

AMENDED AND RESTATED BYLAWS

OF

PHYSICIAN HOSPITALS OF AMERICA

ADOPTED OCTOBER 2, 2015

ARTICLE 1

PURPOSES

1.1 Purposes: The purposes of the Physician Hospitals of America (“Association”) shall be:

(a) To exchange knowledge of methods and techniques among health care providers for the promotion of better quality care for patients.

(b) To adopt rules and regulations to promote the ethical management of physician owned hospitals for the protection of the general public.

(c) To advance the knowledge and appreciation of the benefits of physician owned hospitals among the general public.

(d) To encourage the effective use of health care resources.

(e) To conduct and promote health care education for members of the Association, other health care providers, and the general public.

(f) To establish standards of quality care in the physician owned hospital setting.

(g) To establish policy positions on major issues that affect all members of the Association.

(h) To represent the interests of physician owned hospitals before federal, state and local governmental bodies.

1.2 Prohibited Purposes. Notwithstanding any other provisions of these Amended and Restated Bylaws (“Bylaws”), the Association shall not carry on any other activities not permitted to be carried on by a corporation exempt from federal income tax under Section 501(c)(6) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue law) or the applicable provisions of the California Nonprofit Mutual Benefit Corporation Law.

ARTICLE 2

ORGANIZATION

2.1 Tax Exempt Status. It is the intention that the Association shall be organized as a not-for-profit corporation under Section 501(c)(6) of the Internal Revenue Code to represent member physician owned hospitals. The Association's activities shall be conducted for the aforementioned purposes in such a manner that no part of its net earnings shall inure to the benefit of any member, director, officer or individual.

2.2 Dissolution. Upon the dissolution of the Association, the Board of Directors shall, upon paying or making provision for the payment of all liabilities of the Association, dispose of all of the remaining assets of the Association to the members pro rata.

ARTICLE 3

OFFICES

3.1 Principal Office. The principal office for the transaction of business of the Association shall be located at such place in the State of California or the District of Columbia as the Board of Directors shall from time to time designate.

3.2 Other Offices. Branch or subordinate offices may at any time be established by the Board of Directors at any place or places.

ARTICLE 4

MEMBERS

4.1 Classes of Members. Initially, members of the Association shall be divided into two (2) classes.

(a) Voting Members: Facilities and organizations that meet the following criteria are eligible to be voting members of the Association: (i) those that are recognized as hospitals who are owned in whole or in part by physicians; (ii) those that complete construction of a facility meeting the criteria set forth in Section 4.1(a)(i) within twelve (12) months of the date of the membership application; or (iii) those that are Corporate Members as defined below. All applications for membership must be approved by the Board of Directors. Voting members of the Association shall further be categorized as follows:

- (i) Industry Leaders. Consisting of those organizations who have demonstrated a significant contribution to the establishment and operation of the Association. Industry Leaders will be entitled to be recognized as such in the Association's promotional materials and to such other benefits or recognitions as the Board of Directors may determine. After an Industry Leader's initial dues

contribution, such Member will be assessed dues at the Industry Leader Member rate thereafter.

(ii) Facility Members. Consisting of those facilities involved in the investment or operation of physician owned hospitals.

(iii) Corporate Members. A Corporate Member is a member that is not an individual but that does own an interest in one or more physician owned hospitals.

(b) Non-voting members: Individuals and other entities who have demonstrated an interest in the purposes of the Association shall be eligible to be non-voting members upon approval by the Board of Directors including:

(i) Associate Members. Consisting of a one-year initial trial membership for hospitals otherwise eligible for facility membership.

(ii) Professional Members. A Professional Member is an individual or company who provides services (e.g., accountant, attorney, consultant, etc.) to physician owned hospitals who neither has an ownership interest in nor is employed as medical personnel or staff of any physician owned hospital.

The Board of Directors may establish additional classes of membership to the extent it determines such establishment furthers the purposes of the Association.

4.2 Election to Membership. Application for membership shall be made in writing at the Association's principal place of business. Each application shall be referred for the next regularly scheduled meeting of the Board of Directors. Acceptance to membership shall require an affirmative vote of the majority of the members of the Board of Directors and payment of membership fees as set by the Board of Directors. The Board of Directors may also establish conditional or probationary membership on such terms as it may deem appropriate.

Annual Dues. Annual dues for membership in the Association shall be as follows as of the date hereof and shall be increased or adjusted based on Board of Director's determination year to year without the requirement of an amendment to these Bylaws):

(a)	Industry Leaders		Based Upon Number of Hospitals Owned
(b)	Facility Member	-	Based Upon Case Volume
(c)	Professional Member	-	\$1,500
(d)	Corporate Member	-	\$2,500
(e)	Associate Member	-	\$2,000

The foregoing schedule of dues may be modified by the affirmative vote of the majority of the Board of Directors.

4.3 Representatives of Facility Members. Each voting member may have more than one (1) representative for the purpose of attending meetings and participating in the activities of the Association. However, each voting member shall have only one (1) vote at membership meetings. Each voting member shall annually notify the Association in writing of the name of its designated representative, and one (1) alternate, having authority to vote. In the absence of the designee and alternate, a representative with voting authority may be designated by written proxy. The designated representative, alternate, or substitute with voting authority must be actively affiliated with the voting member.

4.4 Meeting of Members.

(a) Annual meetings. An annual meeting of the members of the Association shall be held at such time and place as determined by the Board of Directors. A notice of each annual meeting shall specify the place, time, day and hour of the meeting. Attendance may occur by telephone.

(b) Special meetings. Special meetings of the members, for any lawful purpose whatsoever, may be held upon call by the President, the President-Elect or any four (4) directors. In addition, special meeting of members may be called for any lawful purpose by five (5) percent or more of the voting members. Special meetings may be held by telephone.

4.5 Notice of Meetings. Written notice of meetings shall be given to each member either personally, or by first class mail, or by facsimile, or by electronic mail, addressed to such member at his/her/its address as shown on the books of the Association or as given by the member for the purpose of notice. All such notices shall be sent to each member entitled thereto, not less than ten (10), no more than ninety (90), days before each meeting, shall specify the place, the day, and the hour of such meeting, and, in the case of a regular meeting, those matters which the Board, at the time of the notice, intends to present for action by the voting members. In the case of a special meeting, the notice shall state the general matter of the business or proposal to be considered or acted upon at such meeting and no other business may be transacted. In the case of a meeting at which directors shall be elected, the notice shall specify the names of all those who are candidates for election of directors at the time notice is given.

4.6 Waiver of Notice. The transactions of any meeting of members, either annual or special, however called and noticed, shall be as valid as though the same had occurred at a meeting duly held after regular call and notice, if a quorum be present either in person, by telephone or by proxy, and if, either before or after the meeting, each of the members entitled to vote, not present in person, by telephone or by proxy, signs a written waiver of notice, or a consent of the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the Association's records or made a part of the minutes of the meeting.

4.7 Quorum. The presence in person, by telephone or by proxy of a majority of the members entitled to vote shall constitute a quorum for the transaction of business at all meetings. The members present at a duly called or held meeting at which a quorum is present may continue to do business on the announced agenda until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum.

4.8 Meeting Voting. If a quorum is present, the affirmative vote (in person, by telephone or by proxy) of a majority of the voting members represented at the meeting and voting on the matter presented shall be the act of the members except as otherwise provided by the Articles, the Bylaws, or the California Nonprofit Mutual Benefit Corporation Law. A member shall be deemed to have voted on a raised matter at a meeting if (a) he/she/it responds orally in person or by telephone at the meeting, or (b) within five (5) business days before or after such meeting responds via email from an authorized and known email address attributed to the member, if the Board determines in advance that such a voting methodology is appropriate for that meeting vote.

4.9 Voting by Written or Email Ballot. Any action that may be taken at any regular or special meeting of voting members may be taken without a meeting if the Association distributes a written ballot to every member entitled to vote on the matter. Such ballot shall set forth the proposed action, provide an opportunity to specify approval or disapproval of any proposal, and provide a reasonable time within which to return the ballot to the Association. Directors may be elected by written ballot pursuant to this Section. Ballots may be distributed by email. A member shall be deemed to have voted on a ballot if (a) he/she/it responds by completing, signing and mailing the ballot as instructed in the ballot, or (b) prior to the due date of such ballot, responds by email with a clear vote on the same from an authorized and known email address attributed to the member, if the Board determines in advance that such a voting methodology is appropriate for that ballot.

Approval by written ballot shall be valid only when the number of votes cast by ballot within the time period specified equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of affirmative votes equals or exceeds the voting threshold required.

All solicitations of ballots shall indicate the number of responses needed to meet the quorum requirement and, with respect to ballots other than for the election of directors, shall state the percentage of votes necessary to pass the measure submitted. The solicitation must specify the time by which the ballot must be received in order to be counted. A written ballot may not be revoked once delivered by a member.

4.10 Rights and Interests. The rights and interests of all members, other than voting rights, shall be equal and no member shall have or acquire a greater interest therein than any other member.

4.11 Liability. Members of the Association shall not be held personally liable for the debts, liabilities or obligations of the Association, and all creditors of the Association shall look only to the assets of the Association for payment.

ARTICLE 5

DIRECTORS

5.1 Powers. Subject to the limitations of the Articles of Incorporation, the Bylaws, and the laws of the State of California as to actions to be authorized and approved by the

members, and subject to the duties of the directors as prescribed by the Bylaws, all corporate powers for the Association shall be vested in and exercised by its Board of Directors. The directors shall have power:

(a) To exercise final authority over and manage the business and financial affairs of the Association, including but not limited to, the acquisition, management, control and disposition of its property and the authorization of all contracts.

(b) To fix and locate from time to time the principal office of the Association, and to make use a corporate seal, and to alter the form of such seal as deemed best in its judgment.

(c) To borrow money and incur indebtedness for business purposes of the Association, and to cause to be executed and delivered therefore, and in the Association's name, notes, bills, bonds, deeds of trust, mortgages, pledges, and other evidence of indebtedness.

(d) To establish policies that conduct and control the affairs of the Association.

(e) To recommend changes in the Bylaws not inconsistent with the Articles of Incorporation and the laws of the State of California, nor in conflict with the rights and interests reserved to the members of the Association.

(f) To select and remove officers and agents of the Association as provided herein, to fix compensation and prescribe such duties as may not be inconsistent with these Bylaws.

(g) To accept, on a selective basis, on behalf of the Association, grants, endowments or gifts to the Association.

(h) To establish rules for the organization and procedures governing relationships with all other health care associations and agencies.

(i) To generally perform every act whatsoever that may pertain to the office and powers of the directors and which may be required for carrying on the affairs of the Association.

(j) To review and set the annual membership fee schedule.

5.2 Duties. The Board of Directors shall have the overall responsibility for the Association's policymaking, performance and accountability to members. In the performance of its responsibilities, the Board of Directors shall:

(a) Have responsibility for the property and control of the affairs and funds of the Association.

(b) Except as otherwise provided in these Bylaws, appoint, discharge and prescribe the duties of and fix the compensation, if any, of all committees, officers, agents, and employees of the Association.

(c) Serve as a referral committee to which resolutions and Bylaws changes are to be submitted before being placed before the Association membership for approval.

(d) Formulate long and short range plans for the Association, develop programs, adopt an annual work plan, and establish position statements.

(e) Approve the annual budget and membership dues structure, and authorize the expenditure of funds.

(f) Annually evaluate the Association through mechanisms designed to systematically review the performance of the Association measured against its stated objectives.

(g) At its discretion, consult and communicate with membership on issues concerning the Association.

(h) Perform any other duty necessitated or required by the Bylaws and not inconsistent therewith.

5.3 Composition and Qualifications.

(a) The Board of Directors shall consist of no less than five and no more than sixteen (16) elected members. Three members of the Board of Directors shall be the President, President Elect, and Immediate Past President. Any person who represents a voting member or group of voting members of this organization may serve as a member of the Board of Directors provided that such person has a continuing, active affiliation with the voting member he/she represents. Upon recommendation of the Board Directors, one (1) of the elected members of the Board of Directors may be a representative from a non-voting member, and one (1) of the elected members of the Board Directors may be a member of the public who does not serve as a representative of a voting member or non-voting member.

(b) If a Board member misses 2 or more formal board meetings over any 12-month period, then that Board Member's term on the Board of Directors may be terminated, and the President, with the approval of the Executive Committee, may transmit in writing the notice of termination to the board member. Formal board meetings are considered in-person meetings, held at the annual Board Retreat, the Spring DC Fly-In, the Annual Conference and the Fall DC Fly-In.

(c) If a director's term has expired without the possibility for renewal pursuant to Section 5.4, such Director may continue to serve on the Board of Directors as a director emeritus ("Director Emeritus"). The Board of Directors shall determine the rights, powers and obligations of the Director Emeritus in its sole discretion.

5.4 Election and Terms of Office. All directors shall be elected by a majority vote of the voting members. When an individual is elected as President Elect, he or she is automatically a voting member of the Board of Directors for the time of his or her term as President Elect, President, and Immediate Past President (i.e. such persons shall serve on the Board of Directors for six (6) years while fulfilling such roles in addition to the years of service already given on the Board of Directors, and the term limitations set forth below shall not apply to such persons while fulfilling those roles). The Secretary and Treasurer are also automatically voting members of the Board of Directors (i.e. such persons shall serve on the Board of Directors during the two (2) years while fulfilling such roles in addition to the years already served on the Board of Directors, and the term limitations set forth below shall not apply to such persons while fulfilling those roles). The other directors shall serve for a term of three (3) years in staggered terms such that approximately one-third (1/3) of all directors' terms shall expire each in accordance with the expiration designated for each director upon his/her election. Each director shall hold office until the expiration of the term for which elected or until a successor has been qualified and elected. A director may be elected by the voting members for two (2) consecutive three (3)-year terms. Upon the expiration of the director's second consecutive term, regardless of whether such director becomes a Director Emeritus, such director must wait for one (1) full year before applying for re-nomination to the Board. A director appointed under Article 6 to fill a vacancy shall not be considered elected by the voting members for purposes of the term limitation.

5.5 Nominations. Nominations for elected members of the Board of Directors shall be submitted by the Nominating Committee at least forty-five days (45) in advance of the annual meeting and in conformity with the procedure set forth in Section 7.4 of these Bylaws. In addition, members may make nominations for directors from the floor of the meeting at which directors are to be elected.

5.6 Vacancies. If the office of a member of the Board of Directors becomes vacant less than six (6) months after the annual membership meeting, such vacant position shall be filled by recommendation of the President and approval of a majority of the remaining directors in office, though less than a quorum, until a successor is elected at the next annual meeting (or special meeting called for such purpose) of the members. If the office of a member of the Board becomes vacant when no more than six (6) months remains until the next annual membership meeting, the office shall remain vacant until filled by nomination and election of the voting members at the next annual meeting (or special meeting called for such purpose) of the members. The members may elect a director at any time to fill any vacancy not filled by the directors. A vacancy or vacancies shall be deemed to exist in the case of failure to maintain qualifications as set forth in Section 5.3 of death, resignation or removal of any directors, or if the authorized number of directors be increased without election of the additional directors so provided for, or if the members fail at any time to elect the full number of authorized directors. No reduction in the number of directors shall have the effect of removing any director prior to the expiration of his/her term of office.

5.7 Time, Date, and Place of Meetings. Regularly scheduled meeting of the Board of Directors shall be twice (2x) annually or more often as designated by the Board of Directors from time to time. Notice of such regularly scheduled meeting shall be sent to directors not less than ten (10) calendar days in advance when sent by first class mail or 48 hours in

advance whenever delivered personally or by telephone or facsimile or electronic mail. Said notice shall be sent by the Executive Director, or if he/she is absent or unable or refuses to act, by the Secretary or President. Meeting may be held within or outside the State of California or any other location as designated by the Board.

5.8 Special Meetings. Special meetings of the Board of Directors for any purpose or purposes shall be called at any time by the Executive Director or if he/she is absent or unable or refuses to act, by the Secretary or President.

Notice of the time, date and place of the special meeting shall be delivered to each director not less than 48 hours before the date of the meeting if given personally or by telephone or telegraph, and not less than ten (10) days before the date of the meeting if given by first class mail addressed to the director at his or her address shown on the records of the Association.

5.9 Telephonic Meetings. Members of the Board of Directors may participate in a meeting through use of a conference telephone or similar communications equipment. Participation in a meeting through use of telephone or similar communications equipment shall constitute presence in person at such meeting.

5.10 Entry of Notice. Whenever any director has been absent from any special meeting of the Board of Directors, an entry in the minutes to the effect that notice has been duly given shall be conclusive and incontrovertible evidence that due notice of such special meeting was given to such director, as required by law and the Bylaws of the Association.

5.11 Waiver of Notice. The transaction of any meeting of the Board of Directors, however called and noticed, or wherever held, shall be as valid as though a meeting had been held after regular call and notice, if a quorum is present, and if either before or after the meeting, each of the directors not present signs a written waiver of notice or consent to holding such meeting or an approval shall be filed with the Association's records and made a part of the minutes of the meeting.

5.12 Action without Meeting. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting if all directors shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board. Such action by written consent shall have the same force and effect as a unanimous vote of the directors. For the purposes of this Section only "all members of the Board" shall not include any "interested director" as defined in Section 7233 of the California Nonprofit Mutual Benefit Corporation Law.

5.13 Quorum. A majority of the number of directors holding office shall be necessary to constitute a quorum for the transaction of all business except to adjourn, as hereinafter provided.

5.14 Voting. Except as otherwise provided in these Bylaws, every act or decision done or made by a majority of the directors voting at a meeting duly held at which a quorum is present shall be regarded as an act of the Board of Directors.

5.15 Adjournment. A quorum of the Board of Directors may adjourn any Board of Directors' meeting to meet again at a stated day and hour. A meeting held pursuant to such adjournment may transact any business that may have been conducted at the meeting so adjourned.

5.16 Notice of Adjournment. In the event a meeting of the Board of Directors is adjourned and reconvened at a time more than 24 hours after the adjournment, notice of the time, date and place of holding the reconvened meeting shall be given, prior to the reconvened meeting, to absent members of the Board of Directors.

5.17 Compensation of Directors. Directors shall not receive compensation for acting as directors; provided however, that nothing herein shall preclude a director from serving as a paid employee or agent of the Board or from receiving reimbursement for reasonable expenses incurred in the performance of the director's duties hereunder.

5.18 Indemnification. Except to the extent prohibited by applicable law, this Association shall have, and hereby agrees to exercise, the power to indemnify any person who was or is a party or is threatened to be made a party to any proceeding by reason of the fact that such person is or was a director, officer, employee or other agent of the Association to the fullest extent allowed under the provisions of the California Nonprofit Mutual Benefit Corporation Law relating to the power of a corporation to indemnify corporate "agents." The amount of such indemnity shall be so much as the Board of Directors determines and finds to be reasonable, or, if required by such law, the amount of such indemnity shall be so much as the court determines and finds to be reasonable.

5.19 Liability. Members of the Board of Directors shall not be personally liable for the debts, liabilities, or obligations of the Association.

ARTICLE 6

OFFICERS

6.1 Designation of Officers. The officers of the Association shall be the President, President-Elect, Immediate Past President, Secretary, and Treasurer. The Association may also have, at the discretion of the Board of Directors, one (1) or more Assistant Secretaries, one (1) or more Assistant Treasurers, and such other officers as the Board of Directors may from time to time appoint. Nothing contained herein shall prohibit the Board of Directors from combining one (1) or more of the various offices. All officers except for any Assistant Secretaries or Assistant Treasurers shall be members of the Board of Directors.

6.2 Appointment and Terms of Office. All officers shall be appointed by the Board and shall serve for a term of two (2) years. The President-Elect, Secretary and Treasurer shall be appointed by the Board of Directors from among the directors. The President shall automatically succeed to the office of Immediate Past President after serving as President for two (2) years. The President-Elect shall automatically succeed to the office of President after serving as President-Elect for two (2) years.

6.3 Duties.

(a) President: The President shall be the chief executive officer of the Association and shall, subject to the control of the Board of Directors and these Bylaws, and consistent with the policies of the Association, supervise and direct the affairs of the Association and the activities of the officers. The President shall perform all duties as may be required by these Bylaws or prescribed by the Board of Directors. The President shall preside over all meetings of the Board of Directors and shall preside over and report at the business session of the annual meeting of the members. The President shall appoint all members and chairmen of standing committees subject to approval by the Board of Directors. The President shall be an ex-officio member of all standing committees approved by the Board of Directors. For every other Presidential term, at the discretion of the full Board of Directors, a physician will be appointed to serve as the President. This specific appointment of a physician will begin with the office of President-Elect, and run through the full six-year term of office as an officer of the Board.

(b) President-Elect: In the absence or disability of the President, the President-Elect, shall perform the duties of the office of President and when so acting shall have all the powers of, and be subject to all the restrictions upon, the President. The President-Elect shall perform such other duties as may be required by these Bylaws or prescribed by the Board of Directors.

(c) Secretary: The Secretary shall certify and keep at the principal office of the Association the original or a copy of these Bylaws. The Secretary shall act as secretary of all meetings of the Board (provided that in his/her absence, the presiding officer shall appoint another person to act as secretary for such meeting) and he/she shall keep, or cause to be kept, a book of minutes of all meetings of the directors and members, with the time and place of holding, whether regular or special, and if special, how authorized, the notice thereof given, and the names of those present at such meeting. The Secretary shall keep a membership record containing the name and address of each member and the dates when they became members. The Secretary shall give, or cause to be given, notice of all meetings of the members and of the Board of Directors required by the Bylaws or as required by law to be given; he/she shall keep the seal of the Association, and affix said seal to all documents requiring such seal; he/she shall keep all other books, records and papers of the Association and shall have such other powers and perform such other duties as may be required by the Board of Directors or prescribed by the Bylaws. In case of absence, inability, refusal or neglect of the Secretary to make service or publication of any notices, then such notices may be served and published by the President, President-Elect, or by any person thereto generally or specially authorized by the Board of Directors, or if the notice be of a meeting, by the persons ordering such meeting. The Board may also secure an entity to provide administrative support for any of the listed duties.

(d) Treasurer: The Treasurer shall have charge and control and be responsible for all funds of the Association and shall deposit all such funds in the name of the Association in such banks, trust companies or other depositories as may be authorized by the Board of Directors. The Treasurer shall receive and give receipt for, monies due and payable to the Association from any source whatsoever; disburse the funds of the Association as may be directed by the Board of Directors, taking proper vouchers for such disbursements; develop an annual budget for consideration by the Board of Directors; keep and maintain adequate and

correct accounts of the Association's properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains and losses; and file timely and appropriate federal and state tax returns and reports. Upon reasonable request, the Treasurer shall exhibit, or cause to be exhibited the books of account and records of the Association to any director, or his/her agent, at the Association's principal place of business. The Treasurer shall render a statement of condition of the Association at all regular meetings of the Board of Directors and at any time requested by the President or Board of Directors and shall provide an annual financial audit to the membership. The Treasurer may delegate those functions described above to a designee approved by the Board of Directors. The Treasurer shall perform all duties incidental to the office of Treasurer and such other duties as may be required by these Bylaws or prescribed by the Board of Directors.

(e) Immediate Past President: The Immediate Past President shall perform the duties of the President when both the President and President-Elect are unable to fulfill their duties due to absence or disability. When so acting the Immediate Past President shall have all the powers of, and be subject to all the restrictions upon, the President. The Immediate Past President shall perform such other duties as are required by these Bylaws or prescribed by the Board of Directors. If the Immediate Past President's term of office as a director has expired, he/she shall continue to attend Board meetings as an ex officio non-voting member for the duration of his/her term as an officer of the Association. After the expiration of his/her term as an officer of the Association, the Immediate Past President's general term of office shall expire and he/she may continue to serve at will on a "President's Advisory Committee" which shall promote preservation of association history, involvement and continued connection to those who have served the association. For Committee duties see Article 7, Section 5.

6.4 Removal. Any officer or agent may be removed, either with or without cause, by the Board of Directors at any regular or special meeting thereof. The vote shall be taken in closed session. If the vote concerns removal of the President, the President-Elect shall preside over the meeting.

6.5 Resignation. Any officer may resign at any time by giving written notice to the Board or to the President or Secretary. Any such resignation shall take effect upon receipt of such notice or at any later date specified therein.

6.6 Vacancies. A vacancy in any office because of death, resignation, removal disqualification or any other cause shall be filled by the Board of Directors. In the event of a vacancy in any office other than that of President or President-Elect, the President may fill the office temporarily by appointment, until such time as the Board can fill the vacancy.

6.7 Compensation. Officers shall not receive any salaries, bonuses, dividends, or any other compensation for their services to the Association, unless specifically disclosed to and approved by the Board of Directors. Nothing herein shall preclude an officer from receiving reimbursement for reasonable expenses incurred in the performance of the officer's duties hereunder.

ARTICLE 7

COMMITTEES

7.1 Committees of Directors. The Board of Directors may, by resolution adopted by a majority of the number of directors then in office, provided that a quorum is present, designate one (1) or more committees, each consisting of two (2) or more directors, to serve at the pleasure of the Board. The Board may designate one (1) or more directors as alternate members of any committee, who may replace any absent member at any meeting of the committee. Any committee, to the extent provided in the resolution of the Board, shall have all of the authority of the Board, except with respect to:

(a) approving any action for which the California Nonprofit Mutual Benefit Corporation Law also requires approval of the members or approval of a majority of all members;

(b) filling vacancies on the Board or in any committee which has the authority of the Board;

(c) amending or repealing the Bylaws or adopting new bylaws;

(d) amending or repealing any resolution of the Board which by its express terms is not so amendable or repealable;

(e) appointing committees of the Board or the members thereof;

(f) expending corporate funds to support a nominee for director after there are more people nominated for director than can be elected;

(g) with respect to any assets held in charitable trust, approving any self-dealing transaction except as provided in the California Nonprofit Mutual Benefit Corporation Law.

7.2 Executive Committee. The Executive Committee shall consist of the President, President Elect, Immediate Past President, Secretary, and Treasurer of the Association. The Executive Committee shall have the authority to act between regular or special meetings of the Board, subject to review and approval, by the Board of Directors at its next regular meeting and subject to the limitations on powers of Executive Committees as set forth in the California Nonprofit Mutual Benefit Corporation Law. The Executive Committee shall also serve as a liaison with similar committees of other professional organizations in the health care field. The Executive Committee shall respond to legislative, regulatory or administrative initiative of government entities by determining, adopting, publishing, or implementing positions or statements on behalf of the Association, consistent with these Bylaws and the policies of the Board, when the best interests of the Association require action before the Board could reasonably be expected to act on behalf of the Association.

7.3 Standing Committees. In addition to Committees of the Board, the Association shall have standing committees designated by resolution of the Board or these

Bylaws. The members of such committees shall not be required to be directors. Standing committees shall act in an advisory capacity only and shall not exercise the authority of the Board.

7.4 Nominating Committee. The Nominating Committee shall be a standing committee composed of the President, the Immediate Past President, and President-Elect. The nominating committee shall nominate candidates for the Board of Directors. In making such nominations, the Nominating Committee will consider the need for geographic diversity, representation of the various types of voting member hospitals, diversity in corporate member representation, physician representation and healthcare professional representation, and prior service on behalf of the Association. The Nominating Committee recommendation shall be submitted to the general membership at least thirty (30) days prior to the election to be held at the annual meeting of members.

7.5 President's Advisory Committee: The President's Advisory Committee shall be a standing committee composed of all PHA past Presidents interested in continued service. The President's Advisory Committee shall act to assist the current board President and Executive Director, shall act in an advisory capacity only and shall not exercise the authority of the Board.

7.6 Quorum. A majority of the members of a committee shall constitute a quorum of that committee for purposes of conducting official business.

7.7 Reports. The chairman of each committee shall make reports to the Board of Directors on the activities of that committee with sufficient frequency to ensure that the Board of Directors is at all times adequately informed as to the scope and conduct of activities of the committees.

7.8 Minutes. Minutes shall be kept of each committee meeting. These minutes are to be submitted to the Board for permanent recording.

ARTICLE 8

FISCAL AND OTHER MATTERS

8.1 Annual Report. The Annual Report will be submitted to the Board for approval no later than 120 days after the close of the corporation's fiscal year. The published report will be available to members as of April 1 of the subsequently reviewed year.

8.2 Annual Statement of Certain Transactions. Pursuant to the law of California, the Board of Directors shall cause an annual statement to be sent to its members whenever required under the provisions of regarding indemnification and self-dealing transactions. If the Association issues an annual report to all members pursuant to Section 8.1, the information required by may be included in said annual report.

8.3 Membership Fees. Any member who fails to pay membership fees shall be notified in writing by the President or Treasurer, and if payment is not made, the member

shall be reported to the Board of Directors as in arrears. If the Board of Directors so orders, the membership shall forthwith be terminated. Any member so terminated may be reinstated at the option of the Board of Directors upon payment of back membership fees and fees for the current ensuing year.

8.4 Corporate Seal. The Corporate seal shall be circular in form and shall have inscribed thereon the name of the Association and the date of its incorporation.

8.5 Fiscal Year. The fiscal year of this Association shall commence on January 1 of each year and end on December 31 of the same year.

ARTICLE 9

DISCIPLINE

9.1 Removal of Directors. Any director of the Association may be removed by the members pursuant to the California Nonprofit Mutual Benefit Corporation Law.

9.2 Authority to Terminate, Suspend, or Expel Members. The Board of Directors may terminate, suspend or expel any member guilty of any violation of the provisions of these Bylaws, of the Articles of Incorporation or of any act that is in the opinion of the Board, detrimental to the Association or the purpose for which the Association has been established. Notice of such termination, suspension or expulsion and the reasons therefor shall be immediately given in writing to said member by registered mail, return receipt requested, no later than fifteen (15) days prior to the proposed effective date of the termination, suspension or expulsion.

Said notice shall state that the member has the right to be heard orally or in writing by the Board of Directors by filing a written request for such a forum with the Secretary of the Association no fewer than five (5) days before the effective date of the termination, suspension or expulsion. All such requests must be personally delivered or mailed to the Secretary by postage prepaid certified mail, return receipt requested, within the time limits set forth herein. If a member does not request such a hearing within five (5) days in the manner herein prescribed, the action of the Board of Directors shall be final and conclusive, effective as of the date of the proposed termination, suspension or expulsion.

If said request is filed in the manner herein prescribed, the President shall, no fewer than five (5) days before the effective date of the proposed termination, suspension or expulsion, call a hearing at which time the member shall be given a full and fair opportunity to meet and answer said charges and grounds. At the conclusion of said hearing which may be continued from time to time by the Board of Directors, the Board of Directors shall affirm, modify or cancel its action. Notice of the Board's final determination shall be given in writing and in the manner hereinabove prescribed to the member.

ARTICLE 10

BYLAWS

10.1 Certification and Inspection of Bylaws. The Association shall keep in its principal office, the original copy of the Bylaws, as amended or otherwise altered to date, certified by the Secretary, which shall be open to inspection by the members of the Association or members of the Board of Directors at reasonable times during business hours.

10.2 Changes in the Bylaws. New Bylaws may be adopted or these Bylaws may be amended or repealed by a majority vote of the Board of Directors and a two-thirds (2/3) vote of members voting at a meeting at which a quorum is present.

ARTICLE 11

CONFLICT OF INTEREST

11.1 Conflict of Interest. Any member, officer or director who shall engage with the Association in a business activity of any nature as a result of which the person would benefit pecuniarily either directly or indirectly shall fully disclose any such expected financial benefit to the Board of Directors for approval by a disinterested majority prior to contracting with the Association and shall further refrain, if a member of the Board of Directors, from any vote in which such issue is involved, and shall comply in all respects with the California Nonprofit Mutual Benefit Corporation Law relating to self-dealing contracts.

ARTICLE 12

AGREEMENT OF THE MEMBERS

12.1 Agreement of the Members. All of the members of this Association agree with and between each other and the Association that all of the activities of the Association shall be directed toward the fulfillment and furtherance of the purposes of the Association set forth in the Articles of Incorporation, and any amendments thereto, and that all of the contributions, assets and earnings of the Association, if any, shall be expended for, dedicated and devoted to the advancement of said purposes, and no member of the Association, as such, shall ever be entitled to receive any part thereof, either before or after the dissolution of the Association. It is further understood and agreed by and between all of the members of the Association, and each other and the Association, that no member as such will withdraw, claim or use any right or interest the member might have in or to the Association, its property or assets, but that the same shall be devoted to the advancement of its purposes as aforesaid. The understanding and agreement herein set forth shall bind each and every future member of the Association to the same extent and in the same manner as present members are and shall be bound thereby.

These Bylaws, and any amendments or additions thereto, and the Articles of Incorporation of the Association, and any amendments thereof, and any provisions, terms, covenants, or agreements therein contained, shall be and shall constitute a valid and binding

contract by and between each of the members of the Association and by and between such members and the Association, which contract shall become effective as to each member upon admission to membership. The agreements of each member under this Section shall be considered as having been made in consideration of, and for the purpose of inducing, the agreement by each of the other members to the same.

ARTICLE 13

CONSTRUCTION AND DEFINITIONS

13.1 Construction and Definitions. Unless the context otherwise requires, the general provisions, rules of construction, and definitions contained in the general provisions of the California Nonprofit Corporation Law and the California shall govern the construction of these Bylaws. Words in these Bylaws shall be read as the masculine or feminine gender and as the singular or plural, as the context requires. The captions and headings in these Bylaws are intended for convenience only and are not intended to limit or define the scope of effect of any provision.

CERTIFICATE OF SECRETARY OF
PHYSICIAN HOSPITALS OF AMERICA, INC.

AUTHENTICATING AMENDED AND RESTATED BYLAWS

I hereby certify:

That I am the Secretary of Physician Hospitals of America, Inc.

That the attached Bylaws, are a true and correct copy of the Amended and Restated Bylaws of the corporation as duly adopted by the approval of the Board of Directors of the corporation by unanimous written consent effective as of the date below.

IN WITNESS WHEREOF, I have hereunto set my hand this 2nd day of October, 2015.

Signature: _____

Printed Name: _____

Title: Secretary