

**THIRD AMENDMENT  
TO THE AMENDED AND RESTATED ARTICLES OF INCORPORATION  
OF LOUISIANA HEALTH SERVICE & INDEMNITY COMPANY**

STATE OF LOUISIANA  
PARISH OF EAST BATON ROUGE

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FILED AND RECORDED  
EAST BATON ROUGE PARISH, LA  
DOUG WELBORN  
CLERK OF COURT AND RECORDER

BE IT KNOWN, that on this the 19 day of February 2019 before me, Notary Public, duly commissioned and qualified in and for the Parish and State aforesaid, and in the presence of the undersigned competent witnesses, personally came and appeared:

BY: [Signature]  
DEPUTY CLERK AND RECORDER

**I. STEVEN UDVARHELYI, M.D. AND MICHELE S. CALANDRO**

who, after being duly sworn, did declare unto me, Notary, and in the presence of the undersigned competent witnesses, that the former is the President and the latter is the Secretary of Louisiana Health Service & Indemnity Company (the "Corporation") and that they have been duly authorized, pursuant to the action of the Voting Members of the Corporation at its annual meeting of said Voting Members held on February 19, 2019, at the Corporation's headquarters and registered office in Baton Rouge, Louisiana, to execute this authentic act.

Appearers do further declare that the Voting Members were given due and proper notice more than thirty (30) days in advance of the date of said meeting by a written notice to each Voting Member and/or said Voting Member's duly authorized, validly existing, unrevoked proxy (who is also authorized to receive notice), and by a vote of 85,739 Voting Members in favor and 0 Voting Members against, in person and/or by valid proxy, the Voting Members amended Article VIII, paragraphs 1 and 2, of the Articles of Incorporation. By such action, Article VIII is amended to read as follows:

**ARTICLE VIII  
Board of Directors**

1. The Directors of this Corporation shall normally be elected by the Voting Members at the Annual Meeting of the Voting Members to be held in February of each year and shall hold office for a term of one (1) year or until their successors are duly elected and qualified. Effective on the date of the 2019 Annual Meeting of the Voting Members, Directors may not serve more than fifteen (15) terms. Directors elected at the 2019 Annual Meeting of the Voting Members shall begin their first term under this maximum tenure. Directors elected after the 2019 Annual Meeting of the Voting Members shall begin their first term upon their election. Failure to elect Directors annually shall not dissolve this Corporation, nor impair its corporate existence or management, but the Directors then in office shall remain in office until their successors shall have been duly elected and qualified. Directors may receive reasonable remuneration for their services as members of the Board of Directors.
2. All of the business affairs, management, and control of this Corporation shall be vested in and exercised by the Board of Directors, acting by a majority vote of the Directors voting, unless some larger number is otherwise required by these Articles, the Bylaws, or by law. The Board may delegate its authority to various committees, officers, employees, and/or agents. The Board of Directors of this Corporation shall consist of not less than nine (9) nor more than twenty-one (21)

**APPROVED FOR RECORDATION**

DATE: 3-18-2019

[Signature]  
For the Commissioner of Insurance

individuals, and a majority of the Directors must be policyholders of this Corporation. The Board of Directors at any time may decrease or increase its own membership to not less than nine (9) nor more than twenty-one (21) by a majority vote of the total membership of the then existing Board.

THUS DONE AND SIGNED by the appearers at Baton Rouge, Louisiana, on the day and date first above written in the presence of the undersigned competent witnesses and me, Notary Public, after due reading of the whole.

WITNESSES (2):

  
Signature of 1<sup>st</sup> Witness

Lisa Nicholson  
Printed Name of 1<sup>st</sup> Witness

5525 Reitz Avenue, Baton Rouge, LA 70809  
Address of 1<sup>st</sup> Witness

  
Signature of 2<sup>nd</sup> Witness

Melissa LeMaire  
Printed Name of 2<sup>nd</sup> Witness


5525 Reitz Avenue, Baton Rouge, LA 70809  
Address of 2<sup>nd</sup> Witness

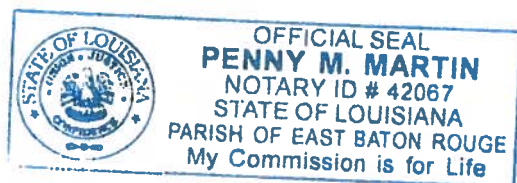
  
I. Steven Udvarhelyi, M.D.

5525 Reitz Avenue, Baton Rouge, LA 70809  
Address

  
Michele S. Calandro

5525 Reitz Avenue, Baton Rouge, LA 70809  
Address

  
PENNY M. MARTIN, NOTARY PUBLIC  
Commissioned for East Baton Rouge Parish, LA  
Commission is for Life  
Notary No.: 42067



APPROVED FOR RECORDATION

DATE: 3-18-2019

  
For the Commissioner of Insurance

**SECOND ARTICLES OF AMENDMENT  
TO THE AMENDED AND RESTATED ARTICLES OF INCORPORATION  
OF LOUISIANA HEALTH SERVICE & INDEMNITY COMPANY**

STATE OF LOUISIANA  
PARISH OF EAST BATON ROUGE

BE IT KNOWN, that on this the 16 day of February 2016 before me, Notary Public, duly commissioned and qualified in and for the Parish and State aforesaid, and in the presence of the undersigned competent witnesses, personally came and appeared:

**DANIEL S. BORNÉ AND VIRGIL ROBINSON, JR.**

who, after being duly sworn, did declare unto me, Notary, and in the presence of the undersigned competent witnesses, that the former is the Chairman of the Board of Directors and the latter is the Secretary of Louisiana Health Service & Indemnity Company (the "Corporation") and that they have been duly authorized, pursuant to the action of the Voting Members of the Corporation at its annual meeting of said Voting Members held on February 16, 2016, at the Corporation's headquarters and registered office in Baton Rouge, Louisiana, to execute this authentic act.

Appearers do further declare that the Voting Members were given due and proper notice more than thirty (30) days in advance of the date of said meeting by a written notice to each Voting Member and/or said Voting Member's duly authorized, validly existing, unrevoked proxy (who is also authorized to receive notice), and by a vote of 17201 Voting Members in favor and 0 Voting Members against, in person and/or by valid proxy, the Voting Members amended Article XIII of the Articles of Incorporation relative to director's and officer's personal liability and indemnification. By such action, Article XIII is amended to read as follows:

**ARTICLE XIII**

**Directors and Officers Personal Liability and Indemnification**

1. No director or officer shall be liable to the Corporation or to its members for money damages for any action taken, or any failure to take action, as a director or officer, except for one of the following:
  - (1) A breach of the director's or officer's duty of loyalty to the Corporation or the members.
  - (2) An intentional infliction of harm on the Corporation or the members.
  - (3) An unlawful distribution to members.
  - (4) An intentional violation of criminal law.
2. The Corporation shall procure insurance against the liability for which a director or officer is personally liable.
3. The Corporation shall indemnify a director or officer who is wholly successful, on the merits or otherwise, in the defense of any proceeding to which he or she is a party because he or she was a director or officer of the Corporation, against expenses incurred by the director or officer in connection with the proceeding.

4. The Corporation may indemnify directors, advance expenses incurred, and procure insurance for said indemnification to the fullest extent allowed by law, and may indemnify officers, advance expenses incurred, and procure insurance for said indemnification to the fullest extent allowed by law, the bylaws, resolution of the Board of Directors, or contract.

THUS DONE AND SIGNED by the appearers at Baton Rouge, Louisiana, on the day and date first above written in the presence of the undersigned competent witnesses and me, Notary Public, after due reading of the whole.

WITNESSES (2):

  
Signature of 1<sup>st</sup> Witness

Debra Adams  
Printed Name of 1<sup>st</sup> Witness

5525 Reitz Avenue, Baton Rouge, LA 70809  
Address of 1<sup>st</sup> Witness


  
Signature of 2<sup>nd</sup> Witness

Christe Ducote  
Printed Name of 2<sup>nd</sup> Witness


5525 Reitz Avenue, Baton Rouge, LA 70809  
Address of 2<sup>nd</sup> Witness

  
Daniel S. Borné

5525 Reitz Avenue, Baton Rouge, LA 70809  
Address

  
Virgil Robinson, Jr.

5525 Reitz Avenue, Baton Rouge, LA 70809  
Address

  
PENNY M. MARTIN, NOTARY PUBLIC  
Commissioned for East Baton Rouge Parish, LA  
Commission is for Life  
Notary No.: 42067

**ARTICLES OF AMENDMENT  
TO THE AMENDED AND RESTATED ARTICLES OF INCORPORATION  
OF LOUISIANA HEALTH SERVICE & INDEMNITY COMPANY**

STATE OF LOUISIANA  
PARISH OF EAST BATON ROUGE

BE IT KNOWN, that on this the 21<sup>st</sup> day of February, 2007 before me, Notary Public, duly commissioned and qualified in and for the Parish and State aforesaid, and in the presence of the undersigned competent witnesses, personally came and appeared:

**VIRGIL ROBINSON, JR. AND GERY J. BARRY**

who, after being duly sworn, did declare unto me, Notary, and in the presence of the undersigned competent witnesses, that the former is the Chairman of the Board of Directors and the latter is the President and Chief Executive Officer of Louisiana Health Service & Indemnity Company (the "Corporation") and that they have been duly authorized, pursuant to the action of the Voting Members of the Corporation at its annual meeting of said Voting Members held on February 21, 2007, at the Corporation's headquarters and registered office in Baton Rouge, Louisiana, to execute this authentic act.

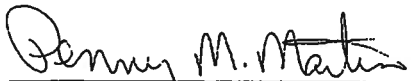
Appearers do further declare that the Voting Members were given due and proper notice more than thirty (30) days in advance of the date of said meeting by a written notice to each Voting Member and/or said Voting Member's duly authorized, validly existing, unrevoked proxy (who is also authorized to receive notice), and by a vote of 148,472 Voting Members in favor and 0 Voting Members against, in person and/or by valid proxy, the Voting Members adopted an amendment to the Articles of Incorporation to eliminate the 2:00 p.m. time set for the annual meeting of the Voting Members. By such action, Article VIII – Voting Membership, Section 4, is amended to read as follows:

**ARTICLE VII  
Voting Membership**

4. There shall be an annual meeting of Voting Members at the registered office of the Corporation during the month of February each year, and unless otherwise provided by the Board of Directors, with proper notice of the change in date and time, the annual meeting of Voting Members will be held on the third Tuesday of February of each year, unless such day is a legal holiday, and in such event the meeting will be held on the next business day following said holiday. The Board of Directors is authorized to establish a record date for determination of Voting Members entitled to vote at its annual or special meetings of Voting Members, and for all other legal purposes, which date shall not be more than sixty (60) days nor less than ten (10) days prior to the date of the meeting. Except as otherwise required under applicable law or in these Articles, the quorum requirements for the annual and special meetings of the Voting Members of the Corporation shall be as established by the Board of Directors in the Bylaws of the Corporation.

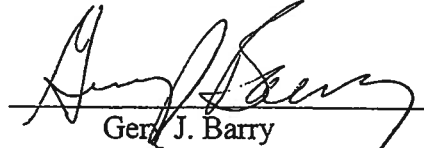
THUS DONE AND SIGNED by the appearers at Baton Rouge, Louisiana, on the day and date first above written in the presence of the undersigned competent witnesses and me, Notary Public, after due reading of the whole.

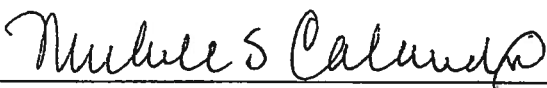
WITNESSES:

  
Penny M. Martin

  
Virgil Robinson, Jr.

  
Jenniver Lloyd-Captville

  
Gen. J. Barry

  
MICHELE S. CALANDRO, NOTARY PUBLIC  
NOTARY NUMBER # 10143  
COMMISSION IS FOR LIFE



**AUTHENTIC ACT OF**  
**AMENDED AND RESTATED ARTICLES OF INCORPORATION OF**  
**LOUISIANA HEALTH SERVICE & INDEMNITY COMPANY**

STATE OF LOUISIANA  
PARISH OF EAST BATON ROUGE

BE IT KNOWN, that on this the 18<sup>th</sup> day of February, 2003 before me, Notary Public, duly commissioned and qualified in and for the Parish and State aforesaid, and in the presence of the undersigned competent witnesses, personally came and appeared:

**C. RICHARD ATKINS, D.D.S AND KATHRYN M. SULLIVAN, CPA, CLU**

who, after being duly sworn, did declare unto me, Notary, and in the presence of the undersigned competent witnesses, that the former is the Chairman of the Board of Directors and the latter is the President and Chief Executive Officer of Louisiana Health Service & Indemnity Company (the "Corporation") and that they have been duly authorized, pursuant to the action of the Voting Members of the Corporation at its annual meeting of said Voting Members held on February 18, 2003, at the Corporation's headquarters and registered office in Baton Rouge, Louisiana, to execute this authentic act.

Appearers do further declare that the Voting Members were given due and proper notice more than thirty (30) days in advance of the date of said meeting by a written notice to each Voting Member and/or said Voting Member's duly authorized, validly existing, unrevoked proxy (who is also authorized to receive notice), and by a vote of 138,706 Voting Members in favor and 0 Voting Members against, in person and/or by valid proxy, the Voting Members adopted the amendments set forth in these Amended and Restated Articles of Incorporation of the Corporation set forth hereinbelow:

**ARTICLE VIII, Paragraph 1:** Article reworded to eliminate redundancy in wording regarding election of directors.

**ARTICLE VIII, Paragraph 3:** Adds "removal" to the list of circumstances in which a Board seat may become vacant. Allows a majority of the Directors to fill the vacancy during any regular or special meeting even though the remaining directors may not constitute a quorum. Allows the Board to fill a vacancy created by an increase in the number of Board seats. Also specifies that the term of any director elected in this event would not serve a full one-year term from his election, but that he would be subject to reelection at the next Annual Meeting of the Voting Members. Adds that each director, before being qualified to act, must file with the Secretary of the Corporation a written acceptance of trust.

**ARTICLE VIII, Paragraph 4:** Removes ability of a Director to vote by proxy; specifically prohibits this.

**ARTICLE VIII, Paragraph 10:** Revises the names of the Board of Directors and corrects address changes.

**ARTICLE IX:** Provides that the Board elects the Chairman and Vice Chairman of the Board and the President, Secretary, Treasurer, and Assistant Secretary of the Corporation. Allows the President to appoint one or more Vice Presidents and any other officers as the President deems appropriate. Eliminates the necessity for the Board to take formal action to remove subordinate officers.

**ARTICLE XIII:** Adds a provision for "duty of due care" for the Directors' personal liability and indemnification.

Appearers further declare that a certified copy of the entire minutes of said Voting Members meeting authorizing these actions is attached hereto as Exhibit "A". Said Appearers do hereby set forth the Amended and Restated Articles of Incorporation of Louisiana Health Service & Indemnity Company, which Amended and Restated Articles accurately reflect the entire Articles of Incorporation and all amendments thereto in effect as of this date, and declare that said Amended and Restated Articles have been adopted and effected in conformity with the law, and the Articles of Incorporation (as previously amended), of this Corporation, which Corporation was originally incorporated effective January 1, 1975, pursuant to Articles of Incorporation of the Louisiana Health Service & Indemnity Company executed December 23, 1974, and which Corporation was formed by a merger of Hospital Service Association of New Orleans and Louisiana Hospital Service, Inc. Said Appearers do hereby set forth the Amended and Restated Articles of Incorporation of Louisiana Health Service & Indemnity Company, effective upon approval by the Commissioner of Insurance and recording, retroactive to the time of adoption on February 18, 2003, as follows:

## **ARTICLE I**

### **Name**

The name of this Corporation shall be: Louisiana Health Service & Indemnity Company.

## **ARTICLE II**

### **Purpose**

The purposes of the Corporation are: To promote the welfare of the members of the Corporation and the general public by transacting and conducting the kinds of insurance business previously authorized by the Articles of Incorporation, as amended, of either Hospital Service Association of New Orleans or of Louisiana Hospital Service, Inc., including entering into and issuing contracts for health care services and health and accident insurance, as well as offering and providing either directly or through any subsidiaries any additional kinds of insurance, and transacting and engaging in any other business which may be authorized by law.

Pursuant to the aforementioned purposes, the Corporation shall be guided by the following nonbinding and nonexclusive principles and policies:

#### **Economic Principles**

To operate the Corporation on a sound financial basis commensurate with good management practices, statutory or generally accepted accounting principles as applicable, and sound financial concepts, including the utilization of any and all assets and resources of the Corporation to maximize financial returns in order to provide to members the lowest net-



cost prepaid health and accident insurance programs deemed practical, consistent with sound underwriting principles.

### Ethical Responsibility

To conduct through the Board of Directors, Corporate Officers, and employees, the operations of the Corporation on the highest ethical plane in all its phases of operation, including its relationship with members, providers, and governments of the communities wherein the Corporation operates, while operating in accordance with the laws of the area in which the Corporation operates.

### Public Responsibility

To enhance the Corporation's image as a good corporate citizen by responding to community needs, exerting leadership to influence the efficient and innovative delivery of quality health care service, and implementing measures designed to control the cost of health care services delivery and protect the best interests of the members with regard to matters relating to all types of insurance authorized by law in the Corporation's area of operation.

### Policies

To provide a means for people within the operating area of the Corporation to obtain health care services;

To underwrite, market, and service prepaid programs to provide health care services in case of illness or accidental injury to members, and to provide access to other types of insurance deemed beneficial and authorized by law to members utilizing sound underwriting principles;

To report on a timely basis the financial activities of the Corporation and arrange for timely audits to be conducted;

To manage and invest all of the Corporation's assets including reserves, in order to ensure financial growth and increased programs for members;

To provide for contingency liabilities through adequate reserves and/or insurance;

To maintain an actively involved and effective Board of Directors and to secure the services of qualified and appropriate persons as corporate officers and employees in order to provide the highest quality service deemed practical to members;

To deal openly, accurately, and fairly with all providers, members, and government representatives within the Corporation's area of operations;

To encourage through legislative liaison and other appropriate channels, effective laws and regulations to govern and monitor all types of insurance offered to the public within the Corporation's area of operation;

To encourage and support employee participation in community activities;

To maintain an active and effective staff to communicate with providers regarding cost containment practices, alternative delivery methods, and any and all other matters affecting the delivery of health care services to members;

To educate members and the public regarding health care needs and availability of health care services;

To discourage and guard against governmental policies or programs proposed by other providers of types of insurance, or other such actions that would be deemed not to be in the best interest of the public;

To participate with moral and financial support in organizations and activities designed to serve the communities as a whole wherein the Corporation operates;

To conduct business in accordance with the laws of the state or states wherein the Corporation is conducting business and in the best interests of the Corporation's members and of the general public;

To be guided by the Charter of the Blue Cross and Blue Shield Association;

To exert leadership in influencing the efficient and innovative delivery of health care services;

To pursue various forms of diversification and activities not inconsistent with the primary purpose of the Corporation nor prohibited by the Insurance Code or other laws of the state;

To conform to all Equal Employment Opportunity and Affirmative Action rules and regulations as they apply to the operations of the Corporation;

To respond adaptively and creatively to changing economic, governmental, and technological developments;

To establish and communicate to all levels of management a clear and concise definition and scope of responsibilities, the authority granted to discharge responsibilities, and accountabilities expected;

To promote employee trust and confidence through frequent and frank communications of Company objectives and performance;

To continue to review and improve the method and content of all advertising and other techniques of marketing, as well as all other forms of public communications;

To develop policies and programs that will support and enhance confidence in a private, free-market system.

## Powers

This Corporation acting through its Board of Directors (who may delegate authority to various officers, employees, and/or agents) shall have the power to perform any acts which are necessary or proper to accomplish its purposes as expressed or implied in these Amended and Restated Articles of Incorporation, or which may be incidental thereto, and without limiting in any way the general purposes and grants of power set forth herein, it is hereby specifically provided that this Corporation shall, subject only to the limitations expressly provided by the insurance and other laws applicable to this Corporation, have the power and authority:

1. To have a corporate seal and to use the same by causing it or a facsimile thereof to be impressed or affixed or in any manner reproduced; but failure to affix a seal shall not affect the validity of any instrument;
2. To sue and be sued in its corporate name;
3. To acquire, hold, use, alienate, or encumber any real or personal property of any kind, including monies;
4. To acquire, hold, vote and use, alienate, and/or encumber, and to deal in and with, shares, memberships, or other interests in, or obligations of business, other nonprofit, or foreign corporations, associations, partnerships, joint ventures, individuals, or governmental entities;
5. To make contracts, to incur liabilities, to borrow money, to issue notes, bonds, and other obligations, and to secure any of its obligations by the mortgage, pledge, assignment, and/or any other encumbrance of any or all of its property;
6. To lend money for its corporate purposes and invest and reinvest its funds, and to take and hold property or rights of any kind as security for loans or investments;
7. To exercise its powers in this State and elsewhere as may be permitted by law;
8. To elect or appoint officers and agents, to define their duties, and to fix their compensation; and to pay pensions and establish pension plans, pension trusts, and other incentive and benefit plans for any or all of its directors, officers, and/or employees;
9. To make and alter Bylaws, not inconsistent with the laws of this State or with these Amended and Restated Articles of Incorporation, for the administration and regulation of the affairs of the Corporation;
10. To provide indemnity and insurance for its directors, officers, employees, and other agents;
11. To **make donations** for the public welfare, or for charitable, scientific, educational, religious, or civic purposes; and

12. To engage in any other lawful activities which are related to or incidental to any of the purposes or powers of this Corporation.

### **ARTICLE III**

#### **Duration**

The duration of this Corporation shall be perpetual.

### **ARTICLE IV**

#### **Registered Office**

As of the date of the adoption of these Amended and Restated Articles, the location of the registered office of the Corporation is 5525 Reitz Avenue, Baton Rouge, Louisiana, 70809, and the post office address of the registered office is Post Office Box 98029, Baton Rouge, Louisiana 70898-9029.

### **ARTICLE V**

#### **Registered Agents**

As of this date of the adoption of these Amended and Restated Articles, the full name and address of the registered agent for service of process of the Corporation is: Michele Calandro, 5525 Reitz Avenue, Baton Rouge, Louisiana, 70809, and the post office address of the registered office is Post Office Box 98029, Baton Rouge, Louisiana 70898-9029.

### **ARTICLE VI**

#### **Initial Minimum Surplus**

The initial minimum surplus represented by assets of the Corporation is THREE HUNDRED THOUSAND AND NO/100 (\$300,000.00) DOLLARS.

### **ARTICLE VII**

#### **Voting Membership**

1. The Corporation is organized and shall function entirely as a nonprofit mutual insurer. It shall issue no shares of stock and pay no dividends.

The initial voting members of the Corporation were the members of the two constituent corporations, Hospital Service Association of New Orleans and Louisiana Hospital Service, Inc., which were consolidated to form this Corporation. Thereafter, each policyholder of an in force insurance contract issued by the Corporation is hereby defined to be a Voting Member of the Corporation with all rights and obligations of such membership. The term "insurance contract or policy," whenever used in these Amended and Restated Articles of Incorporation, means a written agreement or contract issued by the Corporation for or effecting insurance, other than reinsurance.



A person immediately and automatically shall (i) become a Voting Member of the Corporation at such time as such person becomes such a policyholder; and (ii) cease to be a Voting Member of the Corporation at such time as such person ceases to be such a policyholder.

Unless deemed by applicable law to be the policyholder, the holder of an insurance certificate issued pursuant to group insurance contracts shall not be a Voting Member of the Corporation for any purpose. The term "insurance certificate," whenever it is used in these Amended and Restated Articles of Incorporation, means a certificate issued to an individual insured evidencing coverage under a group insurance policy issued by the Corporation to a group insurance policyholder. The term "group insurance policy," whenever it is used in these Amended and Restated Articles of Incorporation, means a written agreement or contract issued by the Corporation for or effecting insurance coverage with respect to one or more holders of insurance certificates pursuant to applicable law.

2. No member, whether voting or not, of the Corporation shall ever be held liable for the contracts, debts, or faults of the Corporation.
3. A Voting Member, as of the record date as established hereafter, of an in force individual or group insurance policy or contract issued by the Corporation shall be entitled to one vote at any special or annual meeting of the Corporation duly called. Each Voting Member of this Corporation may grant a written proxy, which shall be revocable at any time, to any other Voting Member or group of Voting Members of this Corporation (such as all or any designated portion of the Board of Directors) to vote on behalf of said Voting Member at any annual or special meeting on any matter on which Voting Members are entitled to vote, and in granting any such proxy, the Voting Member may provide that any notices which would be sent to said Voting Member may be sent to the proxy. The Board of Directors is also authorized to establish in the Bylaws of the Corporation, means of providing written notice to each Voting Member of each annual meeting of the Voting Members through the Corporation's policy applications, its contracts of insurance, or other available writings. Further, any Voting Member or group of Voting Members who have been given any proxy, shall by written agreement, have the full power of substitution and may delegate the right to vote under the proxy to another Voting Member or group of Voting Members.
4. There shall be an annual meeting of Voting Members at the registered office of the Corporation during the month of February each year, and unless otherwise provided by the Board of Directors, with proper notice of the change in date and time, the annual meeting of Voting Members will be held at 2:00 p.m., on the third Tuesday of February of each year, unless such day is a legal holiday, and in such event the meeting will be held on the next business day following said holiday. The Board of Directors is authorized to establish a record date for determination of Voting Members entitled to vote at its annual or special meetings of Voting Members, and for all other legal purposes, which date shall not be more than sixty (60) days nor less than ten (10) days prior to the date of the meeting. Except as otherwise required under applicable law or in these Articles, the quorum requirements for the annual and special meetings of the Voting Members of the Corporation shall be as established by the Board of Directors in the Bylaws of the Corporation.



## ARTICLE VIII

### Board of Directors

1. The Directors of this Corporation shall normally be elected by the Voting Members at the Annual Meeting of the Voting Members to be held in February of each year and shall hold office for a term of one (1) year or until their successors are duly elected and qualified. Failure to elect Directors annually shall not dissolve this Corporation, nor impair its corporate existence or management, but the Directors then in office shall remain in office until their successors shall have been duly elected and qualified. Directors may receive reasonable remuneration for their services as members of the Board of Directors.
2. All of the business affairs, management, and control of this Corporation shall be vested in and exercised by the Board of Directors, acting by a majority vote of the Directors voting, unless some larger number is otherwise required by these Articles, the Bylaws, or by law. The Board may delegate its authority to various committees, officers, employees, and/or agents. The Board of Directors of this Corporation shall consist of not less than nine (9) nor more than twenty-one (21) individuals, and each Director must be a policyholder Voting Member of this Corporation. The Board of Directors at any time may decrease or increase its own membership to not less than nine (9) nor more than twenty-one (21) by a majority vote of the total membership of the then existing Board.
3. Any vacancy occurring among the Directors of the Corporation by death, resignation, removal or otherwise may be filled for the unexpired term by a majority vote of the remaining Directors, even though not constituting a quorum, at any regular meeting or special meeting of the Board of Directors. Any vacancy resulting from an increase in the authorized number of Directors may be filled by a majority vote of the Directors; provided that the Voting Members shall have the right to fill the vacancy at any special meeting called for that purpose prior to such action by the Directors. The term of office of any such Director so elected shall expire at the same time as the terms of the remaining Directors, and such Director shall be subject to election by the Voting Members at the next Annual Meeting of Voting Members. Each Director, before being qualified to act, must file with the Secretary of the Corporation a written acceptance of his trust.

A Director who attains the age of seventy-five (75) years shall retire at the expiration of the term during which he attains said age.

Any Director elected to the Board prior to January 1, 1994, and who has served consecutive terms as a Director until he attains the age of seventy-five (75) years, shall automatically become a Director Emeritus at the expiration of the term during which he attains said age.

Any Director, who has served as a Director for ten (10) consecutive one (1) year terms, shall have the option to become a Director Emeritus, regardless of the Director's age.

A Director Emeritus shall be entitled to retain such status and title as Director Emeritus until death or resignation.

Directors Emeritus are not and shall not be considered members of the Board of Directors for any purpose, and shall have no rights or privileges as members of the Board, including but not limited to voting rights, except as specified in these Articles of Incorporation or the Bylaws. Unless otherwise provided by the Board, Directors Emeritus shall be entitled to participate in any health care fringe

benefit programs that may be established for active Directors. Widows or widowers of Directors Emeritus or Directors with ten (10) years of service on the Board shall be eligible to continue participation in any health care fringe benefit programs that were in effect for said deceased Director or Director Emeritus at the time of the death of said Director or Director Emeritus.

4. Each Director shall have one vote and such voting may not be done by proxy.
5. The Board of Directors shall be aware of and cognizant of the desirability of having a statewide distribution of Directors in determining the size and composition of the Board; however, there is no requirement to have statewide or any other distribution.
6. Any Director, after an opportunity afforded him for being heard, may be removed for cause by a majority vote of the total number of Directors at any regular meeting or at any special meeting called for such purpose.
7. Three (3) consecutive absences from regular meetings of the Board of Directors, unless excused by resolution of the Board of Directors, shall automatically constitute removal from the Board, effective when notification of removal is dated and mailed by registered mail by the Secretary of the Board or his authorized designee to the removed Director.
8. The Directors shall have full power and authority, without notice to the members, to adopt the Bylaws for this Corporation by a vote of two-thirds (2/3) of the total number of Directors, subject to the power of the Voting Members to amend or modify said Bylaws.
9. The Board of Directors must meet at least six (6) times each calendar year and must call a meeting upon the written application of the Voting Members of one-tenth (1/10) of the insurance in force as of the preceding December 31 report of the Corporation.
10. The first Directors under these Amended and Restated Articles of Incorporation and the post office address of each such Director are listed as follows:

Dr. C. Richard Atkins  
7059 Jefferson Hwy.  
Baton Rouge, La 70806

Mr. Scott O. Brame  
4602 Wellington Blvd.  
Alexandria, LA 71303

Mr. Robert E. Brooks  
343 Third Street, Suite 205  
Baton Rouge, LA 70801

Mr. H. Claude DeBeaux, Jr.  
P. O. Box 6797  
Shreveport, LA 71136

Mrs. Frances Turner Henry  
945 E. Hart's Mill Lane  
Baton Rouge, LA 70808

Dr. Carl S. Luikart  
Louisiana Cardiology Associates  
5228 Dijon Dr.  
Baton Rouge, LA 70808

Mr. Thad D. Minaldi  
Executive Vice President & Counsel  
Jack Lawton, Inc.  
101 North Huntington Street  
Sulphur, LA 70663

Mrs. Sybil H. Morial  
Associate Vice President  
Xavier University  
1 Drexel Dr., Box 75A  
New Orleans, LA 70125

Mr. Virgil Robinson, Jr.  
President & CEO  
Dryades Savings Bank, F.S.A.  
231 Carondelet St., Suite 200  
New Orleans, LA 70130

Mrs. Kathryn M. Sullivan  
President & CEO  
Blue Cross and Blue Shield of Louisiana  
P. O. Box 98029  
Baton Rouge, LA 70898-9029

## **ARTICLE IX**

### **Corporate Officers**

The Directors shall elect a Chairman and Vice Chairman of the Board, and the President, Treasurer, Secretary and Assistant Secretary of the Corporation, and normally said officers shall be elected at a meeting of the Board of Directors to be held immediately following each Annual Meeting of the Voting Members of the Corporation. The President shall be a member of the Board of Directors, and as a Director, shall have the same powers, duties, rights, and responsibilities as other such members of the Board. The President may also appoint one or more Vice Presidents and such officers as the President may from time to time deem appropriate.

## **ARTICLE X**

### **Incorporators**

The name and post office address of each of the incorporators of this Corporation as incorporated and consolidated on December 23, 1974, effective January 1, 1975, were:

1. Hospital Service Association of New Orleans, 2026 St. Charles Avenue, New Orleans, Louisiana, 70130;
2. Louisiana Hospital Service, Inc., 10225 Florida Boulevard, Post Office Box 15699, Baton Rouge, Louisiana, 70895;
3. Charles I. Denechaud, Jr., 1412 Pere Marquette Building, New Orleans, Louisiana, 70112;
4. Albert B. Koorie, 627 Hibernia Bank Building, New Orleans, Louisiana, 70112;
5. Harold Salmon, Sr., 4700 Howard Avenue, New Orleans, Louisiana, 70125;
6. Charles A. Beskin, M.D., 3929 Convention Street, Baton Rouge, Louisiana, 70806;
7. John S. Kean, Post Office Box 3677, Baton Rouge, Louisiana, 70821;
8. J.B. Heroman, Jr., 1600 North Riverside, Baton Rouge, Louisiana, 70802.

## ARTICLE XI

### Liquidation or Sale of All or Substantially All Assets

If for any reason it becomes necessary to liquidate the affairs of this Corporation, the Corporation shall be liquidated by the Commissioner of Insurance of the State of Louisiana in accordance with the provisions of the Louisiana Insurance Code, and in accordance with other applicable law, if any. Further, if the Board of Directors of this Corporation, by a majority vote, feels it is in the best interest of this Corporation to sell or transfer all or substantially all of the assets of this Corporation to another insurance company, the Board of Directors, subject to the approval and supervision of the Commissioner of Insurance for the State of Louisiana and upon obtaining approval of the Voting Members, may make such sale or transfer. The approval of the Voting Members may be obtained by a vote of not less than the holders of two-thirds (2/3) of the voting power of all persons present or represented by proxy who vote thereon (in person or by proxy) at a regular or special meeting of the Voting Members of the Corporation called for that purpose. Not less than thirty (30) days written notice shall be given of such meeting, and the specific purpose of the meeting shall be recited or shall be summarized in the notice, which summary shall at least advise the Voting Members that a meeting is being called for the Voting Membership to discuss and vote on a plan to sell or otherwise transfer all or substantially all of the assets of the Corporation and shall give the name of the potential buyer and/or transferee, and shall state that a more detailed summary of the proposed transaction may be obtained from the Corporation's Secretary.

## ARTICLE XII

### Method of Amendment

1. These Amended and Restated Articles of Incorporation may be amended by vote of not less than two-thirds (2/3) of the voting power of all Voting Members present or represented by proxy (in person or by proxy) at a regular or special meeting of the Voting Members of the Corporation called for that purpose. Not less than thirty (30) days written notice shall be given of such meeting, and the specific amendment to be considered shall be recited or summarized in the notice.
2. It is further provided that this Corporation may change the location of the Corporation's registered office or may change its registered agent and/or his/her address, or both, without amending these Articles of Incorporation, and such change of the Corporation's registered office, its registered agent, and/or its registered agent's address may be made by a resolution adopted by a vote of two-thirds (2/3) of the total number of the Board of Directors. Thereafter, a copy of said resolution shall be filed with the Commissioner of Insurance for the State of Louisiana.

**ARTICLE XIII**  
**Directors' Personal Liability and Indemnification**

No Director or officer of this Corporation shall have any personal liability to the Corporation or to its members for monetary damages for breach of fiduciary duty as a Director or officer; provided, however, that this provision shall not eliminate or limit the liability of a Director or officer (a) for any breach of the Director's or officer's duty of loyalty or duty of due care to the Corporation or its members; (b) for acts or omissions not in good faith or which involve intentional misconduct or knowing violation of law; (c) for any liability which would exist for an officer or director of a business corporation under LSA-R.S. 12:92(D); or (d) for any transaction from which the director or officer derived an improper personal benefit.

In addition, this Corporation may provide for the indemnification of its Directors, officers, employees, and/or agents as may be determined and provided in the Bylaws of this Corporation or by Board resolution, including procuring insurance for said indemnification.

THUS DONE AND SIGNED by the appearers at Baton Rouge, Louisiana, on the day and date first above written in the presence of the undersigned competent witnesses and me, Notary Public, after due reading of the whole.

WITNESSES:

Penny M. Martin

C. Richard Atkins  
C. Richard Atkins, D.D.S.

Erin Marie Boyd

Kathryn M. Sullivan  
Kathryn M. Sullivan, CPA, CLU

Michelle Susan Calaver  
NOTARY PUBLIC