

**IDAHO HEALTH COOPERATIVE, INC.**

**FILED EFFECTIVE**

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SECRETARY OF STATE  
STATE OF IDAHO

**Articles of Incorporation**

The undersigned individuals, acting as incorporators under the Idaho Nonprofit Corporation Act, adopt the following articles of incorporation:

**ARTICLE I  
NAME**

The name of the corporation is Idaho Health Cooperative, Inc. (the "**Corporation**").

**ARTICLE II  
PURPOSE**

The Corporation is organized for the purpose of issuing qualified health plans within the meaning of Section 1311 of the Patient Protection and Affordable Care Act ("**Affordable Care Act**") in the individual and small group markets in the State of Idaho. In accordance with such purpose, the Corporation shall be organized and operated (i) as a mutual disability insurance company under the provisions of Chapter 28 of Title 41 and Chapter 3 of Title 30 of the Idaho Code, and other applicable statutes; and (ii) as a qualified nonprofit health insurance issuer as defined in Section 1322 of the Affordable Care Act and Section 501(c)(29) of the Internal Revenue Code of 1986, as amended ("**Internal Revenue Code**"). To the extent not inconsistent with the foregoing, the Corporation shall have the power and authority to conduct all lawful business reasonably and necessarily incidental to its insurance business.

**ARTICLE III  
LIMITATION UPON ACTIVITIES**

1. All profits of the Corporation shall be used to lower premiums, to improve benefits, or for other programs intended to improve the quality of health care delivered to the Corporation's members. Notwithstanding any other provision of these articles, no part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to its members, directors, officers, or other private persons, except as required or permitted under Section 1322(c)(4) of the Affordable Care Act.

2. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation.

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3. The Corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office.

4. Notwithstanding any other provision of these articles, the Corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under section 501(c)(29) of the Internal Revenue Code, or the corresponding section of any future federal tax code[, or (b) by a corporation, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code, or the corresponding section of any future federal tax code].

#### **ARTICLE IV MEMBERS**

1. Each individual covered under a health insurance policy issued by the Corporation shall be a member of the Corporation during the period of such policy is in force. The Bylaws shall identify the persons who shall be members of the Corporation prior to the time the Corporation issues its first health insurance policy.

2. If the Corporation at any time issues assessable policies of insurance, the maximum contingent liability of its members for payment of losses and expenses incurred, other than as to nonassessable policies, shall not be less than one nor more than six annual premiums for the member's policy.

#### **ARTICLE V DIRECTORS**

1. The number of directors of the Corporation shall be fixed as set forth in the Bylaws. The names and addresses of the initial directors (the "**Formation Board of Directors**") of the Corporation are:

Ben Wright	13127 W Pala Mesa Dr	Boise, ID 83713
Andy Fujimoto	2865 Los Altos	Meridian, ID 83642
Carrie Hatch	10489 W Shadybrook Dr	Boise, ID 83704
Jim Negomir	8351 S. Old Farm Pl	Meridian, ID 83642
Pat Sellars	1262 E. San Pedro St	Meridian, ID 83646

2. The Bylaws shall provide for the transition to a board of directors elected by the members (the "**Operational Board of Directors**") commencing at the time the Corporation issues its first policy of insurance.

#### **ARTICLE VI**

## **LIMITATION ON PERSONAL LIABILITY**

No director or officer of the Corporation shall be personally liable to the Corporation for monetary damages for conduct as a director or officer, and no director or officer of the Corporation shall be liable to the Corporation or other person for any action taken or not taken as a director or officer if the director or officer acts in compliance with the standards of conduct for officers set forth in the Idaho Nonprofit Corporation Act and the Idaho Insurance Code; provided however, that this provision shall not eliminate the liability of a director or officer for any conduct for which liability may not be eliminated under Idaho Nonprofit Corporation Act or the Idaho Insurance Code. No amendment to the Idaho Nonprofit Corporation Act or the Idaho Insurance Code that further limits the acts or omissions for which elimination of liability is permitted shall affect the liability of a director or officer for any act or omissions that occurs prior to the effective date of the amendment.

## **ARTICLE VII INDEMNIFICATION**

Within the restrictions imposed by Article III, the Corporation shall indemnify to the fullest extent not prohibited by law any current or former director who is made, or threatened to be made, a party to an action, suit or proceeding, whether civil, criminal, administrative, investigative or other (including an action, suit or proceeding by or in the right of the Corporation), by reason of the fact that the person is or was a director, officer, employee or agent of the Corporation or a fiduciary within the meaning of the Employee Retirement Income Security Act of 1974 with respect to any employee benefit plan of the Corporation, or serves or served at the request of the Corporation as a director, officer, employee or agent, or as a fiduciary of an employee benefit plan, of another corporation, partnership, joint venture, trust or other enterprise. This Article shall not be deemed exclusive of any other provisions for indemnification or advancement of expenses of directors, officers, employees, agents and fiduciaries included in any statute, bylaw, agreement, general or specific action of the Board of Directors or other document or arrangement.

## **ARTICLE VIII DISSOLUTION**

Upon dissolution of the Corporation, assets shall be distributed to an entity described in Section 501(c)(3) or 501(c)(29) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of shall be disposed of by a court of competent jurisdiction of the county in which the principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations, as such court shall determine, which are organized and operated exclusively for such purposes.

**ARTICLE IX  
REGISTERED AGENT**

The address of the Corporation's initial registered office is 3449 E Copper Point Dr, Meridian, Idaho 83642. Its initial registered agent at that location is Ben Wright.

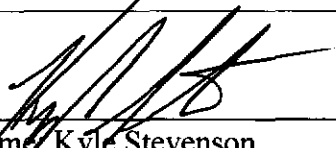
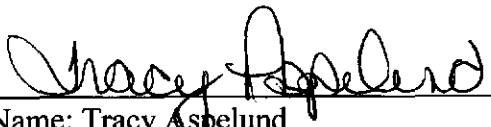
**ARTICLE X  
INCORPORATORS**

The names and addresses of the incorporators, each of whom is a resident of the State of Idaho, are:

Ben Wright	13127 W Pala Mesa Dr	Boise, ID 83713
Andy Fujimoto	2865 Los Altos	Meridian, ID 83642
Carrie Hatch	10489 W Shadybrook Dr	Boise, ID 83704
Jim Negomir	8351 S. Old Farm Pl	Meridian, ID 83642
Pat Sellars	1262 E. San Pedro St	Meridian, ID 83646
Mike Carroll	2714 Orchard Lane	Emmett, ID 83617
Diane Kopecky	11545 W Kuna Rd	Kuna, ID 83634
Scott Jones	6865 W Saxton Dr	Boise, ID 83714
Kyle Stevenson	12285 W Lewisburg Dr	Boise, ID 83709
Tracy Aspelund	2013 S Gull Cove Pl	Meridian, ID 83642

DATED: March 13, 2012.

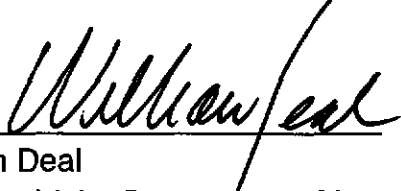
 Name: Ben Wright	 Name: Tadashi A Fujimoto
 Name: Carrie Hatch	 Name: Jim Negomir
 Name: Pat Sellars	 Name: Mike Carroll
 Name: Diane Kopecky	 Name: Scott Jones

 Name: Kyle Stevenson	 Name: Tracy Aspelund
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DIRECTOR'S CERTIFICATION  
PURSUANT TO  
IDAHO CODE SECTION 41-2805(1)

The undersigned, Director of the Idaho Department of Insurance, hereby certifies and approves, pursuant to Idaho Code § 41-2805(1), the attached Articles of Incorporation for Idaho Health Cooperative, Inc., submitted for review and approval in accordance with Idaho Code § 41-2805(1).

Dated this 9<sup>th</sup> day of March, 2012.

  
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William Deal  
Director, Idaho Department of Insurance

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