

BYLAWS
OF
WASHINGTON VACCINE ASSOCIATION

A nonprofit corporation

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**BYLAWS
OF
WASHINGTON VACCINE ASSOCIATION**

ARTICLE I

PURPOSE

The purposes for which this corporation, a nonprofit charitable organization, is formed are:

(a) To collect and remit adequate funds from health carriers and third-party administrators for the cost of vaccines provided to certain children in Washington state, pursuant to SSHB 2551, Ch. 174, 61st Leg., 2010 Reg. Sess. (Wash. 2010), as the same may be amended from time to time (“the Act” herein).

(b) To engage in any other lawful activity which may hereafter be authorized from time to time by the Board of Directors and which is legal and proper for a nonprofit corporation under the laws of the State of Washington as they now exist or are hereafter amended, or the laws of any other state in which this corporation may legally operate, if applicable; provided, however, that the purposes for which the corporation is formed shall at all times be consistent with Section 501(c)(3) of the Internal Revenue Code of 1986, as it now exists or as hereafter amended (the “Code”), including within such purposes the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Code.

(c) To do everything necessary, proper, convenient or incidental to the accomplishment of the purposes and objects of this corporation.

ARTICLE II

OFFICES

2.1 Registered Office and Registered Agent. The registered office of the corporation shall be located in the State of Washington at such place as may be fixed from time to time by the Board of Directors upon filing of such notices as may be required by law. The registered agent shall have a business office identical with such registered office.

2.2 Other Offices. The corporation may have other offices within or outside the State of Washington at such place or places as the Board of Directors may from time to time determine.

ARTICLE III

MEMBERS

The corporation shall have members consisting of the following:

- (a) All health carriers issuing or renewing health benefit plans in Washington state; and

- (b) All third-party administrators conducting business on behalf of residents of Washington state or Washington health care providers and facilities.

The members of the corporation shall have the rights and responsibilities set forth in the Act and as expressly provided in these bylaws. Membership in the corporation is not transferable.

ARTICLE IV

MEMBERS' MEETINGS

4.1 Meeting Place. All meetings of the members shall be held at such places as shall be determined from time to time by the Board of Directors, and the place at which any such meeting shall be held shall be stated in the notice of the meeting.

4.2 Annual Meeting Time. An annual meeting of the members may be held each year on the first Thursday in the month of November at 10:00 A.M. or at such other time and place as determined by the Board of Directors. The Board of Directors shall report to the members concerning the conduct of affairs of the corporation. In lieu of holding an annual meeting of members, the Board of Directors may report to members concerning the conduct of affairs of the corporation by written communications to members.

4.3 Special Meetings. Special meetings of the members for any purpose may be called at any time by the President or Board of Directors, or by persons holding fifteen percent (15%) of the votes entitled to be cast at such meeting.

4.4 Notice. Written or printed notice of all members meetings stating the place, day, and hour of the meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered either personally or by mail to each member entitled to vote at such meeting. Such notice must be delivered at least ten (10) days, and not more than fifty (50) days, prior to the meeting.

4.5 Waiver of Notice. A waiver of any notice required to be given any member, signed by the person or persons entitled to such notice, whether before or after the time stated therein for the meeting, shall be equivalent to the giving of such notice.

4.6 Voting. A member may vote in person or by proxy executed in writing by such member or such member's duly authorized attorney-in-fact. No proxy shall be valid after eleven (11) months from the date it is executed, unless otherwise provided in the proxy. Each member shall have one vote and a vote of the majority of members present at the meeting of members shall be necessary to approve a matter submitted to a vote of the members. Except in the election of the director position described in Section 5.1(c) of these bylaws, a member vote shall be advisory to the Board of Directors. The director position described in Section 5.1(c) of these bylaws shall be elected by the member health carriers not otherwise represented on the board under Sections 5.1(a) or (b) of these bylaws at an annual meeting of members or by written ballot in the manner determined by the Board of Directors.

4.7 Quorum. A majority of the members entitled to vote represented at a meeting in person or by proxy shall be necessary and sufficient to constitute a quorum for the transaction of business.

ARTICLE V

BOARD OF DIRECTORS

5.1 Number and Powers. The management of all the affairs, property, and interests of the corporation shall be vested in a Board of Directors consisting of eleven (11) persons, designated pursuant to the Act as follows:

- (a) Four members selected from health carriers or third-party administrators, excluding health maintenance organizations, that have the most fully insured and self-funded covered lives in Washington state. The count of total covered lives includes enrollment in all companies included in their holding company system. Each health carrier or third-party administrator is entitled to no more than a single position on the board to represent all entities under common ownership or control.
- (b) One member selected from the health maintenance organization having the most fully insured and self-insured covered lives in Washington state. The count of total lives includes enrollment in all companies included in their holding company system. Each health maintenance organization is entitled to no more than a single position on the board to represent all entities under common ownership or control.
- (c) One member representing health carriers not otherwise represented on the board under (a) or (b) of this section who is elected from among the health carrier members not designated under (a) or (b) of this section.
- (d) One member representing Taft Hartley plans, appointed by the Secretary of the Department of Health from a list of nominees submitted by the Northwest administrators association.
- (e) One member representing Washington state employers offering self-funded health coverage, appointed by the Secretary of the Department of Health from a list of nominees submitted by the Puget Sound health alliance.
- (f) Two physician members appointed by the Secretary of the Department of Health, including at least one board certified pediatrician.
- (g) The Secretary of the Department of Health, or a designee of the Secretary of the Department of Health, with expertise in childhood immunization purchasing and distribution

5.2 Term. Each director, other than the Secretary of the Department of Health, or the designee of the Secretary, shall serve for a term of three years and until the designation as provided in Section 5.1 of a successor. Provided that the Board of Directors confirmed at the organizational meeting of the Board of Directors shall be divided into three approximately equal groups with terms of one, two and three years respectively so that the terms of the directors shall be staggered and overlap.

5.3 Vacancies. Any vacancy in the Board of Directors shall be filled in the manner described for the director position in Section 5.1 above. A director elected to fill a vacancy shall hold office for the unexpired term of his or her predecessor and until a successor is elected and qualified

5.4 Regular Meetings. Regular meetings of the Board of Directors may be held at the such times and places within the State of Washington, as the Board of Directors may from time to time designate. The annual meeting shall be held on the first Thursday of the month of November each year beginning in November 2011, at such other time and place as the Board of Directors shall designate by written notice. If such day is a legal holiday, the meeting shall be held on the next business day at the same time and place.

5.5 Special Meetings. Special meetings of the Board of Directors may be called at any time by the Chair/President or upon written request by any two directors. Such meetings shall be held at the registered office of the corporation or at such other place or places as the directors may from time to time designate.

5.6 Notice. Notice of all meetings of the Board of Directors shall be given to each director by five (5) days' prior service of the same by facsimile, by mail, by electronic transmission as provided in RCW 24.03.009 (requiring the consent, etc., of the director recipient), or personally. Such notice need not specify the business to be transacted at, nor the purpose of, the meeting.

5.7 Quorum. A majority of the whole Board of Directors shall be necessary and sufficient at all meetings to constitute a quorum for the transaction of business. If less than a quorum shall attend a meeting, a majority of the directors present may adjourn the meeting from time to time without further notice, and a quorum present at such adjourned meeting may transact business.

5.8 Waiver of Notice. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. A waiver of notice signed by the director or directors, whether before or after the time stated for the meeting, shall be equivalent to the giving of notice.

5.9 Registering Dissent. A director who is present at a meeting of the Board of Directors at which action on a corporate matter is taken shall be presumed to have assented to such action unless the director shall file a written dissent or abstention to such action with the person acting as the secretary of the meeting before the adjournment thereof, or shall forward such dissent by registered mail to the Secretary of the corporation immediately after the adjournment of the

meeting. Such right to dissent or abstain shall not apply to a director who voted in favor of such action.

5.10 Executive and Other Committees. The Board of Directors may appoint, from time to time, from its own number, standing or temporary committees consisting each of no fewer than two (2) directors. Such committees may be vested with such powers as the Board may determine by resolution passed by a majority of the full Board of Directors. No such committee shall have the authority of the Board of Directors in reference to amending, altering, or repealing these Bylaws; electing, appointing, or removing any member of any such committee or any director or officer of the corporation; amending the Articles of Incorporation; adopting a plan of merger or consolidation with another corporation; authorizing the sale, lease, or exchange of all or substantially all of the property and assets of the corporation other than in the ordinary course of business; authorizing the voluntary dissolution of the corporation or adopting a plan for the distribution of the assets of the corporation; or amending, altering, or repealing any resolution of the Board of Directors which by its terms provides that it shall not be amended, altered, or repealed by such committee. All committees so appointed shall keep regular minutes of the transactions of their meetings and shall cause them to be recorded in books kept for that purpose in the office of the corporation. The designation of any such committee and the delegation of authority thereto, shall not relieve the Board of Directors, or any member thereof, of any responsibility imposed by law.

5.11 Remuneration. No stated salary shall be paid directors, as such, for their service, but by resolution of the Board of Directors, expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of such Board; provided, that nothing herein contained shall be construed to preclude any director from serving the corporation in any other capacity and receiving compensation therefor. Members of special or standing committees may be allowed like compensation for attending committee meetings. Provided further, that no state employed officers or directors shall receive compensation for services rendered, reimbursement for expenses, or remuneration of any kind from the corporation and the state employed officers and directors shall otherwise comply with the Executive Ethics Act, Chapter 42.52 RCW.

5.12 Loans. No loans shall be made by the corporation to any director.

5.13 Removal. Any director selected or appointed by the Secretary of the Department of Health may be removed at any time, with or without cause, by the Secretary of the Department of Health.

5.14 Action by Directors without a Meeting (by unanimous written consent). Any action required or permitted to be taken at a meeting of the directors, or of a committee thereof, may be taken without a meeting by a written consent setting forth the action so to be taken, signed by all of the directors, or all of the members of the committee, as the case may be, before such action is taken. Such consent shall have the same effect as a unanimous vote, and may be stated as such in any articles or document filed with the secretary of state for the State of Washington.

5.15 Manner of Acting; Conference Telephone. The act of the majority of the directors or committee members present at a meeting or adjourned meeting at which a quorum is present shall be the act of the Board of Directors or the committee, as the case may be. If the Board of Directors so elects, directors and committee members may participate in a meeting of

the Board or committee by means of a conference telephone or similar communications equipment if all persons participating in the meeting can hear each other at the same time, and participation by such means shall constitute presence in person at the meeting.

ARTICLE VI

OFFICERS

6.1 Designations. The officers of the corporation shall be a Chair of the Board of Directors and President, a Vice Chair/Vice President, a Secretary and a Treasurer, and such other officers and assistant officers as the Board may designate. All officers shall be elected for terms of one year by the Board of Directors at the annual meeting of the Board of Directors. Such officers shall hold office until their successors are elected and qualify. Any two or more offices may be held by the same person, except the offices of President and Secretary.

6.2 Chair of the Board of Directors and President. The Chair of the Board of Directors and President shall preside at the meetings of the Board of Directors and the annual meeting of members, if any, and shall have general supervision of the affairs of the corporation, and shall perform such other duties as are incident to the office or are properly required of the Chair of the Board of Directors and President by the Board of Directors.

6.3 Vice Chair and Vice Presidents. During the absence or disability of the Chair of the Board of Directors and President, the Vice Chair of the Board of Directors and Vice President shall exercise all the functions of the Chair of the Board of Directors and President. The Vice Chair of the Board of Directors and Vice President shall have such powers and discharge such duties as may be assigned to him or her from time to time by the Board of Directors.

6.4 Secretary and Assistant Secretaries. The Secretary shall issue notices for all meetings, except for notices of special meetings of the members and the Board of Directors which are called by the requisite number of directors, shall keep minutes of all meetings, shall have charge of the corporate books, and shall make such reports and perform such other duties as are incident to the office, or are properly required of the Secretary by the Board of Directors. The Assistant Secretary or Assistant Secretaries, if any, in the order designated by the Board of Directors, shall perform all of the duties of the Secretary in the absence or disability of the Secretary, and at other times may perform such duties as are properly required by the President or the Board of Directors.

6.5 Treasurer. The Treasurer shall have the custody of all monies and securities of the corporation and shall keep regular books of account. The Treasurer shall disburse the funds of the corporation in payment of the just demands against the corporation or as may be ordered by the Board of Directors (taking proper vouchers for such disbursements) and shall render to the Board of Directors from time to time as may be required, an account of all transactions undertaken as Treasurer and of the financial condition of the corporation. The Treasurer shall perform such other duties as are incident to the office or are properly required by the Board of Directors. The Assistant Treasurer or Assistant Treasurers, if any, in the order designated by the Board of Directors, shall perform all of the duties of the Treasurer in the absence or disability of

the Treasurer, and at other times may perform such other duties as are properly required by the President or the Board of Directors.

6.6 Executive Director. The Board may select an Executive Director who shall be responsible for the administration and conduct of the business and affairs of the corporation pursuant to guidelines established by the Board. The Executive Director shall have full authority for direction of the employees of the corporation, if any. The Executive Director, if selected, may be compensated for his or her services in that capacity in such amount and manner as the Board of Directors shall determine.

6.7 Delegation. If any officer of the corporation is absent or unable to act and no other person is authorized to act in such officer's place by the provisions of these Bylaws, the Board of Directors may from time to time delegate the powers or duties of such officer to any other officer or any director or any other person it may select.

6.8 Vacancies. Vacancies in any office arising from any cause may be filled by the Board of Directors at any regular or special meeting of the Board.

6.9 Other Officers. The Board of Directors may appoint such other officers or agents as it shall deem necessary or expedient, who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board of Directors.

6.10 Loans. No loan shall be made by the corporation to any officer.

6.11 Term - Removal. The officers of the corporation shall hold office until their successors are chosen and qualified. Any officer or agent elected or appointed by the Board of Directors may be removed at any time, with or without cause, by the affirmative vote of a majority of the whole Board of Directors, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

6.12 Bonds. The Board of Directors may, by resolution, require any and all of the officers to provide bonds to the corporation, with surety or sureties acceptable to the Board, conditioned for the faithful performance of the duties of their respective offices, and to comply with such other conditions as may from time to time be required by the Board of Directors.

ARTICLE VII

DEPOSITORIES

The monies of the corporation shall be deposited in the name of the corporation in such bank or banks or trust company or trust companies as the Board of Directors shall designate, and shall be drawn from such accounts only by check or other order for payment of money signed by such persons, and in such manner, as may be determined by resolution of the Board of Directors, provided however that the corporation may wire funds directly to the universal vaccines purchase account established in accordance with RCW 43.70.720.

ARTICLE VIII

FISCAL YEAR.

The fiscal year of the corporation shall end on June 30 of each year, to coincide with the end of the biennium for the state of Washington.

ARTICLE IX

SEAL

The corporation shall have no seal.

ARTICLE X

INDEMNIFICATION OF DIRECTORS AND OTHERS

10.1 Grant of Indemnification. Subject to Article X, Section 10.2, each person who is made a party to or is threatened to be made a party to or is involved (including, without limitation, as a witness) in any threatened, pending or completed action, suit or proceeding, whether formal or informal, civil, criminal, administrative or investigative (hereinafter a “proceeding”), by reason of the fact that he or she is or was a director of the corporation or who, while a director of the corporation, is or was serving at the request of the corporation as a director, officer, employee or agent of this or another cooperation or of a partnership, joint venture, trust, other enterprise, or employee benefit plan, whether the basis of such proceeding is alleged action in an official capacity as a director or in any other capacity while serving as a director, officer, employee or agent, shall be indemnified and held harmless by the corporation to the fullest extent permitted by applicable law, as then in effect, against all expense, liability and loss (including attorneys’ fees, costs, judgments, fines, ERISA excise taxes or penalties and amounts to be paid in settlement) reasonably incurred or suffered by such person in connection therewith, and such indemnification shall continue as to a person who has ceased to be a director and shall inure to the benefit of his or her heirs, executors and administrators.

10.2 Limitations on Indemnification. Notwithstanding Article X, Section 10.1, no indemnification shall be provided hereunder to any such person to the extent that such indemnification would be prohibited by applicable law as then in effect, nor, except as provided in Article X, Section 10.4 with respect to proceedings seeking to enforce rights to indemnification, shall the corporation indemnify any such person seeking indemnification in connection with a proceeding (or part thereof) initiated by such person except where such proceeding (or part thereof) was authorized by the Board of Directors.

10.3 Advancement of Expenses. Provided further, that no state employed officers or directors shall receive compensation for services rendered, reimbursement for expenses, or remuneration of any kind from the corporation and the state employed officers and directors shall otherwise comply with the Executive Ethics Act, Chapter 42.52 RCW.

10.4 Right to Enforce Indemnification. If a claim under Article X, Section 10.1 is not paid in full by the corporation within 60 days after a written claim has been received by the corporation, or if a claim for expenses incurred in defending a proceeding in advance of its final disposition authorized under Article X, Section 10.3 is not paid within 20 days after a written claim has been received by the corporation, the claimant may at any time thereafter bring suit against the corporation to recover the unpaid amount of the claim and, to the extent successful in whole or in part, the claimant shall be entitled to be paid also the expense of prosecuting such claim. The claimant shall be presumed to be entitled to indemnification hereunder upon submission of a written claim (and, in an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition, where the required undertaking has been tendered to the corporation), and thereafter the corporation shall have the burden of proof to overcome the presumption that the claimant is so entitled. It shall be a defense to any such action (other than an action with respect to expenses authorized under Article X, Section 10.3) that the claimant has not met the standards of conduct which make it permissible hereunder or under applicable law for the corporation to indemnify the claimant for the amount claimed, but the burden of proving such defense shall be on the corporation. Neither the failure of the corporation (including its Board of Directors or independent legal counsel) to have made a determination prior to the commencement of such action that indemnification of or reimbursement or advancement of expenses to the claimant is proper in the circumstances because he or she has met the applicable standard of conduct set forth herein or in applicable law, nor (except as provided in Article X, Section 10.3) an actual determination by the corporation (including the Board of Directors or independent legal counsel) that the claimant is not entitled to indemnification or to the reimbursement or advancement of expenses shall be a defense to the action or create a presumption that the claimant is not so entitled.

10.5 Nonexclusivity. The right to indemnification and the payment of expenses incurred in defending a proceeding in advance of its final disposition conferred in this section shall be valid to the extent consistent with applicable law.

10.6 Indemnification of Officers, Employees and Agents. The corporation may, by action of its Board of Directors from time to time, provide indemnification and pay expenses in advance of the final disposition of a proceeding to officers, employees and agents of the corporation and to trustees of any division of the corporation on the same terms and with the same scope and effect as the provisions of this section with respect to the indemnification and advancement of expenses of directors of the corporation or pursuant to rights granted pursuant to, or provided by, applicable law or on such other terms as the Board of Directors may deem proper.

10.7 Insurance and Other Security. The corporation may maintain insurance, at its expense, to protect itself and any individual who is or was a director, officer, employee or agent of the corporation or another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against or incurred by the individual in that capacity or arising from his or her status as an officer, director, agent, or employee, whether or not the corporation would have the power to indemnify such person against the same liability under applicable law. The corporation may enter into contracts with any director or officer of the corporation in furtherance of the provisions of this section and may create a trust fund, grant a security interest or use other means (including, without limitation, a letter of credit) to ensure the payment of such amounts as may be necessary to effect indemnification as provided in this section.

10.8 Amendment or Modification. This section may be altered or amended at any time as provided in these Bylaws, but no such amendment shall have the effect of diminishing the rights of any person who is or was indemnified herein as to any acts or omissions taken or omitted to be taken prior to the effective date of such amendment.

10.9 Effect of Article. The rights conferred by this article shall be deemed to be contract rights between the corporation and each person who is or was a director. The corporation expressly intends each such person to rely on the rights conferred hereby in performing his or her respective duties on behalf of the corporation.

ARTICLE XI

BOOKS AND RECORDS

The corporation shall keep at its registered office, its principal office in this state, or at its secretary's office if in this state or on its website, the following:

- (a) Current articles and bylaws;
- (b) A record of members, including names, and addresses, and designation as a health carrier and/or third party administrator as applicable.
- (c) Current plan of operations
- (d) Correct and adequate records of accounts and finances;
- (e) A record of officers' and directors' names and addresses;
- (f) Minutes of the proceedings of the members, if any, the board, and any minutes which may be maintained by committees of the board. Records may be written, or electronic if capable of being converted to writing.

ARTICLE XII

AMENDMENTS

The Board of Directors shall have power to make, alter, amend, and repeal the Bylaws of this corporation.

ARTICLE XIII

CONDUCT OF MEETINGS

Meetings of the members, at the request of a member, and meetings of the Board of Directors, at the request of a director, shall be conducted according to *The Modern Rules of Order*.

These Bylaws, consisting of 11 pages, were adopted by resolution of the corporation's Board of Directors on April 2, 2010.


Secretary

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