
BYLAWS
OF
KENTUCKY E-HEALTH CORPORATION

_____, 2007

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**BYLAWS
OF
KENTUCKY E-HEALTH CORPORATION**

ARTICLE 1

OFFICES

1.1 Principal Office. The principal office of the Corporation shall be located at any place either within or outside the Commonwealth of Kentucky as designated in the Corporation's most current Annual Report filed with the Secretary of State of Kentucky. The Corporation may have such other offices, either within or without the Commonwealth of Kentucky, as the Board of Directors of the Corporation ("Board") may deem advisable from time to time.

1.2 Registered Office. The Corporation shall maintain a registered office in the Commonwealth of Kentucky as required by Kentucky law. The address of the registered office may be changed from time to time by the Board.

ARTICLE 2

NO CAPITAL SHARES

2.1 No Capital Shares. The Corporation shall have no capital shares or shareholders, and its business and affairs shall not be conducted for private pecuniary gain or profit, nor shall any of the Corporation's gain, profit or property inure to the incorporators thereof, nor officer or director thereof, except as otherwise provided in Section (2)(a) of ARTICLE II of the Corporation's Articles of Incorporation ("Articles") with respect to compensation for services rendered, but the Corporation's entire gain, profit, net earnings and property shall be devoted exclusively to the charitable and other uses and purposes set out in ARTICLE II of the Articles.

ARTICLE 3

NO MEMBERS

3.1 Number of Members. There shall be no Members of the Corporation.

ARTICLE 4

DIRECTORS

4.1 General Powers. All corporate power shall be exercised by or under the authority of, and the business and affairs of the Corporation shall be managed under the direction of, the Board, subject to any limitations set forth in the Articles.

4.2 Number, Election and Term. The corporation's Board of Directors shall consist of fourteen (14) voting members from public and private sectors with representation as follows:

- (a) Kentucky e-Health Network Board co-chair, or a designee, from the University of Kentucky, who initially shall serve as co-chair of the corporation;
- (b) Kentucky e-Health Network Board co-chair, or a designee, from the University of Louisville, who initially shall serve as co-chair of the corporation;
- (c) One (1) member from the Kentucky Health Information Partnership Advisory Subcommittee;
- (d) One (1) members from the Cabinet for Health and Family Services representing the Department for Medicaid Services;
- (e) One (1) member from the Cabinet for Health and Family Services representing the Department for Public Health;
- (f) Two (2) members representing physicians or other health care practitioners in active practice in the Commonwealth;
- (g) Two (2) members representing payors of health care;
- (h) One (1) member representing employers who purchase health care benefits for employees;
- (i) Two (2) members representing hospitals or other health care facilities;
- (j) One (1) member representing consumers of health care; and
- (k) One (1) member representing local or regional health information exchange organizations providing services to residents of the Commonwealth.

Each director shall hold office for two years or until such director's successor shall be elected and qualified, whichever period is longer. The directors need not be residents of the Commonwealth of Kentucky. Each director shall not be eligible to serve for more than two consecutive terms nor serve for more than four consecutive years, whichever is shorter.

4.3 Removal and Resignations. At a meeting of the Board called expressly for that purpose, any director or the entire Board may be removed, with or without cause, by a vote of a majority of directors then entitled to vote at an election of directors. Any

member of the Board may resign from the Board at any time by giving written notice to the Board. A resignation shall be effective when the notice is delivered unless the notice specifies a later effective date. Any director missing more than two consecutive meetings shall be automatically removed from their position as director and that position shall be declared vacant by the Board Chairman.

4.4 Annual and Regular Meetings. An annual meeting of the Board shall be held at such time and place as the Chairman of the Board may direct upon at least ten days' prior notice in writing, given personally, by mail or fax, to all of the directors of the Corporation for the purpose of electing officers and the transaction of such other business as may properly come before the meeting. The Board may provide by resolution the time and place, either within or without the Commonwealth of Kentucky, for the holding of regular meetings without other notice than such resolution.

4.5 Special Meetings. Special meetings of the Board may be called by, or at the request of, the President or any two directors of the Corporation. All special meetings of the Board shall be held at the principal office of the Corporation or such other place as may be specified in the notice of the meeting.

4.6 Participation in Meetings. Unless otherwise provided by Kentucky law, the Board may permit any or all directors to participate in an annual, regular or special meeting by, or conduct the meeting through the use of, any means of communication by which all directors participating may simultaneously hear each other during the meeting including, but not limited to, conference telephone or similar communications equipment. A director participating in a meeting by this means shall be deemed to be present in person at the meeting.

4.7 Notice of Meeting. Notice of the date, time and place of any special meeting shall be given at least two days prior thereto by written notice mailed, faxed or delivered personally to each director at the director's business address. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage prepaid. If notice be given by fax, such notice shall be deemed to be delivered when receipt of the fax is confirmed by return fax or other writing by the intended recipient. Unless otherwise provided in these Bylaws or Kentucky law, the notice shall not be required to describe the purpose of the special meeting.

4.8 Waiver of Notice. A director may waive any notice required by the Articles, these Bylaws or Kentucky law before or after the date and time stated in the notice. The waiver shall be in writing, signed by the director entitled to the notice, and filed with the minutes or corporate records. A director's attendance at or participation in a

meeting shall constitute a waiver of notice of such meeting, unless the director at the beginning of the meeting, or promptly upon the director's arrival, objects to the holding of the meeting or transacting business at the meeting because the meeting is not lawfully called or convened.

4.9 Quorum and Voting. Unless the Articles require a greater or lesser number, a majority of the number of directors fixed by these Bylaws shall constitute a quorum of the Board; provided, however, that if less than a majority of the directors are present at said meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

4.10 Manner of Acting. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board, unless otherwise required by the Articles or these Bylaws.

4.11 Actions Requiring a Super Majority. All actions of the Board which involve the Corporation incurring debt, initiating new lines of business outside the traditional scope of activities of the Corporation, or amending these Bylaws shall require the affirmative vote of at least sixty percent of the directors present at the meeting in which the matter is presented. Any amendments to these Bylaws shall also be submitted to the Kentucky e-Health Network Board for review and approval as provided in Section 9.1.

4.12 Vacancy on Board. If a vacancy occurs on the Board, including a vacancy resulting from an increase in the number of directors, such vacancy shall be filled by the affirmative vote of the majority of the remaining directors though less than a quorum of the Board. Each director shall be selected and elected by the Board from a list of nominations submitted to the Chairman or Vice Chairman of the Board, having been received from the at-large members of the constituencies represented on the Board. A director elected to fill a vacancy shall be elected for the unexpired term of such director's predecessor in office.

4.13 Compensation of Directors. Directors of the Corporation shall serve without compensation but may be reimbursed for their actual and necessary expenses incurred in the performance of their duties, in accordance with all applicable regulations of the Kentucky Finance and Administration Cabinet for public board members.

4.14 Action by Written Consent. Any action required or permitted to be taken by the Board at a meeting may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the directors.

4.15 Chairman and Vice Chairman of the Board. The Board may, at its annual meeting, appoint one of its members Chairman of the Board for a term of one year. The Chairman of the Board shall preside at all meetings of the Board. A director may not serve more than two consecutive terms as Chairman of the Board with any vacancies handled in the manner prescribed in Section 4.12. The Board may also appoint one of its members as Vice Chairman of the Board for a term of one year, and such individual shall serve in the absence of the Chairman and perform such additional duties as may be assigned to the Vice Chairman by the Board. A director may not serve more than two consecutive terms as Vice Chairman of the Board with any vacancies handled in the manner prescribed in Section 4.12.

ARTICLE 5

OFFICERS

5.1 Required Officers. The Corporation shall have the officers described in these Bylaws or appointed by the Board in accordance with these Bylaws. A duly appointed officer may appoint one or more officers or assistant officers if authorized by the Board. The same individual may simultaneously hold more than one office in the Corporation. Section 5.10 delegates to the Secretary, if such office be created and filled, the required responsibility of preparing minutes of the directors' meetings and for authenticating records of the Corporation. If such office shall not be created and filled, then the Board shall delegate to one of the officers of the Corporation such responsibility.

5.2 Appointment and Term of Office. The officers of the Corporation shall be elected by the Board at the first, and thereafter at each annual, meeting of the Board. If the appointment of officers shall not be made at any such meeting, such appointment shall be made as soon thereafter as is practicable. Vacancies may be filled or new offices created and filled at any meeting of the Board. Each officer shall hold office until such officer's successor shall be duly elected or until such officer's death or until such officer shall resign or shall have been removed in the manner hereinafter provided.

5.3 Removal and Resignations of Officers. The Board may remove any officer at any time with or without cause. An officer of the Corporation may resign at any time by delivering written notice to the Board. A resignation shall be effective when the notice is delivered unless the notice specifies a later effective date.

5.4 Contract Rights of Officers. Appointment of an officer or agent shall not of itself create contract rights. An officer's removal shall not affect the officer's contract rights, if any, with the Corporation. An officer's resignation shall not affect the Corporation's contract rights, if any, with the officer.

5.5 Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise may be filled by the Board for the unexpired portion of the term.

5.6 Chairman of the Board. The Chairman of the Board may, at the discretion of the Board, be the chief executive officer of the Corporation and, if such, shall, in general, supervise and control the affairs and business of the Corporation, subject to control by the Board. The Chairman of the Board shall preside at all meetings of the Board.

5.7 President. The President, if that office be created and filled, shall be the chief executive officer of the Corporation, unless a Chairman of the Board is appointed and designated chief executive officer pursuant to Section 5.6. The President may sign any deeds, mortgages, bonds, contracts or other instruments which the Board has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board or by these Bylaws to some other officer or agent of the Corporation, or shall be required by law to be otherwise signed or executed. The President shall, in general, perform all duties incident to the office of President and such other duties as may be prescribed by the Board from time to time. Unless otherwise ordered by the Board, the President shall have full power and authority on behalf of the Corporation to attend, act and vote at any meeting of members or shareholders of any corporation in which the Corporation may hold membership or stock, and at any such meeting shall hold and may exercise all rights incident to membership or the ownership of such stock which the Corporation, as member or owner, would have had and exercised if present. The Board may confer like powers on any other person or persons.

5.8 Vice President. In the absence of the President, or in the event of the President's death, inability or refusal to act, the Vice President (or, in the event there be more than one Vice President, the Vice Presidents in order designated at the time of their appointment, or in the absence of any designation, then in the order of their appointment), if that office be created and filled, shall perform the duties of the President and when so acting shall have all the powers of, and be subject to all the restrictions upon, the President. A Vice President shall perform such other duties as from time to time may be assigned to such person by the Chairman of the Board, the President or the Board.

5.9 Treasurer. The Treasurer, if that office be created and filled, shall (a) have charge and custody of, and be responsible for, all funds and securities of the Corporation, (b) receive and give receipts for monies due and payable to the Corporation from any source whatsoever, and deposit all such monies in the name of the Corporation in such banks, trust companies and other depositories as shall be selected in accordance with the provisions of Section 6.4 and (c) in general, perform all

the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to the Treasurer by the Chairman of the Board, President or the Board. If required by the Board, the Treasurer shall give a bond for the faithful discharge of such officer's duties (which may, but need not be, paid by the Corporation) in such sum and with such surety or sureties as the Board shall determine.

5.10 Secretary. The Secretary, if that office be created and filled, shall (a) keep the minutes of the meetings of the Board in one or more books provided for that purpose, (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law, (c) be custodian of the corporate records and of the seal, if any, of the Corporation, (d) be responsible for authenticating records of the Corporation, (e) keep a register of the mailing address of each director and (f) in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to the Secretary by the Chairman of the Board, the President or the Board.

5.11 Assistant Treasurers and Assistant Secretaries.

(a) Assistant Treasurer. The Assistant Treasurer, if that office be created and filled, shall, if required by the Board, give bond for the faithful discharge of such officer's duties (which may, but need not be, paid by the Corporation) in such sum and with such surety as the Board shall determine.

(b) Additional Duties. The Assistant Treasurers and Assistant Secretaries, in general, shall perform such additional duties as shall be assigned to them by the Treasurer or the Secretary, respectively, or by the Chairman of the Board, the President or the Board.

5.12 Compensation. The compensation, if any, of the officers of the Corporation shall be fixed from time to time by the Board, and no officer shall be prevented from receiving such compensation by reason of the fact that such officer is also a director of the Corporation; provided, however, that if any compensation is paid to any officer of the Corporation, the amount of such compensation shall not exceed such amount as is reasonable under all of the facts and circumstances.

ARTICLE 6

CONTRACTS, LOANS, CHECKS AND DEPOSITS

6.1 Contracts. The Board may authorize any officer or agent to enter into any contract and execute and deliver any instruments in the name of and on behalf of the Corporation. Such authority may be general or confined to specific instances.

6.2 Corporate Loans. No loans shall be contracted on behalf of the Corporation, and no evidences of indebtedness shall be issued in the Corporation's name, unless authorized by a resolution of the Board. Such authority may be general or confined to specific instances.

6.3 Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or agent of the Corporation and in such manner as shall, from time to time, be determined by resolution of the Board.

6.4 Deposits. All funds of the Corporation not otherwise employed shall be deposited, from time to time, to the credit of the Corporation in such banks, trust companies and other depositories as the Board may select.

ARTICLE 7

EXECUTIVE AND OTHER COMMITTEES

7.1 Executive Committee. The Board by resolution adopted by a majority of all directors may create and appoint from among its members an Executive Committee consisting of three or more directors, who shall serve at the pleasure of the Board.

7.2 Authority of Executive Committee. When the Board is not in session, the Executive Committee shall have and may exercise all of the authority of the Board, unless otherwise specified in the resolution appointing the Executive Committee. Neither the Executive Committee, nor any other committee created by the Board, shall have the authority to: (a) amend, alter or repeal these Bylaws, (b) appoint or remove any member of the Executive Committee or any director or officer of the Corporation, (c) amend or restate the Articles, (d) adopt a plan of merger or consolidation with another corporation, (e) authorize the sale, lease, exchange or mortgage of all, or substantially all, of the property and assets of the Corporation, (f) authorize the voluntary dissolution of the Corporation or adopt a plan for the distribution of the assets of the Corporation or (g) amend, alter or repeal any resolution of the Board.

(a) Tenure and Qualification. Each member of the Executive Committee shall hold office until the next annual meeting of the Board following such member's designation and until such member's successor shall be duly designated and qualified.

(b) Meetings. Sections 4.4 through 4.8 (which address meetings, notice of meetings and waiver of notice) and Section 4.14 shall apply to the Executive Committee and its members as well.

(c) Quorum and Voting. A majority of the members of the Executive Committee shall constitute a quorum of the Executive Committee. If a quorum is present when a vote is taken, the affirmative vote of a majority of the members present shall be the act of the Executive Committee. A member who is present at a meeting of the Executive Committee when corporate action is taken shall be deemed to have assented to the action taken unless: (i) such member objects at the beginning of the meeting, or promptly upon such member's arrival, to holding it or transacting business at the meeting, (ii) such member's dissent or abstention from the action taken is entered in the minutes of the meeting or (iii) such member delivers written notice of the member's dissent or abstention to the presiding officer of the meeting before its adjournment or to the Corporation immediately after adjournment of the meeting. The right of dissent or abstention shall not be available to a director who votes in favor of the action taken.

(d) Vacancies. Any vacancy in the Executive Committee may be filled by a resolution adopted by the Board in accordance with Section 7.1.

(e) Resignations and Removal. Any member of the Executive Committee may be removed at any time, with or without cause, by resolution adopted by the Board in accordance with Section 7.1. Any member of the Executive Committee may resign from the Executive Committee at any time by giving written notice to the Board, and resignation shall be effective when the notice is delivered unless the notice specifies a later effective date.

7.3 Other Committees. The Board by resolution adopted by the greater of a majority of all directors in office when the action is taken may create and appoint from among its members such other committees, consisting of two or more directors, as from time to time it may consider necessary or appropriate to conduct the affairs of the Corporation. Each such committee shall have such power and authority as the Board may, from time to time, establish for it. The tenure and qualifications of the members of each committee, the time, place and organization of such committee's meetings, the notice required to call any such meeting, the number of members of each such committee that shall constitute a quorum, the affirmative vote of the committee

members required effectively to take action at any meeting at which a quorum is present, the action that any such committee can take without a meeting, the method in which a vacancy among the members of such committee can be filled and the procedures by which resignations and removals of members of such committee shall be acted upon or accomplished, shall be fixed by the resolution adopted by the Board relative to such matters, subject to the provisions of Kentucky law.

ARTICLE 8

EMERGENCY BYLAWS

8.1 Adoption of Emergency Bylaws. The provisions of Section 8.2 shall be operative during any emergency. An emergency shall exist for purposes of Section 8.2 if a quorum of the Board cannot readily be assembled because of some catastrophic event. All provisions of these Bylaws provided elsewhere herein which are consistent with the Emergency Bylaws shall remain effective during the emergency. The Emergency Bylaws shall not be effective after the emergency ends.

8.2 Provisions of Emergency Bylaws.

(a) Call of Meeting. A meeting of the Board may be called by any officer or director of the Corporation. Notice of the time and place of the meeting shall be given by the person calling the meeting to such of the directors as it may be feasible to reach by any available means of communication. Such notice shall be given at such time in advance of the meeting as circumstances permit in the judgment of the person calling the meeting.

(b) Quorum. The director or directors in attendance at the meeting, as the case may be, shall constitute a quorum.

(c) Lines of Succession. The Board, either before or during any such emergency, may provide, and from time to time modify, lines of succession in the event that during such an emergency, any or all directors, officers, employees or agents of the Corporation shall, for any reason, be rendered incapable of discharging their duties.

(d) Change in Principal Office. The Board, either before or during any such emergency, may, effective in the emergency, change the principal office or designate several alternative principal offices or regional offices, or authorize the officers to do so.

(e) Liability of Officers and Directors. All corporate action taken in good faith in accordance with these Emergency Bylaws shall bind the Corporation. No officer, director or employee acting in accordance with these Emergency Bylaws shall be liable for such action, except for bad faith.

8.3 Changes in Emergency Bylaws. These Emergency Bylaws shall be subject to repeal or change by further action of the Board, but no such repeal or change shall modify the provisions of Section 8.2 with regard to action taken prior to the time of such repeal or change.

ARTICLE 9

MISCELLANEOUS

9.1 Amendments. In the event the Board wishes to alter, amend or repeal these Bylaws, the Board must first submit the proposed revisions to the Kentucky e-Health Network Board. Bylaws shall require the affirmative vote of at least sixty percent of the directors present at the meeting in which the matter is presented. The Kentucky e-Health Network Board must then approve the revisions and resubmit them to the Corporation's Board for consideration. Only then shall the Board have the limited power and authority to alter, amend or repeal these Bylaws as approved by the Kentucky e-Health Network Board by the vote of a majority of all the members of the Corporation Board.

9.2 Fiscal Year. The Board shall have the power to fix, and from time to time change, the fiscal year of the Corporation.

9.3 Seal. The Board may adopt a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Corporation, Kentucky as the state of incorporation and the word "CORPORATE SEAL."

9.4 Waiver of Notice. Whenever any notice is required to be given under the provisions of these Bylaws, the Articles or Kentucky law, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

9.5 Construction. Unless the context specifically requires otherwise, any reference in these Bylaws 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.

9.6 Limitations. Notwithstanding any other provision hereof, including, but not limited to, any provision of any Emergency Bylaws, the Corporation shall take no action contrary to the provisions of ARTICLE II of the Articles, and if at any time the Corporation is a private foundation or private operating foundation as such terms are defined in the Internal Revenue Code of 1986, as amended ("Code"), then the Corporation shall only act as permitted under the Code without subjecting the Corporation to additional taxes imposed under Subchapter A, Chapter 42, Subtitle D of the Code.

9.7 Severability of Provisions. Except as may conflict with the provisions of ARTICLE II of the Articles, if any provision of these Bylaws, or its application to any person or circumstances, is held invalid or unenforceable by a court of competent jurisdiction, the remainder of these Bylaws, or the application of such provisions to persons or circumstances other than those to which it was held to be invalid or unenforceable, shall not be affected thereby, and to this extent, the provisions of these Bylaws are severable.

The above Bylaws of the Corporation were
adopted by the Board effective as of
_____, 2007

_____, Secretary