with or without cause, by a majority of the Directors at the time in office, at any regular or special meeting of the Board, or except in case of an Officer chosen by the Board of Directors, by any Officer on whom the power of removal may be conferred by the Board of Directors.

Any Officer may resign at any time, without prejudice to the rights, if any, of the corporation under any contract to which the Officer is a party, by giving written notice to the Board of Directors, or to the President, or to the Secretary of the corporation. The resignation shall take effect at the date of the receipt of the notice or at any later time specified in the notice; and, unless otherwise specified in the notice, the acceptance of the resignation shall not be necessary to make it effective.

### 5.5 VACANCIES

A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in the Bylaws for regular election or appointment to the office, provided that the vacancies shall be filled as they occur and not on an annual basis.

### 5.6 INABILITY TO ACT

In the case of absence or inability to act of any Officer of the corporation and of any person herein authorized to act in his or her place, the Board of Directors may from time to time delegate the powers or duties of the Officer to any other Officer, or any Director or other person whom the Board may select.

## 5.7 CHAIR OF THE BOARD

The Chair of the Board, if there shall be one, shall, if present, preside at all meetings of the Board of Directors, and exercise and perform other powers and duties as may be from time to time assigned to him or her by the Board of Directors or prescribed by the Bylaws.

## 5.8 PRESIDENT

Subject to supervisory powers, if any, as may be given by the Board of Directors to the Chair of the Board, if there be one, the President shall be the Chief Executive Officer of the corporation and shall, subject to the control of the Board of Directors, have general supervision, direction, and control of the activities and Officers of the corporation. In the absence of the Chair of the Board, or if there is none, the President shall preside at all meetings of the Board of Directors. Except for any committees that must be comprised exclusively of independent Directors, the President shall be ex-officio a member of all the standing committees, including the Executive Committee, if any, and shall have the general powers and duties of management usually vested in the office of a President of a corporation, and shall have other powers and duties as may be prescribed by the Board of Directors or the Bylaws.

## 5.9 VICE PRESIDENT

In the absence or disability of the President, the Vice Presidents, in order of their rank as fixed by the Board of Directors, or if not ranked, the Vice President designated by the Board of Directors, shall perform all the duties of the President, and when so acting shall have all the powers of, and be subject to all the restrictions on, the President. The Vice Presidents shall have other powers and perform other duties as from time to time may be prescribed for them respectively by the Board of Directors or the Bylaws.

## 5.10 SECRETARY

The Secretary shall keep, or cause to be kept, a book of minutes at the principal office or other place as the Board of Directors may order, of all meetings of the Board and its committees, with the time and place of holding, whether regular or special, and if special, how authorized, the notice of the meeting given, the names of those present at the meetings, the Board and committees' meetings, and the proceedings thereof. The Secretary shall keep, or cause to be kept, at the principal office in the State of Arizona the original and a copy of the corporation's Articles and Bylaws, as amended to date.

The Secretary shall give, or cause to be given, notice of all meetings of the Board and any committees of the Board required by these Bylaws or by law to be given, shall keep the seal of the corporation in safe custody, and shall have other powers and perform other duties as prescribed by the Board.

## 5.11 TREASURER AND CHIEF FINANCIAL OFFICER

The Treasurer shall be the Chief Financial Officer of the corporation and shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the corporation. The books of account shall at all reasonable times be open to inspection by any Director.

The Treasurer shall deposit all monies and other valuables in the name and to the credit of the corporation with depositories as may be designated by the Board of Directors. The Treasurer shall disburse the funds of the corporation as may be ordered by the Board of Directors, shall render to the President and the Directors, whenever they request it, an account of all of his or her transactions and of the financial condition of the corporation, and shall have other powers and perform other duties as may be prescribed by the Board of Directors.

## 5.12 ASSISTANT TREASURER

At the request of the Treasurer, or in his or her absence or disability, the Assistant Treasurer shall perform all the duties of the Treasurer, and when so acting, shall have all the powers of, and be subject to all the restrictions on, the Treasurer.

## 5.13 SALARIES

The salaries of the Officers shall be fixed from time to time by the Board of Directors, or a committee duly authorized by the Board of Directors, and no Officer shall be prevented from receiving the salary by reason of the fact that the Officer is also a Director of the corporation.

## ARTICLE VI INDEMNIFICATION AND INSURANCE

### 6.1 RIGHT TO INDEMNIFICATION OF OFFICERS AND DIRECTORS

Each person who was or is made a party or is threatened to be made a party to or is otherwise involved in any threatened, pending or completed action or proceeding (each a “proceeding”), by reason of the fact that he or she is or was a Director or Officer of the corporation or is or was serving at the request of the corporation as a Director or Officer of another corporation or of a partnership, joint venture, trust or other enterprise (hereinafter an “indemnitee”), shall be indemnified and held harmless by the corporation to the fullest extent permissible under Arizona law. The amount of such indemnity shall be as much as the Board determines and finds to be reasonable, or, if required by Arizona law, the amount of such indemnity as the court, if application is made to it, determines and finds to be reasonable.

### 6.2 RIGHT TO ADVANCEMENT OF EXPENSES

In addition to the right to indemnification conferred in Section 6.1, and to the fullest extent permitted by law, an indemnitee shall also have the right to be paid by the corporation the expenses (including attorney’s fees and expenses) incurred in defending any claim, action, suit or proceeding (with respect to which a right to indemnification is conferred by this Article in advance of its final disposition (hereinafter an “advancement of expenses”); provided, however, that, if the ARS or a determination by the Board of Directors (in its sole discretion) requires, the payment of such expenses incurred by any such indemnitee in advance of the final disposition of a proceeding shall be made only upon delivery to the corporation of an undertaking, by or on behalf of such indemnitee, to repay all amounts so advanced unless it shall be determined ultimately that the indemnitee is entitled to be indemnification as authorized herein.

### 6.3 NON-EXCLUSIVITY OF RIGHTS

The rights to indemnification and to the advancement of expenses conferred in this Article shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, the Articles of Incorporation, these Bylaws, agreement, vote of disinterested Directors or otherwise.

### 6.4 INSURANCE

The corporation shall have the right to purchase and maintain insurance, at its expense, to protect itself and any Director, Officer, employee or agent of the corporation or another corporation, partnership, joint venture, trust, enterprise or entity against any expense, liability, damage, claim or loss, whether or not the corporation would have the power to indemnify such person against such expense, liability, damage, claim or loss under the ARS; provided, however, that the Corporation shall have no power to purchase and maintain such insurance to indemnify any such if the ARS prohibits violations of its provisions to be insured.

### 6.5 INDEMNIFICATION OF AGENTS AND EMPLOYEES

Nothing herein contained shall limit the right of the corporation, in the specific case and as provided under Arizona law to indemnify and/or advance expenses to any employees or agents of the corporation who are made parties, or threatened to made parties to any proceeding by reason of the fact that such person is or was in employee or agent of the corporation.

## 6.6 NATURE OF RIGHTS

The rights conferred upon indemnitees in this Article shall be contract rights and such rights shall continue as to an indemnitee who has ceased to be a Director, Officer, trustee or agent and shall inure to the benefit of the indemnitee's heirs, executors and administrators. Any amendment, alteration or repeal of this Article that adversely affects any right of an indemnitee or its successors shall be prospective only and shall not limit or eliminate any such right with respect to any proceeding involving any occurrence or alleged occurrence of any action or omission to act that took place prior to such amendment, alteration or repeal.

## 6.7 CERTAIN LIMITATION OF INDEMNIFICATION

In no case may the corporation indemnify or reimburse any person for any taxes on such individual under section 4958 of the Internal Revenue Code of 1986 as it presently exists or may hereafter be amended, or under the comparable or corresponding provisions of any future U.S. internal revenue laws.

## 6.8 INDEMNIFICATION FROM OTHER SOURCES

The corporation's obligation, if any, to indemnify any indemnitee must be reduced by any amount such indemnitee collects as indemnification from any other source.

## 6.9 FIDUCIARIES OF CORPORATE EMPLOYEE BENEFIT PLAN.

This Article does not apply to any proceeding against any trustee, investment manager or other fiduciary of an employee benefit plan in that person's capacity as such, even though that person may also be an agent of the corporation. Nothing contained in this Article shall limit any right to indemnification to which such a trustee, investment manager or other fiduciary may be entitled by contract or otherwise, which shall be enforceable to the extent permitted by applicable law. The corporation shall have power to indemnify the trustee, investment manager, or other fiduciary to the extent permitted by the ARS.

## 6.10 SAVINGS CLAUSE

If this Article or any portion of it is invalidated on any ground by a court or competent jurisdiction, the corporation nevertheless indemnifies each indemnitee of the corporation to the fullest extent permitted by all portions of this Article that has not been invalidated and to the fullest extent permitted by law.

## 6.11 INDEMNITY AGREEMENTS

The Board of Directors is authorized to enter into a contract with any Director, Officer, employee or agent of the corporation, or any person who is or was serving at the request of the corporation as a Director, Officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, including employee benefit plans, or any person who was a Director, Officer, employee or agent of a corporation which was a predecessor corporation of the corporation, providing for indemnification rights equivalent to or, if the Board of Directors so determines and to the extent permitted by applicable law, greater than those provided for in this Article VI.

# ARTICLE VII RECORDS AND REPORTS

## 7.1 RECORDS

The corporation shall maintain adequate and correct accounts, books, and records of its business and properties. All the books, records, and accounts shall be kept at its principal place of business in Arizona, as fixed by the Board of Directors from time to time.

## 7.2 INSPECTION OF BOOKS AND RECORDS

Every Director shall have the absolute right at any reasonable time to inspect all books, records, documents of every kind, and the physical properties of the corporation, and also of its subsidiary organizations, if any.

### 7.3 CERTIFICATION AND INSPECTION OF BYLAWS

The original or a copy of these Bylaws, as amended or otherwise altered to date, certified by the Secretary, shall be open to inspection by the Directors of the corporation at all reasonable times during office hours.

### 7.4 ANNUAL REPORT TO SHAREHOLDERS: WAIVER

The Board of Directors shall cause an annual report to be sent to the shareholders not later than one hundred twenty (120) days after the close of the fiscal year adopted by the corporation. Such report shall be sent to the shareholders at least fifteen (15) (or if sent by third-class mail, thirty five (35)) days prior to the annual meeting of the shareholders to be held during the next fiscal year and in the manner specified in Section 2.5 of these Bylaws for giving notice to shareholders of the corporation.

The annual report shall contain a balance sheet as of the end of the fiscal year and an income statement and statement of changes in financial position for the fiscal year, accompanied by any report thereon of independent accountants or, if there is no such report, the certificate of an authorized Officer of the corporation that the statements were prepared without audit from the books and records of the corporation.

The foregoing requirement of an annual report shall be waived so long as the shares of the corporation are held by fewer than one hundred (100) holders of record.

## ARTICLE VIII GENERAL MATTERS

### 8.1 CHECKS: DRAFTS, EVIDENCES OF INDEBTEDNESS

From time to time, the Board of Directors shall determine by resolution which person or persons may sign or endorse all checks, drafts, other orders for payment of money, notes or evidences of indebtedness that are issued in the name of or payable to the corporation, and only the persons so authorized shall sign or endorse those instruments.

### 8.2 CORPORATE CONTRACTS AND INSTRUMENTS: HOW EXECUTED

The Board of Directors, except as otherwise provided in these Bylaws, may authorize any Officer or Officers, or agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the corporation; such authority may be general or confined to specific instances. Unless so authorized or ratified by the Board of Directors or within the agency power of an Officer, no Officer, agent or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or for any amount.

### 8.3 CERTIFICATES FOR SHARES

A certificate or certificate for shares of the corporation shall be issued to each shareholder when any of such shares are fully paid. The Board of Directors may authorize the issuance of certificates for shares partly paid provided that these certificates shall state the total amount of the consideration to be paid for them and the amount actually paid. All certificates shall be signed in the name of the Corporation by the Chairman of the Board or the Vice Chairman of the Board or the President or a Vice President and by the Chief Financial Officer or an Assistant Treasurer or the Secretary or an Assistant Secretary, certifying the number of shares and the class or series of shares owned by the Shareholder. Any or all of the signatures on the certificate may be by facsimile.

In case any Officer, transfer agent or registrar who has signed or whose facsimile signature has been placed on a certificate has ceased to be such Officer, transfer agent or registrar before such certificate is issued, it may be issued by the corporation with the same effect as if that person were an Officer, transfer agent or registrar at the date of issue.



#### 8.4 LOST CERTIFICATES

Except as provided in this Section 8.4, no new certificates shall be issued to replace a previously issued certificate unless the latter is surrendered to the corporation or its transfer agent or registrar and it is cancelled at the same time. The Board of Directors may, in case any share certificate or certificate for any other security is lost, stolen or destroyed (as evidenced by a written affidavit or affirmation of such fact), authorize the issuance of replacement certificates on such terms and conditions as the Board may require; the Board may require indemnification of the corporation secured by a bond or other adequate security sufficient to protect the corporation against any claim that may be made against it, including any expense or liability, on account of the alleged loss, theft or destruction of the certificate or the issuance of the replacement certificate.

#### 8.5 CONSTRUCTION: DEFINITIONS

Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the ARS shall govern the construction of these Bylaws. Without limiting the generality of this provision, the singular number includes the plural, the plural number includes the singular, and the term "person" includes both a corporation and a natural person.

### ARTICLE IX AMENDMENTS

#### 9.1 AMENDMENT BY SHAREHOLDERS

New Bylaws may be adopted or these Bylaws may be amended or repealed only by the vote or written consent of holders of a majority of the outstanding shares of each class of shares entitled to vote; provided, however, that if the Articles of Incorporation of the corporation set forth the number of authorized Directors of the corporation, then the authorized number of Directors may be changed only by an amendment of the Articles of Incorporation.

#### 9.2 RECORD OF AMENDMENTS

Whenever an amendment or new Bylaw is adopted, it shall be copied in the book of minutes with the original Bylaws. If any Bylaw is repealed, the fact of repeal, with the date of the meeting at which the repeal was enacted or written consent was filed, shall be stated in said book.

### ARTICLE X INTERPRETATION

Reference in these Bylaws to any provision in the Arizona Revised Statutes shall be deemed to include all amendments thereof.

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