

AMENDED AND RESTATED BYLAWS OF  
UNIVERSITY OF SOUTH FLORIDA  
HEALTH SCIENCES CENTER INSURANCE COMPANY, INC.

DEFINITIONS

In these Bylaws:

"Articles" means the Articles of Incorporation as originally framed or as amended in compliance with the Vermont Business Corporation Act.

"Auditors" means the persons performing the duties of auditors of the Corporation.

"Corporation" means UNIVERSITY OF SOUTH FLORIDA HEALTH SCIENCES CENTER INSURANCE COMPANY, INC.

"Council" means the council of the Self Insurance Program.

"Directors" means the Board of Directors of the Corporation.

"Governors" means the Board of Governors of the State of Florida.

"President" means the person appointed by the Directors to perform the duties of President and Chief Executive Officer of the Corporation.

"Registered Office" means the registered office of the Corporation.

"Regulation" means Florida Board of Governors Regulation 10.001.

"Seal" means the common seal of the Corporation and includes every official Corporation seal.

"Secretary" means any person appointed by the Directors to perform the duties of Secretary of the Corporation.

"Self Insurance Program" means the University of South Florida Health Sciences Center Self Insurance Program.

"Shareholder" means the Board of Governors of the State of Florida.

"Statute" means The Vermont Business Corporation Act as amended and supplemented.

"Written" and "In-Writing" includes all modes of representing or reproducing words in visible form.

Words imparting the singular number only include the plural number and vice-versa. Words imparting the masculine gender only include the feminine gender. Words imparting persons only include companies.

## SHAREHOLDER

1. The annual meeting of the Shareholder shall be held at such place either within or without the State of Vermont and on such date and time as specified in the notice of meeting. The purpose of the annual meeting shall be to transact such business as may properly be brought before the meeting. Failure to hold an annual meeting of the Shareholder shall not result in a forfeiture or dissolution of the Corporation. If the annual meeting is not held, a special meeting may be held in place thereof, and any business transacted or elections held at such meeting shall have the same effect as if transacted or held at the annual meeting.
2. Special meetings of the Shareholder, for any purpose or purposes described in the meeting notice, may be called by the President, the Directors, the Secretary, or upon the written request of the Shareholder, for any purpose. Special meetings shall be held at such place either within or without the State of Vermont, and on such date and time as specified in the notice of the meeting.
3. Written notice of the place, date, and time at which an annual or special meeting is to be held shall be given personally, or put in the regular mail, or delivered through an electronic communications mechanism, to the Shareholder entitled to vote thereat, not less than ten (10) nor more than sixty (60) days prior to the meeting by or at the direction of the President, the Secretary, or the other persons calling the meeting. Notice of a special meeting shall state, in addition to the foregoing information, the purpose for which it is called.

## DIRECTORS

4. Subject to day to day management of the Corporation which shall be delegated to the President, the business of the Corporation shall be managed by the Directors who may delegate their functions, or part thereof, to an executive committee or committees and/or to the Officers.
5. The Corporation shall have a minimum of three (3) Directors, the exact number to be determined by the Shareholder from time to time. Each Director shall hold office until the next annual meeting of the Shareholder or until removed. However, if his or her term expires, the Director shall continue to serve until his or her successor shall have been elected and qualified or until there is a decrease in the number of directors. So long as it shall be required by Chapter 141 of Title 8, Vermont Statutes Annotated, at least one (1) of the Directors shall be a resident of the State of Vermont.
6. If a vacancy occurs on the board of Directors, including a vacancy resulting from an increase in the number of Directors, the Shareholder may fill the vacancy. During such time that the Shareholder fails or is unable to fill such vacancies, then and until the Shareholder acts, the remaining Directors may fill the vacancy, or if the Directors remaining in office constitute fewer than a quorum of the Directors, they may fill the vacancy by the affirmative vote of a majority of all the Directors remaining in office.

## POWERS AND DUTIES OF DIRECTORS

7. The Directors shall exercise those powers and duties as delineated in the Regulation and the Statute and when not inconsistent with such Regulation and Statute, may from time to time and at any time by power of attorney appoint any corporation, firm, or person or body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Corporation for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Bylaws) and for such period and subject to such conditions as they may think fit, and any such powers of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit and may also authorize any such attorney to delegate all or any of the powers, authorities, and discretions vested in him.
8. All checks, promissory notes, drafts, bills of exchange, and other negotiable instruments, and all receipts for monies paid to the Corporation, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, in such manner as the Directors from time to time by resolution determine.
9. The Directors shall cause minutes to be made in books provided for the purpose:
  - (a) of all appointments of Officers made by the Directors;
  - (b) of the names of the Directors present at each meeting of the Directors and of any committee of the Directors;
  - (c) of all resolutions of the Corporation, and of the Directors and of committees of Directors.

## PROCEEDINGS OF THE DIRECTORS

10. A regular meeting of the Directors shall be held without other notice than this Bylaw immediately after, and at the same place as, the annual meeting of the Shareholder. The Directors shall otherwise meet at such other times as shall be determined by the Directors. Meetings of the Directors may be called by the Chairman or upon the written request of one-third of the Directors. The Secretary shall give at least five (5) days prior notice of any meeting of all Directors. All meetings of the Directors shall be open to the Shareholder, and the Chairman of the Governors may attend or designate any other person or persons to attend with him or in his place. So long as it is required by Chapter 141 of Title 8 of Vermont Statutes Annotated, the Directors shall hold at least one meeting within the State of Vermont each year, which meeting may but not need be the annual meeting of the Directors. Notwithstanding any regulatory requirement that a certain number of Directors be physically present for the annual Vermont meeting, the Directors may permit any or all Directors to participate in a meeting through the use of any means of communication by which Directors participating may simultaneously or

sequentially communicate with each other during the meeting. A Director participating in a meeting by this means is deemed to be present at the meeting for quorum and voting purposes.

11. Notwithstanding any provisions of these Bylaws to the contrary, a meeting of the Directors may be held at any time and at any place and any action may be taken thereat, if notice is waived in writing by all Directors. Further, the Directors may conduct business by written resolution, provided that all Directors sign such resolutions, in one or more counterparts.

12.

(a) Except as provided in Section 12(b), one-third (1/3) of the total number of Directors shall constitute a quorum for the transaction of business. The vote of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Directors. If at any meeting a quorum is not present within thirty (30) minutes of the time the meeting was intended to commence, a majority of the Directors present may adjourn the meeting to a date not more than ten (10) days later and notice of the arrangements for the adjourned meeting shall be given to all Directors.

(b) Notwithstanding the quorum defined in Section 12(a), unless at least a majority of Directors are present at the meeting and approve such action by a majority vote, and the notice of the meeting has specified that such action may be taken at such meeting, the Directors shall not take any action (and no Committee of the Directors shall take any action other than recommending to the Directors), relating to:

- (i) establishing and recommending to the Governors for approval in accord with the Regulation, the Corporate investment policy, including any revisions of an existing policy;
- (ii) establishing an annual Corporate budget to be submitted to the Governors as defined by the Regulation;
- (iii) establishing the amount of and the method of computing premiums for risks underwritten and retained by the Corporation;
- (iv) modifying, canceling, or declaring void any policy issued by the Corporation;
- (v) adopting policy forms or adopting a new policy form or changing any policy form previously adopted;
- (vi) adopting Corporate policy which shall define the underwriting criteria for entities and individuals to be insured, loss prevention requirements imposed during policy terms and oversight of the investigation and disposition of claims and suits covered by Corporation;

- (vii) contracting with an insurance management firm licensed in Vermont to serve as the registered office of the Corporation and to provide such services within Vermont as may be required by the Statute;
  - (viii) any proposal to the Shareholder to amend its Articles;
  - (ix) any proposal to the Shareholder to amend, alter, repeal, or add to these Bylaws;
  - (x) any proposal to the Shareholder or the dissolution of the Corporation; and
  - (xi) any other matter which may be reserved by the Directors by resolution, from time to time, or by these Bylaws for decision by a majority Directors vote.
13. The Directors shall receive no compensation for serving as Directors other than the reimbursement of expenses incurred at the direction of the Corporation.

#### OFFICERS

14. Subject to these Bylaws, the Directors may appoint such officers, all for such terms, to perform such duties and subject to such provisions as to disqualification and removal as the Directors from time to time prescribe, which shall include a President, a Secretary, a Treasurer, and a Chairman. If approved by the Directors, the positions of Secretary and Treasurer may be consolidated and held by one person who need not be a Director. The duties and powers of the officers of the Corporation shall be as follows:

(a) President

The President shall be Chief Executive Officer of the Corporation. The President shall be a member, ex officio, with right to vote, of all committees. The President shall be responsible for the day-to-day management of the Corporation. The President shall communicate to the Directors such matters and make such suggestions as may in his opinion tend to promote the prosperity and welfare and increase the usefulness of the Corporation. The President shall perform such other duties as are necessarily incident to the office of the President.

(b) Secretary

The Secretary shall give notice of and attend all meetings of the Directors and all meetings of executive and other committees and the Secretary shall keep minutes of such meetings.

The Secretary shall conduct all correspondence and carry into execution orders, votes, and resolutions. The Secretary shall notify the Officers and the Shareholder of their appointment on committees; and, if required by a particular committee, give notice of meetings of such committee. The Secretary shall ensure, under the direction of the Directors, an annual report of the transactions and conditions of the Corporation is

prepared. In case of absence or disability of the Secretary, the Directors may appoint a Secretary pro tem. The Secretary shall be the keeper of the Corporation's seal.

(c) Treasurer

The Treasurer shall maintain the Corporation's financial records and keep an account of all monies received and expended for the use of the corporation, and shall make disbursements only upon vouchers approved in writing by the President or the Chairman or such other individuals as designated in writing by either the President or Chairman. The Treasurer shall deposit all sums received by or for the Corporation in a bank, or banks, or trust corporation approved by the Directors, and the Treasurer shall make a report to the Directors when called upon by the President or the Directors. The funds, books, and vouchers in the Treasurer's hands shall at all times be under the supervision of the President or the President's designee and subject to the President's inspection and control. At the expiration of the Treasurer's term of office, the Treasurer shall deliver all books, monies, and other property to the Treasurer-elect or the President. In case of the absence or disability of the Treasurer, the Directors may appoint a Treasurer pro tem. The Treasurer shall give to the Corporation such security for the faithful discharge of his or her duties as the Directors may direct.

(d) Chairman

The Chairman shall preside at all meetings of the Directors. A Vice Chairman who may be elected by the Directors shall preside in the Chairman's absence.

15. All vacancies in any office shall be filled by the Directors or the Shareholder without undue delay.
16. The Officers shall receive no salary or compensation other than reimbursement of expenses incurred at the direction of the Corporation.

BOOKS OF ACCOUNT

17. The Directors shall cause proper books of account to be kept, which shall give a true and fair view of the state of the Corporation's accounts.
18. The Directors shall cause to be prepared and submitted to the Governors an income statement, balance sheet, and such other reports and accounts as the Governors may require from time to time.

EXECUTIVE COMMITTEE

19. There shall be established by the Directors an Executive Committee consisting of the Chairman, the President, the Secretary (or the Secretary/Treasurer if that position is combined), and any other Directors as elected by the Directors. The Executive Committee shall have such powers and authority as the Directors may delegate to it. Minutes of all Executive Committee meetings shall be recorded and forwarded to the Directors within ten (10) working days.

20. The Executive Committee shall meet in person, or by telephone, at such times as deemed necessary by the Chairman.

#### OTHER COMMITTEES

21. The Chairman shall appoint such other committees as the Chairman may deem necessary and advisable to assist in the conduct of the Corporation's affairs.
22. A majority of any committee of the Corporation shall constitute a quorum for the transaction of business, unless any such committee shall by a majority of its membership set a greater quorum requirement.
23. The Directors may, by resolution, create such other committees with membership consisting of Directors or such other persons as the Directors may designate, provided that a majority of such committee members shall be Directors. Such resolutions shall prescribe the authority of each committee and the period of its existence. Committee members shall receive no compensation as committee members except for reimbursement of expenses incurred at the direction of the Corporation.

#### USE OF CORPORATION FUNDS

24. The fiscal assets of the Corporation and all Corporation income from all sources shall be used only to pay claims underwritten by the Corporation and the administrative expenses of the Corporation.

#### DISCLOSURE OF FINANCIAL INFORMATION

25. All financial records of the corporation shall be available to the Directors, the Council, and the Governors for inspection, and to the appropriate personnel of the University of South Florida. Copies of each annual audited financial report, including a management letter, shall be promptly delivered to the President of the University of South Florida, the Directors, the Council, and the Governors for their review.

#### AUDITORS

26. The Directors shall appoint an Auditor or Auditors of the Corporation who shall hold office until replaced, at any time, by the Governors or the Directors. So long as it may be required by the applicable Vermont regulation, the Auditor must be authorized by the Vermont Commissioner of Financial Regulation.
27. Every Auditor of the Corporation shall have a right of access at all time to the books and accounts and vouchers of the Corporation and shall be entitled to require from the Directors and Officers of the Corporation such information and explanation as may be necessary for the performance of the duties of the Auditors.
28. The Auditors shall make such reports on the accounts of the Corporation in a general meeting during their tenure of office as requested by the Shareholder or the Directors.

## CONTRACTS FOR INSURANCE SERVICES

29. In accordance with Section 2(d)(3) of the Regulation and as deemed by the Directors to be necessary for the proper management of the Corporation, the Corporation shall contract with the Self-Insurance Program for such administrative and service functions as the Self-Insurance Program is qualified to perform.

### SEAL

30. The Directors may provide a corporate seal which may be circular in form and have inscribed thereon any designation including the Corporation's name, Vermont as the state of incorporation, and the words "Corporate Seal."
31. The Seal shall be used only by the authority of the Directors or of a committee of the Directors authorized by the Directors in that behalf and every instrument to which the Seal has been affixed shall be signed by one person who shall be either a Director or the Secretary or Secretary/Treasurer or some person appointed by the Directors for the purpose.

PROVIDED THAT a Director, Secretary, or other officer or representative or attorney may without further authority of the Directors affix the Seal of the Corporation over his signature alone to any document of the Corporation required to be authenticated by him under Seal.

PROVIDED FURTHER THAT a Certificate representing the sole share of the Corporation under seal signed by a Director and countersigned by the Secretary or another Director or other authorized person, and that the Directors may authorize the Certificate to be assured with the Seal and authorized signatures affixed by some method or system of mechanical process.

32. The Corporation may have for use in any territory, district or place not situated in the State of Vermont, one or more official seals each of which shall be a facsimile of the Common Seal of the Corporation and each of which such seals may bear the addition on its face of the name of the territory, district, or place where it is to be used.

### WINDING UP

33. In a winding up of the Corporation, all of its assets remaining after the payment of all costs and expenses of such winding up shall be disbursed to the Shareholder for disposition in accordance with instructions from the Shareholder.

### INDEMNIFICATION

34. Unless otherwise provided in the articles of incorporation, the corporation shall indemnify any individual made a party to a proceeding because the individual is or was a director of the corporation, against liability incurred in the proceeding, but only if the corporation has authorized the payment in accordance with Section 8.55 of the Statute and a determination has been made in accordance with the procedures set forth in Section 8.55 of the Statute that the director met the standards of conduct and other



requirements set forth in paragraphs (a), (b), and (c) below.

(a) *Standard of Conduct.* The individual shall demonstrate that: (1) the director conducted himself or herself in good faith; and (2) the director reasonably believed: (i) in the case of conduct in his or her official capacity with the corporation, that his or her conduct was in the corporation's best interests; (ii) in all other cases, that his or her conduct was at least not opposed to the corporation's best interests; and (3) in the case of any proceeding brought by a governmental entity, the director had no reasonable cause to believe his or her conduct was unlawful, and the director is not finally found to have engaged in a reckless or intentional unlawful act.

(b) *No Indemnification Permitted in Certain Circumstances.* The corporation shall not indemnify a director under this provision (i) in connection with a proceeding by or in the right of the corporation in which the director was adjudged liable to the corporation; or (ii) in connection with any other proceeding charging improper personal benefit to the director, whether or not involving action in his or her official capacity, in which the director was adjudged liable on the basis that personal benefit was improperly received by him or her.

(c) *Indemnification in Derivative Actions Limited.* Indemnification permitted under this Section 34 of these Bylaws in connection with a proceeding by or in the right of the corporation is limited to reasonable expenses incurred in connection with the proceeding.

35. If a determination is made, following the procedures of Section 8.55 of the Statute that the director has met the following requirements; and if an authorization of payment is made, following the procedures and standards set forth in Section 8.55 of the Statute, then, unless otherwise provided in the articles of incorporation, the corporation shall pay for or reimburse the reasonable expenses incurred by a director who is a party to a proceeding in advance of final disposition of the proceeding, if (1) the director furnishes the corporation a written affirmation of his or her good faith belief that the director has met the standard of conduct described in Section 34 of these Bylaws; (2) the director furnishes the corporation a written undertaking, executed personally or on his or her behalf, to repay the advance if it is ultimately determined that the director did not meet the standard of conduct (which undertaking must be an unlimited general obligation of the director but need not be secured and may be accepted without reference to financial ability to make repayment); and (3) a determination is made that the facts then known to those making the determination would not preclude indemnification under Section 34 of these Bylaws or Chapter 8, Subchapter 5 of the Statute.
36. Unless otherwise provided in the articles of incorporation, the board of directors may indemnify and advance expenses to any officer, employee, or agent of the corporation, who is not a director of the corporation, to the same extent as a director, as determined by the general or specific action of the board of directors.
37. Unless limited by the articles of incorporation, a corporation shall indemnify a director

and an officer of the corporation in accordance with Sections 8.52 and 8.56 of the Statute.

38. Notwithstanding the foregoing, no individual for whom indemnification is intended hereunder shall be indemnified for any cost or liability for which coverage and reimbursement are provided under an insurance policy.
39. If the corporation indemnifies or advances expenses to a director in connection with a proceeding by or in the right of the corporation, the corporation shall report the indemnification or advance in writing to the Shareholder with or before the notice of the next Shareholder's meeting.

Adopted as of the \_\_\_ day of \_\_\_\_\_, 2016.

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