

BOARD OF DIRECTORS  
QUALITY AND CHARITY CARE TRUST, INC.  
AGENDA

9:00 a.m., December 12, 2012  
Jefferson Room, Grawemeyer Hall

In Open Session

Tab

- |      |                                                        |      |   |
|------|--------------------------------------------------------|------|---|
| I.   | Call to Order                                          | Dunn |   |
| II.  | Action Item: Approval of Minutes:                      | Dunn |   |
|      | • <a href="#">Board of Directors, November 7, 2012</a> |      | 1 |
| III. | Action Item: Approval of Revisions to:                 |      |   |
|      | • <a href="#">Bylaws</a>                               | Dunn | 2 |
|      | • <a href="#">Articles of Incorporation</a>            | Dunn | 3 |
| IV.  | Other Business                                         |      |   |
| V.   | Adjournment                                            |      |   |

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS,  
QUALITY AND CHARITY CARE TRUST, INC.

In Open Session

The Quality and Charity Care Trust Board of Directors met at 12 Noon on November 7, 2012, in the Jefferson Room of Grawemeyer Hall, with the members present and absent as follows:

Present: Dr. David Dunn, Chair  
Ms. Marie Abrams  
Ms. Audrey Haynes  
Ms. Ellen Hesen, Proxy for Mr. Steve Rowland  
Mr. Jon Meyer  
Mr. Larry Owsley  
Dr. LaQuandra Nesbitt  
Mr. Michael Curtin

Absent: Dr. William Selvidge

From University

Hospital: Mr. Bob Barbier

From the

University: Mr. Glenn Bossmeyer  
Mr. Jerry Johnson  
Ms. Susan Magness  
Mr. Gary Mans  
Mr. Mark Hebert  
Mrs. Trisha Smith  
Mrs. Debbie Dougherty

Others

Attending: Ms. Mary McKinley, BKD, LLP  
Ms. Jennifer Williams, BKD, LLP  
Ms. Tina Heavrin, Cabinet for Health and Family Services

I. Call to Order

Chair Dunn called the meeting to order. Board members and guests introduced themselves.

II. Action Item: Approval of Minutes

Mr. Owsley made a motion, which Ms. Abrams seconded, to approve the Executive Committee minutes of May 14, 2012 and Board of Directors minutes of February 13, 2012. The motion passed.

III. Report of Nominating Committee

On behalf of the Nominating Committee, Mr. Owsley presented the slate. Members of the board approved the following slate:

**CHAIR**  
**VICE CHAIR**

**David Dunn**  
**Jon Meyer**

<b>TREASURER</b>	<b>Michael Curtin</b>
<b>SECRETARY</b>	<b>Marie Abrams</b>
<b>ASSISTANT SECRETARY</b>	<b>Kathleen Smith</b>

	<b><u>Executive Committee</u></b>
<b>CHAIR</b>	<b>David Dunn</b>
<b>VICE CHAIR</b>	<b>Jon Meyer</b>
<b>TREASURER</b>	<b>Michael Curtin</b>
<b>SECRETARY</b>	<b>Marie Abrams</b>

IV. Report of the Ombudsperson

Mr. Barbier distributed a report of ombudsman requests. He noted there were a total of 19 calls from January through October 2012. A recap follows:

Type of Questions/referred to:	Jan.	Feb.	Mar	April	May	June	July	Aug.	Sept.	Oct.	Total
Same caller multiple times							same		same		8
Billing Referred to hospital business office	5		3								
Applying for QCCT referred to business office		3		3			2		2		10
<u>Indiana resident not eligible</u>					1						1
<b>Total</b>	<b>5</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>1</b>		<b>2</b>		<b>2</b>		<b>19</b>

Chair Dunn thanked Mr. Barbier for the report.

V. Action Item: Approval of Audited Financial Statements FY 2012

Mr. Curtin reviewed the audited financials for period ending June 30, 2012. He reported the external auditing firm, BKD, LLP, issued a clean, unqualified opinion. Ms. McKinley, CPA, BKD, reviewed the management letter and the audited financials, concurring with Mr. Curtin’s report of a clean, unqualified audit. She thanked staff members of the University and University Hospital for their cooperation in making this a smooth audit. Ms. McKinley fielded questions from board members. Mr. Owsley made a motion, which Ms. Abrams seconded, to approve the

**Chair’s recommendation that the Board of Directors accept the audit reports for the Quality and Charity Care Trust, Inc. for the year ended June 30, 2012 as prepared by BKD.**

The motion passed.

VI. Other Business

Chair Dunn thanked the Commonwealth and Metro Louisville for their support of the UMC in providing a very important safety net to the hospital. On behalf of QCCT, the University asked the state auditor of public accounts to conduct an audit of the QCCT. In order to address comments and concerns contained within the audit findings, Chair Dunn distributed copies of proposed changes to the Articles of Incorporation, Bylaws and Trust Agreement. A redline version also will be distributed. In order to give board members time to review the documents, the Chair will reconvene a meeting soon. The Chair will also send the revised documents to the state auditor’s office for review.

VII. Adjournment

The meeting adjourned at 12:50 p.m.

BY-LAWS  
OF  
THE QUALITY AND CHARITY CARE TRUST, INC.

ARTICLE I

Offices

Section 1.1 Principal Office. The principal office of the Corporation in the Commonwealth of Kentucky shall be located in the City of Louisville. The Corporation may have such other offices either within or without the Commonwealth of Kentucky, as the business of the Corporation may require from time to time.

Section 1.2 Registered Office. The registered office of the Corporation may be, but need not be, identical with its principal office in the Commonwealth of Kentucky. The address of the registered office may be changed from time to time by the Board of Directors.

ARTICLE II

Governing Bodies and Committees

Section 2.1 Board of Directors. Effective \_\_\_\_\_, 2012, the government of the Corporation shall be vested in a Board of Directors composed of three persons appointed by the Board of Trustees of the University of Louisville, three persons appointed by the Governor of the Commonwealth of Kentucky, two persons appointed by the Mayor of Louisville Metro and one person appointed by the Louisville Metro Board of Health.

Section 2.2 Executive Committee. There shall be an Executive Committee which shall consist of the Chairman, Vice Chairman, Secretary, and Treasurer of the Board of Directors. The Chairman of the Board of Directors shall serve as Chairman of the Executive Committee. The Committee shall act for the Board of Directors in the interim between meetings of the Board, and it shall not be required that actions of the Executive Committee be ratified by the Board. The delegation of power and

authority from the Board of Directors to the Executive Committee shall be complete, subject only to the limitations imposed by the Kentucky Revised Statutes.

Powers of the Committee shall not extend to amending, altering or repealing the bylaws; electing, appointing or removing any member of any such committee or any director or officer of the corporation; amending the articles of incorporation, restating articles of incorporation adopting a plan or merger or adopting a plan of consolidation with another corporation; authorizing the sale, lease, exchange or mortgage of all or substantially all of the property and assets of the corporation; authorizing the voluntary dissolution of the corporation or revoking proceedings therefor; adopting a plan for the distribution of the assets of the corporation; or amending, altering or repealing any resolution of the board of directors which by its terms provides that it shall not be amended, altered or repealed by such committee.

Section 2.3 Other Committees. The Board of Directors may appoint such other committees for specified purposes as it may deem appropriate.

Section 2.4 Organization of Committees. Each committee (except the Executive Committee) of the Board of Directors shall have a Chairman who shall be appointed by the Chairman of the Board of Directors, subject to approval of the Board of Directors.

### ARTICLE III

#### Officers

Section 3.1 Principal Officers. The officers of The Quality and Charity Care Trust, Inc., shall be a Chairman of the Board of Directors; a Vice Chairman; a Secretary; and a Treasurer who shall be elected annually by the Board of Directors. Each such officer shall be a director of the Corporation. There may also be such other officers as the Board of Directors may appoint, none of such additional officers need be directors of the Corporation.

Section 3.2 Chairman of the Board of Directors. The Chairman of the Board of Directors shall be selected from among the Board members who were not appointed to the Board of Directors by the Board of Trustees of the University of Louisville, and shall be annually elected by the Board of

Directors. The Chairman shall preside at all meetings of the Board of Directors and shall perform such other duties and have such additional powers as may from time to time be prescribed by the Board of Directors. The Chairman shall call the regular and annual meetings of the Board of Directors in accordance with these by-laws.

Section 3.3 Vice Chairman of the Board of Directors. The Vice Chairman of the Board of Directors, annually elected by the Board of Directors, shall perform all the duties and have all the powers of the Chairman during the absence or disability of the latter and shall perform such other duties and have such additional powers as may from time to time be prescribed by the Board of Directors.

Section 3.4 Secretary. The Secretary, annually elected by the Board of Directors, shall keep the minutes of all proceedings of the Board of Directors, and shall see that proper minutes and records are kept of all proceedings of committees of the Board of Directors. He shall make and keep a proper record thereof which shall be attested by him. In addition, he shall keep such other books and records as may be required of him by the Board of Directors and shall have charge of the corporate seal. He shall see that notices are duly given in accordance with these by-laws. He shall generally perform such other and further duties as may be required of him by the Board of Directors. In the absence of the Secretary or in the event of his disability, his duties shall be performed by any Assistant Secretary or by any member of the Board of Directors who may be appointed by the Chairman or by the Board of Directors.

Section 3.5 Treasurer. The Treasurer, annually elected by the Board of Directors from its membership, shall have general supervision over the financial matters of the Corporation and shall see that reports as to the financial conditions of the Corporation are made at each regular meeting of the Board of Directors, or at such other times as may be required by the Board of Directors. The duties of the Treasurer may be performed by an Assistant Treasurer.

Section 3.6 Agents and employees. The Board of Directors shall have the power to appoint such agents and employees as the Board may deem necessary for transaction of the business of the Corporation.

Section 3.7 Retention and Supervision of External Auditor. The Board of Directors shall have the power to appoint an external firm to conduct an annual audit of the Corporation, which shall include a requirement that the auditor report directly to the Board of Directors. If financially advantageous to the Corporation, the Corporation may obtain the services of the external auditor through the contract for external audit services entered into by the University of Louisville, if such contract provides for services consistent with the requirements of this section

Section 3.8 Compensation. The compensation of agents and employees shall be fixed by the Board. Directors shall not receive compensation, but may receive reimbursement for expenditures made in the performance of their official duties, as authorized from time to time by the Board.

Section 3.9 Requirement of bonds. The Board of Directors may require any officer or agent to file with the Corporation a satisfactory bond conditioned for faithful performance of his duties.

Section 3.10 Removal of Officers, Agents, and Employees. Any officer, agent, or employee elected or appointed may be removed by the Directors whenever in their judgment the best interests of the Corporation will be served thereby. The removal of an officer, agent, or employee shall be without prejudice to the contract rights, if any, of the officer, agent, or employee so removed. Election or appointment of an officer, agent, or employee, shall not of itself create contract rights.

Section 3.11 Any director or officer or former officer or director of the corporation is hereby indemnified to the full extent permitted by law against expenses actually and reasonably incurred by him in connection with defense of any action, suit or proceeding, civil or criminal, in which he is made a party by reason of being or having been such officer or director, except in relation to matters as to which he shall be adjudged in such action, suit or proceeding to be liable for negligence or misconduct in the performance of duty to the corporation.

## ARTICLE IV

### Meetings

Section 4.1 Annual Meeting of the Board of Directors. The annual meeting of the Board of Directors shall be held during the month of November of each calendar year at the call of the Chairman of the Board. At each annual meeting, the Board of Directors shall elect its officers to serve for terms of one year each and until their respective successors are elected and accept office. In addition to the foregoing, the Board shall also conduct business of the type conducted during a regular meeting at the annual meeting, and shall review and approve the calculation of the funding as required under the terms of the Quality and Charity Care Trust Agreement, as it may be amended from time to time (the “Trust Agreement”).

Section 4.2 Regular Meeting of the Board of Directors. In addition to the annual meeting, a regular meeting of the Board of Directors shall be held quarterly, during the months of February, May, and August at the call of the Chairman of the Board. At each regular meeting of the Board of Directors, the Board shall obtain disbursement details to monitor payments of funds disbursed under the Trust Agreement, obtain specific reports on the use of funds in the treatment of Indigent or Medically Needy individuals (as defined in the Trust Agreement), review investment policies and strategies of Corporation, and obtain reports on investment earnings.

Section 4.3 Special Meetings of the Board of Directors. Special meetings of the Board of Directors shall be held at the call of the Chairman of the Corporation, or at the request of four or more of voting member of the Board of Directors.

Section 4.4 Notice of Meetings of the Board of Directors. Reasonable notice, orally or in writing, of each annual, regular and special meeting of the Board of Directors shall be given by the person calling it or by the Secretary to the members of said Board of Directors, but such notice may be waived by any person entitled thereto. Attendance of a member of the Board of Directors at any meeting shall constitute waiver of such meeting, except when such member attends the meeting for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called or convened. Neither the business to be transacted at nor the purpose of any regular or special meeting of the Board of Directors need be specified in the notice, or waiver of notice of such meeting.

Section 4.5 Quorum of the Board of Directors. A majority of all the members of the Board of Directors entitled to vote shall constitute a quorum of the Board of Directors which shall act by a majority of those present at a meeting at which a quorum is present; but in the absence of a quorum a meeting may be adjourned from time to time by consent of a majority of the voting members present, without notice other than by announcement at the meeting.

Section 4.6 Organization of Meetings of the Board of Directors. The Chairman of the Board of Directors shall preside at all meetings thereof. In his absence, the Vice Chairman shall preside, but if both of them be absent, a Chairman pro tempore shall be chosen at the meeting from among the voting members of the Board of Directors there present. The Secretary of the Board of Directors shall act as Secretary of all meetings thereof, but if he be absent, the Chairman shall appoint a Secretary pro tempore.

Section 4.7 Executive Committee Meetings. Meetings of the Executive Committee shall be held as often as necessary. Special meetings shall be held upon call of its Chairman.

Section 4.8 Committee Meetings for Other Committees. Prior to a committee meeting the Chairman of the committee, or the President of the Corporation shall, orally or in writing, give reasonable notice to each member of the committee, stating the time, place and purpose thereof. Any committee having any of the power of the Board of Directors shall keep the minutes of its meeting, which shall become part of the minutes of the Corporation upon approval by the Board of Directors. The transactions of each committee during the interim between Board of Directors meetings shall be reported to the next regular meeting of the Board of Directors by the Chairman of the respective committees.

## ARTICLE V

### Miscellaneous

Section 5.1. Adoption of Mission Statement; adoption of other policies and procedures. The Board of Directors shall have the responsibility to adopt a Mission Statement for the Corporation. In addition, the Board of Directors shall adopt policies and procedures covering at least the following matters:

- 1). Roles and Responsibilities of Board Members
- 2). Ethics
- 3). Conflicts of Interest
- 4). Financial Disclosures
- 5). Procurement Policies
- 6). Allegations concerning Board members, or the use of any funds received under the Trust Agreement
- 7). Protection from loss or theft of financial information, and controls over access to information technology
- 8). Effective Board oversight and administration of funds received under the Trust Agreement.

Section 5.2 Amendments. The Board of Directors shall have the power and authority to alter, amend or repeal the by-laws of the Corporation at any regular or special meeting at which a quorum is present by the vote of a majority of the entire voting membership of the Board of Directors.

Section 5.3 Fiscal Year. The fiscal year of the Board of Directors shall be the same as that of the Commonwealth of Kentucky.

Section 5.4 Seal. The Board of Directors may adopt a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Board of Directors, the words “Commonwealth of Kentucky,” and the word “Seal.”

Section 5.5 Waiver of Notice. Whenever any notice is required to be given under the provisions of these by-laws or under the provisions of the laws of the Commonwealth of Kentucky, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the stated therein, shall be equivalent to the giving of such notice.

Section 5.6 Construction. Unless the context specifically requires otherwise, any reference in these by-laws to any gender shall include all other genders; any reference to the singular shall include the plural; and any reference to the plural shall include the singular.

The above by laws of  
The Quality and Charity  
Care Trust, Inc.  
were adopted by the members

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of the Board of Directors on

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Assistant Secretary

BY-LAWS  
OF  
THE QUALITY AND CHARITY CARE TRUST, INC.

ARTICLE I

Offices

Section 1.1 Principal Office. The principal office of the Corporation in the Commonwealth of Kentucky shall be located in the City of Louisville. The Corporation may have such other offices either within or without the Commonwealth of Kentucky, as the business of the Corporation may require from time to time.

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ARTICLE II

Governing Bodies and Committees

Section 2.1 Board of Directors. Effective ~~May 1, 1983~~ 2012, the government of the Corporation shall be vested in a Board of Directors composed of ~~six~~ three persons appointed by the Board of Trustees of the University of Louisville, ~~three persons appointed by the Governor of the Commonwealth of Kentucky) and three other directors selected by the Board of Trustees~~ ernor of the Commonwealth of Kentucky, two from a list of at least five nominees submitted persons appointed by the Mayor of Louisville Metro and one ~~from a list of three nominees submitted~~ person appointed by the Louisville Metro Board of Health.

Section 2.2 Executive Committee. There shall be an Executive Committee which shall consist of the Chairman, Vice Chairman, Secretary, and Treasurer of the Board of Directors. The Chairman of the Board of Directors shall serve as Chairman of the Executive Committee. The

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Committee shall act for the Board of Directors in the interim between meetings of the Board, and it shall not be required that actions of the Executive Committee be ratified by the Board. The delegation of power and authority from the Board of Directors to the Executive Committee shall be complete, subject only to the limitations imposed by the Kentucky Revised Statutes.

Powers of the Committee shall not extend to amending, altering or repealing the bylaws; electing, appointing or removing any member of any such committee or any director or officer of the corporation; amending the articles of incorporation, restating articles of incorporation adopting a plan or merger or adopting a plan of consolidation with another corporation; authorizing the sale, lease, exchange or mortgage of all or substantially all of the property and assets of the corporation; authorizing the voluntary dissolution of the corporation or revoking proceedings therefor; adopting a plan for the distribution of the assets of the corporation; or amending, altering or repealing any resolution of the board of directors which by its terms provides that it shall not be amended, altered or repealed by such committee.

Section 2.3 Other Committees. The Board of Directors may appoint such other committees for specified purposes as it may deem appropriate.

Section 2.4 Organization of Committees. Each committee (except the Executive Committee) of the Board of Directors shall have a Chairman who shall be appointed by the Chairman of the Board of Directors, subject to approval of the Board of Directors.

### ARTICLE III

#### Officers

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Section 3.2 Chairman of the Board of Directors. ~~The Chairman of the Board of Directors shall be selected from among the Board members who were not appointed to the Board of Directors by the Board of Trustees of the University of Louisville, and shall be- The Chairman of the Board of Directors,~~ annually elected by the Board of Directors. ~~The Chairman,~~ shall preside at all meetings of the Board of Directors and shall perform such other duties and have such additional powers as may from time to time be prescribed by the Board of Directors. The Chairman shall call the regular and annual meetings of the Board of Directors in accordance with these by-laws.

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Section 3.3 Vice Chairman of the Board of Directors. The Vice Chairman of the Board of Directors, annually elected by the Board of Directors, shall perform all the duties and have all the powers of the Chairman during the absence or disability of the latter and shall perform such other duties and have such additional powers as may from time to time be prescribed by the Board of Directors.

Section 3.4 Secretary. The Secretary, annually elected by the Board of Directors, shall keep the minutes of all proceedings of the Board of Directors, and shall see that proper minutes and records are kept of all proceedings of committees of the Board of Directors. He shall make and keep a proper record thereof which shall be attested by him. In addition, he shall keep such other books and records as may be required of him by the Board of Directors and shall have charge of the corporate seal. He shall see that notices are duly given in accordance with these by-laws. He shall generally perform such other and further duties as may be required of him by the Board of Directors. In the absence of the Secretary or in the event of his disability, his duties shall be performed by any Assistant Secretary or by any member of the Board of Directors who may be appointed by the Chairman or by the Board of Directors.

Section 3.5 Treasurer. The Treasurer, annually elected by the Board of Directors from its membership, shall have general supervision over the financial matters of the Corporation and shall see that reports as to the financial conditions of the Corporation are made at each regular meeting of the Board of Directors, or at such other times as may be required by the Board of Directors. The duties of the Treasurer may be performed by an Assistant Treasurer.

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Section 3.6 Agents and employees. The Board of Directors shall have the power to appoint such agents and employees as the Board may deem necessary for transaction of the business of the Corporation.

Section 3.7. Retention and Supervision of External Auditor. The Board of Directors shall have the power to appoint an external firm to conduct an annual audit of the Corporation, which shall include a requirement that the auditor report directly to the Board of Directors. If financially advantageous to the Corporation, the Corporation may obtain the services of the external auditor through the contract for external audit services entered into by the University of Louisville, if such contract provides for services consistent with the requirements of this section

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Section 3.87 Compensation. The compensation of agents and employees shall be fixed by the Board. Directors shall not receive compensation, but may receive reimbursement for expenditures made in the performance of their official duties, as authorized from time to time by the Board.

Section 3.98 Requirement of bonds. The Board of Directors may require any officer or agent to file with the Corporation a satisfactory bond conditioned for faithful performance of his duties.

Section 3.109 Removal of Officers, Agents, and Employees. Any officer, agent, or employee elected or appointed may be removed by the Directors whenever in their judgment the best interests of the Corporation will be served thereby. The removal of an officer, agent, or employee shall be without prejudice to the contract rights, if any, of the officer, agent, or employee so removed. Election or appointment of an officer, agent, or employee, shall not of itself create contract rights.

Section 3.10 Any director or officer or former officer or director of the corporation is hereby indemnified to the full extent permitted by law against expenses actually and reasonably incurred by him in connection with defense of any action, suit or proceeding, civil or criminal, in which he is made a party by reason of being or having been such officer or director, except in relation to matters as to which he shall be adjudged in such action, suit or proceeding to be liable for negligence or misconduct in the performance of duty to the corporation.

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## ARTICLE IV

Meetings

Section 4.1 Annual Meeting of the Board of Directors. The annual meeting of the Board of Directors shall be held during the month of November of each calendar year at the call of the Chairman of the Board. At each annual meeting, the Board of Directors shall elect its officers to serve for terms of one year each and until their respective successors are elected and accept office. In addition to the foregoing, the Board shall also conduct business of the type conducted during a regular meeting at the annual meeting, and shall review and approve the calculation of the funding as required under the terms of the Quality and Charity Care Trust Agreement, as it may be amended from time to time (the "Trust Agreement").

Section 4.2 Regular Meeting of the Board of Directors. In addition to the annual meeting, —a regular meeting of the Board of Directors shall be ~~held held each year during the month~~ quarterly, during the months of February, -May, -and August at the call of the Chairman of the Board. At each regular meeting of the Board of Directors, the Board shall obtain disbursement details to monitor payments of funds disbursed under the Trust Agreement, obtain specific reports on the use of funds in the treatment of Indigent or Medically Needy individuals (as defined in the Trust Agreement), review investment policies and strategies of Corporation, and obtain reports on investment earnings.

Section 4.3 Special Meetings of the Board of Directors. Special meetings of the Board of Directors shall be held at the call of the Chairman of the Corporation, or at the request of four or more of voting member of the Board of Directors.

Section 4.4 Notice of Meetings of the Board of Directors. Reasonable notice, orally or in writing, of each annual, regular and special meeting of the Board of Directors shall be given by the person calling it or by the Secretary to the members of said Board of Directors, but such notice may be waived by any person entitled thereto. Attendance of a member of the Board of Directors at any meeting shall constitute waiver of such meeting, except when such member attends the meeting for the express purpose of objecting to the transaction of any business because the meeting

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was not lawfully called or convened. Neither the business to be transacted at nor the purpose of any regular or special meeting of the Board of Directors need be specified in the notice, or waiver of notice of such meeting.

Section 4.5 Quorum of the Board of Directors. A majority of all the members of the Board of Directors entitled to vote shall constitute a quorum of the Board of Directors which shall act by a majority of those present at a meeting at which a quorum is present; but in the absence of a quorum a meeting may be adjourned from time to time by consent of a majority of the voting members present, without notice other than by announcement at the meeting.

Section 4.6 Organization of Meetings of the Board of Directors. The Chairman of the Board of Directors shall preside at all meetings thereof. In his absence, the Vice Chairman shall preside, but if both of them be absent, a Chairman pro tempore shall be chosen at the meeting from among the voting members of the Board of Directors there present. The Secretary of the Board of Directors shall act as Secretary of all meetings thereof, but if he be absent, the Chairman shall appoint a Secretary pro tempore.

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## ARTICLE V

### Miscellaneous

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Section 5.1. Adoption of Mission Statement; adoption of other policies and procedures. The Board of Directors shall have the responsibility to adopt a Mission Statement for the Corporation. In addition, the Board of Directors shall adopt policies and procedures covering at least the following matters:

- 1). Roles and Responsibilities of Board Members
- 2). Ethics
- 3). Conflicts of Interest
- 4). Financial Disclosures
- 5). Procurement Policies
- 6). Allegations concerning Board members, or the use of any funds received under the Trust Agreement
- 7). Protection from loss or theft of financial information, and controls over access to information technology
- 8). Effective Board oversight and administration of funds received under the Trust Agreement.

Section 5.24 Amendments. The Board of Directors shall have the power and authority to alter, amend or repeal the by-laws of the Corporation at any regular or special meeting at which a quorum is present by the vote of a majority of the entire voting membership of the Board of Directors.

Section 5.32 Fiscal Year. The fiscal year of the Board of Directors shall be the same as that of the Commonwealth of Kentucky.

Section 5.43 Seal. The Board of Directors may adopt a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Board of Directors, the words "Commonwealth of Kentucky," and the word "Seal."

Section 5.54 Waiver of Notice. Whenever any notice is required to be given under the provisions of these by-laws or under the provisions of the laws of the Commonwealth of Kentucky, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the stated therein, shall be equivalent to the giving of such notice.

Section 5.65 Construction. Unless the context specifically requires otherwise, any reference in these by-laws to any gender shall include all other genders; any reference to the singular shall include the plural; and any reference to the plural shall include the singular.

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The above by laws of  
The Quality and Charity  
Care Trust, Inc.  
were adopted by the members  
of the Board of Directors on  
February 18,

2004 \_\_\_\_\_

*Kathleen M. Smith*

Kathleen M.

Smith \_\_\_\_\_

Assistant Secretary

**REVISED AND RESTATED ARTICLES OF INCORPORATION OF  
THE QUALITY AND CHARITY CARE TRUST, INC.**

I, the undersigned incorporator of The Quality and Charity Care Trust, Inc., of Jefferson County, Kentucky, do hereby incorporate a non-profit corporation without capital stock or shareholders, under the provisions of KRS 273.161 to KRS 273.390, and for that purpose adopt the following Articles of incorporation.

**ARTICLE I**

The name of the Corporation is The Quality and Charity Care Trust, Inc.

**ARTICLE II**

The period of duration of the Corporation is perpetual.

**ARTICLE III**

Any provision of these Articles to the contrary notwithstanding, the Corporation shall not have any purpose or object, nor have or exercise any power, no engage in any activity which in any way contravenes or is in conflict with the provisions of Section 1 of this Article III of these Articles of Incorporation.

The objects and purposes of the Corporation and the powers it shall have any may exercise are as follows:

- 1 To conduct and carry on its work, not for profit, but exclusively for charitable, educational and scientific purposes including by not limited to the provision of health care to needy persons, in such manner that no part of its income or property shall inure to the private benefit of any donor, director or individual having a personal or private interest in the activities of the Corporation and in such a manner that it shall not directly or indirectly engage in carrying on propaganda or otherwise attempting to influence legislation.
- 2 To implement the provisions of the Quality and Charity Care Trust Agreement entered into by and between the University of Louisville, Commonwealth of Kentucky, Louisville Metro, and University Medical Center, Inc., including the receipt, investment and disbursement of funds as provided therein.
- 3 To engage in any other activities as, in the opinion of the Board of Directors, may be incidental to, in furtherance of, or appropriate to effectuate the purposes hereinbefore expressed.
- 4 To engage in any and all lawful activities or pursuits for which a corporation may be incorporated under Chapter 273 of the Kentucky Revised Statutes dealing with non-stock, non-profit corporations and to exercise any and all powers that such corporations may now or hereafter exercise, whether or not specifically set forth herein, and insofar as such may not be inconsistent with Section 1 hereof.

The foregoing Section shall be construed as powers, as well as objects and purposes, and the matters expressed in each Section shall, unless herein otherwise expressly provided, be in no wise limited by reference to or inference from the terms of any other Section, but shall be regarded as independent purposes and powers, and the enumeration of specific purposes and powers shall not be construed to limit or restrict in any manner the general powers of the Corporation nor the meaning of the general terms used in describing any such purposes and powers; nor shall the expression of one thing be deemed to exclude another not expressed, although it be of like nature.

#### ARTICLE IV

Notwithstanding any provision heretofore stated herein, if at any time the Corporation is determined to be a private foundation or private operating foundation as defined in Section 509 or Section 4942 of the Internal Revenue Code of 1954, or corresponding provisions of any subsequent Federal tax laws, then:

1 The Corporation shall distribute its income for each taxable year at such time in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Internal Revenue Code of 1954, or by corresponding provisions of any subsequent Federal tax laws.

2 The Corporation shall not engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code of 1954, or in corresponding provisions of any subsequent Federal tax laws.

3 The Corporation shall not retain any excess business holdings as defined in Section 4943© of the Internal Revenue Code of 1954, or in corresponding provisions of any subsequent Federal tax laws.

4 The Corporation shall not make any investments in such manner as to subject it to tax under Section 4944 of the Internal Revenue Code of 1954, or under corresponding provisions of any subsequent Federal tax laws.

5 The Corporation shall not make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code of 1954, or in corresponding provisions of any subsequent Federal tax laws.

ARTICLE V

In the event of a dissolution and liquidation the assets of the Corporation shall be applied and distributed as follows:

- 1 All liabilities and obligations of the Corporation shall be paid and discharged, or adequate provisions shall be made therefor;
- 2 Assets held by the Corporation upon a condition requiring return, transfer or conveyance, which condition occurs by reason of the dissolution, shall be returned, transferred or conveyed in accordance with such requirements;
- 3 All other assets which are not held upon a condition requiring return, transfer or conveyance by reason of dissolution, shall be transferred or conveyed to the University of Louisville Foundation, Inc., if that organization at the time of such transfer or conveyance is described in Section 170(b)(1)(A) (other than in clauses (vii) and (viii)) and in Section 501(c)(3) of the Internal Revenue Code of 1954, or in corresponding provisions of any subsequent Federal tax laws or, if that organization is not (a) in existence, or (b) so described, then to the University of Louisville, if that organization is described in Section 170(b)(1)(A) (other than in clauses (vii) and (viii)) and in Section 501(c)(3) of the Internal Revenue Code of 1954, or in corresponding provisions of any subsequent Federal tax laws, if that organization is not (a) in existence, or (b) so described, then to the Commonwealth of Kentucky, for charitable purposes, pursuant to a plan of distribution adopted as provided by law.

ARTICLE VI

There shall be no members of the Corporation.

ARTICLE VII

Until otherwise changed, the registered office of the Corporation shall be located at the University of Louisville, Office of University Counsel, Louisville, Kentucky 40292, and the name of its registered agent at such address is Angela Koshewa, University Counsel.

ARTICLE VIII

The business and affairs of the Corporation shall be under the supervision, management and control of a Board of Directors, which shall exercise the Corporation's powers and authority. The Board of Directors shall consist of three persons appointed by the Board of Trustees of the University of Louisville, three persons appointed by the Governor of the Commonwealth of Kentucky, two persons appointed by the Mayor of Louisville, and one person appointed by the Louisville Metro Board of Health. The term of each director shall be one year.



IN TESTIMONY WHEREOF, witness my signature and notarial seal hereunto affixed in the State and County aforesaid this \_\_\_\_\_ day of \_\_\_\_\_, 2012.

\_\_\_\_\_  
Notary Public

I certify that I prepared the foregoing instrument.

\_\_\_\_\_  
Glenn Bossmeyer  
Associate University Counsel  
University of Louisville  
Louisville, Kentucky 40292  
(502) 852-6981

**REVISED AND RESTATED ARTICLES OF INCORPORATION OF  
THE QUALITY AND CHARITY CARE TRUST, INC.**

I, the undersigned incorporator of The Quality and Charity Care Trust, Inc., of Jefferson County, Kentucky, do hereby incorporate a non-profit corporation without capital stock or shareholders, under the provisions of KRS 273.161 to KRS 273.390, and for that purpose adopt the following Articles of incorporation.

ARTICLE I

The name of the Corporation is The Quality and Charity Care Trust, Inc.

ARTICLE II

The period of duration of the Corporation is perpetual.

ARTICLE III

Any provision of these Articles to the contrary notwithstanding, the Corporation shall not have any purpose or object, nor have or exercise any power, no engage in any activity which in any way contravenes or is in conflict with the provisions of Section 1 of this Article III of these Articles of Incorporation.

The objects and purposes of the Corporation and the powers it shall have any may exercise are as follows:

- 1 To conduct and carry on its work, not for profit, but exclusively for charitable, educational and scientific purposes including by not limited to the provision of health care to needy persons, in such manner that no part of its income or property shall inure to the private benefit of any donor, director or individual having a personal or private interest in the activities of the Corporation and in such a manner that it shall not directly or indirectly engage in carrying on propaganda or otherwise attempting to influence legislation.
- 2 To implement the provisions of the Quality and Charity Care Trust Agreement entered into by and between the University of Louisville, Commonwealth of Kentucky, ~~City of Louisville Metro, and Jefferson County and Humana of Virginia, Inc.~~ University Medical Center, Inc., including the receipt, investment and disbursement of funds as provided therein.
- 3 ~~To qualify and remain classified as an affiliated corporation of the University of Louisville pursuant to the provisions of KRS 164A.610 and exercise all rights and perform the duties as such.~~
- 4 ~~—~~ To engage in any other activities as, in the opinion of the Board of Directors, may be incidental to, in furtherance of, or appropriate to effectuate the purposes hereinbefore expressed.

~~45~~ To engage in any and all lawful activities or pursuits for which a corporation may be incorporated under Chapter 273 of the Kentucky Revised Statutes dealing with non-stock, non-profit corporations and to exercise any and all powers that such corporations may now or hereafter exercise, whether or not specifically set forth herein, and insofar as such may not be inconsistent with Section 1 hereof.

The foregoing Section shall be construed as powers, as well as objects and purposes, and the matters expressed in each Section shall, unless herein otherwise expressly provided, be in no wise limited by reference to or inference from the terms of any other Section, but shall be regarded as independent purposes and powers, and the enumeration of specific purposes and powers shall not be construed to limit or restrict in any manner the general powers of the Corporation nor the meaning of the general terms used in describing any such purposes and powers; nor shall the expression of one thing be deemed to exclude another not expressed, although it be of like nature.

#### ARTICLE IV

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1 The Corporation shall distribute its income for each taxable year at such time in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Internal Revenue Code of 1954, or by corresponding provisions of any subsequent Federal tax laws.

2 The Corporation shall not engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code of 1954, or in corresponding provisions of any subsequent Federal tax laws.

3 The Corporation shall not retain any excess business holdings as defined in Section 4943© of the Internal Revenue Code of 1954, or in corresponding provisions of any subsequent Federal tax laws.

4 The Corporation shall not make any investments in such manner as to subject it to tax under Section 4944 of the Internal Revenue Code of 1954, or under corresponding provisions of any subsequent Federal tax laws.

5 The Corporation shall not make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code of 1954, or in corresponding provisions of any subsequent Federal tax laws.

## ARTICLE V

In the event of a dissolution and liquidation the assets of the Corporation shall be applied and distributed as follows:

- 1 All liabilities and obligations of the Corporation shall be paid and discharged, or adequate provisions shall be made therefor;
- 2 Assets held by the Corporation upon a condition requiring return, transfer or conveyance, which condition occurs by reason of the dissolution, shall be returned, transferred or conveyed in accordance with such requirements;
- 3 All other assets which are not held upon a condition requiring return, transfer or conveyance by reason of dissolution, shall be transferred or conveyed to the University of Louisville Foundation, Inc., if that organization at the time of such transfer or conveyance is described in Section 170(b)(1)(A) (other than in clauses (vii) and (viii)) and in Section 501(c)(3) of the Internal Revenue Code of 1954, or in corresponding provisions of any subsequent Federal tax laws or, if that organization is not (a) in existence, or (b) so described, then to the University of Louisville, if that organization is described in Section 170(b)(1)(A) (other than in clauses (vii) and (viii)) and in Section 501(c)(3) of the Internal Revenue Code of 1954, or in corresponding provisions of any subsequent Federal tax laws, if that organization is not (a) in existence, or (b) so described, then to the Commonwealth of Kentucky, for charitable purposes, pursuant to a plan of distribution adopted as provided by law.

## ARTICLE VI

There shall be no members of the Corporation.

## ARTICLE VII

Until otherwise changed, the registered office of the Corporation shall be located at the University of Louisville, Office of University Counsel, Louisville, Kentucky 40292, and the name of its registered agent at such address is ~~Angela Koshewa~~ David L. Baker, University Counsel.

## ARTICLE VIII

The business and affairs of the Corporation shall be under the supervision, management and control of a Board of Directors, which shall exercise the Corporation's powers and authority. The Board of Directors shall consist of ~~(a) threesix~~ persons appointed by the Board of Trustees of the University ~~of Louisville who are trustees of the University, members of its staff serving at the pleasure of the Board,~~ three persons appointed by ~~or a nominee of~~ the Governor of the Commonwealth of Kentucky, two persons appointed by ~~and (b) three other Directors, one each~~



delivered the foregoing instrument of writing to be the Articles of Incorporation of said Corporation and to be his act and deed as incorporator thereof.

My notarial commission will expire \_\_\_\_\_.

IN TESTIMONY WHEREOF, witness my signature and notarial seal hereunto affixed in the State and County aforesaid this ~~27<sup>th</sup>~~ day of ~~April~~, ~~1983~~2012.

\_\_\_\_\_  
Notary Public

I certify that I prepared the foregoing instrument.

\_\_\_\_\_  
~~Glenn Bossmeyer~~Robert J. Morrison  
~~Associate~~Assistant University Counsel  
University of Louisville  
Louisville, Kentucky 40292  
(502) 852-6981