

**BYLAWS OF
FOUNDATION FOR A HEALTHY KENTUCKY, INC.**

BYLAW I

OFFICES

The principal office of the Corporation in the Commonwealth of Kentucky shall be located at 9300 Shelbyville Road, Suite 1305, Louisville, Kentucky 40222. The Corporation may have such other offices, either within or without the Commonwealth of Kentucky, as the business of the Corporation may require from time to time.

BYLAW II

BOARD OF DIRECTORS

SECTION 1. GENERAL POWERS. The business and affairs of the Corporation shall be managed under the direction of its Board of Directors.

SECTION 2. NUMBER AND TENURE. The Board of Directors shall be composed of fifteen (15) members, but may be increased or decreased by amendment of this Section, and if required, by amendment of Article VI of the Articles of Incorporation. The Board of Directors shall be chosen as follows.

Two individuals, who must be residents of Kentucky, shall be appointed by the Governor of Kentucky from a list of nominees submitted by the Community Advisory Committee (the "Gubernatorial Directors"). One individual, who must be a resident of Kentucky and may not be an employee of Anthem Insurance Companies, Inc. or any controlled affiliate thereof, shall be appointed by Anthem Insurance Companies, Inc. (the "Anthem Director"). The Gubernatorial Directors and the Anthem Director shall collectively be referred to as the "Appointed Directors." An Appointed Director may be removed, with or without cause, at any time, by the office or organization that appointed him or her. Any vacancy in such position, however occurring, shall be filled by the office or organization that is authorized to appoint the Director to the position (in the case of the Gubernatorial Directors, subject to the nomination process set out in Section 5 of this Bylaw II). Those persons serving as Appointed Directors shall have voting rights in their capacity as members of the Board of Directors and any committee on which they serve. An individual serving as an Appointed Director may not serve for more than six (6) consecutive years, and shall not be eligible for reappointment as a Director for a period of one year following the expiration of any such six-year term.

The twelve (12) Directors not appointed by the Governor of Kentucky or Anthem Inc, shall be composed of seven (7) Representative Directors and five (5) At-Large Directors. Each of the seven (7) Kentucky Supreme Court districts (as described in KRS 21A.010 and hereinafter referred to as "Supreme Court Districts") shall be represented by a Director who resides in that district, and who

shall be referred to as a “Representative Director”. A Director who is neither an Appointed Director nor a Representative Director shall be an At-Large Director.

The Community Advisory Committee Appointment Sub-Committee shall at all times appoint a majority of the Directors, which shall be eight (8) until such time as the number of Directors is changed. Notwithstanding the foregoing, the Community Advisory Committee Appointment Sub-Committee shall make three (3) appointments in 2004, three (3) appointments in 2005 and shall reach the required majority with two (2) appointments in 2006, as follows:

in 2004, the three (3) Community Advisory Committee Appointment Sub-Committee appointed Directors will include one (1) At-Large Director and one (1) Representative Director residing in Supreme Court District six (6) and one (1) Representative Director residing in Supreme Court District four (4);

in 2005, the three (3) Community Advisory Committee Appointment Sub-Committee appointments shall include one (1) Representative Director residing in Supreme Court District one (1), one (1) Representative Director residing in Supreme Court District two (2) and one (1) Representative Director residing in Supreme Court District five (5); and,

in 2006, the Community Advisory Committee Appointment Sub-Committee shall appoint one (1) Representative Director residing in Supreme Court District three (3) and one (1) Representative Director residing in Supreme Court District seven (7).

If at anytime, a Community Advisory Committee Appointment Sub-Committee appointed Director becomes ineligible to serve, dies, becomes disqualified, resigns, or is removed by vote of the Board of Directors, the Community Advisory Committee Appointment Sub-Committee shall appoint a replacement for such Director(s) considering the Supreme Court District in which that Director resided unless such Director was an At-Large Director.

In 2007, the Community Advisory Committee Appointment Sub-Committee shall appoint three (3) Directors in the same manner utilized in 2004 and in subsequent years, this rotating vacancy process will be utilized to fill the number of vacancies occurring in the Community Advisory Committee Appointment Sub-Committee category of Directors to ensure that the majority of Directors, eight (8), are appointed by the Community Advisory Committee Appointment Sub-Committee.

The terms of all Community Advisory Committee Appointment Sub-Committee appointed Directors shall be for a period of three (3) years.

The remaining four (4) members of the Board of Directors shall be those individuals named in the Articles of Incorporation or individuals who have replaced such named individuals in subsequent years, and shall be referred to as the “Elected Directors.” Elected Directors shall all be At-Large Directors.

Any member of the Board who serves for two (2) consecutive terms shall not be eligible for election to a subsequent term for a period of one year following the expiration of such Board member's second term. Partial terms or terms of less than three (3) years in duration shall not be included in the determination of two (2) consecutive terms of this purpose. Absent death, resignation, disqualification or removal, the term of a Director's office shall not expire until a successor Director has been elected and qualified.

At the expiration of Director terms, successors shall be appointed by the Community Advisory Committee Appointment Sub-Committee or elected by the Board of Directors at its Annual Meeting from the list of nominees submitted by the Community Advisory Committee as provided in Bylaw IV of these Bylaws.

SECTION 3. QUALIFICATIONS. An individual must be a Kentucky resident in order to be nominated for, appointed to or elected to the Board of Directors. Should an Elected Director cease to be a Kentucky resident, such Director shall no longer be eligible to serve as a Director and shall immediately cease to be a Director. Should an Appointed Director cease to be a Kentucky resident, such Director shall resign or, failing that, the office or organization that appointed such Director shall promptly remove such Director and shall appoint a qualified successor. The Community Advisory Committee Appointment Sub-Committee appointed Directors shall be composed of residents of each of the seven (7) Supreme Court Districts, and the Community Advisory Committee Appointment Sub-Committee shall make appointments, and the Board of Directors shall accept appointments, so as to satisfy this standard. Should a Representative Director cease to be a resident of the Supreme Court District that he or she represents, such Director shall no longer be eligible to serve as a Representative Director and shall immediately cease to be a Director, and there shall be a resulting vacancy in the Representative Director position with respect to the Supreme Court District in question.

It is intended that the Board of Directors reflect the diversity of the citizenship of the Commonwealth of Kentucky, and that it shall include among its membership individuals representing the interests of the medically underserved in Kentucky, and individuals with knowledge, expertise and skills in health care policy, the delivery of health care services, and health care finance. The Board of Directors shall also have meaningful consumer representation. In addition, Directors should have and maintain an interest in and support the Corporation's charitable mission, and maintain objectivity and impartiality in their capacity as Directors. The precise manner in which the standards set out in this paragraph are satisfied shall be determined in the reasonable discretion of the Board of Directors, subject to the Director nomination and appointment procedures prescribed in these Bylaws.

SECTION 4. VOTING. Each Director shall have one (1) vote on all matters coming before the Board of Directors. In voting to fill Elected Director vacancies on the Board of Directors, each Director shall be entitled to cast votes equal in number to the number of Board vacancies for which there are Community Advisory Committee nominees; provided that no Director may cast more than one vote for any single nominee. Each Director shall be entitled to cast one vote in favor of one (and

no more than one) of the nominees for each vacant Elected Director position for which there are designated nominees submitted by the Community Advisory Committees. The nominee for each Elected Director position who receives the most votes shall be elected as the Elected Director. Any tie vote in the election of Directors shall be resolved by a revote only with respect to the Directors who are subject to the tie vote, and if the tie persists thereafter, the Chairperson of the Board shall cast the deciding vote (notwithstanding the one-vote restriction otherwise imposed by this Bylaw).

SECTION 5. VACANCIES. Should an Elected Director vacancy occur on the Board prior to six (6) months before the expiration of such Director's term, that position shall be filled as follows: at the next meeting of the Community Advisory Committee, the Committee shall elect two (2) nominees on account of such vacancy, to be added to the nominees, if any, elected to fill vacancies resulting from expired terms, if any, and all such nominees shall be submitted to the Board of Directors. The nominee election process shall otherwise conform to the provisions of Bylaw IV, including Section 5 thereof. At its next meeting, the Board of Directors shall elect an individual from the nominees to serve the remainder of the term. The election of Directors shall otherwise conform to the provisions of Sections 2, 3 and 4 of this Bylaw II. The Board of Directors may not fill a vacancy absent submission of nominees by the Community Advisory Committee or elect to the Board an individual who is not a nominee submitted by the Community Advisory Committee. In the case of each vacancy in the Gubernatorial Director position, the Community Advisory Committee shall elect two (2) nominees to be submitted to the Governor of Kentucky, who shall appoint a successor Gubernatorial Director from such nominees. In the case of each vacancy in the Community Advisory Committee Appointment Sub-Committee appointed Director position, the Appointment Sub-Committee shall appoint a replacement Director meeting all other requirements of the position and appointed to serve the remainder of the term.

SECTION 6. REMOVAL OF DIRECTORS. Subject to the notice provisions of Section 11 of this Bylaw II, any Director, including Appointed Directors, may be removed, with or without cause, at any time, upon the vote of eighty percent (80%) or more of the members of the Board of Directors in office. In addition, if a Director is absent from three (3) consecutive meetings of the Board of Directors, he or she may, for a period of one (1) year after the date of the third absence, be removed by majority vote of the members of the Board of Directors in office. In addition, Appointed Directors may be removed as provided in Section 2, above. In addition, any Elected Director who ceases to be a resident of Kentucky, and any Representative Director who ceases to be a resident of the Supreme Court District that he or she represents, shall immediately cease to be a Director.

SECTION 7. ANNUAL MEETING. An Annual Meeting of the Board of Directors shall be held in the last quarter of the year in the Commonwealth of Kentucky, at such time and at such location as determined by the Board. At the Annual Meeting, the Board shall elect Directors to the Board to fill expired terms or vacancies and address any other business as may properly come before the Board.

Election of officers of the Corporation, election of members of the committees identified in Bylaw V hereof, and the taking of offices determined at the Annual Meeting shall occur at the February Board meeting immediately following the Annual meeting.

SECTION 8. DELAYED ANNUAL MEETING. If, for any reason, the Annual Meeting of the Directors shall not be held on the day hereinbefore designated, such meeting may be called and held as a special meeting, and the same proceedings may be had thereat as at an Annual Meeting, provided, however, that the notice of such meeting shall be the same herein required for the Annual Meeting, namely, not less than a fourteen-day notice.

SECTION 9. REGULAR MEETINGS. In addition to the Annual Meeting, the Board of Directors shall hold regular meetings at least quarterly, with regular meetings in the months of February, May and September at such time and at such location in the Commonwealth of Kentucky as determined by the Board. The Board of Directors shall seek to schedule the regular meeting following the Annual Meeting so as to coincide with a meeting of the Community Advisory Committee. If such meeting cannot be scheduled, or if for any reason it is not held, the Board of Directors shall schedule a later regular or special meeting to be held as soon as reasonably possible, so as to coincide with a meeting of the Community Advisory Committee.

SECTION 10. SPECIAL MEETINGS. Special meetings of the Board of Directors may be called by or at the request of the Chairperson of the Board, and shall be called by the Chairperson of the Board upon the written request of a majority of the Directors in office. The Chairperson of the Board may fix the time of the special meeting and any place, within the Commonwealth of Kentucky, as the place for holding the special meeting of the Board of Directors.

SECTION 11. NOTICE. Notice of the Annual Meeting shall be given at least fourteen (14) days prior thereto. Notice of any regular or special meeting shall be given at least seven (7) days prior thereto. Notices of the Annual Meeting, regular meetings and special meetings shall be by written notice delivered personally, mailed, e-mailed or delivered by facsimile transmission to each Director at such Director's address as on record with the Corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with first class postage thereon prepaid. If notice be given by e-mail or facsimile, such notice shall be deemed to be delivered when the notice is sent to the proper e-mail address or fax number, as the case may be. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Any notice required hereunder shall state the time and place of the meeting. Except as provided in this Section 11, neither the business to be transacted at, nor the purpose of, any Annual, regular, or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting. Notwithstanding the foregoing, in order for a Director to be removed by vote of the Board of Directors, notice of any such proposed removal must be included in the meeting notice. In addition, notice of any proposed amendment to the Articles of Incorporation or Bylaws must be published in the notice calling the meeting at which such amendment is to be approved.

SECTION 12. QUORUM. A majority of the Board of Directors then in office shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, provided 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. Directors may attend meetings of the Board of Directors by videoconference.

SECTION 13. MANNER OF ACTING. Except as otherwise required in these Bylaws, 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 of Directors.

SECTION 14. COMPENSATION. No Director shall receive compensation for his or her services as Director; however, any expenses incurred by any Director by reason of his or her duties or responsibilities as such may be paid by the Corporation; provided, that, subject to the Corporation's conflict of interest policy, nothing contained herein shall be construed to preclude any Director from serving the Corporation in any other capacity and receiving compensation therefor.

SECTION 15. REDUCTION IN NOMINEES. If, after nominees are selected by the Director Nomination Committee or elected by the Community Advisory Committee, a nominee withdraws or is unable to stand for election for any reason, such that there is only one nominee for the Director position in question, such nominee shall be elected if he or she receives a majority vote of the Directors present at a meeting at which a quorum is present. If there is not at least one nominee for a Director vacancy, or if a sole nominee is not elected, the position shall remain vacant and shall be filled as provided in Section 5 of this Bylaw 2.

BYLAW III

OFFICERS OF THE CORPORATION

SECTION 1. CLASSES. The officers of the Corporation shall be a Chairperson, a Vice-Chairperson, a Secretary and a Treasurer, and the Corporation may have such Assistant Secretaries or Assistant Treasurers as the Board of Directors shall elect. The offices of Secretary and Treasurer may be held by the same person.

SECTION 2. ELECTION AND TERM OF OFFICE. The Board of Directors at its meeting in February following the November Annual meeting shall elect the officers of the Corporation from Directors whose term extends through the next Annual Meeting. The officers shall take office when elected and shall hold office until the later of (a) the next Annual Meeting of the Board of Directors, or (b) until his or her successor shall have been duly elected and qualified. Notwithstanding the foregoing, should an officer of the Corporation cease to be a member of the Board of Directors, such individual shall no longer be an officer of the Corporation. Notwithstanding the foregoing, Assistant Secretaries and Assistant Treasurers need not be members of the Board of Directors.

SECTION 3. REMOVAL. Any officer elected or appointed by the Board of Directors may be removed by majority vote of the members of the Board of Directors in office, with or without cause, whenever in its judgment the best interest of the Corporation would be served thereby.

SECTION 4. VACANCIES. A vacancy in any office because of death, resignation, removal, disqualification or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

SECTION 5. CHAIRPERSON OF THE BOARD. The Chairperson of the Board shall preside at all meetings of the Board of Directors, shall be an ex officio member of those Board committees as specified in Bylaw V hereof, and shall have such other duties as are specified in these Bylaws. No Gubernatorial or Anthem, Inc. Appointed Director shall be eligible to serve as Chairperson of the Board.

SECTION 6. VICE-CHAIRPERSON. The Vice-Chairperson of the Board shall act as the Chairperson in the absence of the Chairperson.

SECTION 7. SECRETARY. The Secretary shall [a] keep the minutes of the Board of Directors meetings 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, [d] in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the Chairperson or by the Board of Directors. The Board of Directors may elect one or more Assistant Secretaries to assist the Secretary.

SECTION 8. TREASURER. The Treasurer shall [a] have charge and custody of and be responsible for all funds and securities of the Corporation; [b] receive and give receipts for moneys due and payable to the Corporation from any source whatsoever; [c] and deposit all such moneys in the name of the Corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of these Bylaws; and [d] in general, perform all duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him or her by the Chairperson or by the Board of Directors. The Board of Directors may elect one or more Assistant Treasurers to assist the Treasurer.

BYLAW IV

COMMUNITY ADVISORY COMMITTEE

SECTION 1. NAME; PURPOSE; QUALIFICATIONS. The Corporation shall have a Community Advisory Committee (also referred to as the Committee), which shall provide the Corporation and the Board of Directors with advice and recommendations regarding overall policy direction and adherence to the mission of the Corporation, shall serve as a liaison with the community served by the Corporation, and shall participate in an annual forum to be held by the Corporation and scheduled to coincide with the annual meeting of the Community Advisory Committee. In addition, the Community Advisory Committee shall be responsible for nominating candidates for election to the Board of Directors, as described below and appointing members of the

Board of Directors as outlined in Bylaw II., Section 2. The members of the Community Advisory Committee shall be residents of the Commonwealth of Kentucky who have demonstrated their interest in health care and in the charitable mission of the Corporation. As determined in its reasonable discretion, the Committee shall seek to maintain a diverse membership on the Committee, with broad community and consumer representation, but otherwise the Committee shall not seek representation from any particular constituencies except for the purpose of constituting the Community Advisory Committee Appointment Sub-Committee. A member of the Corporation's Board of Directors shall not be eligible to serve simultaneously as a member of the Community Advisory Committee, and, should a member of the Community Advisory Committee be elected or appointed to the Board of Directors, acceptance of such Board position shall be deemed to constitute resignation by such individual from the Community Advisory Committee as of the date such individual takes office as a Board member. Should a Committee member cease to be a resident of Kentucky, he or she shall not be required to resign, and may serve for the remainder of his or her term, but shall be ineligible to succeed himself or herself if then a nonresident. Neither the Committee nor any Committee member shall be required to pay membership dues to the Corporation. Members of the Board of Directors shall be entitled to attend all meetings of the Community Advisory Committee in a nonvoting capacity.

SECTION 2. NUMBER AND TENURE. The Community Advisory Committee shall be composed of thirty-one (31) members, which number may be increased or decreased by amendment of this Section. The initial membership shall consist of those same individuals who served on the Advisory Committee appointed by the Franklin Circuit Court to oversee the formation of the Corporation. In the event that an Advisory Committee member chooses not to become a member of the Community Advisory Committee, or is not eligible to serve by reason of being a member of the Corporation's Board of Directors, the resulting vacancy shall be filled as soon as possible by vote of the remaining Committee members, who shall choose from candidates nominated by the Nominating Committee for Community Advisory Committee members pursuant to Section 14 of this Bylaw IV. For purposes of establishing staggered terms of office only, the initial membership of the Community Advisory Committee shall be divided into three (3) classes, determined by lot, which will, as nearly as possible, result in terms of one-third of the Committee members expiring each year. One-third of the initial membership shall serve as Committee members through the annual meeting of the Committee held in the year 2002 or until their successors are elected and qualified; one-third of the initial membership shall serve as Committee members through the annual meeting of the Committee held in the year 2003 or until their successors are elected and qualified; and one-third of the initial membership shall serve as Committee members through the annual meeting of the Committee held in the year 2004 or until their successors are elected and qualified. At the end of such terms, successors shall be elected to serve for terms of three (3) years such that, terms of approximately one-third of the Committee membership shall expire each year. Any Committee member who serves for two (2) consecutive terms shall not be eligible for election to a subsequent term for a period of one year following such members second term. Partial terms or terms of less than three (3) years in duration shall not be included in the determination of two (2) consecutive terms of this purpose. Absent death, resignation or removal, the term of a Committee member shall not expire until a successor member has been elected and qualified.

A minimum of twelve (12) Community Advisory Committee members shall be Officers, Directors, Trustees, and/or administrative officers (including employees), and other similarly situated persons, of organizations addressing the unmet health care needs of Kentuckians including by influencing health policy, improving access to care, reducing health risks and disparities, and promoting health equity. Such specified members shall be referred to herewith as Supported Class Representatives.

SECTION 3. VACANCIES. Should a vacancy occur on the Community Advisory Committee before completion of a term, that position may be filled by vote of the Committee, which shall choose from candidates nominated by the Nominating Committee for Community Advisory Committee members pursuant to Section 14 of this Bylaw IV. If the vacancy causes the number of Supported Class Representatives to fall below twelve (12) such Community Advisory Committee members, the Nominating Committee for the Community Advisory Committee must submit a candidate(s) that meet the requirements of the Supported Class Representative(s).

SECTION 4. REMOVAL OF COMMITTEE MEMBERS. Any Committee member may be removed, with or without cause, at any time, upon the vote of eighty percent (80%) or more of the members of the Community Advisory Committee, and shall be removed automatically if such member is absent from three (3) consecutive meetings of the Committee.

SECTION 5. VOTING. The Community Advisory Committee shall elect nominees for vacancies on the Board of Directors as provided below in this Section from a slate of nominees submitted to the Committee by the Director Nominating Committee, and shall elect Community Advisory Committee members to fill vacancies on the Community Advisory Committee from a slate of nominees submitted to the Committee by the Nominating Committee for Community Advisory Committee members taking care and insuring that a minimum of twelve (12) Community Advisory Committee members are Officers, Directors, Trustees and /or administrative officers (including employees), and other similarly situated persons, of organizations addressing the unmet health care needs of Kentuckians including by influencing health policy, improving access to care, reducing health risks and disparities, promoting health quality and representing the underserved and thereby qualifying as Supported Class Representatives. Each member shall be entitled to one (1) vote on any matter properly coming before the Committee and shall vote on such other matters as prescribed in these Bylaws. The Community Advisory Committee is intended primarily to be an advisory body, and, with the exception of the Board appointment and nomination functions, the election of new Community Advisory Committee members, the approval rights with respect to certain amendments to these Bylaws and the Articles of Incorporation as set forth in Bylaw XIII and Bylaw XIV, and the other voting rights expressly set forth in this Bylaw IV, the Community Advisory Committee shall have no binding authority with respect to the Corporation and shall not be required to approve or vote on any other matter in order for an action of the Board of Directors or of the Corporation to be final and binding. In voting for Board of Director nominees, each Committee member shall be entitled to cast votes equal in number to twice the number of Director positions to be filled, as set forth below. In voting for new Committee members, each Committee member shall be entitled to cast votes equal in number to the number of vacancies on the Committee. Whether electing nominees to be submitted

to the Board of Directors or new Committee members, no Committee member may cast more than one vote for any single individual.

At each annual meeting of the Community Advisory Committee, the Committee members shall elect a minimum of two (2) nominees, which number shall be increased by two (2) for each Elected Director vacancy, if any, existing as of the date of such annual meeting (and that otherwise would continue after the Annual Meeting of Directors Nominees may include members of the Board of Directors whose terms are set to expire and who have not served for two (2) full consecutive terms, as described above. Notwithstanding the foregoing, the Community Advisory Committee may elect less than the minimum number of nominees set out above if, after nominees are selected by the Director Nominating Committee, a nominee withdraws or is unable to stand for election for any reason.

Any tie vote in the election of Director nominees or new Community Advisory Committee members shall be resolved by a revote only with respect to the nominees who are subject to the tie vote, and if the tie persists thereafter, the Chairperson of the Community Advisory Committee shall cast the deciding vote (notwithstanding the one-vote restriction otherwise imposed by this Bylaw).

SECTION 6. ANNUAL MEETING. An annual meeting of the Community Advisory Committee shall be held in a month that is at least two (2) months prior to the month of the Annual Meeting of the Board of Directors, in the Commonwealth of Kentucky, at such time and at such location as determined by the Board of Directors. At its annual meeting, the Community Advisory Committee shall (a) elect new members to the Community Advisory Committee to fill vacancies, with such new members to take office immediately following the annual meeting; (b) elect a Chairperson, Vice Chairperson and Secretary of the Community Advisory Committee, to take office immediately following the annual meeting; (c) elect members of the Director Nominating Committee, to take office immediately following the annual meeting; (d) vote on nominations to fill actual or expected vacancies of the Board of Directors, to be submitted to the Board for vote at the Annual Meeting of the Board of Directors, (e) elect five (5) members to the Community Advisory Appointment Sub-Committee from among the minimum of twelve (12) Community Advisory Committee members who qualify as Supported Class Representatives and (f) address any other business as may properly come before the Community Advisory Committee. Election of the five (5) members of the Community Advisory Committee Appointment Sub-Committee shall be done by allowing five votes per member selected from among those members qualifying as Supported Class Representatives and having submitted and had verified their current qualifications as Officers, Directors, Trustees and/or administrative officers (including employees), and other similarly situated persons, of organizations addressing the unmet health care needs of Kentuckians including by influencing health policy, improving access to care, reducing health risks and disparities, promoting health quality and representing the underserved. Any tie vote in the election of Community Advisory Committee Appointment Sub-Committee members shall be resolved by a revote only with respect to those who are subject to the tie vote, and if the tie persists thereafter, the Chairperson of the Community Advisory Committee shall cast the deciding vote (notwithstanding the one-vote restriction otherwise imposed by this Bylaw

SECTION 7. DELAYED ANNUAL MEETING. If, for any reason, the annual meeting of the Community Advisory Committee shall not be held on the day hereinbefore designated, such meeting may be called and held as a special meeting, and the same proceedings may be had thereat as at an annual meeting, provided, however, that the notice of such meeting shall be the same as required for the annual meeting, namely, not less than a fourteen-day notice.

SECTION 8. SPECIAL MEETINGS. Special meetings of the Community Advisory Committee may be called by or at the request of the Chairperson of the Community Advisory Committee upon the vote of the Director Nominating Committee of the Community Advisory Committee. All special meetings of the Community Advisory Committee shall be held in the Commonwealth of Kentucky. A special meeting of the Community Advisory Committee shall be scheduled so as to coincide with a meeting of the Board of Directors as described in Section 9 of Bylaw II.

SECTION 9. NOTICE. Notice of the annual meeting of the Community Advisory Committee shall be given at least fourteen (14) days prior thereto. Notice of any special meeting shall be given at least seven (7) days prior thereto. Notices of the annual meeting or of any special meeting shall be by written notice delivered personally, mailed, e-mailed or delivered by facsimile transmission to each Committee member at such member's address as on record with the Corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with first class postage thereon prepaid. If notice be given by e-mail or facsimile, such notice shall be deemed to be delivered when the notice is sent to the proper e-mail or fax number, as the case may be. Any Committee member may waive notice of any meeting. The attendance of a Committee member at any meeting shall constitute a waiver of notice of such meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Any notice required hereunder shall state the time and place of the meeting. Neither the business to be transacted at, nor the purpose of, any annual or special meeting of the Community Advisory Committee need be specified in the notice or waiver of notice of such meeting. Notwithstanding the foregoing, notice of any proposed amendment to the Articles of Incorporation or Bylaws that requires approval of the Community Advisory Committee must be published in the notice calling the Committee meeting at which such amendment is to be approved.

SECTION 10. QUORUM. One-third of the members of the Community Advisory Committee then in office shall constitute a quorum for the transaction of business at any meeting of the Committee, provided that if less than a quorum of the Committee members are present at said meeting, a majority of the members present may adjourn the meeting from time to time without further notice. Members may attend meetings of the Community Advisory Committee by videoconference.

SECTION 11. MANNER OF ACTING. The act of the majority of the Community Advisory Committee members present at a meeting at which a quorum is present shall be the act of the Community Advisory Committee.

SECTION 12. CHAIRPERSON OF THE COMMUNITY ADVISORY COMMITTEE. The Chairperson of the Community Advisory Committee shall preside at all meetings of the Committee and shall have such other duties as are specified in these Bylaws. The Chairperson of the Community Advisory Committee shall serve for a one-year term and shall be elected at the annual meeting of the Community Advisory Committee after the election of new Committee members. The Chairperson of the Community Advisory Committee shall be chosen from those persons who will serve as Committee members during the term to which the Chairperson is to serve, subject to such requirement, may serve as Chairperson for an unlimited number of successive terms. The Chairperson of the Community Advisory Committee shall be invited to and entitled to attend all meetings of the Board of Directors, but shall have no voting rights at such meetings by virtue his or her status as Chairperson of the Community Advisory Committee.

SECTION 13. DIRECTOR NOMINATING COMMITTEE. The Community Advisory Committee shall have a Director Nominating Committee, which shall be composed of the Chairperson of the Committee and six (6) additional members of the Committee elected by the Community Advisory Committee at its annual meeting. The Director Nominating Committee shall submit nominees to the Community Advisory Committee for Elected Board of Director nominees to be approved by the Committee for submission to the Board of Directors. The term of each Director Nominating Committee member shall expire as of the annual meeting of the Community Advisory Committee, although members may serve for an unlimited number of successive terms. In addition, any member of the Director Nominating Committee may be removed, with or without cause, at any time, by vote of the Community Advisory Committee. The Nominating Committee shall conform to such policies and procedures as are adopted by the Community Advisory Committee for selection of nominees. The Board of Directors may formally communicate to the Chair of the Director Nominating Committee regarding particular areas of expertise, community representation, or any other matter pertaining to the experience and qualifications of proposed nominees that the Board seeks to aid it in discharging its duties to further the purposes of the Foundation.

SECTION 14. NOMINATING COMMITTEE FOR COMMUNITY ADVISORY COMMITTEE MEMBERS. There shall be a Nominating Committee for new Community Advisory Committee members (the "Nominating Committee") composed of seven (7) members as follows: The Chairperson of the Board of Directors and the Chairperson of the Community Advisory Committee shall mutually select a Kentucky resident, who is not a member of the Board of Directors or of the Community Advisory Committee, to serve as the Chairperson of the Nominating Committee. The Chairperson of the Board of Directors shall select two (2) Directors, the Chairperson of the Community Advisory Committee shall select two (2) Community Advisory Committee members, and the Chairperson of the Nominating Committee shall select two (2) additional Kentucky residents who are neither on the Board of Directors or the Community Advisory Committee, all six (6) of whom, together with the Chairperson of the Nominating Committee, shall serve as members of the Nominating Committee. The Nominating Committee shall review potential nominees and recommend, to the Community Advisory Committee, a slate of nominees to fill vacancies or anticipated vacancies on the Community Advisory Committee. Neither the Chairperson of the Nominating Committee nor the two (2) Kentucky residents appointed to the Nominating Committee by such Chairperson shall be eligible to be named as nominees to the Community

Advisory Committee. The term of each Nominating Committee shall expire as of the Annual Meeting of the Board of Directors, although members of the Nominating Committee may serve for an unlimited number of successive terms. In addition, any member of the Nominating Committee may be removed, with or without cause, at any time, by the individual who appointed him or her. The Nominating Committee shall conform to such policies and procedures as are adopted by the Community Advisory Committee for selection of nominees including the provision to provide for at minimum, twelve (12) Community Advisory Committee members who qualify as Supported Calss Representatives.

SECTION 15. COMPENSATION. No member of the Community Advisory Committee shall receive compensation for his or her services as a member of the Committee; however, any expenses incurred by any Committee member by reason of his duties or responsibilities as such may be paid by the Corporation; provided that, subject to the Corporation's conflict of interest policy, nothing contained herein shall be construed to preclude any Committee member from serving the Corporation in any other capacity and receiving compensation therefor.

SECTION 16. CERTAIN FINANCIAL MATTERS. The Corporation shall pay for or reimburse meeting expenditures of the Community Advisory Committee and of the Nominating Committee pursuant to the same rules applicable to meetings of the Board of Directors and committees thereof. The Community Advisory Committee shall not otherwise have the power to authorize or incur expenditures on behalf of the Corporation, nor to subject the Corporation to any legally binding obligation.

SECTION 17. SOLE MEMBER. The Community Advisory Committee shall be the sole member of the Corporation, as the term member is defined in KRS 273.187. As such, the Community Advisory Committee shall have no voting rights (including any implied voting rights) other than those voting rights expressly set out in these Bylaws.

BYLAW V

COMMITTEES

SECTION 1. EXECUTIVE COMMITTEE. The Corporation shall have a five-member Executive Committee consisting of the officers of the Corporation and the immediate past Chairperson. In the event the Past Chairperson will no longer a member of the Board, the fifth member of the Executive Committee shall be elected by the Board at the Annual Meeting. During the intervals between meetings of the Board, subject to such limitations as may be prescribed by resolution of the Board, the Executive committee shall have and may exercise all the authority of the Board, except as limited by KRS 273.221. A written report on all action taken by the Executive Committee shall be made to the Board of Directors within five (5) business days after the meeting of the Executive Committee.

SECTION 2. FINANCE/INVESTMENT COMMITTEE. The Corporation shall have a Finance/Investment Committee consisting of the Treasurer and two(2) additional members of the Board of Directors as are elected by the Board at its Annual Meeting. The Finance/Investment Committee shall oversee (a) operating budgets, (b) investment policy and performance, and (c) other financial planning responsibilities as appropriate. The Finance/Investment Committee shall advise and make recommendations to the Board of Directors as appropriate. The Finance/Investment Committee, or any subcommittee thereof, may also have non-Director advisory members, who shall not be entitled to vote on any matter that is binding on the Corporation. Such advisory members shall be as appointed by the Board of Directors and can be recruited from among the membership of the Community Advisory Committee in consultation with its Chairperson.

SECTION 3. HEALTH POLICY DEVELOPMENT COMMITTEE. The Corporation shall have a Health Policy Development Committee. Its number and composition shall be as determined by the Board of Directors, but in no event shall there be fewer than two (2) Directors on the committee, including the Chairperson of the Board and it may include non-Director advisory members who are not members of the Board of Directors and who can be recruited from among the membership of the Community Advisory Committee in consultation with its Chairperson. Subject to more specific direction or limitation by the Board of Directors, the Health Policy and Development Committee shall (a) provide assistance and advice to the Board of Directors regarding policy analysis, research and program development activities, (b) provide information and guidance to the Board of Directors on evaluating health needs assessments, (c) provide recommendations regarding health priorities, (d) serve as a liaison group with University endowed chairs funded by the Corporation and make recommendations to the Board of Directors in connection therewith, (e) promote cooperation and involvement of higher education institutions in the activities of the Corporation, (f) seek funding opportunities on behalf of the Corporation, and (g) undertake such additional responsibilities as the Board of Directors may direct. This Committee shall have no authority to bind the Corporation, or to establish or announce any policy or program on behalf of the Corporation, but shall instead make recommendations to the Board of Directors for its consideration and approval.

SECTION 4. HEALTH ADVOCACY COMMITTEE. The Corporation shall have a Health Advocacy Committee. Its number and composition shall be as determined by the Board of Directors, but in no event shall there be fewer than two Directors on the committee and it may include non-Director advisory members who are not members of the Board of Directors and who can be recruited from among the membership of the Community Advisory Committee in consultation with its Chairperson. Subject to more specific direction or limitation by the Board of Directors, the Health Advocacy Committee shall (a) advise the Board of Directors regarding linkage between the Corporation's research activities and policy initiatives, (b) recommend to the Board of Directors health priorities and policies, (c) provide linkage between the Corporation and consumers, (d) assist in building coalitions of consumers, health professionals and other stakeholders based on health issues and priorities adopted by the Board of Directors, and (e) undertake such additional responsibilities as the Board of Directors may direct. This Committee shall have no authority to bind the Corporation, or to establish or announce any policy or program on behalf of the Corporation, but shall instead make recommendations to the Board of Directors for its consideration and approval.

SECTION 5. AUDIT COMMITTEE. The Corporation shall have an Audit Committee. Its number and composition shall be as determined by the Board of Directors, but in no event shall there be fewer than three (3) Directors on the committee, including the Chairperson of the Board and it shall be chaired by someone other than a member of the Finance/Investment Committee. Audit Committee members will have fiscal experience or abilities. The Audit Committee shall meet with the Auditor to review the Auditor's report upon completion of the annual Audit, discuss findings and develop recommendations (if necessary) and report to the FHKY Board of Directors at their next regularly scheduled meeting for review and acceptance of the Audit report.

SECTION 6. OTHER BOARD AND ADVISORY COMMITTEES. The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate one or more additional committees, each of which shall consist of two or more Directors. Any committee composed entirely of Directors may act on behalf of and bind the Corporation to the extent authorized by the Board of Directors, to the extent permitted by law, and to the extent provided in said resolution. Any committee that has one or more voting members who are not also Directors shall have no authority to bind the Corporation, or to establish or announce any policy or program on behalf of the Corporation, but shall instead make recommendations to the Board of Directors for its consideration and approval.

SECTION 7. TERM OF OFFICE. Each member of a committee shall continue as such until the next Annual Meeting of the Directors of the Corporation or, if later, until his or her successor is appointed, unless the committee shall be sooner terminated, or unless such member resigns or is removed from such committee by the Board of Directors, or unless such member shall cease to qualify as a member thereof.

SECTION 8. CHAIRPERSON. One member of each committee shall be appointed Chairperson of that committee by vote of the Board of Directors.

SECTION 9. VACANCIES. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

SECTION 10. QUORUM. Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee. Committee members may attend Committee meetings by videoconference.

SECTION 10. RULES. Each committee may adopt rules for its own governance not inconsistent with these Bylaws or with rules adopted by the Board of Directors.

BYLAW VI

EXECUTIVE DIRECTOR

SECTION 1. **AUTHORITY**. The Board of Directors shall select and employ, and retain at its discretion, a professionally trained Executive Director, the qualifications of whom shall be determined by the Board of Directors, in its discretion and upon the advice of such counsel as it shall seek, from time to time.

SECTION 2. **RESPONSIBILITIES**. The Executive Director shall be responsible for administering the Corporation's programs and activities in accordance with policies and objectives established by the Board of Directors. The Executive Director shall have the authority to employ all members of the staff in accordance with position classifications, duties and qualifications established by the Board of Directors, and shall act as liaison between the Board of Directors and the staff. The Executive Director shall annually submit an operating plan and a budget for the next fiscal year and shall make a report to the Chairman on a quarterly basis as to the accomplishment of objectives outlined in the operating plan and submit a year-end report to the Board of Directors regarding all activities and accomplishments of the past year.

SECTION 3. **REMOVAL**. The Executive Director may be removed by the Board of Directors, with or without cause, whenever in its judgment the best interest of the Corporation would be served thereby. Election or appointment to the position of Executive Director shall not of itself create any contract right.

BYLAW VII

CONTRACTS, LOANS, CHECKS AND DEPOSITS

SECTION 1. **CONTRACTS**. The Board of Directors may authorize any Director, officer or officers, agent or agents, to enter into any contract or execute and deliver any instruments in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

SECTION 2. **LOANS**. No loans shall be contracted on behalf of the Corporation, and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

SECTION 3. **CHECKS, DRAFTS, ORDERS, ETC.**. All checks, drafts, or other orders for payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents, of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

SECTION 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, brokerage companies or other depositories as the Board of Directors may select.

SECTION 5. GIFTS. Any Director or officer may accept on behalf of the Corporation any contribution, gift, bequest or devise for the general purposes of or for any special purpose of the Corporation.

SECTION 6. CHARITABLE CONTRIBUTIONS. No officer shall make charitable contributions in the name of, from the funds of, or on behalf of the Corporation without prior written authorization of the Board of Directors.

BYLAW VIII

BOOKS AND RECORDS

The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors, and shall keep at the principal office a record giving the names and addresses of the Directors in office. All books and records of the Corporation may be inspected by any Director, or his or her agent or attorney, for any proper purpose at any reasonable time.

BYLAW IX

FISCAL YEAR

The fiscal year of the Corporation shall begin on the first day of January and end on the last day of December.

BYLAW X

WAIVER OF NOTICE

Whenever any notice whatever is required to be given under the provision of these Bylaws, or under the provisions of the Articles of Incorporation, or under the provisions of the Corporation laws of the Commonwealth of Kentucky, waiver thereof in writing, signing by the person, or persons, entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

BYLAW XI

CONFLICTS OF INTEREST

In addition to the restrictions contained in Article VIII of the Articles of Incorporation, the Board of Directors shall adopt a code of ethics, including a conflict of interest policy, that shall govern the affairs of the Corporation. At a minimum, the conflict of interest policy, and this Bylaw, shall require members of the Board of Directors to disclose any conflict of interest they have in connection with any matter to be voted on by the Board of Directors. While a Director may respond to questions of the Board of Directors, or members thereof, regarding any matter with respect to which he or she has a conflict of interest, he or she shall recuse himself or herself from the Board of Directors meeting and not be present during the Board debate and voting with respect to such matter. Similar restrictions shall apply to the Community Advisory Committee and to any committee established under Bylaw V hereof.

BYLAW XII

OPEN RECORDS; OPEN MEETINGS; OTHER REQUIREMENTS

The Corporation shall be subject to the Kentucky Open Records Act, KRS 61.870 to KRS 661.884, and to the Kentucky Open Meetings Act, KRS 61.805 to 61.850, which shall govern meetings of both the Board of Directors and of the Community Advisory Committee, and shall comply with any reporting, auditing and disclosure requirements imposed upon the Corporation by law. In addition, the Corporation shall submit a written annual report of its grantmaking and other activities to (a) the Community Advisory Committee, (b) the publishers of all daily newspapers published in Kentucky, (c) the Governor of Kentucky, (d) the President of the Kentucky Senate, (e) the Speaker of the Kentucky House of Representatives, (f) the Kentucky Attorney General, and (g) the Kentucky Legislative Research Commission. The Corporation shall also maintain, for public inspection, a copy of such report at its principal office and may submit copies of such report to any other individuals or organizations as the Board of Directors determines.

BYLAW XIII

AMENDMENT OF BYLAWS

These Bylaws may be amended if the following conditions are satisfied: [i] the amendment is approved by the affirmative vote of a majority of the Board of Directors provided that notice of the proposed amendment is contained in the meeting notice required by Section 11 of Bylaw II hereof, and [ii] the amendment is not inconsistent with the Corporation's Articles of Incorporation. Notwithstanding the foregoing, neither the provisions of Bylaw IV, the provisions of Sections 4 and 5 of Bylaw II, the provisions of this Bylaw XIII, nor the provisions of Bylaw XIV shall be amended without the affirmative vote of not less than sixty percent (60%) of the members of Community

Advisory Committee in office, provided that notice of the proposed amendment is contained in the meeting notice required by Section 9 of Bylaw IV hereof.

BYLAW XIV

AMENDMENT OF ARTICLES OF INCORPORATION

The Articles of Incorporation may be amended by vote of not less than two-thirds of the Board of Directors in office, provided that notice of the proposed amendment is contained in the meeting notice required by Section 11 of Bylaw II hereof. Notwithstanding the foregoing, if a proposed amendment to the Articles of Incorporation would have the effect of amending or modifying one or more provisions of the Bylaws that require approval of the Community Advisory Committee as set out in Bylaw XIII, such proposed amendment must also be approved by affirmative vote of not less than sixty percent (60%) of the members of the Community Advisory Committee in office, provided that notice of the proposed amendment is contained in the meeting notice required by Section 9 of Bylaw IV hereof.

Adopted this 9th day of May, 2001.

Revised this 9th day of February, 2004.

Revised this 5th day of December, 2005

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