

AMENDED AND RESTATED BYLAWS OF

BLUE CROSS AND BLUE SHIELD OF VERMONT

EFFECTIVE AS OF [DATE]

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Chapter 1

DEFINITIONS

“**Articles of Incorporation**” means the Amended and Restated Articles of Incorporation of the Corporation, as the same may be amended from time to time.

“**BCBSA**” means Blue Cross Blue Shield Association.

“**BCBSM**” means Blue Cross Blue Shield of Michigan Mutual Insurance Company, and its successor, the sole member of the Corporation (as defined below).

“**Board**” means the Board of Directors of the Corporation.

“**Bylaws**” means this governing document of the Corporation, as they may be amended from time to time.

“**Corporation**” means Blue Cross and Blue Shield of Vermont.

“**Director**” means any individual authorized to and seated on the Board.

“**Effective Date**” means [DATE].

“**Member Board Appointees**” shall have the meaning specified in Section 302.

“**Participating Provider**” means a Provider under contract with the Corporation to provide health care, drugs, medical supplies, services and/or devices to a Subscriber.

“**Provider**” means (a) any person who is or has been licensed to practice healing arts, (b) hospitals and like health care facilities, (c) any supplier of drugs, medical supplies, services and/or devices and (d) any person who is an owner of five percent (5%) or more of any of the foregoing, as well as a director, officer, trustee or employee of a of any of the foregoing, or of any professional or trade association comprised of providers of any of the foregoing.

“**Provider Director**” means any person who is a Director of this Corporation and who is a Provider.

“**Public Director**” means a Director of this Corporation who is a member of the public. A “member of the public” shall mean, without any further limitations, any individual who is not: (a) a Provider or the spouse of a Provider; (b) an ex officio Director; or (c) a member of management of either BCBSVT or BCBSM.

“**Sole Member**” shall have the meaning specified in Section 201.

“**Subscriber**” means any person enrolled as a subscriber or a member in a health service plan of the Corporation or one of its subsidiaries.

Chapter 2

SOLE MEMBER

201. Sole Member Defined.

BCBSM shall be the sole member of the Corporation (the “Sole Member”), thereby affording BCBSM with all rights, privileges and obligations of a member under Chapter 6, Title 11B, Vermont Statutes Annotated or otherwise provided for herein.

202. Reserve Rights of the Member.

Notwithstanding anything in these Bylaws to the contrary, subject to requirements of applicable law, the following actions relating to the Corporation and its business shall not be taken without the prior written approval of the Sole Member:

(a) Entering into, or agreeing to enter into any transaction or series of transactions that would constitute (i) a change of control of the Corporation, (ii) a sale or acquisitions of any subsidiaries of the Corporation, (iii) a merger, consolidation or other reorganization transaction involving the Corporation, (iv) a sale of all or substantially all of the assets of (A) the Corporation or (B) any of its subsidiaries, (v) an acquisition of any material business whether by purchase of stock, assets or otherwise or (vi) a transaction or series of transactions that are substantially similar to the foregoing, including any other transaction that may impact the Corporation’s risk based capital;

(b) Entering into, or agreeing to enter into, any transactions that require any joint investment or other obligation on the part of BCBSM;

(c) Initiating or resolving any material disputes or entering into any agreement with governmental authorities or regulators that would have a material adverse impact on the Corporation or BCBSM or their affiliates or their respective businesses or that could limit or impose requirements on the manner in which any of the foregoing is permitted or able to conduct its business;

(d) Initiating or resolving any material disputes or agreements with the BCBSA;

(e) Adopting any changes to the mission, strategy, organizational documents, organizational form, nonprofit status, governance, membership or board size, structure, or composition of the Corporation or any of its subsidiaries;

(f) Dissolving, liquidating or voluntarily entering into any bankruptcy, rehabilitation or similar proceedings with respect to the Corporation or any of its subsidiaries;

(g) Entering into any material financial transactions for which amounts are paid or payable by any person in excess of ten percent (10%) of the Corporation’s surplus;

(h) Exiting from or entering into any new line of business;

- (i) Issuing any membership interest or other voting or economic rights of the Corporation;
- (j) Adopting annual budgets and five-year capital plans of the Corporation; and
- (k) Engaging in any other matters with respect to which approval rights are afforded to members by BCBSA rules or applicable law.

203. Annual Meeting of Sole Member.

The annual meeting of the Sole Member shall be held annually on [●] or on such other date specifically set forth in the notice of meeting with the change in time being duly noted. The annual meeting may be held within or outside of the State of Vermont.

204. Informal Action by Sole Member.

Any action required or permitted to be taken by the Sole Member may be taken without a meeting (including the annual meeting), without prior notice and without a vote, if a consent in writing, setting forth the action so taken, is signed by an authorized officer of the Sole Member and delivered to the Secretary of the Corporation.

Chapter 3

BOARD OF DIRECTORS

301. Duties and Authority.

Except as otherwise expressly provided in this Agreement, the powers of the Corporation 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. The Board shall have the exclusive right to manage and control the business and affairs of the Corporation, subject to any provision of the Title 8, Chapters 123 and 125 and Title 11B, Vermont Statutes Annotated, the Articles of Incorporation, or other provisions contained herein specifically requiring the approval of the Sole Member (including Section 202). The Board shall have the right to perform all actions necessary, convenient or incidental to the accomplishment of the purposes and authorized acts of the Corporation, and the Board, acting as a body pursuant to these Bylaws; provided, however, that no individual Director shall have the authority or right to act for or bind the Company without the requisite consent of the Board and, if required hereunder, the Sole Member.

302. Number and Qualifications.

The Corporation shall have twelve (12) Directors, or such other number as may be determined by the Board and BCBSM, as sole member of the Corporation, from time to time. For so long as BCBSM is the Sole Member of the Corporation, the Board shall be comprised as follows:

(a) At least five (5) Directors shall be individuals who are appointed by the Sole Member (the “Member Board Appointees”), each of whom shall be considered an appointed director for purposes of Section 8.04, Title 11B, Vermont Nonprofit Corporation Act;

(b) At least seven (7) Directors shall be individuals each of whom is any of (i) a Public Director, (ii) a Subscriber or (iii) the Chief Executive Officer or President of the Corporation.

(c) Notwithstanding the foregoing, (i) at least three quarters (3/4) of the Board shall be composed of individuals who are Subscribers or Public Directors; and (ii) a majority of the Directors shall be Subscribers. The remainder may (but need not) be Providers.

(d) Except for the Chief Executive Officer or President of the Corporation, as applicable, and the Member Board Appointees, all Directors shall be elected from those nominated by the Governance and Nominating Committee constituted pursuant to Section 312 of these Bylaws, subject to approval of BCBSM. The Chief Executive Officer or President of the Corporation, as applicable, shall be a Director ex officio with voting powers and all such other powers as granted to Directors.

(e) If any Director, other than for a Member Board Appointee:

(i) fails, in any twelve (12) month period, to attend the lesser of at least six (6) or seventy-five percent (75%) of the meetings of the Board, then that person shall cease to be a Director if a majority of the directors then in office vote for such removal; or

(ii) becomes disqualified for no longer meeting the qualifications listed in this Section 302, then that person shall automatically cease to be a Director.

Any Director may resign, at any time, by giving notice in writing to the Chairperson of the Board, if any, or the Chief Executive Officer or President, as applicable. Such resignation shall be effective upon receipt unless it is specified to be effective at some other time or upon the occurrence of some other event, and, unless otherwise specified in such notice, the acceptance of such resignation shall not be necessary to make it effective. For the avoidance of doubt, any act taken by such Director prior to resignation or declaration of vacancy shall be valid.

Any Provider Director shall be a Participating Provider at the time of such Provider Director’s initial election to the Board. In the event such Provider Director ceases to be a Participating Provider, he/she/they shall be disqualified as a Director, unless the Board consents to such individual’s continued service as a Director.

The Board may remove any Director from office at any time and for any reason upon a three-fourths (3/4) vote of the Board, subject to the consent of the Sole Member.

303. Election and Term of Directors.

(a) Except for the Chief Executive Officer or President of the Corporation, as applicable, and the Member Board Appointees, Directors of the Corporation shall be elected by

the Sole Member from a list of candidates nominated by the Governance and Nominating Committee and submitted to the Sole Member by the Board, and shall serve until their successors are elected and qualified. The initial terms of all Directors, other than the Member Board Appointees that are Public Directors, shall be for a term as set forth on Schedule A. In the event of a vacancy on the Board (whether due to termination, resignation or otherwise) prior to the expiration of the term applicable to such Director, then such vacancy shall be filled in accordance with Section 305 for the remainder of the applicable term. The persons who are Directors as of the Effective Date, their initial term length and the number of remaining terms, as applicable, are set forth on Schedule A.

(b) Following the initial terms, as set forth above, all Directors, other than the Member Board Appointees and the Chief Executive Officer or President, as applicable, shall be elected for three (3) year terms unless a shorter term is specified at the time of election. No Director shall be eligible for election or service for more than four (4) terms. Notwithstanding the foregoing, the Directors serving immediately prior to the Effective Date shall be eligible for election or service for five (5) terms. Unless otherwise approved by the Board and the Sole Member, the term limits as set forth above shall remain in effect indefinitely, but in any event for a period of no less than five (5) years following the Effective Date. The terms and years served by any individual who was a Director at or prior to the Effective Date shall count toward the limitations of this section.

304. Voting.

Each Director shall have one (1) vote. An affirmative vote of a majority of the Board shall be required for all actions except as otherwise provided for herein.

305. Vacancies.

Any vacancy on the Board (whether due to termination, resignation, expiration of term, death or otherwise) shall be filled by BCBSM; provided, that with respect to a vacancy of a Director other than a Member Board Appointee, the Board, based on the recommendation of the Governance and Nominating Committee, shall nominate one or more individuals to fill such vacancy, which nominees shall be submitted to the Sole Member for approval.

306. Meetings; Chairpersons and Vice Chairpersons.

(a) Meetings of the Board shall be upon the call of the Chairperson, the Chief Executive Officer or President, as applicable, or a majority of the Directors. Regular meetings of the Board shall be held according to a schedule established by the Board.

(b) Meetings of any committee shall be called by the Chairperson of the Board, the Chief Executive Officer or President, as applicable, the Chairperson of that committee or by a majority of the members of such committee.

(c) Notice of the time, place and purposes of all meetings of the Board or committees shall be given at least five (5) days before the meeting to each member of the Board or applicable committees either in person, by mail, by electronic mail or by telephone by the Secretary at the Director's last known mailing or electronic mail address or telephone number, as

applicable as kept by the Secretary, except as provided herein. In the case of any meeting called by the Chief Executive Officer or President, as applicable, or Chairperson, notice of the meeting may be given by that person, who shall be deemed to be secretary for that purpose, in which case notice shall be simultaneously filed with the Secretary. If a meeting is called by the majority of the Directors, they shall file notice of the meeting with the Secretary at least five (5) days before the meeting, and the Secretary shall provide at least three (3) days' notice to the entire Board or the committee as provided herein. Meetings may be within or without the State of Vermont.

(d) When in attendance, the Chairperson shall preside at all meetings of the Board and its Executive Committee. When the Chairperson is not present, the Vice-Chairperson shall serve. If neither the Chairperson nor Vice-Chairperson is present, a moderator shall be chosen from among those present.

(e) The Chairperson and Vice-Chairperson shall be elected from among the Public Directors at the annual meeting of Directors, subject to the consent of the Sole Member.

307. **Waiver of Notice.**

A Director may waive in writing notice of any meeting of the Board or of one of its committees, either before or after the meeting. Attendance of a Director at a meeting shall constitute waiver of notice of that meeting unless such Director attends for the express purpose of objecting to the transaction of business because the meeting was not lawfully called or convened, and the Director voices such objection at the meeting, and does not vote in or otherwise participate in the meeting.

308. **Quorum.**

(a) **Board of Directors Meetings.**

A quorum for the transaction of business by the Board shall consist of a majority of Directors then holding office, including at least two (2) Member Board Appointees, at least one of whom is an officer of BCBSM (to the extent that an officer of BCBSM is serving on the Board at such time), exclusive of recused or disqualified Directors. If such BCBSM officer is not present at the meeting of the Board, then the applicable meeting will be postponed; provided that if such BCBSM officer fails to be present at the next meeting of the Board notwithstanding delivery of notice in accordance with Section 306(c), then such BCBSM officer will be deemed to be present for the purposes of determining whether the quorum requirements are satisfied.

(b) **Committee Meetings.**

A quorum for the transaction of business by the committees shall consist of a majority of Directors on such committee, exclusive of recused or disqualified Directors.

309. **Committees.**

(a) **Standing Committees.**

The standing committees shall include the following committees, and such other committees as are established by the Board from time to time:

- (1) **Executive and Compensation Committee**
- (2) **Audit Committee**
- (3) **Governance and Nominating Committee**
- (4) **Finance Committee**

To the extent consistent with these Bylaws, the members of the standing committees, and their Chairpersons, shall be nominated from among the current Directors and appointed by the Chairperson of the Board, subject to the prior written approval of the Sole Member. In addition to the approval of the Sole Member as described in the immediately preceding sentence, all committee appointees shall be subject to approval by the Board. In making such appointments, the Chairperson shall give due consideration to the interests, education, experience and expertise of appointees. Each committee shall include at least one (1) Member Board Appointee. The Chairperson shall appoint such committee members, and their Chairpersons, as soon as practicable after the annual meeting of the Board. Standing committees may make their own rules, consistent with these Bylaws, for the holding and conduct of their meetings. Vacancies shall be filled by the Chairperson of the Board, subject to approval by the Sole Member.

(b) **Other Committees.**

The Chairperson of the Board may, from time to time, with the approval of the Board, form other committees with such responsibilities and authority as may be delegated by the Board and appoint current Directors as members and Chairpersons thereof, subject to the prior written approval of the Sole Member.

(c) The committees shall keep and maintain minutes of their meetings and shall, from time to time but in any event no less than annually, submit such minutes to the Board along with such other materials or reports requested by the Board.

310. **Executive and Compensation Committee.**

(a) **Number and qualifications.**

The Executive and Compensation Committee shall consist of no fewer than four (4) Directors including the Chairperson or Vice-Chairperson of the Board. Provider Directors shall not comprise a majority of the Executive Committee. The Chairperson of the Board shall serve as Chairperson of the Executive and Compensation Committee.

(b) **Powers and duties.**

The Executive and Compensation Committee may, between regular meetings of the Board, act in the stead of the Board if circumstances arise which must be resolved prior to the next regularly scheduled Board meeting and with respect to which it is not reasonable to attempt to

schedule a special Board meeting either in person or through remote telecommunications. The foregoing authority shall be exercised in rare circumstances, and only when the Chairperson or Vice-Chairperson of the Board reasonably determines that it will be impossible to obtain a quorum of the Board in a timely manner. Said authority shall include general authority to manage the affairs of the Corporation including authority to authorize purchases, sales, offers, conveyances, transfers, bank deposits, and negotiable instruments; and to settle claims for and against the Corporation. Excepted from this authority are the following: any transaction involving all or substantially all of the assets of the Corporation; amendment of the Articles of Incorporation or these Bylaws; election of officers or Directors; and any other matter expressly reserved to the full Board by law or Board resolution.

The Executive and Compensation Committee shall have the authority to review compensation for all officers and Directors and to recommend for approval to the Board compensation of Directors and all officers, including the Chief Executive Officer or President, as applicable. The Executive and Compensation Committee shall: conduct periodic performance evaluations of the Chief Executive Officer or President, as applicable; review and approve the incentive compensation plan for the Corporation; and periodically review the performance of the qualified pension plans of the Corporation.

The Executive and Compensation Committee shall report its actions at the next meeting of the Board.

311. Audit Committee.

(a) Number and qualifications.

The Audit Directors shall consist of no less than three (3) members. At least one (1) member of the Audit Committee must have relevant financial experience. Provider Directors shall not comprise a majority of the Audit Committee.

(b) Powers and duties.

The Audit Committee shall assist the Board in fulfilling its responsibility to oversee management's conduct of the financial reporting process. In so doing it shall evaluate and recommend the retention, compensation, and if necessary, replacement of the independent financial audit firm, and shall review the annual independent audit. It shall review the internal audit work plan, and shall monitor results of the plan and corrective actions, if any. It shall also oversee legal compliance and ethics programs of the Corporation.

312. Governance and Nominating Committee.

(a) Number and Qualifications.

The Governance and Nominating Committee shall consist of not more than six (6) nor fewer than four (4) members. Provider Directors shall not comprise a majority of the Governance and Nominating Committee.

(b) **Powers and duties.**

Annually or as otherwise directed by the Board, the Governance and Nominating Committee shall nominate one or more qualified persons for the positions of Chairperson and Vice-Chairperson, and for each vacancy on the Board to be approved by the Sole Member. The Governance and Nominating Committee shall also nominate qualified persons to represent the Corporation on the boards of other entities that may be affiliated with the Corporation. The Governance and Nominating Committee shall have the power to consider, and to propose to the Board for its approval, amendments or revisions to the Bylaws. Each nomination or recommendation by the Governance and Nominating Committee shall be subject to approval by Board and the Sole Member to the extent required herein.

313. **Finance Committee.**

(a) **Number and Qualifications.**

The Finance Committee shall consist of a minimum of three (3) members. The Chairperson of the Audit Committee, or another Director designated by said Chairperson, shall be included as a member of the Finance Committee.

(b) **Powers and duties.**

The Finance Committee shall advise and assist the Board with respect to the financial and investment policies and objectives of the Corporation. The Finance Committee's primary duties and responsibilities are to: (i) monitor the Corporation's investment policies and performance; (ii) review and evaluate proposed capital projects and other major investments; (iii) review the annual financial forecast and administrative expense budget, and any subsequent changes proposed by management, and (iv) periodically review the Corporation's financial results to date compared with the results forecasted in the approved business plan.

314. **Advisory Committees.**

The Chairperson, Chief Executive Officer or President, as applicable, or Chairperson of a standing committee may, from time to time, with the approval of the Board, form one or more Advisory Committees, which shall be distinct from the Board committees authorized by Sections 309 to 313 of these Bylaws and shall be charged with advising the Corporation on matters of concern to it. Members of the Board may sit on Advisory Committees, but members of the Advisory Committees need not be Directors. Upon invitation, Advisory Committees or members thereof may attend meetings of the Board but will not be entitled to vote at such meetings. The voting prohibition will not apply to a Director who is a member of the Advisory Committee.

315. **Informal Action.**

If all of the Directors, or all the members of any committee thereof, consent in writing to any action taken or to be taken by the Corporation and the written consent is inserted in the minute book of the Corporation, the action shall be as valid as though it had been authorized at a meeting of the Board.

316. Telephonic Meetings.

The Board or any committee thereof, may hold a meeting by means of video, telephone or similar communications equipment, by means of which all persons participating in the meeting can hear each other, and participation in such a meeting shall constitute presence in person at such meeting. Any Director may request participation in any meeting (including any meeting scheduled as an in person meeting) by remote attendance.

317. Conflict of Interest.

(a) Conflict of Interest Policy.

Each Director shall comply with the Conflict of Interest Policy of the Corporation as amended from time to time. Each Director shall file a signed Conflict of Interest Statement, in the form last approved by the Board, with the Corporate Secretary concurrent with being seated on the Board and prior to May 1 of each year.

(b) Recusal by Director.

At any time that it becomes apparent to a Director that a matter is coming, or is likely to come, under consideration by the Board in which she/he/they has an interest which is, or may be, or may create the appearance of a conflict with the interests of the Corporation, such Director will disclose such actual or potential conflict to the Board and provide all information reasonably requested by the Board in connection with such actual or potential conflict and will absent her/him/themself during any Board consideration or take such other actions as are appropriate given the nature of the actual or potential conflict and the potential Board action.

A Director shall also recuse him/her/themself at any point when a conflict of interest exists with respect to such Director in accordance with the terms of the Conflict of Interest Policy.

(c) Recusal of Director by Chairperson.

If it becomes apparent that a matter is coming, or is likely to come, under consideration by the Board in which a Director has an interest which is, or may be, in conflict with the interests of the Corporation and the Director fails or refuses to act consistently with subsection (b) above, then the Chairperson or acting Chairperson may require such Director to absent her/him/themself or to take other appropriate action.

Chapter 4

OFFICERS

401. Officers.

The officers of the Corporation shall be the Chief Executive Officer or President, as applicable, one or more Vice-Presidents, a Treasurer, a Secretary, and an Assistant Secretary.

402. Qualifications of Officers.

Officers of the Corporation need not be members of the Board.

403. Chief Executive Officer or President.

The Chief Executive Officer of the Corporation as of the Effective Date shall be the President and Chief Executive Officer until his retirement, resignation or termination. From and after such retirement, resignation or termination, as applicable, the Corporation shall no longer have a Chief Executive Officer. The Corporation's principal officer shall thereafter be its President. The Board may remove the Chief Executive Officer or President, as applicable, by the affirmative vote of a majority of Directors then in office, subject to the written consent of the Sole Member. The Sole Member may remove the Chief Executive Officer or President as applicable, by delivering written notice thereof to the Board with concurrent notice to the Chief Executive Officer or President. The Sole Member and the Board shall cooperate to determine the appropriate process for determining the requirements of any candidate to become the President and identifying candidates for President. Once determined, the Board will nominate a candidate to become the President, which candidate will be subject to the approval of the Sole Member.

The Chief Executive Officer or President, as applicable, shall be responsible for the Corporation's general management with the power to make and execute contracts in the ordinary course of business and to delegate such authority. In the name of the Corporation, and as and when authorized by the Board, the Chief Executive Officer or President, as applicable, shall execute all deeds, mortgages, bonds, and other similar obligations or instruments. The Chief Executive Officer or President, as applicable, shall report to the Chief Executive Officer of BCBSM or his or her or their designee and to the Board.

404. Vice-Presidents.

From time to time, the Chief Executive Officer or President, as applicable, may appoint "Acting Vice-Presidents" who shall be confirmed by the Board as "Vice-Presidents." They shall exercise the powers delegated to them by the Chief Executive Officer or President, as applicable, or by the Board at the pleasure of the Chief Executive Officer or President, as applicable. They shall serve at the pleasure of the Chief Executive Officer or President, as applicable, and may be removed with or without cause.

405. Treasurer.

The Treasurer shall have the general supervision over the care and custody of the funds and securities of the Corporation and shall deposit the same or cause the same to be deposited in the name of the Corporation in such banks, trust companies, investment accounts, and safe deposit companies as the Board designates; shall keep or cause to be kept full and accurate accounts of all receipts and disbursements of the Corporation; and shall render or cause to render financial statements of the Corporation requested by the Board.

406. Secretary and Assistant Secretary.

The Secretary shall be responsible for the keeping of minutes of all meetings and the notice thereof; and shall be responsible for the custody of the corporate records and seal, as applicable. When neither the Secretary nor the Assistant Secretary is present at any meeting, a Secretary pro tem shall keep minutes of the meeting and promptly forward those minutes to the Secretary who shall insert them in the corporate record book. The Secretary shall keep a record of all Directors of the Corporation, designate therein whether they are Public Directors, keep their current mailing addresses and record the date of their election. The Secretary shall make the records of the Corporation available for inspection to Directors. The Secretary and Assistant Secretary will be responsible for the performance of all duties usually incident to the office of Secretary and such duties as may, from time to time, be assigned by the Board or the Chief Executive Officer or President, as applicable. The Assistant Secretary will be responsible for the performance of such duties as may, from time to time, be assigned by the Chief Executive Officer or President, as applicable, or the Secretary, and shall have full power to act as the Secretary in the event that the Secretary is absent or unavailable.

Chapter 5

GENERAL PROVISIONS

501. Bonds.

The Board, at the expense of the Corporation, shall require the Treasurer and may require any other officer or employee to provide the Corporation with fidelity bonds in an amount, in such form, and with such surety as the Board demands.

502. Negotiable Instruments.

All checks, drafts, bills of exchange, notes or other obligations or orders for the payment of monies shall be signed by signature (including electronic signature or facsimile thereof) in the name of the Corporation by such officer or officers, person or persons as the Board may designate.

503. Seal.

The Corporation may, but shall not be required to, have and use a corporate seal bearing the name of the Corporation and any such other information which the Corporation may, from time to time, decide to include in the same.

504. Fiscal Year.

The fiscal year of the Corporation shall end on December 31 unless otherwise ordered by the Board.

505. Principal Place of Business.

The principal office of the Corporation shall be located in the Town of Berlin, Vermont or in such other place as the Board shall determine.

506. Indemnification of Directors, Officers.

Each Director and officer serving as such shall be indemnified by the Corporation against any and all claims and liabilities, including all legal fees in defense thereof, resulting because of (a) service as a Director or officer, (b) by reason of any action taken or alleged to have been taken, omitted, or neglected in the role of Director or officer, (c) service as a director or officer of another entity at the request or direction of the Corporation, or (d) by reason of any action taken or alleged to have been taken, omitted, or neglected in the role as director or officer of another entity pursuant to Section 506(c), in each case, except those arising out of willful misconduct or gross negligence; provided, however, that in any dispute between the Corporation and its Directors or its officers in which an officer or Director was or is a party defendant or is threatened to be made a party defendant to any threatened, pending or completed action, suit, or proceeding, by reason of the fact that such individual is or was a Director or officer or is or was a director or officer of another entity at the request or direction of the Corporation, the Corporation shall indemnify him/her/them against expenses (including legal fees) incurred in defense only if such officer or Director ultimately prevails in such action, suit, or proceeding.

507. Amendments.

Subject to the prior written approval of the Sole Member, these Bylaws may be amended at any meeting of the Board by a two-thirds (2/3) vote of those present at any meeting duly warned, by fifteen (15) days written notice, for that purpose, or by unanimous written consent of the Board.

These Amended and Restated Bylaws were adopted by the Board of Directors of the Corporation at a duly warned meeting held on and [●], at which the Board agreed and approved of these Bylaws replacing all prior Bylaws of the Corporation in their entirety.

BLUE CROSS AND BLUE SHIELD OF
VERMONT

By: _____
Name:
Title:

SCHEDULE A

Schedule of Staggered Terms

[TO COME]