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As Adopted by  
UPA Board on  
October 10, 1990

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### AFFILIATION AGREEMENT

This Agreement is made by and between the University of Medicine and Dentistry of New Jersey (the "University") and University Physician Associates of New Jersey, Inc., a New Jersey Non-Profit Corporation ("UPA"), for the establishment and conduct of a Faculty Practice Program at the UMDNJ-New Jersey Medical School (the "School").

#### Background

The School requires as a condition of employment that full-time faculty engaged in clinical activities participate in the School's faculty practice program and that all patient care activity of full-time faculty be conducted within that program;

UPA is organized exclusively for charitable, scientific and educational purposes as a New Jersey non-profit corporation, as set forth in its Certificate of Incorporation and By-Laws, including the purpose of the operation and maintenance of administrative services in support of the activities of the faculty of the School;

The School and UPA wish to provide for a responsive and cost-effective administrative organization and information system for faculty practice at the School as a means of ensuring high-quality management and accountability;

The School and UPA have determined after due consideration that participation of the School's faculty in a faculty practice program established and managed by UPA under the purposes set forth in UPA's By-Laws will benefit the School, the School's core teaching hospital, University Hospital ("Hospital"), and the Medical Office Complex to be located at the University premises in Newark, New Jersey (the "MOC"), and will enhance the quality and cost-effectiveness of medical teaching, service and research in the State of New Jersey;

The parties have previously entered into an Affiliation Agreement dated August 14, 1984. The parties wish to enter into a new Affiliation Agreement which will supersede and replace the former Affiliation Agreement.

Therefore, in consideration of the premises and obligations set forth herein, the parties agree as follows:

I. DEFINITIONS.

A. "Academic base salary" is the salary component paid to faculty members for teaching, research (both basic and applied), academic service (i.e. committee work, curricular development and other assignments), professional growth and direct services rendered to those medically indigent patients at University owned and/or operated facilities for which no direct reimbursement is received from any source. The academic base salary consists of the salary within the appropriate salary range. The academic base salary does not include compensation derived from billings for direct patient care.

B. "Campus" - The School, Hospital, MOC and Community Mental Health Center are referred to collectively herein as the "Campus".

C. "Chairman" is the Chairman or Chairwoman of the clinical department of the School in which a faculty member has his or her primary appointment.

D. "Contracted clinical services" are services for which fees are paid on a basis which does not reflect services rendered to a particular patient. Examples of contracted clinical services include supervision of patient care, and providing services for a certain period of time, regardless of the number of patients receiving care during that period of time. Fees for contracted clinical services do not include payments to a Participant which are made with the approval of the Dean of the School and the Board of Directors of UPA in lieu of all or a portion of that Participant's academic salary.

E. "Full-time faculty" are members of the faculty of the School who receive payments from the University and/or the Veterans Administration such that the sum total equals or exceeds fifty percent (50%) of the academic base salary for their respective academic ranks.

F. "Part-time faculty" are members of the faculty of the School who receive payments from the University and/or Veterans Administration such that the sum total is less than fifty percent (50%) of the academic base salary for their respective academic ranks.

G. "Voluntary faculty" are members of the faculty of the School who receive no academic salary from the University or the Veterans Administration.

H. "Participants" are faculty members who are required to or permitted to participate in the Plan.

I. "Plan" means the School's faculty practice program organized and managed by UPA, pursuant to which Participants submit charges for patient care services to UPA, and UPA handles the billing and collection of these charges. The Plan is a University-approved program.

J. "Tort Claims Act" means the New Jersey Tort Claims Act, N.J.S.A. 59:1-1, et seq.

## II. CONFORMITY WITH UNIVERSITY BY-LAWS

The Agreement set forth herein is not intended to and shall not interfere with, conflict with or supersede either the By-Laws of the University or School or the By-Laws of the Medical and Dental Staff of the Hospital or the MOC.

## III. PARTICIPATION

### A. Participants:

All full-time faculty who engage in the professional care of patients shall be required as a condition of employment to participate in the Plan.

Full-time faculty engaged in patient care services will render patient care services exclusively in University-approved faculty practice sites, including the MOC, the Hospital, other hospitals, programs and offices as approved by the Dean of the School.

As required by the appointment letter or employment contract between the University and a faculty member, all faculty members (full-time, part-time and voluntary) shall be required to participate in the Plan with respect to patient care services rendered at the Hospital, the MOC, or any other University owned and/or operated facility, except as follows: (i) voluntary and part-time faculty shall not be required to participate in the Plan with respect to patient care services which are not rendered in University-approved faculty practice sites; (ii) voluntary faculty members may not be required to participate in the Plan with respect to patient care services rendered by the voluntary faculty members to private patients admitted by them to the Hospital; and (iii) other exceptions approved by the UPA Board of Directors and the Dean of the School.

Part-time faculty and voluntary faculty are encouraged to and may become Participants upon receiving approval of the Dean of the School, who will make a determination after receiving recommendations from the Chairman and the Board of Directors of UPA.

No one may participate in the Plan who is not a School faculty member. Termination or suspension of a faculty appointment in the School will result in simultaneous termination or suspension of subsequent participation in the Plan.

**B. Malpractice Insurance:**

(1) The University shall provide professional liability insurance coverage for approved faculty practice activities conducted pursuant to this Agreement, through a program of self-insurance governed by the provisions of the Tort Claims Act.

(2) A written explanation of the coverage shall be provided by the University to each faculty member upon execution of this Agreement, and to any new faculty member upon his or her becoming a faculty member. Any changes in this coverage will be provided to each faculty member in writing. Such explanation will be in a form comparable to a "policy" specifying the terms of coverage, however, ~~no~~ such explanation shall supercede the terms of coverage as provided in the Tort Claims Act.

(3) The University shall report annually to the UPA Board of Directors on the status of the self-insurance program.

**C. Participants' Activities and Compensation:**

(1) The appropriate mix of a Participant's activity among patient care, research and teaching will be determined by the Chairman and approved by the Dean.

(2) Consistent with the practice current on the effective date of this Agreement, a Participant's academic base salary, compensation, and associated fringe benefits paid by the University will be determined in accordance with policies adopted by the University Board of Trustees from time to time.

#### IV. UPA BILLING AND FUND MANAGEMENT

##### A Assignment of Billing; Outside Billing:

(1) Each full-time faculty members's employment agreement with the University shall entitle UPA to bill and collect for his or her professional patient care services and to distribute any income according to the rules and regulations established by UPA pertaining to disbursement of monies. The right to collect and distribute payments for professional patient care services rendered by a Participant has been assigned to UPA by each Participant pursuant to his or her appointment letter or employment agreement with the University.

(2) In rare instances, specific written exceptions to this requirement may be made as follows when deemed desirable to further the common, long term interests of the University and UPA. A Participant who requests an exception shall provide full and complete disclosure and fiscal accountability with respect to practice income and expense and shall demonstrate satisfactory accomplishment of academic duties. A request for an exception shall be made in writing to the Participant's Chairman. Such a request will be granted or denied without unreasonable delay by the University Board of Trustees after considering the recommendations of the Chairman, the Dean and UPA Board of Directors. The Chairman, Dean and UPA Board of Directors will expeditiously review all requests for exceptions. Exceptions granted shall be limited in duration, but in any case shall be subject to annual review and reconsideration.

(3) With respect to patient care services rendered and/or originating at the Campus, Participants approved prior to January 1, 1990 for outside billing (billing not handled by UPA through the Plan) may continue to use outside billing for services rendered on or before June 30, 1992, subject to timely settlements and annual approval. Unless specifically excepted, as in (A)(2) above, patient care services rendered and/or originating at the Campus after June 30, 1992 must be billed through the Plan, but every effort will be made to bring all billing through the Plan by January 1, 1992.

(4) Failure to comply with this billing policy will result in disciplinary action by the Board of Directors of UPA, which may include the imposition of fines and suspension of outside billing privileges. This noncompliance will be reported to the Dean of the School and the Board of Trustees of the University for appropriate action by the University.

(5) It is the Participant's responsibility to maintain patient records which are adequate to ensure professional liability insurance coverage by the University and adequate for audit by UPA accountants.

#### B. Source of Funds:

(1) Income of Participants which must be billed and collected for pursuant to the Plan and this Agreement shall include all patient care fees, and fees received for contracted clinical services, whether performed on or off the Campus. Income for contracted clinical services that are used to pay a portion of a Participant's negotiated academic salary is not required to be billed and collected pursuant to the Plan. The Dean's office will provide UPA with a list (at least annually) of faculty members who receive income for contracted clinical services that are used to pay a portion of the Participant's negotiated academic salary.

(2) Income not related to professional patient-related activities shall not be considered to be an UPA source of funds. Such income shall include but not be limited to: teaching income, grant or contracted salary support, royalties, honoraria, income earned from non-medical or non-academic activities, participation in site visits, grant reviews, or participation by way of testimony or review in professionally-related legal processes.

#### C. Limitations on Use of UPA Income:

(1) This Agreement does not authorize UPA to have or exercise any power or authority either expressly, by interpretation, or by operation of law, or to engage directly or indirectly in any activity, that would prevent it from continuing to qualify as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, (or corresponding provisions of any subsequent federal tax laws).

(2) No part of UPA's assets or net earnings under the Plan shall inure to the benefit of or be distributable to any private individual, except that UPA may provide for the payment of reasonable compensation for services actually rendered and reimbursement in reasonable amounts for expenses actually incurred in carrying out the exempt purposes of UPA.

(3) Neither the whole nor any part or portion of the assets or net earnings under the Plan shall be used, nor shall the Plan be operated for, objects or purposes other than those permitted under UPA's Certificate of Incorporation or By-Laws.

## V. RESPONSIBILITIES OF UPA

UPA shall not be responsible for the practice of medicine or the quality and standards of patient care. These issues are governed by federal, state and local laws, rules and regulations, Departmental and University standards, the Medical and Dental Staff By-Laws of the Hospital, and the By-Laws of other hospitals and/or sites in which Participants have approved clinical activities.

UPA shall develop and maintain the Plan in accordance with the following provisions:

### A. Plan Management and Governance:

(1) **Management.** The Plan shall be managed in a manner which will satisfy, to the extent possible, the reasonable requirements of all parties in interest. The Board of Directors shall be responsive to requests for improvement of management audit methodology and general accountability. UPA's Board of Directors shall adopt and apply policies which are consistent with generally accepted standards for performance measurement of management systems and administration of internal and external relations.

(2) **Governance.** Authority and responsibility for setting policy and directing Plan administration and fiscal affairs shall reside in the Board of Directors of UPA, subject, however, to the UPA By-Laws and this Agreement.

(3) **Operation.** UPA shall bill for and receive all fees due on account of the provision of professional patient care services by Participants, excepting those Participants for whom outside billing has been authorized. Accordingly, UPA shall perform the functions described below:

a. Obtain information concerning demographic data and the financial status of the patient and his or her ability to pay for the professional patient care services provided. The University, MOC, and the Hospital shall cooperate in obtaining such information for patients at the Hospital and the MOC.

b. Maintain and process records concerning patient care services.

c. Provide satisfactory billing and collection services.

d. Provide collection procedures for delinquent accounts.

e. Monitor each Participant's compliance with his or her responsibilities under the Plan, and refer cases of alleged non-compliance to the Dean for appropriate action.

f. Disburse funds in accordance with the provisions of this Agreement.

g. Develop, with the assistance of its advisors, and enforce guidelines and protocols governing expenditure of any funds held by UPA on behalf of Departments or Participants to ensure that disbursements made are in accordance with Internal Revenue Service regulations.

#### B. Reports and Audits:

(1) UPA shall provide each month an appropriate report of billing activities to Participants, to Chairmen and its Board of Directors. Detailed financial information and a summary of management activities for the previous month shall be provided to the Board of Directors.

(2) UPA shall provide an annual report to the Board of Trustees of the University through the Dean, summarizing the financial and management information provided pursuant to subparagraph (1) above.

(3) UPA shall assure maintenance of adequate internal control by periodic review and an annual external audit performed by a nationally recognized certified public accounting firm selected by UPA resulting in a certified statement and management comments. A compilation and review shall be performed for the purpose of organizing and improving, if necessary, the record keeping and reporting policies and methods of UPA. The University agrees to reimburse UPA for 50% of the cost of such review and audits provided that prior written approval of the University is obtained when such costs are expected by UPA to exceed \$25,000.00 (increased for inflation in each year beginning July 1, 1992 based on the Consumer Price Index for the New York Metropolitan region). To the extent possible, UPA and University will engage different auditors for their respective audits.

(4) The UPA Board of Directors shall, within a reasonable time, correct any deficiencies reported in review and audits.

(5) The Senior Vice President for Administration and Finance of the University, upon prior written notice to the President of the Corporation, may inspect the corporate



financial records of UPA at reasonable times and places. The Senior Vice President for Administration and Finance of the University may, in writing, provide the President of the Corporation with the names of two designees who may review these records in his place.

**C. Funds:**

(1) All professional patient care fees collected by UPA will be deposited in one or more bank accounts maintained by UPA.

(2) Allocation of Funds.

a. Percentages of gross cash receipts ("Receipts") of UPA for patient care services shall be allocated and transferred quarterly to designated accounts, as follows:

(i) 7% of Receipts will be credited to a Dean's Fund.

(ii) 7% of Receipts will be credited to the Department through which the funds were generated; by agreement within each Department, a portion of this allocation may be made to Divisions of a Department.

(iii) 3% of Receipts will be credited to the University to assist in defraying the costs of malpractice coverage for the Participants in the Plan.

(iv) Receipts will be disbursed to cover the cost of operation of UPA.

(v) An allocation to the New Jersey Medical School Development Fund (in addition to the 7% allocation referred to in Section V.C.2.a.(i) above) shall be made as follows:

An assessment will be placed on all Participant Receipts for patient care services based on the following schedule:

<u>Participant Receipts</u>	<u>Assessment</u>
- 0 - to \$50,000	- 0 -
\$50,001 - \$100,000	3%
\$100,001 - \$150,000	10%
\$150,001 - \$200,000	17%
\$200,001 - \$250,000	24%
\$250,001 - \$300,000	31%
\$300,001 - \$350,000	20%
Over \$350,000	15%

The assessments on Participant Receipts over \$300,000 will be reduced so that the total of all allocations made pursuant to this Section V.C.2.a. does not exceed fifty percent (50%) of total Receipts of a Participant annually.

Assessment limits (the \$50,000 increments) will be adjusted for inflation based on the Consumer Price Index for the New York Metropolitan region, with an annual increase (if adjustment is required) as of July 1st each year. Example: if the inflation index were 5% for 1991 the lowest tier of compensation would have an upper limit of \$52,500 (105% of \$50,000.00) with corresponding 5% increases in each increment.

The assessments for the New Jersey Medical School Development Fund are to be paid directly to the New Jersey Medical School Development Fund and the Dean's office will periodically report, at least once each year, to the UPA Board on how these funds are spent.

An allowance of up to 10% of each Participant's Receipts may be used to purchase equipment for use in University Hospital and other University sites approved by the Dean's office. This allowance will be allocated based on the useful life of the purchase, and such an amount will be exempt from the assessment for the New Jersey Medical School Development Fund. Such purchases must be approved by the Dean.

This assessment for the New Jersey Medical School Development Fund will be in effect for three (3) years, after which time the terms may be renegotiated.

Promptly after receipt of a written request from a Participant, the Dean's office will provide the Participant with a schedule illustrating the assessments for the New Jersey Medical School Development Fund.

Exception:

Pursuant to the provisions of Section V.C.2.a.(v) of this Agreement, assessments for the Dean's Development Fund begin when Participant Receipts reach \$50,001. In certain circumstances, these assessments may be waived until Participant Receipts of a geographic full-time faculty member reach higher levels, if the Chairman and Dean agree and give notice to UPA of the levels of Participant Receipts at which the assessments will occur. This exception is intended to apply in situations where a geographic full-time faculty member Participant has waived or deferred receipt of a portion or all of his or her academic salary, and the Participant, Chairman and Dean have agreed that Participant Receipts (net of all assessments to be made pursuant to Sections V.C.2.a.(i) -

(iv) of this Agreement) will replace the deferred or waived portion of the academic salary, without being subject to assessment for the New Jersey Medical School Development Fund. A geographic full-time faculty member is a faculty member with a full-time appointment, who renders services on the Campus on a full-time basis, regardless of the academic salary paid to that faculty member.

b. Funds remaining after the disbursements set forth above have been made will be utilized for reasonable compensation of Participants and for other budgeted expenses in accordance with written formulae submitted annually to UPA by the Departments and approved by the Dean and the UPA Board.

c. Unless otherwise required by the approved Departmental formulae, UPA shall not be required to distribute all its funds in any one year, except for the allocations to the Dean, and the malpractice fund, as set forth in V.C.(2)a(i) and (iii) above which must be made at least quarterly, and to the Departments according to written formulae submitted pursuant to UPA pursuant to paragraph b above. UPA may allow the income in these funds to accumulate from year to year subject to such limits as may be determined by the UPA Board of Directors; provided, however, that all such funds shall be used only in furtherance of the tax-exempt purposes of UPA.

## VI. GENERAL CONDITIONS

A. UPA shall operate as a non-profit corporation under the statutes of the State of New Jersey and maintain its status as a federally tax exempt operation under Section 501 (c)(3) of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent federal tax laws. UPA shall notify the University within three (3) days of receipt of notice of any change in its status as a non-profit or tax-exempt corporation.

### B. Trustee Liaison:

The UPA Board of Directors may request inclusion on the agenda of the University Affairs Committee of the University's Board of Trustees when necessary or desirable to discuss matters of common interest or to facilitate or clarify communications.

### C. Other Agreements Between the Parties:

(1) On execution of this Agreement, all prior practice plan arrangements now in effect for the School shall be null and void; the Plan provided herein shall be the sole and exclusive practice plan arrangement for Participants.

(2) UPA and the School may enter into collateral agreements as mutually deemed necessary and desirable, including, but not limited to, an agreement to lease University space and facilities for UPA use, including the MOC.

(3) The parties agree to execute such collateral instruments as may be necessary to effect and maintain the relationship between the parties.

(4) UPA will not, without the express written agreement of the University's Board of Trustees, delete, add, amend or alter the following provisions of the UPA By-Laws: Article I, Section 2: Purpose, Article X: Amendments, and Article III, Section 3: Qualifications, Number and Term of Directors; and the following provisions of the UPA Certificate of Incorporation: Ninth and Tenth Clauses, Dissolution.

#### D. University Hospital and MOC:

Recognizing the importance of a more active relationship between clinical faculty members and the University Hospital and the MOC, it shall be the policy of the Plan to establish the Hospital and MOC as the center of UPA activities and to encourage, to the greatest extent, development of patient care activities on the Campus.

#### E. Communication:

The parties agree to use their best efforts to advise and inform each other of information which may affect this Agreement, and to anticipate and avoid problems in their mutual endeavors. Toward these ends, informal regular meetings shall be held between UPA officers and School administrators.

### VII. TERM; TERMINATION; AMENDMENT

This Agreement shall take effect on December 1, 1990.

Either party shall have the right to terminate this Agreement upon ninety (90) days' prior written notice if the other shall have breached any material covenant or provision hereof; provided, however, that any such notice shall set forth in detail the grounds for such alleged breach, and the defaulting party shall have the right to cure the alleged default within the ninety (90) days after notice is received.

By mutual agreement in writing, the parties may terminate or amend this Agreement at any time.

### VIII. INSURANCE

UPA shall maintain general liability insurance covering its activities in amounts acceptable to the University.

### IX. DISCRIMINATION

There shall be no discrimination against any employee engaged in the work required to produce the services and programs covered by this Agreement, or against any applicant for such employment because of age, race, creed, color, national origin, sex, ancestry, marital status, handicap or liability or military services. This provision shall include, but not be limited to the following: employment upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation.

The parties to this Agreement do hereby agree that the provisions of N.J.S.A. 10:2-1 through 10:2-4, dealing with discrimination in employment on public agreements, and the rules and regulations promulgated pursuant thereunto, are hereby made a part of this Agreement and are binding upon them.

### X. NOTICES

The address given below, or another address specified in accordance with a notice given as set forth herein, shall be the addresses of the parties to which all notices and reports required by this Agreement shall be sent by certified mail, return receipt requested are:

If to the University:

President  
University of Medicine and Dentistry of New Jersey  
111 Administration Complex  
30 Bergen Street, Newark, New Jersey 07107-3000

with a copy to:

Dean, University of Medicine and Dentistry  
of New Jersey  
New Jersey Medical School  
University of Medicine and Dentistry of New Jersey  
185 South Orange Avenue  
Newark, New Jersey 07103-2757

and

Senior Vice President for Administration and Finance  
University of Medicine and Dentistry of New Jersey  
110 Administration Complex  
30 Bergen Street  
Newark, New Jersey 07107-3000

if to UPA:

The President  
University Physician Associates of  
New Jersey, Inc.  
A Non-Profit Corporation  
30 Bergen Street - 1202  
Newark, New Jersey 07107

Notices given as provided herein shall be effective on receipt.

#### XI. CHOICE OF LAW

This Agreement shall be governed and construed and the rights and obligations of the parties hereto shall be determined in accordance with the laws of the State of New Jersey.

#### XII. WARRANTIES

The undersigned do hereby warrant and represent that this Agreement has not been solicited or secured, directly or indirectly, in a manner contrary to the laws of the State of New Jersey and that said laws have not been violated and shall not be violated as they relate to the procurement or the performance of this Agreement by any conduct, including the paying or giving of any fee, commission, compensation, gift, gratuity, or consideration of any kind, directly or indirectly to any State employee, officer or official.

#### XIII. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties pertaining to the subject matter hereof, and supersedes all prior and contemporaneous agreements, and understandings of the parties in connection therewith, including the Affiliation Agreement dated August 14, 1984. No change or waiver of any of the provisions hereof shall be binding upon party hereto unless in writing and signed by the party or an authorized officer of the party against whom any such change or waiver is asserted.

#### **XIV. SUCCESSORS**

This Agreement shall be binding upon and inure to the benefit of the successors, assigns and legal representatives of the respective parties hereto, except that neither party may assign, delegate or subcontract this Agreement, or any part thereof, without the prior written consent of the other.

#### **XV. SEVERABILITY**

In the event that any term or provision of this Agreement is held to be illegal, invalid, or unenforceable under the laws, regulations or ordinances of any federal, state, or local government to which this Agreement is subject, such term or provision shall be deemed severed from this Agreement and the remaining terms and provisions shall remain unaffected thereby.

#### **XVI. EXECUTION**

This Agreement may be executed in several counterparts, each of which shall be an original, but all of which constitute one instrument.

#### **XVII. WAIVER OF BREACH**

The failure of either party to require the performance of any term of this Agreement or the waiver of either party of any breach hereunder shall not prevent a subsequent enforcement of such term nor be deemed a waiver of any subsequent breach.

#### **XVIII. TITLES TO SECTIONS OR SUBSECTIONS**

The titles to the Sections and subsections of this Agreement are for convenience only and do not in any way limit or amplify the terms and conditions of the Agreement.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be signed below by their duly authorized corporate officers and caused their corporate seals to be hereto affixed.

UNIVERSITY OF MEDICINE AND  
DENTISTRY OF NEW JERSEY

Witness:

*[Handwritten Signature]*

Date: 4/8/91

By:

*[Handwritten Signature: Stanley S. Bergen Jr.]*

UNIVERSITY PHYSICIAN ASSOCIATES  
OF NEW JERSEY, INC.  
A NON-PROFIT CORPORATION

Witness:

*[Handwritten Signature]*

Date: 4/8/91

By:

*[Handwritten Signature]*



### Addendum to Affiliation Agreement

**UNIVERSITY PHYSICIAN ASSOCIATES OF NEW JERSEY, INC.** and the **UNIVERSITY OF MEDICINE AND DENTISTRY OF NEW JERSEY** having entered into an Affiliation Agreement dated October 10, 1990 and signed on April 8, 1991, hereby amend said Agreement as follows:

1. All references through the Agreement to Medical Office Complex ("MOC") are references to the Doctors Office Center ("DOC").
2. Paragraph I.E. shall be deleted and replaced in its entirety with the following:  
  
"F. "Part-time faculty" are members of the faculty of the School who receive payments from the University which are less than fifty percent (50%) of the academic base salary for their respective academic ranks."
3. Paragraph I.G. shall be deleted and replaced in its entirety with the following:  
  
"G. "Voluntary faculty" are members of the faculty of the School who receive no academic salary from the University."
4. Subparagraph (i) of the third paragraph of Paragraph III.A. shall be deleted in its entirety and replaced with the following:  
  
"(i) voluntary and part-time faculty shall not be required to participate in the Plan with respect to patient care services not originating on the Campus and not rendered on the Campus effective May 1, 1992, and exemptions for prior periods may be approved by the Dean of the School at his sole discretion for faculty who agree to participate in the Plan from and after May 1, 1992;"
5. The last two paragraphs of Paragraph III.A. commencing on page 4 of the Agreement are hereby deleted and the following shall be inserted at the end of Paragraph III.A.:  
  
"Any licensed clinical practitioner with an M.D., D.O., Ph.D. or equivalent degree, who practices on the Campus, must hold an New Jersey Medical School faculty appointment. Non-faculty members may be considered for participation in UPA upon approval of the UPA Board. Since non-faculty are not covered by UMDNJ's self insurance trust fund, non-faculty participants in UPA shall be required to obtain professional liability insurance with terms and coverage limits acceptable to UPA, and to provide to UPA evidence of such coverage in a form acceptable to UPA. Licensed clinical practitioners holding

D.D.M. or D.D.S. degrees who practice on the Campus, whose primary faculty appointment is at New Jersey Dental School, can be exempt from participation in the faculty practice plan if the Dean of New Jersey Medical School and the Dean of New Jersey Dental School agree.

Persons who hold "temporary" medical staff appointments from New Jersey Medical School will be treated as faculty members of New Jersey Medical School for purposes of the faculty practice plan, and these persons will be considered faculty members and will be required to participate in the faculty practice plan to the same extent as faculty members, except that they will not be eligible to vote or to serve as directors or officers of UPA.

Part-time faculty and voluntary faculty are encouraged to and may become Participants upon receiving approval of the Dean of the School, who will make a determination after receiving recommendations from the Chairman and the Board of Directors of UPA.

No one may participate in the Plan who is not a School faculty member, except as provided in the following paragraph. Termination or suspension of a faculty appointment in the School will result in simultaneous termination or suspension of subsequent participation in the Plan.

Persons who are not faculty members of New Jersey Medical School may contract with UPA to provide administrative services, on terms approved by the UPA Board, so long as the terms of those arrangements do not jeopardize UPA's tax-exempt status.

Persons who are faculty members of UMDNJ but not New Jersey Medical School may participate in the UPA Plan (in addition to any other faculty practice plan in which they are obligated to participate) on terms agreed to for annual periods by the UPA Board and the governing authority of the other faculty practice plan."

6. Paragraph IV.A. is amended to add the following as paragraph (6):

"(6) Upon receiving the recommendation of the Chair of his or her department, the Dean, and approval of the UPA Board of Directors, each non-faculty non-physician health care provider at University-approved practice sites for faculty of New Jersey Medical School shall have the billing for his or her patient care services undertaken by UPA. Distribution of revenue for these services shall be made in accordance with the letter of employment between UMDNJ and the provider or between UPA and the provider. This arrangement

shall not give the provider status as a UPA Participant or any rights of a UPA Participant. Additionally, since non-faculty non-physician health care providers are not covered by UMDNJ's self insurance trust fund, such providers shall be required to obtain professional liability insurance with terms and coverage limits acceptable to UPA, and to provide to UPA evidence of such coverage in a form acceptable to UPA."

7. Paragraph V.B. is amended to add the following as paragraph (6):

"(6) In consideration of the receipt of the clinical component of his or her salary, each Participant authorizes UPA to disclose to the Dean of New Jersey Medical School the revenue received by that Participant from patient care activity ("Participant Earning Information"), as reflected on the books and records of UPA; provided, however, that the Dean of New Jersey Medical School shall restrict the use and disclosure of the Participant Earning Information as follows:

The Participant Earning Information shall be requested of UPA without attribution to a particular Participant (anonymously) whenever possible;

The Participant Earning Information may only be used and disclosed to assist in establishing compensation levels for faculty members at New Jersey Medical School or for establishing financial arrangements relating to the faculty members at New Jersey Medical School;

The Participant Earning Information shall not be disclosed except to representatives of the Dean and the Chair of the Department in which the faculty members whose compensation is under discussion will have their primary appointment;

The disclosure of the Participant Earning Information shall be made in a manner which minimizes the possibility of inadvertent disclosure and copies of any written Participant Earning Information shall not be made unless necessary;

All written or other evidence of the Participant Earning Information shall be destroyed as soon as practicable, to avoid inadvertent disclosure.

The parties acknowledge that except as stated herein, the provisions herein with respect to the disclosure of Participant Earning Information do not replace or modify the terms of the Order of Dismissal in the case entitled Larry Frohman, M.D. et al. v. University of Medicine and Dentistry of New Jersey et al., in the Superior Court of New Jersey (Law Division, Essex County, Docket No. C-128-93), which requires defendants

to provide ten (10) days' notice of their intent to release the patient care earnings of members of UPA."

8. Paragraph V.C.(2)(a)(v) is amended, in part, such that the assessment schedule set forth on the bottom of page 9 shall be replaced with the following:

<u>"Participant Receipts</u>	<u>Assessment</u>
-0- to \$65,000	.5%
\$65,001 - \$130,000	3%
\$130,001 - \$300,000	13%
\$300,001 - \$1,000,000	Fixed annually by UPA Board, between 3% and 8%
over \$1,000,000	3%"

9. Paragraph V.C.(2)(a)(v) shall be amended, in further part, by deleting the third, fourth and fifth paragraphs therein in their entirety, commencing with the terms "The assessments on Participant Receipts over \$300,000" and continuing through and including the terms "to the UPA Board on how these funds are spent." and shall be replaced with the following:

"The assessments for the New Jersey Medical School Development Fund are to be paid directly to the New Jersey Medical School Development Fund and the Dean's office will periodically report, at least once each year, to the UPA Board on how these funds are spent. All assessments to the New Jersey Medical School Development Fund which exceed 3% of UPA's gross revenue may be retained by UPA for such purposes as the UPA Finance Committee may determine."

10. In addition, the sentence within section V.(C).(2)(a)(v) which currently reads:

"This assessment for the New Jersey Medical School Development Fund will be in effect for three (3) years, after which time the terms may be renegotiated."

shall be deleted in its entirety and shall be replaced to read as follows:

"This assessment for the New Jersey Medical School Development Fund shall be in effect from June 30, 1996 until June 30, 1998."

11. Paragraph V.C.(2)(a)(v) shall be further amended by deleting the last paragraph therein in its entirety, commencing with the term "Exception" and continuing through and including the terms "that faculty member."
12. Paragraph VII shall be amended by adding the following provisions to the end of the paragraph:

"Amendments of this Agreement or of the UPA Bylaw provisions referred to in section VI.(C).(4) hereof, which are proposed by UPA, shall be delivered to the President of UMDNJ, who shall promptly submit the amendments to the UMDNJ Board for action. Within 120 days of receipt of the proposed amendments, the Senior Vice President for Finance and Administration of UMDNJ shall provide written notice to the President of UPA of the UMDNJ Board action on the proposed amendment. The failure of the UMDNJ Board to vote against the proposed amendment shall be deemed approval of the proposed amendment.

Amendments proposed by UMDNJ shall be delivered to the President of UPA, who shall promptly submit the amendments to the UPA Board for action. Within 120 days of receipt of the proposed amendments, the President of UPA shall provide written notice to the President of UMDNJ of the UPA Board action on the proposed amendment. The failure of the UPA Board to vote against the proposed amendment shall be deemed approval of the proposed amendment."

13. Paragraph XIII shall be deleted in its entirety and shall be replaced with the following:

"This Agreement constitutes the entire agreement between the parties pertaining to the subject matter hereof, and supersedes all prior and contemporaneous agreements, and understandings of the parties in connection therewith, including the Affiliation Agreement dated August 14, 1984. No waiver of any of the provisions hereof shall be binding upon party hereto unless in writing and signed by the party or an authorized officer of the party against whom any such waiver is asserted."

14. This addendum is effective as of June 30, 1996.
15. UPA and UMDNJ agree to review the present structure of UPA and its relationship to UMDNJ and make specific recommendations to each other for any proposed modification or restructuring. Such review and recommendations will take place and be made prior to June 30, 1998. The parties agree to negotiate any proposals in good faith and to cooperate in such a review.

16. The remaining terms and provisions of the Agreement shall not be affected by this Addendum and shall continue in full force and effect.

**UNIVERSITY PHYSICIAN ASSOCIATES  
OF NEW JERSEY, INC.**

By: Edward P. Kelly, M.D.  
Print Name:

Date: 4.8.98

**UNIVERSITY OF MEDICINE AND  
DENTISTRY OF NEW JERSEY**

By: Stanley S. Bergen, Jr.  
Print Name: Stanley S. Bergen, Jr., M.D.  
President

Date: 4/6/98

## MEMORANDUM OF AGREEMENT

This binding Memorandum of Agreement (the "Memorandum") is made this **24** day of, 2008, by and between the University of Medicine and Dentistry of New Jersey ("UMDNJ"), on behalf of itself and the New Jersey Medical School ("NJMS"), and University Physician Associates of New Jersey, Inc., a New Jersey non-profit corporation ("UPA," and together with UMDNJ and NJMS, the "Parties").

WHEREAS, UMDNJ and UPA previously entered into an Affiliation Agreement dated October 10, 1990 and signed on April 8, 1991 (the "Affiliation Agreement"), as amended by an Addendum to Affiliation Agreement executed on April 8, 1998 (the "Addendum", and together with the Affiliation Agreement, the "Current Agreement"), for the establishment and conduct of a faculty practice program (the "Plan") at UMDNJ-NJMS; and

WHEREAS, the Parties agree to modify and amend the Current Agreement and, to the extent necessary, all other documents and agreements governing the Parties' relationship and the operation and management of the Plan as may be required to effectuate and implement the terms and provisions set forth in this Memorandum.

NOW, THEREFORE, in consideration of the premises and obligations set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound, it is hereby mutually agreed as follows:

1. General.

- A. Binding Memorandum. The Parties are entering into this binding Memorandum in order to set forth the basis for their ongoing affiliation, with the understanding that the terms contained herein will modify and amend the Current Agreement. To the extent any express terms of this Memorandum conflict with the Current Agreement, this Memorandum shall prevail. In all other respects, the rights of the NJMS clinical faculty with respect to their clinical revenues, the Current Agreement, and UPA's By-Laws and Rules and Regulations shall remain in effect. Any terms not specifically defined herein shall have the same meaning as defined in the Current Agreement.
- B. Relationship of Parties. The Parties shall fully cooperate with each other in accordance with this Memorandum and observe good faith towards each other in all matters affecting their dealings hereunder and interests herein.
- C. Related Documents. The Parties agree and acknowledge that it may be necessary for each to amend certain documents and agreements governing their operations, including, but not limited to, UPA's By-Laws, UPA's Rules and Regulations, UMDNJ and NJMS By-Laws, and NJMS faculty appointment letters (the "Related Documents"). The Parties agree to take such actions as may be reasonably necessary or required to effectuate the amendment of the Related Documents in order to accomplish the purposes set forth in this Memorandum, provided however that the parties shall not be required to take any action that shall conflict with, interfere with, or violate any state or federal statute or regulation.

2. Term; Performance Criteria; Termination for Cause; Other Remedies.

- A. Term. The remaining term of the Current Agreement, as amended by this Memorandum, shall be ten (10) years (the "Term") from the effective date which shall be the first (1st) day of the month following the full execution of the Memorandum and approval by UPA's Board of Directors and UMDNJ's Board of Trustees (the "Effective Date").
- B. Renewal Term. Eighteen (18) months before the expiration of the Term, the Parties shall in good faith enter into negotiations for a possible renewal term (a "Renewal"). Any such Renewal term shall be for five (5) years.
- C. Performance Criteria.
- (i) The Parties will establish and set forth in writing mutually agreed upon criteria and/or benchmarks governing the performance of their respective obligations pursuant to the Current Agreement as modified by this Memorandum (the "Performance Criteria"). The Performance Criteria shall take into account the geographic location of the Parties and the historic payor mix associated therewith, shall be objective (as opposed to subjective), and consist of measurable and quantifiable standards of performance that each Party can and must achieve. The Parties shall agree to the Performance Criteria within one (1) year of the Effective Date. If the Parties are unable to agree to the Performance Criteria, then, within thirty (30) days of the first (1<sup>st</sup>) anniversary of the Effective Date, they shall jointly retain a mediator (the "Mediator") to evaluate and render a decision, as described below (the "Mediation Process"), with respect to the Parties' respective proposals for Performance Criteria. If the Parties are unable to agree on a Mediator, they shall each appoint one person who, together, will appoint an independent third party who shall become the Mediator. No later than sixty (60) days after his/her appointment, the Mediator shall: (i) review the Parties' respective proposals, (ii) meet with the Parties to hear their arguments in support of their proposals; and (iii) render a decision as to which of the Performance Criteria proposals is more reasonable and incorporates commercially reasonable criteria based on the Parties' respective obligations under the Current Agreement, as amended by this Memorandum (the "Mediator's Guidelines"). The Mediator shall not have the power to modify any of the proposals submitted, nor this Memorandum, but shall be required to select the entire proposal submitted by UPA or by UMDNJ. The decision of the Mediator shall be final, binding and non-appealable.
- (ii) The Performance Criteria may be revised at any time by mutual agreement of the Parties. Commencing six (6) months before each fourth (4<sup>th</sup>) anniversary of the date on which the Performance Criteria were agreed upon in writing by the Parties or determined by the Mediator (the "Performance Criteria Adoption Date"), the Parties shall have a right to review the Performance Criteria and, if any Party wishes to propose changes to the Performance Criteria it may do so in writing (a "Notice of Proposed Change"). If a Notice



of Proposed Change is served and within thirty (30) days of the fourth (4<sup>th</sup>) anniversary of the Performance Criteria Adoption Date the Parties are unable to agree either to: (a) maintain the original Performance Criteria without change, or (b) specific changes to the Performance Criteria, then the Parties shall engage in the Mediation Process. In addition to applying the Mediator's Guidelines, in order to require the adoption of any Party's proposed changes to the Performance Criteria, the Mediator must also find that there has been a material change with respect to one or more of the Parties or their operating environment so as to warrant a change in Performance Criteria.

- D. Termination for Cause. The Current Agreement, as amended by this Memorandum, may only be terminated for cause as set forth in Section VII therein and as further stated herein in connection with the Performance Criteria. A Party may terminate for cause in connection with the Performance Criteria only after the fourth (4<sup>th</sup>) anniversary of the Performance Criteria Adoption Date. "For cause in connection with the Performance Criteria" shall be defined as a material failure of a Party to achieve or adhere to the Performance Criteria applicable to that Party's obligations hereunder, provided however, that such Party's failure is not caused by the other Party's action or failure to act (for example, UMDNJ's failing to support administrative Performance Criteria that may be related to UPA billing or collection Performance Criteria or UPA's failure to submit billing claims as required by the Performance Criteria despite UMDNJ providing administrative support required by the Performance Criteria). In the event a Party identifies a material failure of a Party to achieve or adhere to the Performance Criteria (a "Breach"), a written notice (a "Breach Notice") shall be provided specifying the act(s) of Breach and the Party receiving the Breach Notice shall have five (5) months from receipt of such notice to cure the Breach (the "Cure Period").
- E. Breach Dispute Resolution Process. Within ten (10) days of receipt of a Breach Notice or a written notice sent pursuant to Section VII of the Current Agreement (a "Section VII Notice"), a meeting shall be convened of a joint dispute resolution council (the "Council") consisting of the President of UMDNJ (or another UMDNJ officer appointed by its President), the Dean of NJMS (the "Dean"), the President of University Hospital (the "Hospital"), the President of UPA, the CEO of UPA, and one other person appointed by the President of UPA. The Council shall discuss in detail the Parties' respective positions with respect to the alleged Breach or Section VII Notice, and shall appoint specific members of their respective staffs to engage in further meetings of the Parties (the "Staff Meetings") in an effort to resolve all issues relating to the alleged Breach or Section VII Notice. If the Staff Meetings have not resulted in a resolution of all issues and a withdrawal of the Breach Notice or Section VII Notice by a date that is no more than forty five (45) days before the expiration of the Cure Period, then the Council shall meet again, but no later than twenty (20) days before the expiration of the Cure Period, to further attempt to resolve all disputes relating to the alleged Breach or Section VII Notice. In the event the Breach Notice or Section VII Notice is not withdrawn before the end of the Cure Period, the Parties may avail themselves of any and all legal or equitable remedies available to them.

3. Compensation of Participants; Periodic Review of Taxes, Formulas and Practice Support; Income Reporting.

- A. NJMS Departmental Formula Process. All NJMS Departmental formulas as referenced in Section V.C. of the Current Agreement (the “Departmental Formulas”) shall comply in all respects with federal and state requirements. All NJMS Clinical faculty compensation received by each Participant from UMDNJ, including any component related to services at NJMS and/or the Hospital (or, at the direction of UMDNJ, at any hospital affiliated with UMDNJ or NJMS), and the UPA clinical practice revenues calculated pursuant to Sections 3(C)-(E) below (the “Faculty Practice Revenues”) (together, the “Total Compensation”), shall, in the aggregate, not exceed fair market value for the services provided by such Participant. In addition, to the extent consistent with then current laws and regulations, each component of the Total Compensation received by a Participant (including the Faculty Practice Revenues): (i) shall be set in advance; and (ii) not be determined in a manner that takes into account the volume or value of any referrals or other business generated by the Participant. The Parties agree that Faculty Practice Revenues paid to each Participant do not exceed fair market value for the clinical services performed, provided that the Participant performed and documented the clinical services which were billed and collected. Departmental Formulas shall be reviewed and approved by UPA and the Dean as set forth in the Current Agreement. Neither UMDNJ, NJMS nor UPA may unilaterally change (y) the percentage Allocation of Funds set forth in Section V.C of the Current Agreement, or (z) the distribution percentages or dollar amounts set forth in the Departmental Formulas.
- B. Periodic Review of Taxes and Departmental Formulas. The Departmental Formulas are to be reviewed and voted upon by the affected NJMS clinical Departments at least every two (2) years. If requested by either UPA or UMDNJ; a Department shall review its Departmental Formula once each year. Such review shall include a discussion of the Department’s faculty practice expenses and the financial support that each Party provides to the other Party, including, but not limited to, UMDNJ’s support through NJMS and the Hospital, and UPA’s support through the Allocation of Funds to the Dean and the Departments pursuant to Section V.C. of the Current Agreement.
- C. Determination of Income Subject to W-2/1099 Reporting. NJMS clinical faculty generate their own clinical practice revenues and may assign the reimbursement of those revenues to a faculty practice plan. Pursuant to the Current Agreement, reimbursement assignment is made to UPA. During the Term and any Renewal, such assignment to UPA shall continue, and UPA shall bill and collect the clinical practice revenues for all NJMS clinical faculty who are Participants in the UPA Plan pursuant to the Current Agreement. Following the end of the Term and any Renewal, a clinical faculty member’s right to determine the assignment and to assign reimbursement of his/her clinical practice revenues shall continue. Until such time as any post Term or post-Renewal assignment is determined by the NJMS clinical faculty, the then effective Departmental Formulas shall remain in effect. However, upon written notice from the CFO of UMDNJ to the CEO of UPA, which shall be no

earlier than thirty (30) days or later than sixty (60) days after the Effective Date, each Participant's clinical practice revenues (i.e., the Faculty Practice Revenues) shall be distributed in accordance with this Memorandum and reported on Form W-2 issued by UMDNJ.

- D. Special Account. The distribution of Faculty Practice Revenues to each Participant shall be calculated by UPA in accordance with the Departmental Formulas. Once each month, UPA shall provide to the CFO of UMDNJ and the Dean a detailed schedule (the "Monthly Schedule") itemizing the gross amount of the Faculty Practice Revenues and the amount to be paid to each Participant as Faculty Practice Revenues for the prior month. Simultaneously, UPA shall transfer the total gross amount of the prior month's Faculty Practice Revenues due to be distributed to all Participants to a specially designated account (the "Special Account"). The Special Account (i) shall identify the funds on deposit as Faculty Practice Revenues, (ii) shall be a trust account for the benefit of the Participants listed on the Monthly Schedule of Faculty Practice Revenues, and (iii) shall not be commingled with any other funds. The funds in the Special Account may be used for no other purpose than to fund the Faculty Practice Revenues component of each Participant's Total Compensation, as listed on the Monthly Schedule (less statutory withholdings).
- E. Distribution of Faculty Practice Revenues. UMDNJ shall calculate and effectuate the federal and state statutory paycheck withholding amounts required by law, and UMDNJ shall pay all "employer" portions of withholdings and payroll taxes. At UMDNJ's next regularly scheduled pay date that is no less than ten (10) days after deposit by UPA of the prior month's Faculty Practice Revenues into the Special Account, UMDNJ shall transfer such amount to a UMDNJ payroll account and shall include in each Participant's UMDNJ paycheck the prior month's Faculty Practice Revenues, less statutory withholdings, and distribute same to each Participant, as set forth on the Monthly Schedule. Withholdings or faculty payments for health insurance premiums or coverage shall not be calculated on or made from Faculty Practice Revenues, except to the extent any such Faculty Practice Revenues are included in the determination of benefits. Each such paycheck shall include a line item for "UPA Faculty Practice Revenues." Faculty Practice Revenues which may be payable to a Participant after the termination of his or her employment with UMDNJ shall be made pursuant to the current Departmental Formula tail policy or, if there is no such Departmental Formula tail policy, then pursuant to the current UPA default tail policy. UMDNJ shall issue year-end Form W-2s (which shall include the Total Compensation earned in the prior year, including but not limited to his/her Faculty Practice Revenues).
- F. Maintenance of the Special Account. Except in the event of extraordinary circumstances such as those stated in Section 9.E. below, or a system wide computer network interruption beyond the control of UMDNJ, in the event UMDNJ fails to: (i) maintain the Faculty Practice Revenues in the Special Account, (ii) use those funds solely for the purpose of making the required payments to the Participants, or (iii) has twice in any twelve (12) month period not distributed the funds to Participants within thirty (30) days of their deposit by UPA into the Special Account,

then upon written notice from UPA, UMDNJ shall be provided with thirty (30) days to institute a corrective action plan reasonably acceptable to UPA to rectify such acts or failures to act. If UMDNJ repeats such acts or failure to act within twelve (12) months of the acceptance of the corrective plan, then, upon written notice, UPA may appoint a trustee from a list of three (3) candidates identified by UMDNJ to oversee the administration of the Special Account and the payment by UMDNJ of the Faculty Practice Revenues as compensation to each Participant. The trustee shall be a financial institution or other organization that provides trustee and other fiduciary services to clients. The trustee's tenure shall continue until UMDNJ has not repeated such acts or failures to act for a period of six (6) consecutive months. The trustee shall report jointly to UMDNJ and UPA, and its costs shall be paid by UMDNJ.

4. Support of Clinical Practice and Departments. Within ninety (90) days of the Effective Date and within sixty (60) days of each fiscal year thereafter during the Term, UMDNJ (on behalf of NJMS and the Hospital) and UPA (on behalf of itself and Doctors Center Management Corp. ("DCMC")) shall provide each other with a report identifying the financial, personnel, space, equipment and/or other support that it has provided to each NJMS clinical Department during the prior fiscal year (the "Practice Support").

- A. In the event UMDNJ's Practice Support to the Departments decreases in the aggregate by more than ten percent (10%) in any one fiscal year as compared to the prior fiscal year ("Decreased Practice Support"), UPA may, at its option, decrease its payment to the Dean's Fund (as that term is defined in the Current Agreement) up to one-half of the total Decreased Practice Support. In determining such Decreased Practice Support, the following costs shall not be considered: (i) the closure, merger or consolidation of a Department; or (ii) the changed status of the Hospital as a component of UMDNJ.
- B. To the extent any of DCMC's Practice Support to a Department is transferred to or assumed by UMDNJ or any of UPA's Practice Support is transferred to or assumed by UMDNJ by operation of law (in each case, "New UMDNJ Practice Support"), the prior source of such funding, e.g., the Chairman's Fund or specific taxation, shall continue to fund such New UMDNJ Practice Support.

5. Reformation of UPA or Formation of UPA Affiliate. UPA may be converted to or form an affiliated New Jersey professional corporation (the "New Professional Corporation"), with the intention that the New Professional Corporation shall apply for and obtain IRS 501(c)(3) tax-exempt status as a supporting organization of UMDNJ, to enable UPA itself or its newly formed affiliate to engage in such activities as may be permitted by law. UMDNJ, including NJMS and the Hospital, agrees to support UPA's application for tax-exempt status as a supporting organization of UMDNJ.

6. Negotiation and Approval of Managed Care Contracts. UMDNJ has informed UPA that it intends to restructure the reporting relationship between the Dean and the Hospital, with the President of the Hospital reporting to the Dean. In addition, UMDNJ had informed UPA that it intends to negotiate managed care agreements on a "system" basis, i.e., on behalf of NJMS clinical faculty and the Hospital, to the extent legally permissible and to advance the respective interests of the NJMS clinical faculty and the Hospital. With these goals in mind, UMDNJ is supportive of a

managed care contracting paradigm which reports to the Dean and provides for UPA to play a major supporting role. The Dean will appoint two (2) members to a three (3) person committee to oversee the negotiation of managed care contracts on behalf of NJMS clinical faculty and the Hospital (the "Managed Care Committee"). The Managed Care Committee shall include one (1) member appointed by the President of UPA who shall have the right to be present at all negotiations with any managed care companies. The Managed Care Committee may appoint staff and advisors, as needed, to carry out such negotiations. All such contracts must be approved by a majority vote of an eleven (11) member reimbursement committee (the "Reimbursement Committee") consisting of six (6) members appointed by the President of UPA, three (3) appointed by the Dean and two (2) appointed by the President of UMDNJ. The Dean may veto a managed care contract that is approved by the Reimbursement Committee, which veto may be overridden by a vote of at least seven (7) members of the Reimbursement Committee. The Dean cannot approve a managed care contract that has been rejected by the Reimbursement Committee. The Dean may approve a managed care contract if the Reimbursement Committee fails to act on a managed care contract within sixty (60) days of written notice from the Dean. No NJMS clinical faculty member shall be compelled to enter into or provide any services pursuant to any managed care contract that is not approved by the Reimbursement Committee. NJMS clinical faculty must participate in all managed care contracts approved by the Reimbursement Committee, except that, upon application of any individual NJMS faculty member or a Department, the Reimbursement Committee may vote to allow individuals or Departments to opt out of a specific managed care contract. If the Reimbursement Committee votes against permitting an opt out, that decision may be appealed to the Dean, who may grant the opt out. All permitted opt outs must be reconsidered at least every two (2) years. Each managed care contract approved by the Reimbursement Committee and not vetoed by the Dean (unless the veto has been overridden as aforesaid), shall be signed by the Dean, on behalf of the NJMS clinical faculty. UPA shall administer the managed care agreements on behalf of the NJMS faculty. It also is the intention of the Parties that N.J. Med, P.C. shall have no role in future managed care contracting and that current managed care agreements should, as soon as practicable, be assigned to UMDNJ, acting through the Dean. At such time as the New Professional Corporation may be formed the Parties agree to discuss the possibility of that corporation signing the managed care contracts.

7. Communication.

- A. Monthly Meetings. UPA and UMDNJ shall each designate two (2) upper level management delegates to meet at least monthly, according to a predetermined calendar of meetings, to discuss matters of common concern, including, but not limited to: (i) billing and collection, (ii) compliance, (iii) Practice Support issues, (iv) taxation issues, and (v) strategic initiatives.
- B. Reports. In addition to the Monthly Schedule of Faculty Practice Revenues to be provided by UPA pursuant to Section 3.D, above, once each month UPA shall also provide to the CFO of UMDNJ and to the Dean, a report of all other Faculty Practice Revenues allocated, charged to and/or deposited in a UPA account (each an "Account"), for the Dean's Fund and each Department pursuant to Section V.C. of the Current Agreement. Such reporting shall incorporate the following principles: (i) "transparency" in the collection, use and reporting of Faculty Practice Revenues in the Accounts; (ii) written approval by the Dean or the respective chair of the

clinical Department for use of funds in an Account; and (iii) right of audit by UMDNJ of such Accounts. At least once annually, NJMS will provide UPA with a copy of its budget and review it with UPA's Executive Committee.

- C. Communication with UMDNJ Board. UPA shall be invited to the Board of Trustees of UMDNJ twice per year at regularly scheduled Board meetings to make presentations regarding the affiliation hereunder.

8. The Parties' Commitment.

- A. Sole Faculty Practice Plan. The Parties affirm and acknowledge that UPA is the sole faculty practice plan of NJMS. The Parties shall refrain from participating or acquiescing in any arrangements (whether by clinical Departments, individual physicians or groups, and whether contractual or otherwise) that would permit any billing, collection or other clinical income stream with respect to any performance or supervision of patient care services performed by any NJMS clinical faculty to occur outside of UPA (except in exceptional circumstances mutually agreed to by the Dean and UPA and to be reviewed and approved by them annually). NJMS shall identify all existing contracts and arrangements conducted outside of UPA and (i) cause the billing and/or revenue stream to be brought into UPA (or a corresponding amount paid or accounted to UPA by UMDNJ or NJMS), treating such revenues as Faculty Practice Revenues, and applying UPA's usual contractual taxation rate which excludes the billing and collection tax (unless UPA provides the billing services), and (ii) provide UPA with a copy of each such contract. With respect to any such proposed contracts, (x) UPA shall be provided a copy of each contract, (y) UPA shall have the right to provide comments to the Dean with respect thereto, and (z) with respect to any new contracts NJMS shall comply with subsection (i), above.
- B. Strategic Planning Initiatives. UMDNJ and NJMS shall seek UPA's input and shall include UPA in meetings and conferences concerning strategic planning with respect to clinical practice matters, and to explore possible geographic and functional expansions of the clinical practice of NJMS faculty, provided, however, that except as otherwise set forth in this Agreement (i) UMDNJ shall make all strategic planning decisions affecting UMDNJ and NJMS in its sole discretion; and (ii) the Parties shall maintain as confidential all strategic planning discussions and information provided to the other until such time as any such discussions and/or information have become public. UPA shall have a right of first refusal with respect to any new clinical practice ventures relating to NJMS clinical faculty. If UPA declines to participate in any such new ventures, UMDNJ and NJMS shall have the right to undertake the venture without UPA participation, but all billing and collections with respect to any such venture shall nevertheless be conducted through UPA, as provided herein.
- C. Conciliation and Cooperation. The Parties agree to communicate and cooperate for their mutual benefit, and shall jointly declare to NJMS clinical faculty their mutual intent to refrain from litigation, except that nothing herein shall preclude a Party from seeking to enforce the terms of this Memorandum.

9. Miscellaneous.

- A. Amendments. This Memorandum may be amended or modified only if the amendment or modification is in writing and executed by each of the Parties. However, if at any time the Hospital is no longer owned by UMDNJ, all references to the Hospital shall be deemed deleted, and the Parties shall conduct a review of the Performance Criteria in accordance with Section 2.C(ii), above.
- B. Notice. All notices required to be given, pursuant to this Memorandum shall be sent by overnight courier or by hand delivery as follows:

If to UMDNJ:

University of Medicine and Dentistry of New Jersey  
65 Bergen Street  
Newark, NJ 07101  
Att: President

With copies to NJMS:

UMDNJ - New Jersey Medical School  
185 South Orange Avenue  
Newark, NJ 07103-2714  
Att: Dean

and

University of Medicine and Dentistry of New Jersey  
65 Bergen Street  
Newark, NJ 07101  
Att: Senior Vice President and General Counsel

If to UPA:

University Physician Associates of New Jersey, Inc.  
30 Bergen Street  
Suite 1205  
Newark, NJ 07107  
Att: President

With a copy to:

University Physician Associates of New Jersey, Inc.  
30 Bergen Street  
Suite 1205  
Newark, NJ 07107  
Att: CEO

- C. Governing Law. This Memorandum shall be governed and construed and the rights and obligations of the Parties shall be determined in accordance with the laws of the State of New Jersey.
- D. Execution. This Memorandum may be executed in several counterparts, each of which shall be an original, but all of which shall constitute one instrument.
- E. Force Majeure. Neither Party shall be liable or deemed to be in default for any delay or failure in performance under the Current Agreement, as amended by this Memorandum, resulting directly or indirectly from acts of God, civil or military authority, acts of public enemy, wars, riots, civil disturbances, insurrections, accidents, fire, explosions, earthquakes or flood. The Parties are required to use their respective and reasonable efforts to eliminate or minimize the effect of such events during performance hereunder.
- F. UMDNJ Board Approval. This Memorandum shall be effective after it has been duly executed by the Parties and approved by the Board of Directors of UPA and the Board of Trustees of UMDNJ.

IN WITNESS WHEREOF, the Parties have caused this Memorandum to be signed below by their duly authorized corporate officers.

UNIVERSITY OF MEDICINE AND  
DENTISTRY OF NEW JERSEY

By: William F. Owen, Jr.  
William F. Owen, Jr., M.D.  
President

Date: 10/22, 2008

UNIVERSITY PHYSICIAN ASSOCIATES  
OF NEW JERSEY, INC.

By: Larry Frohmar  
Larry Frohmar, M.D.  
President

Date: Oct 15, 2008

NEW JERSEY MEDICAL SCHOOL

By: [Signature]  
Robert L. Johnson, M.D.  
Dean

Date: 10/27, 2008



## PRINCIPAL POINTS FOR LETTER OF INTENT

1. Faculty Practice. UPA acknowledges that Rutgers intends for all Rutgers physicians, including the NJMS clinical faculty physicians ("NJMS Physicians"), to be part of one faculty practice plan to be called Rutgers Health Group ("RHG").
  
2. Transition.
  - a. Reassignment. UPA will take all steps within its power to cause all NJMS Physicians to assign to Rutgers, RHG, or another entity designated by Rutgers all rights to all clinical revenue for services performed on or after July 1, 2020 or a date that is sooner if UPA hereafter agrees (the "Effective Date").
    - i. Rutgers agrees that until the Effective Date it shall continue to cause all NJMS Physicians to assign to UPA all rights to all clinical revenue for services performed prior to the Effective Date in accordance with the existing Affiliation Agreement and 2008 MOA (collectively, the "Affiliation Agreement"). UPA agrees that as of the Effective Date (a) all rights to bill for services performed by NJMS Physicians, and to collect payments for services performed on and after the Effective Date, will vest in Rutgers or an entity designated by Rutgers, and (b) all decision making and control of the funds flow from NJMS Physician practices will vest in Rutgers or an entity designated by Rutgers, subject to the second sentence of Paragraph 2.b.
    - ii. UPA agrees that the faculty appointment letter for any new faculty hired by NJMS after the date hereof will require the faculty member to assign to UPA all clinical revenue for all services performed up to the Effective Date, and to Rutgers or an entity designated by Rutgers for all services performed on and after the Effective Date. UPA agrees that any reappointment letters for existing NJMS faculty who are reappointed between now and the Effective Date shall require the faculty member to assign to UPA all clinical revenue for all services performed up to the Effective Date, and to Rutgers or an entity designated by Rutgers for all services performed on and after the Effective Date.
  
  - b. Faculty Compensation. The Department formula process for NJMS faculty compensation and for the distribution of revenue will remain in place for all services performed prior to the Effective Date regardless of when collected

(“Transition Revenues”). With respect to all Transition Revenues collected by Rutgers or the entity designated by Rutgers after the Effective Date, Rutgers or the designated entity shall distribute to the NJMS Physicians the amount due each NJMS Physician for such services performed prior to the Effective Date and retain the balance of such clinical collections. Any Transition Revenues collected by UPA after the Effective Date shall be immediately remitted to Rutgers or the designated entity for distribution in accordance with this paragraph.

In the event Rutgers does not have a legally binding compensation plan with its applicable union for the NJMS Physicians (a “New Compensation Plan”) that is implemented by the Effective Date, until such New Compensation Plan is implemented, NJMS Physicians shall continue to be compensated by the same method as they are compensated as of the Effective Date (“Pre-Compensation Plan Distributions”). For example, if, as of the Effective Date, a faculty member takes home 40% of all of his/her gross clinical revenues, then the faculty member will continue to receive this percent, and Rutgers or the designated entity will receive the remaining moneys.

Commencing on (i) a date which is two months after the Effective Date, or (ii) such later date as the New Compensation Plan becomes effective (the “Compensation Start Date”), NJMS Physicians shall receive the compensation specified in the New Compensation Plan. During the period between the Effective Date and the Compensation Start Date, Rutgers will not unilaterally change the other components of a NJMS Physician’s compensation. The services performed by NJMS Physicians during the two months immediately preceding the Compensation Start Date shall be included in the calculation of the first year’s incentive compensation component of the New Compensation Plan.

With respect to the distribution to NJMS Physicians of Transition Revenues and Pre-Compensation Plan Distributions, Rutgers or the designated entity shall make such distributions at least monthly in accordance with UPA/Rutgers historical practices. To assure an accurate and uninterrupted flow of Transition Revenues and Pre-Compensation Plan Distributions, at least four months prior to the first such distribution, Rutgers will develop a process to cause the distribution of Transition Revenues and Pre-Compensation Plan Distributions to the NJMS Physicians and will seek the input of the NJMS Physicians during the development of such process. Rutgers agrees that the process will include the issuance of similar monthly reports as those reports currently issued by UPA.

- i. Effective immediately, Rutgers will include on the RHG committee that is charged with drafting the compensation plan one NJMS Physician who is not a member of the BHSNJ negotiations unit but is a member of the UPA executive committee and at least  $\frac{1}{4}$  of the voting committee members will be NJMS Physicians who are not members of the BHSNJ negotiations unit. If all members of the UPA executive committee are members of the BHSNJ negotiations unit, then Rutgers shall select a UPA Board member who is a departmental representative to serve on the committee.
    - ii. Rutgers and RHG agrees to consider a compensation plan to be proposed by UPA as soon as possible.
    - iii. Rutgers will propose to the union a compensation plan that includes a clinical incentive component.
  - c. Funds Flow. The mandatory Affiliation Agreement tax methodology (e.g., dean's tax, departmental tax, malpractice insurance tax, and UPA expenses) will remain in place until the Effective Date. The existing NJMS Departmental formula process regarding the distribution of revenue collected by UPA for all purposes (e.g., practice expenses, departmental initiatives and departmental distributions) will remain in place until the Effective Date.
  - d. Reporting. RHG will annually disclose to all RHG entities its detailed financial statements, including operating statements. These statements will delineate revenues and expenses by entities within RHG as long as these can be distinguished. These statements will be accessible to all faculty, including NJMS Physicians. The intention is to enhance transparency among all RHG entities including faculty.
3. Information. Effective immediately UPA will provide Rutgers and RHG access to all records no longer than seven business days after the request has been made. UPA will comply with request for data analysis as soon as practical.
4. RHG Representation.
  - a. Rutgers shall select one person from among the UPA executive committee members to sit on the RHG board's executive committee (which also means such person will be on the RHG board) as soon as it is formed with the understanding that such position on the executive committee (and the RHG Board) shall terminate automatically on the Effective Date. In addition, and thereafter, NJMS

will continue to be represented in RHG business and initiatives using the mechanisms laid out in the then-active RHG bylaws.

- b. In order to provide NJMS Physicians with continued clinical input, UPA will create a transitional council to monitor and give clinical input to RHG which will remain in place until it becomes part of an RHG clinical practice committee or otherwise elects to disband, whichever comes first. Such transitional council is to be an advisory body only.
5. Managed Care Contracts. From the date hereof until RHG is able to process requests by NJMS Physicians to opt out of managed care contracts entered into by Rutgers, NJMS Physicians shall follow the existing process for requests to opt out of managed care contracts. From the date RHG is able to process such requests until the Effective Date, NJMS Physicians shall have the right to apply to the Vice President for Clinical Affairs and RHG President for opt outs from managed care contracts, with a right of appeal to the RHG managed care committee if denied by the Vice President for Clinical Affairs and RHG President. After the Effective Date, RHG agrees that it will continue this process, or one that is materially similar.
6. Retirement Plan. RHG recognizes that an additional retirement benefit plan in which Rutgers' clinical faculty could contribute a portion of their variable (clinical incentive) salary would be beneficial. Rutgers and the RHG President agree to consider as soon as possible whether it would establish such plan, subject to existing legal and/or statutory controls. Such plan would be 100% contributory by the employee with no expectation or requirement for matching funds from Rutgers or the State of New Jersey.
7. Existing UPA Contracts. To the extent not already provided, UPA agrees to provide Rutgers with copies of all UPA contracts (e.g., McKesson, Medaptus) that will extend beyond the Effective Date (collectively, the "UPA Extending Contracts") as soon as practicable. Commencing now through the Effective Date, UPA agrees that Rutgers/RHG will have input into any changes in all such UPA Extending Contracts. UPA agrees to provide reasonable notice to Rutgers/RHG whenever a change to any such UPA Extending Contract is being contemplated or requested, and whenever UPA seeks to enter into any new UPA Extending Contract. UPA Extending Contracts shall be complied with and functionally incorporated into RHG until their respective termination dates. UPA's financial obligations under these UPA Extending Contracts shall be paid by clinical revenues of NJMS Physicians, whether collected by UPA, Rutgers or RHG (if such UPA Extending Contracts are terminated, all termination costs will be borne by RHG). During the term of any UPA Extending Contract the clinical revenues of NJMS

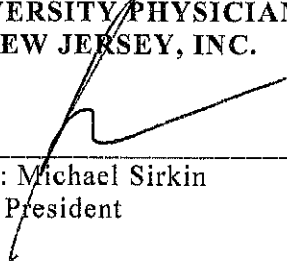
Physicians shall not be used to pay for Rutgers or RHG contracts that provide for services which are duplicative of the UPA Extending Contract.

8. RHG Business Functions. UPA will continue to serve as the primary management services organization for the NJMS Physicians at least until the Effective Date, providing its existing services (*e.g.*, billing and collecting, procurement, compliance, human resources, etc.). UPA may serve as the management services organization for other RHG units, before and/or after the Effective Date, provided that RHG can reach acceptable terms for such services with UPA.
9. Outside Activities. Approved outside activities performed on faculty members' own time without Rutgers resources (*e.g.*, consulting, medical-legal work not specific to RHG patients, etc.) will be subject to then effective Rutgers policies, but the revenue will remain outside of RHG and will not be subject to RHG taxation. Rutgers agrees that RHG rules and policies will not modify these general/"university-wide" policies.
10. Covenant not to Sue. UPA and Rutgers hereby acknowledge and agree that (a) these Principal Points modify and amend their existing Affiliation Agreement, (b) the Affiliation Agreement as so modified and amended is extended until the Effective Date and on the Effective Date will expire, terminate and end, (c) until its expiration they are bound by the terms of the Affiliation Agreement as herein modified and amended, and (d) subject to these Principal Points on and after the Effective Date, Rutgers/RHG shall have full authority and decision making power over the clinical revenue assigned to them. To that end, UPA hereby waives, releases and covenants not to sue Rutgers/RHG with respect to whether the Affiliation Agreement has any binding or lasting effect on and after the Effective Date.
11. Further Assurances. In the event (a) of an assignment to an entity designated by Rutgers in accordance with Paragraph 2, or (b) Rutgers or RHG enters into any agreements with third parties affecting any of the matters contained in these Principal Points Rutgers and/or RHG will specifically bring the existence of these Principal Points to such third parties' attention before any such third party contract is executed. In the event of any such assignment or agreement, Rutgers and RHG shall nevertheless remain responsible to UPA and the NJMS Physicians for the performance of these Principal Points. UPA shall have the right to enforce these Principal Points.

(Signatures appear on the following page)

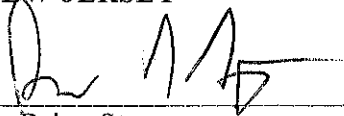
IN WITNESS WHEREOF, by signing below, the parties memorialize their acceptance of this document:

**UNIVERSITY PHYSICIAN ASSOCIATES  
OF NEW JERSEY, INC.**

By:   
Name: Michael Sirkin  
Title: President

Date: August 16, 2016

**RUTGERS, THE STATE UNIVERSITY  
OF NEW JERSEY**

By:   
Name: Brian Strom  
Title: Chancellor, Rutgers Biomedical  
and Health Sciences.

Date: 8/16/16

**AMENDED AND RESTATED BY-LAWS  
OF  
UNIVERSITY PHYSICIAN ASSOCIATES  
OF NEW JERSEY, INC.,  
A NON-PROFIT CORPORATION**

**ARTICLE I  
THE CORPORATION**

**Section 1. Name.**

The name of the Corporation is UNIVERSITY PHYSICIAN ASSOCIATES OF NEW JERSEY, INC., a non-profit corporation, and it shall be referred to throughout these By-Laws as the "Corporation" or "UPA".

**Section 2. Purposes.**

The purposes of the Corporation are: to facilitate medical education at Rutgers, The State University ("Rutgers" or the "University") through the operation and maintenance of services in support of the patient care activities of the faculty of the Rutgers - New Jersey Medical School (the "School" or "NJMS"), at the NJMS Campus (as defined below) and at other NJMS-approved locations; to improve and facilitate communications among clinical faculty members, the University and the Corporation; to maximize the potential for recruiting and retaining exemplary faculty members for the School; to remain competitive with other medical schools in order to continue and to extend the high degree of excellence in the pursuit of academic and clinical education; to advance research and patient care at the School, the Campus, University Hospital and its related or successor entities (the "Hospital"), at other University – affiliated hospitals and at other NJMS-approved locations; to ensure the provision, as appropriate, of medical care to all persons in need of such care; to promote high quality medical care for the benefit of all persons suffering from illness; to take an active part in the planning for and the promotion of the general mental and physical health of the community; to develop a unified structure for the clinical practice activity of all full-time faculty members of the School; and to provide for a responsive and cost-effective administrative organization and information system as a means of ensuring high-quality management and accountability.

The Corporation is organized exclusively for charitable, scientific and educational purposes as a non-profit corporation under the New Jersey Nonprofit Corporation Act and its activities shall be conducted in pursuit of the aforesaid purposes and the purposes set forth in its Certificate of Incorporation and in such manner that no part of its net earnings shall inure to the benefit of any officer or other private individual. The foregoing shall not be construed to prevent the Corporation from authorizing the payment of reasonable amounts for services rendered or expenses incurred in carrying out the Corporation's exempt purposes.

**Section 3. Definitions.**

A. "Academic base salary" is the salary component paid to faculty members for teaching, research (both basic and applied), academic service (*i.e.*, committee work, curricular development and other assignments), professional growth and direct services rendered to those medically indigent patients at University-affiliated and/or operated facilities for which no direct reimbursement is received from any source. The academic base salary consists of the salary within the appropriate salary range. The academic base salary does not include compensation derived from billings for direct patient care.

B. "Board" or "Board of Directors" shall mean the Board of Directors of the Corporation, as further detailed in Article III below.

C. "Campus" shall mean collectively, the School, Hospital, other School – affiliated hospitals, the Doctors Office Center (the "DOC"), Ambulatory Care Center, the NJMS-UH Cancer Center (the "Cancer Center"), and any other practice location approved by the Dean. The University, the School and UPA agree that all present and future NJMS, UPA, Hospital, and/or other University – affiliated clinical sites (e.g., satellite locations), sponsored or supported by any of them or one of their subsidiary units and not wholly or majority-sponsored by another University clinical campus are also to be considered part of the "Campus," including, without limitation, the NJMS-related sites at Behavioral Health Sciences Building ("BHSB").

D. "Chair" is the Chairperson of the Clinical Department of the School in which a faculty member has his or her primary appointment.

E. "Dean" is the Dean of NJMS.

F. "Department" or "Clinical Department" shall mean each of the clinical departments within NJMS as are currently existing or hereafter established. If another Department is established, the same shall thereafter be included in the term "Department" or "Clinical Department" as those terms are used in these By-Laws.

G. "Division" is a functional division within a Department. Divisions may be formed by the Department Chair, subject to the Board of Directors approval. Further, the Chair will notify the Corporation when a Participant is assigned to a Division. A new Division may also be formed by Participants within a Department, subject to approval from the Department Chair and the Board of Directors. To the extent that the revenue and expenses from the Division are shared amongst its member/Participants, those Division Participants must adopt a formula for such distributions and allocations of expenses in accordance with the Rules and Regulations, provided that in all cases, the Division formula must not conflict with, and shall be subordinate to, the Department formula. Further, the Division formula must not violate any provision of these By-Laws, the Affiliation Agreement, the Rules and Regulations, or any federal, state or local law, rule or regulation regarding the allocation of expenses and revenues from medical services. After the initial Division formula is adopted, prior to the adoption or confirmation of any subsequent Division formula, each Division will be reviewed by its Department to determine whether the Division continues to be functionally necessary and appropriate.



H. "Full-time faculty" are members of the faculty of the School who receive payments from the University which equal or exceed fifty percent (50%) of the academic base salary of their respective academic ranks.

I. "Group" is defined as two or more Participants within the same Department that determine to share their revenues and expenses within the Department amongst each other based upon an agreed upon Group formula. Participants choosing to form a Group shall so notify the Department Chair, and must then vote upon a Group formula as prescribed by these By-Laws and the Rules and Regulations. In all cases, the Group formula must not conflict with, and shall be subordinate to, the Department formula. Further, the Group formula must not violate any provision of these By-Laws, the Affiliation Agreement, the Rules and Regulations, or any federal, state or local law, rule or regulation regarding the allocation of revenues from medical services.

J. "Inter-Departmental Program" is defined as a Program comprised of two or more Participants from two or more Departments. The Dean must approve the creation of an Inter-Departmental Program, and will approve the chair of the Inter-Departmental Program (the "Program Chair"). The Program Chair, in that capacity, shall not have a seat on the Board of Directors. To the extent that the revenue and expenses from the Inter-Departmental Program are shared amongst its member/Participants, those Inter-Departmental Program Participants must adopt a formula for such distributions and allocations of expenses in accordance with the Rules and Regulations, provided that in all cases, the Inter-Departmental Program formula must not conflict with, and shall be subordinate to, the formula adopted by the subject Participants' Departments of primary appointment. Further, the Inter-Departmental Program formula must not violate any provision of these By-Laws, the Affiliation Agreement, the Rules and Regulations, or any federal, state or local law, rule or regulation regarding the allocation of expenses and revenues from medical services.

K. "Mailing" or "by mail" or "written notice" or "notice" to be given hereunder to faculty members, Participants, Directors, officers, Departments, Divisions, Groups, Inter-Departmental Programs, Committee members, Chairs, Program Chairs or otherwise may be effected by mail sent through the United States Postal Service or by electronic mail or similar electronic system for communicating to such persons by the Corporation.

L. "Part-time faculty" are members of the faculty of the School who receive payments from the University which are less than fifty percent (50%) of the academic base salary for their respective academic ranks.

M. "Participants" are School faculty members who are required to or permitted to participate in the Plan.

N. "Plan" means the School's faculty practice program organized and managed by UPA, pursuant to which Participants submit charges for patient care services to UPA, and UPA handles the billing and collection of these charges. The Plan is a University-approved program.

O. "Voluntary faculty" are members of the faculty of the School who receive no academic salary from the University.

P. "Vote" or "Voting" may be done by paper ballot, voice vote (if required as provided in these By-Laws), or by an electronic or other system of voting adopted by the Corporation from time to time.

## **ARTICLE II** **PARTICIPANTS**

### **Section 1. Participants.**

All Full-time Faculty who engage in the professional care of patients shall be required, as a condition of employment, to participate in the Plan for billing for such services at all locations.

Full-time faculty engaged in patient care services will render patient care services exclusively on Campus or at other sites, each as approved by the Dean of the School.

As required by the appointment letter or employment contract between the University and a faculty member, all Part-time and Voluntary Faculty members shall be required to participate in the Plan with respect to patient care services rendered or originated at the Hospital, the DOC, the Ambulatory Care Center, the Cancer Center, the BHSB, and all other NJMS - or UPA-owned, affiliated and/or operated facilities or sites or other locations assigned by the Dean, except as follows: (i) Voluntary and Part-time faculty shall not be required to participate in the Plan with respect to patient care services which are not rendered on the Campus; (ii) Voluntary faculty members are not required to participate in the Plan with respect to patient care services rendered by the Voluntary faculty members to private patients subsequently treated by them on the Campus; and (iii) other exceptions approved by the Board of Directors and the Dean of the School.

Any licensed clinical practitioner with an M.D., D.O., Ph.D. or equivalent degree, who practices on the Campus, must hold an NJMS faculty appointment. Non-faculty members may be considered for participation in UPA upon approval of the Board of Directors. However, since certain non-faculty members seeking to participate in UPA are not covered by the University's self-insurance trust fund, such non-faculty participants in UPA shall be required to obtain professional liability insurance with terms and coverage limits acceptable to UPA. Licensed clinical practitioners holding D.D.M. or D.D.S. degrees who practice on the Campus, whose primary faculty appointment is at New Jersey Dental School, can be exempt from participation in the Plan if the Dean of NJMS and the Dean of New Jersey Dental School agree, and UPA receives written notice of such exemption.

Persons who hold "temporary" faculty member appointments from NJMS will be treated as faculty members of NJMS for purposes of the Plan, and these persons will be considered faculty members and will be required to participate in the Plan to the same extent as permanent faculty members, except that they will not be eligible to vote or to serve as Directors or officers of UPA.

Part-time faculty and Voluntary faculty are encouraged to and may become Participants for activities not mandated to be billed through UPA upon receiving approval of the Dean of the

School, who will make a determination after receiving recommendations from the Chair and the Board of Directors.

No one may participate in the Plan who is not a School faculty member except as provided in the following paragraphs. Termination or suspension of a faculty appointment in the School will result in simultaneous termination or suspension of subsequent participation in the Plan.

Persons who are not faculty members of NJMS may contract with UPA for UPA to provide administrative services to such persons, on terms approved by the Board of Directors, so long as the terms of those arrangements do not jeopardize UPA's tax-exempt status.

Persons who are faculty members of the University, but not NJMS faculty members, must participate in the Plan (in addition to any other faculty practice plan in which they are obligated to participate) unless the Deans of NJMS and the other University school agree to an exception, which is then approved by the Corporation's Board of Directors, on terms agreed to for bi-annual periods.

## **Section 2. Voting Participants.**

A. Certain Participants in the Corporation shall be classified as Voting Participants. A Voting Participant is a Full-time faculty Participant who has rendered patient care services on the Campus and has (i) billed a minimum of \$50,000 in charges or (ii) collected more than \$10,000 for patient care services, through the Plan during the twelve (12) month period immediately preceding the Designated Date (as defined below).

Within each Participant's Department, a Participant shall be deemed a "Voting Participant" for a Division or Inter-Departmental Program (or multiple Divisions or Inter-Departmental Programs) vote within the subject Division or Inter-Departmental Program, for such issues as Division or Inter-Departmental Program distributions, Division or Inter-Departmental Program formulae, and/or Division or Inter-Departmental Program fund expenditures, provided that the subject Full-time Faculty Participant has rendered patient care services through that Division or Inter-Departmental Program on the Campus and has (i) billed a minimum of \$25,000, or (ii) collected more than \$5,000 for patient care services, in the last twelve (12) month period ending June 30, through the subject Division or Inter-Departmental Program. By way of example, if a Participant in the Corporation bills \$100,000 within his Department, \$50,000 within his Division, and \$20,000 within an Inter-Departmental Program, then for purposes of the Department and Division, the subject Participant is a Voting Participant; however, the same Participant is not a Voting Participant within the Inter-Departmental Program. For the avoidance of doubt, any member of a Group shall be a "voting" member for purposes of adopting a Group Formula.

The Designated Date for purposes of determining the number of Board representatives allocated to each Department shall be June 30 of any given year. All Voting Participants who are or were members of a Clinical Department as of the 30<sup>th</sup> day of June immediately preceding the vote to elect Board representatives shall be included for the purpose of calculating the number of Board representatives allocated to a Department (regardless of whether such

individual is a faculty member at the time voting occurs), and in no event shall Participants who may become Full-time faculty members after June 30 be included in such calculation.

The Designated Date for purposes of determining who may cast a vote to elect Board representatives during the annual election of Directors and for determining who may cast a vote for Clinical Department formulae shall be June 30. For the avoidance of doubt, if as of the Designated Date a Participant was a Full-time faculty member, but subsequently became a Part-time faculty or Voluntary faculty member, or leaves the faculty entirely, prior to the date of the actual vote, that Participant shall not be a "Voting Participant" entitled to vote at the subject election.

The Designated Date for any other matter requiring Voting Participant vote shall be as determined by the Executive Committee (as such term is defined in Article IV hereof), from time to time.

Other Participants, Part-time faculty and Voluntary faculty shall not be entitled to vote on the election of Participant representatives to the Board of Directors or any other matters that may be submitted for a vote of Participants by the Board of Directors.

If a Participant is a member of more than one Clinical Department, then subject to the following sentence, for all matters on which a Participant may be considered for purposes of voting and representation, the Clinical Department of record at NJMS as the primary Clinical Department of appointment shall be the Voting Participant's Clinical Department. Notwithstanding the preceding sentence, if the Voting Participant meets the threshold set forth in Article II, Section 2, as a Voting Participant in more than one Clinical Department (e.g. the subject Participant bills at least \$50,000 in charges through the Plan in multiple Clinical Departments), then for purposes of any votes regarding formulae impacting each such Clinical Department, the subject Voting Participant may participate in multiple Clinical Departments' formulae and related votes.

If, at a meeting called for purposes of voting on any matter, the Voting Participants engage in substantive discussions prior to the subject vote, then any Voting Participant must have been present (whether in person or through other means by which they are able to hear and participate in the discussions) in order to be eligible to vote on the subject matter of those discussions. However, if a Voting Participant was not present during prior discussions, but (i) has reviewed the minutes from the prior discussions, and (ii) has certified that he or she has reviewed such minutes, then the subject Voting Member may then vote on the matter for which the meeting has been called. Further, if at the meeting called for a vote a Voting Participant not present at prior discussions requests further discussion at the meeting at which the vote is called, then the Voting Participants may engage in further discussions, following which the Voting Participant absent from prior discussions may participate in the vote.

#### B. Loss of Voting Rights.

A Voting Participant may lose his right to vote for all purposes hereunder if he is found to have violated his obligations as a Participant, whether pursuant to the Affiliation Agreement,

these By-Laws, or the Rules and Regulations. Such suspension or loss of voting rights shall be at the recommendation of the Review Committee, subject to confirmation or rejection by the Board of Directors.

Once a Voting Participant has lost his voting rights due to such a violation, such rights may only be reinstated by an affirmative vote of the Board of Directors, based upon a recommendation from the Review Committee to so reinstate such Participant's voting rights. If a Voting Participant so loses his voting rights, he shall no longer be counted for purposes of determining the number of Directors his Department is entitled to under Article III, Section 3, of the By-Laws unless and until such voting rights are reinstated.

If a Voting Participant loses his voting rights for (e.g.) purposes of electing Directors, such Participant shall also lose his voting rights at the Department level (whether for purposes of voting on Department Formulae or otherwise). Such disenfranchised Voting Participant shall not be entitled to participate in Department formulae or other voting matters unless and until his Voting Participant status is reinstated by an affirmative vote of the Board of Directors, as provided above.

### **Section 3. Election of Directors.**

Voting Participants shall elect Participant representatives to the Board of Directors as set forth in Article III, Section 4.

### **Section 4. Annual Meeting of Participants.**

An annual meeting of the Participants shall be held on such day as the Board of Directors establishes, at the hour designated by the President of the Corporation or the Board of Directors in the notice of the meeting. The purposes for which the annual meeting shall be held shall include: the verification of the election of representatives to the Board of Directors; the delivery of an annual management report of the Corporation by the outgoing President of the Corporation; the delivery of an annual financial report of the Corporation by the outgoing Treasurer of the Corporation; and such other purposes as may be prescribed by law, the Certificate of Incorporation, these By-Laws or as are specified by the Board of Directors. If an annual meeting is not held on the day provided for herein, a special meeting may be held in place thereof, and any business transacted or elections held at such special meeting shall have the same effect as if transacted or held at the annual meeting.

### **Section 5. Special Meetings.**

Special meetings of the Participants may be called at any time by a majority of the Board of Directors or by written application of twenty-five (25) or more Voting Participants or the President of the Corporation or a designee of the President. Upon any such call or application, a special meeting shall be called by the Secretary, or in case of death, absence, incapacity or refusal of the Secretary, by any other officer. Such call or application shall state the day, hour, place and purpose of the meeting and shall be delivered to the Secretary or other officer calling the meeting not fewer than fourteen (14) days before the date of such meeting.

**Section 6. Place of Meetings.**

Meetings of Participants shall be held in the State of New Jersey, at such place or places fixed by the Board of Directors, or any party calling a special meeting as permitted by Section 5, as stated in the notice of the meeting.

**Section 7. Notice of Meetings.**

Written notice of each meeting of Participants stating the day, hour and place thereof and the purposes for which the meeting is being held shall be given by the Secretary or the President of the Corporation, not fewer than ten (10) nor more than sixty (60) days before the meeting, to each Participant, by (i) posting such notice conspicuously on the Campus, and (ii) leaving such notice with him or her or at his or her usual place of business, or by mailing it, postage prepaid, and addressed to such Participant at the Participant's usual or last known business or residence address. In case of the death, absence, incapacity or refusal of the Secretary or the President, such notice may be given by any other officer or by a person designated either by the Secretary or the President or by the person or persons calling the meeting or by the Board of Directors; provided, however, that no notice need be given to any Participant who either attends the meeting or who waives notice thereof by a writing which is filed with the minutes of Participant meetings.

**Section 8. Quorum.**

At any annual or special meeting of the Participants, a quorum for the transaction of business shall consist of twenty-five percent (25%) of the total number of Voting Participants, present in person or represented by proxy, but a lesser number may adjourn any meeting from time to time, and the meeting may be reconvened without further notice if a quorum is present in person or by proxy.

If during the course of the year following the Designated Date, a Department loses Participants, then upon petition to the Executive Committee, the Department or one of its Voting Participants can request a reduction in the number of Participants required for a quorum to conduct votes on formula, expense allocations and other matters coming before the Department during the year until the next Designated Date. To confirm the reduction in Participants, the Department representative shall provide to the Executive Committee the list of Participants that are no longer in the Department, which list is confirmed to be complete, current and accurate by the Dean's office, at least seven (7) days prior to any vote for which a reduced quorum is sought. If a Division or Inter-Departmental Program experiences a decline in membership during the course of a fiscal year, upon request from (i) the Chair or Program Chair of the impacted Division or Inter-Departmental Program, or (ii) a Voting Participant within that Division or Inter-Departmental Program, the Executive Committee shall have the discretion to consider a reduction in such Division's or Inter-Departmental Program's quorum requirements.

**Section 9. Voting and Proxies.**

Each Voting Participant shall be entitled to one (1) vote upon any question at any meeting of the Participants, which vote may be exercised in person or by proxy given to another Voting Participant, in writing, dated not more than five (5) days before the meeting named therein, which writing shall be filed with and approved by the Secretary before being voted. Such proxy shall entitle the holder thereof to vote at any adjourned session of such meeting solely on the issues specified in the proxy but shall not be valid after the final adjournment of such meeting.

**Section 10. Action at Meeting.**

When a quorum is present at any meeting, a majority of those Voting Participants present in person or by proxy, except as otherwise required by law, the Certificate of Incorporation or these By-Laws, may decide any question properly brought before such meeting.

**Section 11. Action Without Meeting.**

Any action to be taken by the Voting Participants may be taken without a meeting if all the Voting Participants required to vote in favor thereof consent to the action by a writing filed with the minutes of Participant meetings. Such consent shall be treated for all purposes as a vote at a meeting and may be so certified by the Secretary of the Corporation.

**Section 12. Meeting Electronically.**

Upon the request of any Participant, a Participant may “attend” a Department, Division, Inter-Departmental Program or Group meeting telephonically, by video or webcast conference or by any other real-time interactive medium, provided that all other Participants can hear the Participant attending “remotely” and such Participant can be heard by all Participants attending “in person.” For such accommodation for an individual Participant, the subject Participant shall provide to the Department Chair, Program Chair, or head of the Division or Group and a Departmental representative to the Board of Directors at least three (3) business days prior notice to allow for such accommodations to be coordinated.

Further, the entire Division, Inter-Departmental Program, Group or Department may, upon the approval of two-thirds (2/3) of the Participants within the subject Division, Inter-Departmental Program, Group or Department, agree to conduct telephone meetings or conduct meetings by video or webcast conference or by any other real-time interactive medium, provided that each Participant is able to fully participate and be heard by all other Participants during the subject meeting.

**ARTICLE III**  
**BOARD OF DIRECTORS**

**Section 1. Responsibilities.**

The properties and business of the Corporation shall be managed by a Board of Directors (each a "Director"), which may exercise all the lawful powers of the Corporation. Without limiting the generality of the foregoing, the Board of Directors shall be responsible for each of the following:

- (a) Entering into and maintaining an Affiliation Agreement with the University (the "Affiliation Agreement");
- (b) Assisting the School in its goal of maintaining quality patient care, medical education, and research;
- (c) Coordination with the University to ensure that the highest possible quality medical care is offered to all patients;
- (d) Establishment of the short and long-range objectives and goals of the Corporation;
- (e) Adoption of policies and programs reasonably calculated to achieve the established objectives of the Corporation, and to administer the Corporation;
- (f) Development of plans for the provision, development and improvement of medical services consistent with the needs of the community and for the advancement of medical and social science and practice generally;
- (g) Provision of administrative and fiscal services sufficient to ensure successful implementation of the aforementioned policies and programs;
- (h) Arrangement for acquisition and maintenance of physical plant and equipment for immediate and future needs of the Corporation;
- (i) Appointment, control and discharge of all employees, independent contractors and personnel, as may be required for the efficient administration and operation of the Corporation;
- (j) Maintenance of sound fiscal policies, including adoption of annual operating and capital budgets of the Corporation and management of endowments, and maintenance of audit and accountability programs;
- (k) Coordination of the supervision of all business affairs of the Corporation;
- (l) Preparation of periodic reports of the professional service and financial activities of the Corporation;



- (m) Supervision of the management and direction of the business, property and affairs of the Corporation;
- (n) Serve as the primary liaison and coordinator with the administrators and chief executive officers of the School, the University, any University-affiliated hospitals, and the DOC, as it relates to the Corporation's business;
- (o) Performance of such other duties as shall be necessary and in the best interests of the Corporation;
- (p) Arrangements for the collection of fees for services provided by Participants, and for the care and custody of the money, funds, valuable papers and documents of the Corporation;
- (q) Arrangements of endorsement for deposit or collection of all checks, notes, drafts and instruments for the payment of money, payable to the Corporation or to its order; and
- (r) Causing to be kept accurate books of account of all Participants' accounts receivable and monies received and paid by or on account of the Corporation.

**Section 2. Powers.**

In addition to and in furtherance of all powers conferred on them by law or by the Certificate of Incorporation, the Board of Directors, acting in the name and on behalf of the Corporation shall have the following powers:

- (a) To retain and hold for so long a time as the Board of Directors deems advisable, any real or personal property of any kind which the Corporation may receive from any source whatsoever notwithstanding that such property may not be included in what are generally considered proper investments for fiduciaries or may constitute a larger proportion of the property of the Corporation than is usually considered proper; provided, however, that such retention and holding is not in violation of any agreement to which the Corporation is a party;
- (b) To purchase real and personal property; to invest and reinvest the property of the Corporation; to sell at public or private sale, exchange, transfer, or grant options to purchase, the whole or any part of the property of the Corporation, real or personal, at any time held by it, upon such terms and conditions as the Board of Directors deems to be in the best interest of the Corporation, and to execute, acknowledge and deliver such deeds, contracts, or other instruments as the Board of Directors may deem necessary or advisable in connection with any such purchase, sale, exchange, option or transfer;
- (c) To determine whether any money or other property received by the Corporation shall be treated as principal or income, and to determine the extent to which expenses of the Corporation shall be borne as between principal and income; and this power shall include, without limitation, the power to determine, in case any

investment shall at any time be made in any bond or security for money at a premium or in a so-called wasting investment or in non-income producing property, whether and to what extent and in what manner any part of the actual receipts in respect of such bond, security, wasting investment, or non-income producing property shall be dealt with as principal or as income;

- (d) With respect to any security which is part of the property of the Corporation, to vote or grant proxies to vote such security, to take any action deemed appropriate in connection with any merger, consolidation, or reorganization and to exercise any conversion, subscription or other right pertaining to such security;
- (e) To lease, with or without option to purchase, any real estate at any time held by the Corporation, for such terms, and upon such provisions and conditions, as the Board of Directors shall determine; and to alter, repair, demolish, rebuild and improve any building which is at any time part of the property of the Corporation;
- (f) To borrow money on such terms as the Board of Directors may deem proper and to mortgage or pledge property, real or personal, of the Corporation to secure the same;
- (g) To invest in and retain for so long a period the Board of Directors deems appropriate, the shares, preferred or common, of investment companies or investment trusts, whether of the open-end or closed-end type, and without notice to anyone to participate in any common trust or pooled fund;
- (h) To invest such portion of the funds of the Corporation as the Board of Directors may from time to time determine in such securities as the Board of Directors, in its discretion, shall consider likely to result in future appreciation of principal, even though the securities so purchased may pay currently only a small dividend in proportion to their cost, or no dividend at all, and there is no reasonable prospect of a higher dividend rate, or of any dividend for an indeterminate or extended time in the future;
- (i) To invest such portion of the funds of the Corporation as the Board of Directors may from time to time determine in securities, the income from which is exempt from taxation though such securities would not normally or usually for any reason be considered proper investment for fiduciaries;
- (j) to adjust, settle, arbitrate, litigate or compromise any claim or claims of any nature payable to or made against the Corporation, including any claims for taxes, fines, legal fees and/or expert fees, court costs and expenses, upon any terms satisfactory to the Board of Directors, and where the subject claim is against a Clinical Department, Division, Inter-Departmental Program, Group or a Participant, to recover such monies from the Clinical Department's, Group's and/or Participant's disbursement otherwise allocated or due from the Corporation; and
- (k) to interpret these By-Laws and their implementation.

**Section 3. Qualifications, Number and Term of Directors.**

The membership of the Board of Directors shall be as follows:

(a) Each Clinical Department shall have at least one (1) Participant representative, each of whom shall be elected by the Voting Participants in accordance with Article III, Section 4 and the rules therefor established from time to time. To be eligible to serve as a Participant representative, the candidate must be a Voting Participant, and cannot be (i) a Chair, (ii) a Dean (whether an Assistant, Associate, Vice or Full Dean) of the School or any other University medical school, (iii) a Provost or Chancellor of the University, School or other University Biomedical and Health Sciences school, or (iv) a director, trustee, governor, or an officer holding the rank of vice president or higher of the University or any division of any school or college affiliated with the University. This representative shall serve for a two (2) year term. Clinical Departments may have additional representatives based upon the following criteria, provided that no Clinical Department shall have more than three (3) representatives in total, and the representatives elected pursuant to (i), (ii) and (iii) below shall each serve for only a one (1) year term:

(i) The three (3) largest Clinical Departments, based upon the number of Voting Participants, shall be entitled to one (1) additional Participant representative, who shall otherwise meet the requirements of the preceding sentence.

(ii) The four (4) largest Clinical Departments, based upon total Clinical Departmental collections in the prior fiscal year, shall be entitled to one (1) additional Participant representative, who shall otherwise meet the requirements of the first sentence of this Subsection (a).

(iii) If any one Clinical Department accounts for at least thirty-three (33%) percent of all Corporation's collections, then the Clinical Department shall be entitled to one (1) additional Participant representative, who shall otherwise meet the requirements of the first sentence of this Subsection (a), unless the subject Department already has three (3) representatives.

(b) The Dean of the School, ex officio;

(c) The Senior Vice President for Finance and Administration of the University or other designee of the University, ex officio;

(d) Three representatives who are Chairs of Clinical Departments elected by the Chairs of all Clinical Departments in accordance with Article III, Section 4;

(e) The Executive Director of the Corporation, ex officio;

(f) The immediate past President of the Corporation, should he or she not be re-elected to the Board of Directors, shall serve ex officio, without vote; and

(g) The President of the Medical-Dental Staff of the Hospital, ex officio, without vote.

If a new Clinical Department is created, the number of Participant representatives set forth in Article III, Section 3(a) hereof, shall be increased by one (1) additional Participant representative per new Department and that a Participant representative shall be elected to the Board of Directors from each new department in accordance with Article III, Section 4 and rules therefor established from time to time. Further the new Department may be entitled to more than one representative as prescribed in Article III, Section 3(a) (i), (ii) and/or (iii) above. If a Clinical Department is subsequently removed from the NJMS rolls as a “Clinical Department”, then the Participant representatives previously allocated to that Clinical Department in Article III, Section 3(a) shall be eliminated.

#### **Section 4. Election.**

##### Participant Representatives:

Directors described in Article III, Section 3(a) shall be Voting Participants in good standing (in compliance with the Plan) elected by Voting Participants through Clinical Department elections held in accordance with the rules and regulations (the “Rules and Regulations”) established by the Board of Directors, from time to time, for such elections. Each Clinical Department which is entitled to receive a seat on the Board of Directors shall be represented by at least one (1) Director described in Article III, Section 3(a).

The Directors that are mandated for each Department (not including additional Directors allocated to a Department pursuant to Section 3(a)(i), (ii) or (iii) above) shall serve in staggered terms so that one-half of the mandated Directors elected by the Voting Participants shall be elected annually, ensuring continuity on the Board of Directors. To the extent that a Department is entitled to more than one Director pursuant to allocations under Section 3(a)(i), (ii) or (iii) above, the Department candidate receiving the most votes in the subject election year shall be the candidate to sit for the two (2) year term, with other candidates serving for only a one (1) year term.

Elections shall be conducted in accordance with the Rules and Regulations.

Elected Participant representatives on the Board of Directors who are (i) designated Acting or Interim Chairs of their Department, or (ii) appointed to serve as an Acting or Interim Assistant or Associate Dean, during their term as Board members shall be permitted to complete their terms as elected Participant representatives of their Departments, subject to (x) confirmation as to an Acting or Interim Chair by Voting Participants within that Department within sixty (60) days following the appointment of the subject representative as Acting or Interim Chair, or (y) confirmation as to an Acting or Interim Assistant or Associate Dean by Voting Participants within that Department and affirmation by the Board of Directors, in each case within sixty (60) days following the appointment of the subject representative as Acting or Interim Chair or Acting Assistant or Associate Dean. The consideration by the Voting

Participants shall be overseen by the Corporation, and the Acting or Interim Chair/Assistant Dean/Associate Dean shall not participate in the discussion and/or the vote. If the Voting Participants reaffirm the election of the subject representative then he/she shall serve out the current term; and may then seek re-election<sup>1</sup> in the normal course. If, however, the Voting Participants do not reaffirm the election, then the newly appointed Acting or Interim Chair/Assistant or Associate Dean shall step down as the Department's elected representative to the Board of Directors, and within thirty (30) days' thereafter, a special election will be called for the Department to elect a replacement representative in the manner prescribed herein above in this Article III, Section 4. The foregoing reaffirmation will not apply to currently sitting Acting and/or Interim Chairs, or to currently sitting Acting or Interim Assistant or Associate Deans. If an Acting or Interim Chair, or Acting or Assistant or Associate Dean at the time of his/her appointment, is currently serving as an officer of the Company, he/she may complete the current term as officer subject to approval by a majority of the Board of Directors. At the conclusion of that then current term, the Acting or Interim Chair may seek re-election, or election to a new office, in the normal course as an officer of the Corporation. If the Board of Directors does not reaffirm the subject Acting or Interim Chair's or Acting or Interim Assistant or Associate Dean's role as an officer, then the office shall be deemed to be vacant, and a special meeting will be called to elect a replacement officer. Elected Participant representatives on the Board of Directors who are designated Chairs or Assistant or Associate Deans (permanent, not acting or interim) of their Departments during their term as Board members may not continue to serve as Participant representatives or officers after their designations as Chairs, and new Participant representatives will be elected by those Departments.

In the event a member of the Board of Directors is subsequently elected as an officer of the Corporation and such member is the sole representative of his/her Department, such Department shall be entitled to elect another Director to the Board for so long as the original member holds his/her officer position. The election of the supplemental Director shall be in compliance with the terms of these By-Laws and the Rules and Regulations. The supplemental Director shall be entitled to all rights, privileges and obligations as any other non-voting member of the Board of Directors.

#### Chairs Representatives.

Members of the Board of Directors elected to fill the positions prescribed in Article III, Section 3(e) shall be selected by vote of all Clinical Department Chairs in accordance with the Rules and Regulations for such elections established by the Board of Directors from time to time. These Members of the Board of Directors shall serve for a two year term

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<sup>1</sup> If an Acting or Interim Chair or Acting Dean seeks election (or re-election) as a Departmental Representative, that Chair or Dean shall not participate in the vote, and the vote shall be overseen by the Corporation, and not the Acting or Interim Chair or Dean, as applicable.

**Section 5. Resignation.**

Any Director may resign by delivering or causing to be delivered to the Secretary of the Corporation a written resignation which shall take effect on being so delivered or at such other time as may be therein specified.

**Section 6. Removal.**

Any Director may be removed from office with cause by the vote of two-thirds of all the Directors then in office. For purposes of these By-Laws, "cause" shall include (a) malfeasance, embezzlement, fraud, gross negligence, willful inattention to a Director's duties, (b) failure to comply with the terms of the Affiliation Agreement, these By-Laws, or the Rules and Regulations of UPA, (c) for any Director except a Director ex-officio, more than five (5) absences (excused and/or unexcused) in any one calendar year from meetings of the Board of Directors, or (d) such other matters as the Board of Directors may determine. In the event the "cause" is failure to comply with the terms of the Affiliation Agreement, these By-Laws, or the Rules and Regulations of the Corporation, upon the investigation and report of the Review Committee that such cause is present, the Review Committee may then present its findings before the Board of Directors for a vote in accordance with this subsection.

If a petition is submitted to the Board of Directors, signed by two-thirds of the Voting Participants of a Clinical Department, seeking the removal of a Clinical Department's elected representative to the Board of Directors, such petition shall be accepted by the Board of Directors, pursuant to a majority vote of the Directors, as sufficient cause for the removal of the subject Director, and the Board of Directors shall act to remove the subject Director in accordance with this Section 6, and shall call for a special vote by the subject Clinical Department to elect a new representative to the Board of Directors, to be elected in accordance with Article III, Section 4, within forty-five (45) days of the Board of Directors' receipt of the petition.

**Section 7. Vacancies.**

Vacancies in the Board of Directors (except for ex officio members), however occurring, shall be filled by election in the manner set forth in Article III, Section 4 hereof, as quickly as possible. Any such successor Director so elected shall be of the same position (Voting Participant representatives of the same Clinical Department, or Chair Directors selected by the Dean of NJMS), and shall hold office for the same term and subject to the same terms and conditions as the Director whose position became vacant.

Vacancies in any ex officio member of the Board of Directors, however occurring, shall be filled by an appointee of the office, institution or entity by which the original member was placed. Such replacement shall be appointed as quickly as possible, and shall hold office for the same term, and subject to the same terms and conditions, as the ex officio Director whose position became vacant.

**Section 8. Directors' Meetings.**

Regular meetings of the Board of Directors may be held in such places at such times, not less than quarterly, as the Board of Directors may from time to time determine and fix; and, if so determined and fixed, no notice thereof need be given. A regular meeting of the Board of Directors may serve as the annual meeting of the Board of Directors.

Special meetings of the Board of Directors may be held at any time or place whenever called by the President of the Corporation and shall be called by the President upon the written request of five (5) or more Directors. Notice of the place, date, hour and purpose of any such special meeting of the Directors shall be given by the President, or at his or her request, by the Vice President or Secretary, to each Director at least seven (7) calendar days before such meeting. Special meetings may be held at any time without such notice if all Directors are present or if those not present execute a written waiver of notice before or after the meeting which is filed with the minutes of Board meetings.

Meetings of the Board of Directors shall be conducted in accordance with Robert's Rules of Order.

Unless determined otherwise by the Board of Directors in the interest of the Corporation, all meetings of the Board of Directors may be attended by Participants and representatives of the School and the University, who may (if properly recognized by the Board of Directors) participate in discussion but shall not be entitled to vote on matters brought before the Board of Directors.

Upon the request of any Director, a Director may "attend" a meeting telephonically, by video or webcast conference or by any other real-time interactive medium, provided that all other Directors can hear the Director attending "remotely" and such Director can be heard by all Directors attending "in person". For such accommodation for an individual Director, the subject Director shall provide to the Executive Director at least three (3) business days prior notice to allow for such accommodations to be coordinated.

Further, the Board of Directors may, upon the approval of two-thirds (2/3) of the Board of Directors, agree to conduct telephone meetings or conduct meetings by video or webcast conference or by any other real-time interactive medium, provided that each Director is able to fully participate and be heard by all other Directors during the subject meeting.

**Section 9. Quorum.**

A majority of the Directors then in office, present in person at the meeting, shall constitute a quorum for the transaction of business. Less than a quorum of the Directors, however, may adjourn any meeting from time to time and the meeting may be reconvened without further notice if a quorum is then present.

**Section 10. Action at Meeting.**

Except as otherwise required by law, the Certificate of Incorporation or these By-Laws, the action of a majority of the Directors present at a meeting at which a quorum is present shall be the action of the Board of Directors.

All votes, except motions to approve minutes, to lay on the table or to adjourn shall be by secret ballot.

**Section 11. Action Without Meeting.**

Any action required or permitted to be taken at any meeting of the Board of Directors or any committee elected or appointed by the Board of Directors may be taken without a meeting, prior or subsequent to such action, if all the Directors or all the members of any such committee required to vote in favor thereof consent to the action in writing and the consents are filed with the minutes of the meetings of the Board of Directors or of any such committee. Such consents shall be treated for all purposes as a vote at a meeting and may be so certified by the Secretary of the Corporation.

**Section 12. Waivers of Notice of Meetings and Adjournments.**

Notice of a meeting need not be given to any Director who signs a waiver of notice, whether before or after the meeting, or who attends the meeting without protesting the lack of notice of such meeting prior to the conclusion of the meeting. Neither the business to be transacted at, nor the purpose of, any meeting of the Board of Directors need be specified in the waiver of notice of such meeting. Notice of an adjourned meeting need not be given if the time and place are fixed at the meeting adjourned and if the period of adjournment does not exceed ten (10) days in anyone adjournment.

**Section 13. Voting Eligibility.**

If, at a meeting called for purposes of voting on any matter, the Directors engage in substantive discussions prior to the subject vote, then any Directors must have been present (whether in person or through other means by which they are able to hear and participate in the discussions) in order to be eligible to vote on the subject matter of those discussions. However, if a Director was not present during prior discussions, but (i) has reviewed the minutes from the prior discussions, (ii) has certified that he or she has reviewed such minutes, then the subject Director may then vote on the matter for which the meeting has been called. Further, if at the meeting called for a vote a Director not present at prior discussions requests further discussion at the meeting at which the vote is called, then the Directors may engage in further discussions, following which the Director absent from prior discussions may participate in the vote.



**ARTICLE IV**  
**COMMITTEES**

**Section 1. Executive Committee.**

The executive committee (the “Executive Committee”) shall be a standing committee of the Board of Directors and shall have as its members all officers of the Corporation. The functions and powers of the Executive Committee shall be to perform and implement policies of the Board of Directors and to execute and direct all operational and administrative matters concerning the Corporation on a day to day basis. Further, the Executive Committee shall be empowered to take action on other matters as may be prescribed by the Board of Directors from time to time.

**Section 2. Finance Committee.**

The finance committee (the “Finance Committee”) shall be a standing committee of the Board of Directors and shall have as its members Directors appointed by the Board of Directors. The functions and powers of the Finance Committee shall be to take such action with respect to the financial affairs of the Corporation as the Board of Directors may prescribe from time to time.

The Finance Committee shall form an audit subcommittee. The “Audit Subcommittee” shall be a standing subcommittee of the Finance Committee. The functions and powers of the Audit Subcommittee shall include assisting the Finance Committee in fulfilling its oversight responsibilities relating to the quality and integrity of the Corporation's accounting practices, and such other functions and powers as may be delegated to it by the Board of Directors and the Finance Committee from time to time.

**Section 3. Review Committee.**

The review committee (the “Review Committee”) shall be a standing committee of the Board of Directors and shall have as its members Directors appointed by the Board. The functions and powers of the Review Committee shall be to review and report on compliance with the Plan, exceptions to participation in the Plan, nominations and elections of officers of the Corporation, and other duties and powers as the Board of Directors may prescribe from time to time.

Without limiting the foregoing, the Review Committee shall have the power to pursue investigations of violations of the Corporation’s policies and procedures regarding billing, collections, use of Department funds and the like, and further to recommend to the Board of Directors the imposition of fines and to collect administrative and attorneys’ fees to pursue such investigations, in the manner further prescribed by the Corporation’s Rules and Regulations then in effect. For the avoidance of doubt, administrative fees shall include without limitation the time and expense incurred by UPA Committee and Board members to pursue the subject violation.

**Section 4. By-Laws Committee.**

The by-laws committee (the “By-Laws Committee”) shall be a standing committee of the Board of Directors and shall have as its members Directors appointed by the Board. The functions and powers of the By-Laws Committee shall be to review and report on recommended amendments and/or additions to the Certificate of Incorporation, By-Laws and/or the Rules and Regulations to reflect changes in the Corporation’s relationship with the University, the School and any University-affiliated hospitals, health care facilities, additions of new Clinical Departments, changes on or about the Campus, the Corporation’s operations and other matters as may be deemed advisable from time to time.

**Section 5. Other Committees.**

The Board of Directors may create such other committees with such duties and powers as the Board of Directors may deem appropriate to assist it in carrying on the business and furthering the purposes of the Corporation, and it may appoint Participants who are not Directors to serve on or consult with such committees.

**Section 6. Appointment; Removal; Quorum; Vote; Reports.**

Except as set forth herein, the members of a committee shall be as appointed by the Board of Directors. The Chair of a committee shall be as appointed by the President of the Corporation.

The President, with the consent of a majority of the Board of Directors, may;

- (a) fill any vacancy in a committee;
- (b) appoint one or more persons to serve as alternate members of any committee, to act in the absence or disability of members of any committee; or
- (c) at the request of the Chair of the Review Committee and/or the Finance Committee, appoint from time to time, an outside, non-Participant and non-voting member of the Finance Committee and/or the Review Committee to consult with the applicable Committee.

The Board of Directors, by resolution adopted by a majority of the entire Board of Directors, may:

- (i) abolish any committee, other than a standing committee, at its pleasure; or
- (ii) remove any member of any committee (except a Chair of a committee) at any time, with or without cause.

Without limiting the Board of Directors’ power to remove any committee members for cause, if any member of a committee fails to attend (i) three (3) consecutive meetings of the subject committee, or (ii) a majority of that committee’s meetings in any calendar year, then the committee’s Chair may submit a report to the Board of Directors regarding that committee

member's failure to attend the requisite meetings, which report shall be deemed sufficient cause for removal, and the Board of Directors may, at its next meeting following receipt of the Chair's report, vote to remove the subject committee member and shall promptly thereafter fill the vacancy in accordance with Subsection 7(a) above, by an affirmative vote of a majority of the Directors.

The Board of Directors, by resolution adopted by two-thirds (2/3) of the entire Board of Directors, may abolish a standing committee or remove a Chair of any committee.

A majority of each committee shall constitute a quorum for the transaction of business and the act of the majority of the committee members present at a meeting at which a quorum is present shall be the act of such committee.

Each committee shall meet as frequently as deemed necessary by its Chair or the President. Interim actions taken at a meeting of any such committee shall be kept with the minutes of its meetings, and formal actions and/or recommended conclusions of each committee shall be reported to the Board of Directors for approval at the next meeting following such committee meeting, except that, when the meeting of the Board of Directors is held within two (2) days after the committee meeting, such report shall, if not made at the first meeting, be made to the Board of Directors at its second meeting following such committee meeting.

Committees of the Board of Directors shall meet at least one (1) time per quarter or as necessary. In the event committees fail to meet at least one (1) time per quarter, the President can request and/or convene a meeting of the committee.

Upon the request of any committee member, a committee member may "attend" a meeting telephonically, by video or webcast conference or by any other real-time interactive medium, provided that all other committee members can hear the committee member attending "remotely" and such committee member can be heard by all committee members attending "in person". For such accommodation for an individual committee member, the subject committee member shall provide to the committee chair at least three (3) business days prior notice to allow for such accommodations to be coordinated.

Further, an entire committee may, upon the approval of two-thirds (2/3) of the committee members, agree to conduct telephone meetings or conduct meetings by video or webcast conference or by any other real-time interactive medium, provided that each committee member is able to fully participate and be heard by all other committee members during the subject meeting.

## **ARTICLE V** **OFFICERS AND ADMINISTRATION**

### **Section 1. Description; Nominations and Election; Bond.**

The officers of the Corporation shall be a President, a Vice President, a Secretary, and a Treasurer, all of whom shall be Directors. All officers shall be elected for two (2) year terms by

the Board of Directors from among the elected Voting Participant representatives as set forth in Article III, Section 3(a) at a meeting of the Board of Directors prior to the annual meeting of Participants. If tenure as Director expires in the year preceding natural expiration of the officership, said officer shall continue as a member of the Board of Directors until the natural expiration of the officer's term.

Nominations for an office must be submitted in writing or by e-mail to the Executive Director of the Corporation. To be eligible for nomination, the proposed candidate must have served for at least one year on the Board of Directors, which need not be the year immediately preceding the candidate's nomination. The Executive Director shall obtain the acceptance of the nominee before placing the name on the ballot. Nomination, confirmation of qualification and acceptance of the nomination are required at least one week prior to the election. Ballots for the election of officers shall be prepared by the Executive Director and distributed to the Board of Directors. The Executive Director and one witness shall collect and tabulate all ballots and advise the Board of Directors of the election results. In the event of a tie vote for an office, a runoff election shall be held immediately in the same manner as prescribed in this paragraph.

If required by the Board of Directors, any officer or other person to whom duties are delegated by the Board of Directors shall give the Corporation a bond, in such sum and with such surety or sureties as shall be satisfactory to the Board of Directors at the expense of the Corporation, for the faithful performance of the duties of his or her office and for the restoration to the Corporation, in case of his or her death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his or her possession or under his or her control belonging to the Corporation.

## **Section 2. The President.**

The President shall be the Chair of the Board of the Corporation, and the Chair of the Executive Committee, and shall have general charge and supervision over and responsibility for the affairs of the Corporation, and shall preside at all meetings of the Board of Directors. Unless otherwise directed by the Board of Directors, all other officers shall be subject to the authority and the supervision of the President. The President may enter into and execute in the name of the Corporation contracts or other instruments not in the regular course of business which are authorized, either generally or specifically, by the Board of Directors. The President shall have the general powers and duties of management usually vested in the office of president of a corporation. The President may delegate from time to time to any other officer any or all of such duties and authority.

In the absence or disability of the President, or in case of an unfilled vacancy in that office, the Vice President or, if the Vice President shall be unable to serve, such other officer of the Corporation as the Board of Directors shall designate, shall assume and fulfill the duties, and exercise the powers, of the President pending the Board's action to fill the vacancy, as provided in Section 9.

**Section 3. The Vice President.**

The Vice President shall be directly responsible to the President. He or she shall be delegated those duties which in the judgment of the President and Board of Directors are necessary for the efficient administration of the Corporation. If the President is disabled, on a leave of absence or on sabbatical leave, or if his or her office is vacated because of the President's resignation, death or otherwise, the Vice President shall assume and fulfill the duties of the President. The Vice President shall be the Chair of the By-Laws Committee of the Board of Directors

**Section 4. The Treasurer.**

The Treasurer shall be the Chair of the Finance Committee of the Board of Directors. He or she shall report in writing to the Board of Directors monthly or at any special meeting, or when called upon, with respect to the financial services and financial condition of the Corporation, and shall present at the annual meeting of the Board of Directors a financial statement, duly audited by the outside auditor retained by the Corporation showing receipts and disbursements of the preceding year, and the financial condition of the Corporation. The Treasurer shall have custody of the funds and securities of the Corporation and shall keep or cause to be kept regular books of account for the Corporation.

**Section 5. The Secretary.**

The Secretary shall keep written records of the proceedings of the meetings of the Board of Directors. He or she shall notify the members of the Board of Directors of their meetings in accordance with these By-Laws and shall perform such other duties as the Board of Directors from time to time shall prescribe. The Secretary shall have the custody of the corporate seal, which shall be kept either at the office of the Corporation or at the office of corporate counsel. The Secretary shall be the Chair of the Review Committee of the Board of Directors. In the absence of the Secretary at any meeting, a Secretary *pro tempore* shall be appointed by the President.

**Section 6. Additional Officers and Agents.**

The Board of Directors in its discretion may appoint one or more additional officers or agents of the Corporation, as from time to time it may deem advisable, and may prescribe their duties and the terms of their offices.

**Section 7. Removal.**

Officers elected or appointed by the Board of Directors may be removed from their respective offices with cause by the vote of two-thirds (2/3) of the Directors then in office.

**Section 8. Resignation.**

Any officer may resign by delivering or causing to be delivered to the President or Secretary a written resignation which shall take effect (a) on being so delivered, (b) at such other

time as may be therein specified, or (c) such sooner time following receipt of the officer's resignation as may be determined by the Board of Directors.

**Section 9. Vacancies.**

Vacancies in any office, however occurring, may be filled by the Board of Directors in accordance with Article V, Section 1.

**ARTICLE VI**  
**DISCRIMINATION**

There shall be no unlawful discrimination against an individual in any aspect of Corporation activity, including the hiring of staff, employees or agents of the Corporation.

**ARTICLE VII**  
**AUDITOR**

There shall be appointed at the annual meeting of the Board of Directors an auditor, who shall be a nationally recognized certified public accounting firm and who shall be neither a member of the Board of Directors nor an officer or employee of the Corporation or the University. The auditor shall audit the bank accounts of the Corporation and the books of the Corporation annually, or more frequently as directed by the Board of Directors and shall provide reports as required by the Affiliation Agreement.

**ARTICLE VIII**  
**SEAL**

The corporate seal shall bear the name of the Corporation and such other device and inscription as the Board of Directors may determine, in accordance with law. The Board of Directors may change the form of the seal and inscription thereon at any time.

**ARTICLE IX**  
**INDEMNIFICATION**

The Corporation shall, to the extent permitted by law, indemnify each of its Directors, officers, Participants, agents, and employees against all liabilities and expenses, including the amounts paid in satisfaction of judgments, in compromise or as fines and penalties, and counsel fees reasonably incurred by him or her in connection with the defense or disposition of any action, suit or other proceedings, whether civil or criminal, in which he or she may be involved or with which he or she may be threatened, while in office or thereafter, by reason of his or her being or having been such a Director, officer, Participant, agent or employee, except with respect to any matter as to which he or she shall have been adjudicated in any proceeding not to have acted in good faith in the reasonable belief that his or her action was in the best interests of the Corporation. The Corporation shall not, however, indemnify any Director, officer, Participant or employee where such person acted grossly negligently or fraudulently. The right of

indemnification hereby provided shall not be exclusive of or affect any other rights to which any Director, officer, Participant, agent or employee may be entitled. As used in this paragraph, the terms "Director", "officer", "Participant", "agent", and "employee" shall include their respective heirs, executors and administrators. Nothing contained in this Article shall affect any rights to indemnification to which corporate personnel may be entitled by contract or otherwise under law.

## **ARTICLE X** **AMENDMENTS**

Except as otherwise provided by law, the Certificate of Incorporation or these By-Laws, these By-Laws may be amended by affirmative vote of two-thirds of the Directors present in person at any regular meeting of the Directors or at any special meeting of the Directors called for the purpose. At least twenty (28) days prior to any meeting at which an amendment, alteration or repeal of any of these By-Laws shall be considered, the Directors shall receive written notice of any such proposal to amend, alter or repeal, the purpose and effect of the proposed amendment, alteration or repeal and such notice shall specify the sections of these By-Laws to be affected thereby; provided, however, that any such proposed amendment, alteration or repeal shall not be in conflict with the Affiliation Agreement, the Certificate of Incorporation or applicable law. In the event of a conflict between the provisions of these By-Laws and of the Affiliation Agreement, the terms of the Affiliation Agreement shall govern.

## **ARTICLE XI** **DISSOLUTION**

Upon dissolution of the Corporation, after payment of all debts, no part of the remaining assets of the Corporation may be distributed to any Director, officer or Participant of the Corporation, but shall be distributed to the School, or if not permitted by law, to another organization exempt from taxation pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent federal tax laws.

## **ARTICLE XII** **EFFECTIVE DATE**

These Amended and Restated By-Laws were adopted June 25, 2013, and are effective as of July 1, 2013

Approved by UPA Board on February 4, 2014

**AMENDMENT TO  
AMENDED AND RESTATED BY-LAWS  
OF  
UNIVERSITY PHYSICIAN ASSOCIATES  
OF NEW JERSEY, INC.  
A NON-PROFIT CORPORATION**

The Amended and Restated By-Laws of University Physician Associates of New Jersey, Inc. (the "Corporation") are hereby amended as follows:

1. Article II, Section 1, is hereby amended by deleting the third paragraph in its entirety and replacing it with the following:

As required by the appointment letter or employment contract between the University and a faculty member, all Part-time and Voluntary Faculty members shall be required to participate in the Plan with respect to patient care services rendered or originated at the Hospital, the DOC, the Ambulatory Care Center, the Cancer Center, the BHSB, and all other NJMS - or UPA- owned, affiliated and/or operated facilities or sites or other locations assigned by the Dean, except as follows: (i) Voluntary and Part-time faculty shall not be required to participate in the Plan with respect to patient care services which are not rendered on the Campus; (ii) Voluntary faculty members are not required to participate in the Plan with respect to patient care services rendered by the Voluntary faculty members to their own private patients subsequently treated by them on the Campus; (iii) Part-time faculty members are not required to participate in the Plan with respect to patient care services rendered by the Part-time faculty members to their own private patients subsequently treated by them at University Hospital or University Hospital owned facilities; and (iv) other exceptions approved by the Board of Directors and the Dean of the School.

2. Article XII is hereby deleted in its entirety and replaced with the following:

**"EFFECTIVE DATE**

These Amended and Restated By-Laws became effective on July 1, 2013, as subsequently amended on February 4, 2014."

Dated: February 4, 2014



**AMENDED AND RESTATED RULES AND REGULATIONS**

**OF**

**UNIVERSITY PHYSICIAN ASSOCIATES**

**OF NEW JERSEY, INC.**

**A NON-PROFIT CORPORATION**

**(the "Corporation")**

The following rules and regulations are hereby specifically made applicable to the Corporation, its Board of Directors and its Participants. Unless otherwise defined herein, the defined terms used herein shall have the same meaning ascribed thereto in the Corporation's By-Laws, as in effect as of the date hereof, or as hereafter amended from time to time.

**1. ELECTION PROCEDURES**

A. In connection with elections by Voting Participants in the Corporation of representatives to the Board of Directors of the Corporation, the following rules and regulations shall apply:

i. During the month of August in each year, the Corporation shall confirm (x) with the Dean of the School the complete list of Clinical Departments within NJMS as of the most recently ended fiscal year, and (y) with the Corporation's Chief Financial Officer (a) the total collections for each Clinical Department for the most recently ended fiscal year of the Corporation, and (b) the percentage, broken down by Clinical Department, of collections received by the Corporation in the most recently ended fiscal year of the Corporation. The Executive Committee of UPA will develop a list of Voting Participants in each Clinical Department of NJMS, as confirmed by each Clinical Department Chair, based upon the official records of NJMS and the billing records of the Corporation.

ii. Prior to, or at the September Board meeting each year, the Executive Committee will advise the Board of Directors in writing of the allocation of Voting Participant representatives to the Board of Directors. The allocation will be based on (x) the

number of Voting Participants in each Clinical Department as such number is determined pursuant to Article II, Section 2 of the Corporation's By-Laws, (y) the collections received from each Clinical Department, and (z) the other criteria prescribed in Article III, Section 3(a)(i), (ii) and (iii) of the Corporation's By-Laws.

(a) Should a Clinical Department lose or gain Voting Participant representation on the Board of Directors based on a new allocation, an election within each affected Clinical Department shall be held for all Director positions for that Department, in accordance with these Rules and Regulations. The term of office for each Director shall be as provided in Article III, Sections 3 and 4 of the Corporation's By-Laws. The Board will approve the term of office for Directors to be elected each year, bearing in mind the goal of continuity of representation within each Clinical Department, and accordingly staggering the terms of Directors in Clinical Departments entitled to elect more than one Director.

(b) At the September Board meeting, the Board will confirm the allocation of Voting Participant representatives to the Board, as presented by the Executive Committee.

iii. By the first Friday in October, the Board will provide notice of the upcoming election to the Voting Participants in their respective Clinical Department, and will open nominations. The notice of such election shall be given in writing to each Voting Participant at his or her address (which may be such Participant's home, office or email address, as permitted by the By-Laws) as designated on the books of the Corporation, along with a nomination form to be provided by the Corporation. The notice shall also advise the Voting Participants within each Clinical Department as to the number of Directors to be elected by that Clinical Department in the subject year, based upon the allocations confirmed by the Board.

(a) Nominations for Directors must be in writing, and delivered by email, by interoffice mail, or in person, to the Executive Director of the Corporation. Subject to the following sentence, each Voting Participant may nominate only one person who is from the same Clinical Department as the nominator, and who has agreed to be nominated as a representative of that Clinical Department. If the subject Clinical Department has been allocated more than one Director to be elected in the subject election, then a Voting Participant may nominate that number of persons equal to the number of Directors to be elected that year

by the subject Clinical Department, provided that the nominees otherwise meet the criteria in the preceding sentence.

(b) The Corporation's Executive Officers will confirm each nominee's qualification under the By-laws to serve as a Director. Provided that the Executive Officers confirm that a nominee is qualified, then the Executive Officers shall then confirm each nominee's willingness to serve. A Nominee must confirm his/her acceptance of his/her nomination to the Corporation's Executive Director by the close of nominations on the third Friday in October. After the nominations are closed, if the number of nominees is the same as the number of representatives to be elected, it shall be so confirmed by the Corporation's Executive Director, and the election in that Department shall be declared as completed. When all nominations have been received and verified by the Executive Director of the Corporation, ballots shall be distributed to the Voting Participants by the Corporation. The ballots shall be sent either by mail to each Voting Participant at his/her address of record on the corporate books, or by use of an electronic or other similar voting system adopted by the Corporation as of this date or in the future. The ballots shall be distributed by the Corporation by the first of November.

iv. The election shall be concluded by the third Thursday in November. The election shall be conducted by written or electronic ballot or by such other means of gathering votes in a protected manner as such system may be or hereafter adopted by the Corporation. The Voting Participants shall indicate their choice for their representative to the Board of Directors. If the Clinical Department is entitled to more than one representative on the Board, the Voting Participants in that Clinical Department shall vote for the number of representatives to be elected that year.

(a) The ballot shall be placed in a plain, sealed envelope, or submitted through the electronic or other voting system as may be or hereafter adopted by the Corporation, without any signature or other identification. If submitted by paper envelope, the envelope shall be sealed and then placed in another envelope which shall also be sealed and bear the name of the Voting Participant and Clinical Department. The ballots (whether paper or electronic or otherwise), shall be sent to the Executive Director of the Corporation by interoffice or other means of transmission provided by the subject voting system by each Voting Participant before the close of business on the third Thursday in November. The ballots shall be opened or read and counted by the Executive Director in the presence of one representative

from the Dean's office and one representative from the Corporation. The results of the elections shall be sent in writing or through the voting system adopted by the Corporation by the Executive Director to all Board Members and Chairs of the Clinical Departments for dissemination to the Voting Participants.

v. The Voting Participant in a Clinical Department receiving the highest number of votes cast by Voting Participants in that Clinical Department shall be the designated representative of that Clinical Department. In the event a Clinical Department is entitled to have more than one representative on the Board of Directors elected in that year, the Voting Participants receiving the next greatest number of votes at an election shall be the additional representatives of that Clinical Department on the Board of Directors until all vacancies are filled. There shall be a run-off election in the event of a tie vote for the last open position. The run-off election will be conducted by sealed ballot in the same manner provided in Subclause (iv) above following the original election, and the Corporation shall work with the subject Department in efforts to conduct the run-off election prior to the December Board meeting referenced in Subclause (vi) below.

vi. The President of the Corporation shall call a meeting (which may be a regularly scheduled Board meeting) of the newly elected Directors in December. If it is a year where there is to be an election of Board officers, the election shall be presided over by the outgoing President and all outgoing officers shall continue to serve until newly elected officers take office.

(a) Directors elected by Voting Participants shall begin their terms at the start of the Board meeting in January. New officers shall take office on the first day of the new year.

vii. The names of the elected Board of Directors and officers shall be announced to the Participants at the Annual Meeting of Participants and by electronic methods.

B. In connection with biennial elections by Clinical Department Chairs of representatives to the Board of Directors of the Corporation, the following rules and regulations shall apply:

i. By the second Friday in November of every odd-numbered year, the Dean shall hold a meeting of the Chairs of all Clinical Departments of NJMS for purposes of

electing representatives to the Board of Directors of the Corporation. Notice of such meeting shall be given by the first Friday of October in each year, and shall be given in writing by the Dean to each Chair of a Clinical Department of NJMS, at his or her address (which may be such Chair's home, office or email address, as permitted by the By-Laws) as designated on the books of the Clinical Department or the books of NJMS maintained for purposes of recording addresses of Chairs.

ii. At the meeting to be held for the election of Directors as described in the preceding paragraph, a quorum of the Clinical Departmental Chairs shall be determined by the Dean. The Dean shall accept nominations, regardless of whether such nominations are written or oral. Acting or interim Chairs serving as elected Departmental Board representatives shall not be eligible to be elected to a Chair representative seat.

iii. When all nominations for Directors representing the Chairs of Clinical Departments have been received by the Dean, ballots shall be distributed to the Chairs present at such meeting, upon which the Chairs shall indicate their choice for three representatives to the Board of Directors of the Corporation. The ballots need not be signed, and shall be returned to the Executive Director of the Corporation for tabulation.

iv. The three (3) Chairs of Clinical Departments receiving the highest number of votes cast by the Chairs shall be the designated representatives of the Chairs on the Board of Directors of the Corporation. There shall be run-off election in the event of a tie vote for any position.

v. Directors elected by the Chairs shall begin their terms at the start of the January Board meeting in those years when Chair representatives are elected to the Board.

## **2. BILLING AND COLLECTION PROCEDURES**

A. Every Participant acknowledges that as a condition of his/her employment with the NJMS, the Participant, in accepting such employment, has thereby assigned to, and authorized the Corporation to bill for, all of the Participant's patient care services that are subject to UPA billing in accordance with the Plan as detailed in Article II, Section I of the By-Laws. Further, all full time Faculty Members/Participants in the Corporation shall be required, as a condition to participation in the Corporation, to inform the Corporation of all income generated from patient care activities that are required to be billed through the Corporation absent an approved exception, as provided in the last sentence of this paragraph. Further, each Participant shall execute such documentation as may be requested by the Corporation from time to time confirming such assignment and authorization. Any exception to the Corporation billing for every Participant's patient care services must be approved by the Corporation in accordance with its By-Laws and the Affiliation Agreement.

B. Every Participant seeking an exception to the foregoing billing requirement must apply for such exception to the Corporation, which exception must be approved by both the Board of Directors and the Dean. Any approved exception is valid for only one year, and if the Participant desires to preserve the exception for a subsequent year, the Participant must seek approval anew for that next year. Failure to have an active approved billing exception while not billing for all of one's covered activities through UPA shall be deemed non-compliance with such Participant's obligations to UPA.

C. If a Department Chair or the head of a Division, Group or Inter-Departmental Program unilaterally authorizes, without Board approval, whether by express approval or acquiescence, a Participant of the subject Department, Division, Group, or Inter-Departmental Program to bill and collect for medical services outside of the Corporation's system, without a formal exception having been granted, then the costs incurred by the Corporation to investigate the matter, and to recover monies which should have been taxed pursuant to the formula set forth in the By-Laws, may be recovered or offset from/against disbursements or allocations otherwise due to the Department, Division, Group, Inter-Departmental Program and/or the individual Participant, as further detailed in Section 4 of these Rules and Regulations. Further, pending the subject investigation, all or a portion of the disbursements may be withheld from the subject Department, Division, Group, Inter-Departmental Program and/or the individual Participant, as determined by the Review Committee; provided, such action shall be ratified by the Board at its next meeting.

D. If a Participant leaves the School, and is subsequently found by the Review Committee to have been non-compliant in his/her billing practices and/or obligations to the

Corporation, then, upon confirmation by the Corporation's Board, the subject Participant shall not receive any tail distributions that such Participant would have otherwise been eligible to receive, effective as of the date the subject Participant left the School's faculty.

E. Where a collection issue is raised by any Participant or Participant(s) who individually or collectively hold(s) at least 60% of the uncollected charges associated with a patient agree to pursue a collection action, then he (or they) may direct the Corporation to pursue collection, notwithstanding that the other Participants rendering care and billing for that patient may not support the action. The Corporation shall not, however, proceed unless the Participant(s) agree to advance all costs and fees incurred in the pursuit of collection of such charges; and further, the Participant(s) agree to indemnify the Corporation from any legal fees, expert fees, court costs, disbursements and/or losses it may incur in such an action.

F. In providing billing, collection and managerial services to its Participants, the Corporation shall retain the services of an Executive Director, who shall serve as the Administrator of the Corporation's day-to-day business activities and who shall perform the services of the Executive Director described in a contract approved by the Executive Committee of the Corporation. The Executive Director shall become an ex-officio member of the Board of Directors of the Corporation, and shall become an ex-officio member of the Finance Committee and other Committees of the Board of Directors of the Corporation. These appointments shall terminate at such time that the Executive Director is no longer employed by the Corporation.

### **3. ACCOUNTING AND DISBURSEMENT PROCEDURES; TAIL POLICIES**

A. i. In accordance with the provisions of the Corporation's By-Laws and the Affiliation Agreement, the Corporation shall utilize the gross collections of the Participants in applying the percentages for Corporation overhead, the Dean's fund, the Departmental fund and malpractice coverage and other Corporation taxes as determined by the Board.

ii. Formulas for Distribution of Earnings

**a. Departments:** Departments must submit, no less frequently than biennially, their distribution formulas to the Dean and the Board through its Finance Committee for approval.

i. Department formulas shall be reviewed and voted upon by each Department at least once every two years on a cycle determined by the Board. Further, if requested by either the Corporation Board or the University, a Department shall review its formula

once each year. Notwithstanding the foregoing, upon request of at least one-third of the Voting Participants within a Department, the Department shall review its formula at any time. Any such interim Department formula review shall otherwise comply with the requirements of these Rules and Regulations and the By-Laws. Each formula review, whether initiated by the Board, the University or Participants, shall include a discussion of the Department's faculty practice expenses and the financial support that it provides itself and that which is provided by the University and the Corporation.

II. All Department formulas shall comply in all respects with federal and state requirements. Each Participant's faculty practice revenues (x) shall be set in advance, and (y) shall not be determined in a manner that takes into account the volume or value of any referrals or other business generated by the Participant.

III. All Departments shall at all times comply with the "Procedures and Documents Related to conducting a Department Distribution Formula Vote" attached hereto as Exhibit 3.A.ii. If a Department is unable to develop and agree upon a formula by a two-thirds (2/3) vote by December 1 preceding the calendar year for which the formula applies, the Board shall have the power to implement a default distribution of all funds less ten (10%) percent of net collections attributable to the Participants within the Department (after allocation of amounts payable to the NJMS and the Corporation, and less any operating expenses, taxes per the Affiliation Agreement, and any overhead expenses paid by UPA on behalf of any such Department) (the "Withheld Funds"). Any such decision by the UPA Board shall be made after the Finance Committee formally presents the delinquent Department to the Board. The Withheld Funds will remain in a non-interest bearing escrow account until such time as an approved Department Formula is in place, and no interest shall be accrued on such withheld Funds to the Participants during any such period of escrow.

IV. In the event a formula is not approved on or before June 1 of the calendar year for which the formula applies, UPA may withhold an additional five (5%) percent of the Department's collections, for a total of fifteen (15%) percent withheld and escrowed monthly. In the event a formula is not approved on or before the following December 1 of the calendar year for which the formula applies, UPA may withhold an additional five (5%) percent of the Department's collections, for a total of twenty (20%) percent withheld and escrowed monthly, such twenty (20%) percent to be escrowed indefinitely until a formula is approved. If by June first of the second year no formula has been approved, 25% shall be withheld, but only 20% shall be escrowed, the additional 5% being paid to the Corporation for its expenses in administering and maintaining the



escrow fund. In all cases, such withheld funds shall be maintained in non-interest bearing accounts.

V. Upon approval of the Department formula by the subject Department and then the Finance Committee, all Withheld Funds (excluding operating, taxes and overhead expenses paid by UPA on behalf of the Department) shall be distributed to the respective Department and its Participants consistent with such formula, other than the five (5%) percent paid to UPA as provided in the preceding paragraph. Any expenses and/or taxes paid by the Corporation on behalf of a Department shall be subject to prior approval by the Finance Committee and affirmed by the Executive Committee.

VI. In the event a Participant leaves during the period of time during which funds were withheld, only upon approval of the Department formula, shall distributions to such Participant (if any) which would have been made during the period of time no Department formula was in place, be released to the Participant.

**b. Divisions.** When a physician joins the faculty of NJMS, he/she is assigned to a Department (e.g. surgery, pediatrics, obstetrics/gynecology, etc.) Further, at the direction of the Department Chair, the physician may be assigned to a functional division within the Department (each a "Division"). The Chair will notify the Corporation when a Participant is assigned to a Division. To the extent that the revenue from the Division is shared amongst its member/Participants, those Division Participants shall adopt a formula for such distributions and allocations of expenses in the same manner herein prescribed for Department members as provided in Section 3.A.ii and Exhibit 3.A.ii, provided that in all cases, the Division formula must not conflict with, and shall be subordinate to, the Department formula. Further, the Division formula must not violate any provision of the By-Laws, the Affiliation Agreement, these Rules and Regulations, or any federal, state or local law, rule or regulation regarding the allocation of expenses and revenues from medical services. At least seven (7) days prior to voting upon a formula, the Division shall submit the proposed formula to the Chair of the Division's Department for comment; however, subject to the mandates of this paragraph, the Division is not required to incorporate or respond to input from the Chair. The Division's formula shall be disclosed to the Board, and shall be subject to approval as outlined above, but Department members that are not part of the subject Division shall not be entitled to access to information regarding the Division's formula. If a Participant maintains that he/she has been improperly assigned to a Division by his/her Chair, the Participant may appeal such assignment to the Executive Committee.

**c. Group.** If Participants voluntarily form a Group within a Department (or across more than one Department) to share revenues and expenses generated and

incurred, respectively, by the Group, that formula shall be adopted, and distributions and expenses managed, in the same manner prescribed for Department Formula as set forth in this Section 3.A.ii and Exhibit 3.A.ii, subject to the following sentence. For Group allocation of distributions and/or expenses, unanimous consent of all Group members shall be required. In all cases, the Group formula must not conflict with, and shall be subordinate to, the Department formula. Further, the Group formula must not violate any provision of the By-Laws, the Affiliation Agreement, these Rules and Regulations, or any federal, state or local law, rule or regulation regarding the allocation of expenses and revenues from medical services. The Group's formula shall be disclosed to the Board, and shall be subject to approval as outlined above, but Department members that are not part of the subject Group shall not be entitled to access to information regarding the Group's formula. For the avoidance of doubt, neither the Corporation nor the University can compel a Group to review its formula, annually or otherwise.

I. By way of example, if the Department formula allocates \$50,000 to each of Dr. X and Dr. Y, Drs. X and Y may then form a Group, within which they agree to allocate \$40,000 to Dr. X and \$60,000 to Dr. Y. The Group formula will not alter the overall Department formula.

II. Further, expenses may be allocated within a Group in a similar manner, which may not be inconsistent with a Department Formula. For example, if Group members establish an office and agree to share the lease expenses through allocation of Department formula distributions, they may do so upon notice to the Department Chair and the Corporation. However, once such an arrangement is made, even if one Group member elects to resign from the Group or leaves the faculty, that member will still be accountable for his share of the agreed upon Group expense allocation, and the Corporation shall appropriate portion from his Corporation revenues in accordance therewith, for the longer of (x) one year from the date of his departure from the Group or (y) the expiration of any contractual obligations assumed by the Group members (e.g. a lease). Upon the expiration of the current term of any such contractual obligation, if the contract is renewed, the member who departed the Group shall have no further obligation as to any such renewal term unless the Group members unanimously agreed otherwise. Further, if the remaining Group members admit a new member to the Group, then the remaining members shall use their best efforts to cause the new member to assume any remaining obligations of the departing member, and shall seek the release of the departing member from any remaining obligations. In no event will a departing member be responsible for any share of new expenses or obligations incurred or assumed by the Group following his departure. If a departing member, or remaining Group members, maintain that the other is not acting in accordance with this provision, either may seek appeal to the Finance Committee.

**d. Inter-Departmental Programs:** To the extent that the revenue from an Inter-Departmental Program is shared amongst its member/Participants, those Inter-Departmental Program Participants shall adopt a formula for such distributions and allocations of expenses in the same manner herein prescribed for Department members as provided in Section 3.A.ii and Exhibit 3.A.ii, provided that in all cases, the Inter-Departmental Program formula must not conflict with, and shall be subordinate to, the formulae adopted by the subject Participants' Departments of primary appointment. Further, the Inter-Departmental Program formula must not violate any provision of the By-Laws, the Affiliation Agreement, these Rules and Regulations, or any federal, state or local law, rule or regulation regarding the allocation of expenses and revenues from medical services. The Inter-Departmental Program's formula shall be disclosed to the Board, and shall be subject to approval as outlined above, but Department members that are not part of the subject Inter-Departmental Program shall not be entitled to access to information regarding the Inter-Departmental Program's formula.

**e.** If at the beginning of a calendar year, a Division, Inter-Departmental Program or Group does not have a valid formula in place, then the Corporation shall distribute funds per the prevailing formula then in effect. By way of example, if a Division fails to adopt an active formula, the applicable Departmental formula shall be used to determine distributions until a new Division formula is approved.

iii. Tail Policies

**a. Department.** As part of each Department's formula, each Department shall adopt a tail policy to address distributions and allocations in relation to departing members. The tail policy shall be presented to, and voted upon, by the Voting Participants within a Department together with the overall Department formula. If (x) a Department formula fails to include a tail policy, (y) a Department specifically so states in its formula, or (z) a Department is newly formed, in each case the following default policy shall apply:

I. The Corporation shall continue to distribute the departing member's share of collections for one year after the effective date of the member's resignation, after which all collections shall revert to the Department. The Department shall be responsible for notifying the Corporation upon a member's departure, and further, the Department shall notify the Corporation as to (x) the effective date of the resignation, and (y) the one year anniversary of the date, to ensure appropriate disbursement of Department collections in accordance with the preceding sentence. All such

notices must be provided by the Department to the Corporation at least thirty (30) days prior to the effective date.

II. The departing member's share will be equal to the residual net collections after all faculty taxes and sharing formulae are applied. Faculty taxes will be defined as Corporation and University taxes, and any other standard deductions assessed against all Department Participants.

III. If a departing physician is still receiving funds on a guarantee, all collections will revert to the guarantor effective as of the date of the physician's resignation. Nonetheless, funds in excess of the guarantee payments will be allocated in accordance with the default tail policy prescribed above.

IV. If the departing member does not participate in the monthly collection process, then such member's patient billing will be sent to collections in accordance with the Corporation's standard procedures then in effect.

V. Subject to the following sentence, the Corporation will make monthly payments to the departing member for the one year period following the effective date of his/her resignation. If, however, the monies that would be disbursed in a given month (except the last month of the twelve month period) are less than \$50.00, then the Corporation may hold such payment until the following month(s) when these sums equal or exceed, in the aggregate, \$50.00. If after three years, \$50 has not accrued, the monies being held in the name of the Participant shall be paid to the Departmental fund.

VI. The Corporation shall issue an accounting to the departing member and to the subject Department of the disbursements made to the departing member at the time the disbursement is made.

**b. Division.** Each Division that distributes monies to its members as herein prescribed shall also adopt a tail policy (or accept the default policy provided above) in the same manner as prescribed for Department tail policies.

B. In addition, specific requirements and guidelines for accounting and disbursement of funds collected and otherwise received by Departments, Divisions, Groups, Inter-Departmental Programs and/or Practice Groups shall be as follows:

i. **Recognized Accounts.** Funds covered by these requirements and guidelines shall be maintained in one of the following types of accounts (together the “Recognized Accounts”):

- a. Departmental 7% Accounts;
- b. Voluntary Departmental Accounts;
- c. Voluntary Division Accounts;
- d. Voluntary Group Accounts;
- e. Voluntary Inter-departmental Program Accounts; and.
- f. Voluntary Practice Accounts.

ii. **Establishing Recognized Accounts.** To establish a Recognized Account, the following authorizations are required to be submitted to the Corporation:

- a. Departmental 7% Account: Chair’s authorization and designation of authorized signatories for requests for disbursements and/or transfers to the subject account (as provided in Subsection (iii) below)
- b. Voluntary Departmental Accounts and Voluntary Division Accounts: Chair’s authorization and designation of authorized signatories for requests for disbursements and/or transfers to the subject account (as provided in Subsection (iii) below);
- c. Voluntary Inter-Departmental Program Accounts: The authorization of each participating Department’s Chair and designation of authorized signatories for requests for disbursements and/or transfers to the subject account (as provided in Subsection (iii) below);
- d. Voluntary Group Accounts: All Group Members’ authorization and designation of authorized signatories for requests for disbursements and/or transfers to the subject account (as provided in Subsection (iii) below), with a copy of the notice to the Corporation being provided to the Group’s Department Chair; and

- e. Voluntary Practice Accounts: Subject Department Chair's authorization and designation of authorized signatories for requests for disbursements and/or transfers to the subject account (as provided in Subsection (iii) below).

**iii. Required Signatures and Certification.**

- a. For each request for a disbursement or transfer of funds from a Recognized Account, two signatures are required as specified herein below. In all cases, all requests for disbursements and transfers from a Recognized Account must bear the signature of two different persons as specified in this Subsection (c). The authorized signatories are as follows:

<b>ACCOUNT TYPE</b>	<b>PRIMARY SIGNATORY</b>	<b>VALIDATING SIGNATORY</b>
Department 7% Account	Chair (or his/her designee)	Department Administrator or a designated assistant
Voluntary Department Account	Chair (or his/her designee) or Departmental designee	Department Administrator or a designated assistant
Voluntary Division Account	Division Chief (or his/her designee)	Department Administrator, or a designated Division Support Staff, or a similarly designated Division member
Voluntary Group Account	Group Member, as confirmed by all Group Members (with a secondary Group Member designated as alternate Primary Signatory)	Department Administrator, Assistant or other Group Member designated by Primary Signatory (who shall not be either Group Member designated as Primary or secondary signatory)
Voluntary Inter-Departmental Account	If there is no formal School appointed chief of the Inter-Departmental program, who would be Primary Signatory if so appointed, a Participant in the subject Inter-Departmental Program confirmed by Participants in each Formula approval process until the next Primary Signatory is confirmed in the same manner. Participants shall also confirm a back up, alternate Primary Signatory.	Department Administrator, Assistant or Participant in Inter-Departmental Program designated by the Primary Signatory (who shall not be either the Primary or alternate signatory)

Voluntary Practice Accounts	The Chair or the Practice's designee, who must be a Voting Participant, as the Primary Signatory, with an alternate Signatory also designated by the Practice and also a Voting Participant	Department Administrator, Assistant in the Department through which the Practice is maintained or another Participant in the Practice designated by the Primary Signatory (who shall not be either the Primary or alternate signatory)
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b. The designee for the Primary Signatory must be a Voting Participant, and a sample of all authorized signatories' signatures must be on file with the Corporation.

c. Both the Primary Signatory and Validating Signatory submitting the Check Request are thereby certifying to the Corporation that the subject expense complies with these Rules and Regulations, and all other Corporation governing documents, and has been incurred by the subject Department, Division, Group, Inter-Departmental Program or Participant as stated in the subject form. Any party submitting a request for reimbursement that is false, overstated, or otherwise in violation of these Rules and Regulations or any other Corporation governing document, and/or any IRS rules and regulations shall be liable to the Corporation for all amounts, fines, interest, and penalties related to or arising from the improper request, all legal or other professional fees incurred by the Corporation as a result of such improper request, as well as any applicable taxes and/or penalties imposed by the IRS or any State taxing authority.

iv. **Processing of Requests.** All requests for disbursements and/or transfers must be presented on the Corporation's Check Request Form as then in effect. All requests will be forwarded to the main business office of the Corporation. The request will be processed by the business office provided it (i) does not exceed the current balance in the subject Recognized Account from which the funds are to be drawn, (ii) meets the guidelines for expenditures set forth in Subsection (g) below, (iii) bears the requisite signatures, in accordance with Subsection (c) above, and (iv) is supported with appropriate documentation as provided in Subsection (e) below. If an expenditure appears to be extraordinary, in type or amounts or otherwise questionable in the reasonable judgment of the Corporation, then the Executive Director shall present the subject request to the Finance Committee for prior

review before processing the subject Check Request. Further, subject to the following sentence, all requests for reimbursement against, or payment of, an invoice must be submitted in a timely manner; and in no event will a request for reimbursement be accepted if presented more than one (1) year after the subject expense was incurred. No requests for advances will be honored. The Finance Committee may grant exceptions to the preceding prohibitions, in its sole, but reasonable judgment if requested by the primary signatory to the Check Request, or at the request of the Executive Director.

v. **Supporting Documentation; Designated Recipient.** Each Check Request Form shall be accompanied by:

- a. Originals or copies of receipts or bills
- b. If the request is for partial payment of a bill, the copy or original of the entire bill must be attached.
- c. Copies (printed) of a computer screen from an on-line banking or credit card statement will be accepted in lieu of (i) above if the screen shot has been expanded to show detail for the subject charge for which reimbursement or payment is sought.
- d. Taxi business card receipts are acceptable supporting documentation.
- e. Cash gratuities for which reimbursement is sought must be supported with documentation.
- f. Each element of the expense must set forth the amount, location (as applicable), identity of the persons taking part in the activity and their business relationship, as well as the business purpose.
- g. Transfers to School Banner Accounts are acceptable if they are for School salaries, and appropriately documented.
- h. Transfers to School Banner Accounts to cover negative balances are permitted if appropriately documented, not from a restricted or special purpose Recognized Account, and approved by the Finance Committee.



i. Transfers within a Department's Corporation account for, or to the School for, salaries must be identified as salary transfers, and appropriately documented.

j. The payee on Check Requests for rendering of services (such as music or other entertainment services for an event, or for janitorial services) must be the service provider or vendor, and cannot be paid by a Participant from his/her own account for later reimbursement.

k. Honoraria and awards must be paid directly to the recipient, and cannot be paid by a Participant from his/her own account for later reimbursement.

For the avoidance of doubt, the Corporation shall have the right to review documentation submitted with each Check Request, and to request additional supporting documentation as it deems necessary in its reasonable judgment.

**vi. Participants.** Participants may receive a reimbursement for an eligible expense, as set forth herein, provided the Participant complies with the following IRS rules:

(a) The Participant must have incurred legitimate business expenses (such expenses are described in Subsection (g) below) in connection with the performance of his or her duties;

(b) The expense must be substantiated within a "reasonable period of time<sup>1</sup>" after the expense was paid or incurred and

(c) The Participant must return any reimbursements which are in excess of the expenses incurred within a "reasonable period of time<sup>2</sup>" after the expense is paid or incurred.

Some expenses listed in Subsection (vii) below may be appropriately incurred by a Department, Division, Inter-Departmental Program or Group, but not by an individual Participant.

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<sup>1</sup> Under current regulations, the IRS deems 60 days to be "reasonable."

<sup>2</sup> Under current regulations, the IRS deems 120 days to be "reasonable."

vii. **Disbursement Guidelines.** Below are guidelines that apply to disbursements of funds for expenses, as applicable, for a Department, Division, Inter-Departmental Program, Group Fund, or for expenses incurred directly by a Participant. Disbursement of Department, Division, Inter-Departmental Program, Group Funds and funds for a Participant, will be approved for “ordinary and necessary”<sup>3</sup> expenses in carrying out the duties and activities of the subject Department, Division, Inter-Departmental Program, Group or Participant.

In general, disbursement approval will be granted for the following categories of expenses:

(a) **Travel:** The following travel expenses may be reimbursed if the expenses are business-related and “ordinary” and “necessary,” note the substantiation requirements relating to Travel expenses as set forth above:

- (1) **Transportation expenses:** Travel by plane, car, train, or bus to a business destination.
- (2) **Taxi, Bus, Airport Limousine:** Allowable reimbursements are for the costs of these types of expenses taken for business purposes. This can include, for instance, transportation expenses between a hotel and meeting when away from home on business.
- (3) **Car Expenses:** Operating and maintaining a car while traveling away from home for business. Allowable expenses are actual expenses or the standard IRS mileage rate, tolls and parking.
- (4) **Lodging and Meals:** If the business-related travel is overnight, then the reasonable cost of lodging and meals is allowed.
- (5) **Other:** Other similar “ordinary and necessary” expenses related to business travel.

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<sup>3</sup> Under current regulations, the IRS considers an expense as “ordinary” if it is common and accepted in the particular industry. It considers a “necessary” expense as one that is appropriate and helpful in the trade or business. This has been interpreted as requiring the funds to have a business purpose and not be used for personal or private gain.

(b) Meals: Reasonable expenses for meals will be allowed if traveling away from home (see above discussion under Travel) or if the meals are business-related entertainment (see below discussion under Entertainment).

(c) Entertainment Expenses: Business-related entertainment expenses may be reimbursed if the expenses are “ordinary and necessary” and are either “directly-related” or “associated with” a business purpose. This generally means (1) that the main purpose of the entertainment activity was the active conduct of business, or (2) the entertainment was associated with the active conduct of business and was directly before or after a substantial business discussion.

In addition to the foregoing, the following expense categories and guidelines apply to all Check Requests for reimbursement:

<u>Dues/Fees</u>	Any hospital staff dues, professional society dues, professional license fees.
<u>Subscriptions</u>	Costs for professional books and subscriptions to professional magazines and/or journals related to business.
<u>Continuing Education/Conferences</u>	Registration and related fees for seminars, continuing education, business-related conferences and convention fees.
<u>Honoraria &amp; Awards</u>	The reasonable expenses of professional guests at NJMS and affiliates, and in appropriate circumstances, faculty, house staff, students or other professionals. The Corporation will issue a corresponding 1099 Statement
<u>Costs of Publications</u>	Printing, photograph and art work expenses necessary for professional publications and exhibits
<u>Faculty Development</u>	Reasonable business-related expenses for travel, meetings and other expenses related to faculty recruitment, development and invited professional guests.
<u>Equipment and Supplies</u>	Reasonable business-related expenses for the subject Department, Division, Inter-Departmental Program and/or Group and its members, including books and equipment.
<u>Salaries and Services</u>	Reasonable compensation for personal services actually rendered for the subject Department, Division, Inter-Departmental Program or

	Group will be allowed. Salary support for Chairs or, without specific written permission in advance from the Corporation's Executive Director, for any member of the Chair's family, is not permitted from Department funds or, similarly for the Head of a Division, Group, or Inter-Departmental Program, without specific written permission in advance from the Corporation Executive Director, for any member of such Head's family, from the funds of the subject Division, Group or Inter-Departmental Program. Certain such reimbursements may be paid through the Corporation's or the University's payroll system, in accordance with the agreements between the Corporation and the University as then in effect, or through disbursement of Departmental, Division, Group, or Inter-Departmental Program Funds, provided the same have first been approved in writing as provided above. In all cases, in order for compensation to be paid, services must be actually rendered and must be approved as set forth above.
<u>Education</u>	Reasonable business-related purchases of equipment, supplies and services which support the educational mission of the Department.
<u>Charitable Donations</u>	Donations to 501(c)(3) organizations that further the exempt purposes of the Corporation, School and/or a Department, Division, Group and/or Inter-Departmental Program are permitted. If donations are made to non - 501(c)(3) organizations, then the donations must be made for projects that will further the exempt purposes of the Corporation, University, School, and/or a particular Department, Division, Group and/or Inter-Departmental Program and control and discretion must be retained and due diligence conducted to ensure the funds are used for 501(c)(3) purposes. Records documenting this must also be retained. In all events, donations must be made in accordance with IRS guidelines, and must be approved in advance in writing by the Dean of NJMS.
<u>Other</u>	Reasonable expenses for other "ordinary and necessary" items that are business-related may also be approved.

viii. **Overdraw.** If a Department, Division, Inter-Departmental Program, Group or Practice overdraws its accounts with the Corporation, then the Corporation may offset from future receipts generated by the Department's, Division's, Inter-Departmental

Program's, Group's or Practice's Participants until the overdraw is recovered. If such an overdraw occurs, the Corporation shall notify the impacted Department, Division, Inter-Departmental Program, Group or Practice, and shall include in that notice the Corporation's offset in accordance with the preceding sentence. The Finance Committee shall be notified of such at its next meeting for further appropriate action as deemed necessary.

ix. **Accounting.** A Voting Participant may review at the Corporation's offices a summary of the Corporation-funded expenses of his Department, Division, Inter-Departmental Program or Group upon written request to the Corporation.

#### **4. GUIDELINES FOR PARTICIPANT COMPLIANCE**

In order to determine whether a Participant has complied with his or her obligations to report and bill all patient-care income to and through the Corporation, the Board of Directors of the Corporation has appointed a Review Committee. The Review Committee is authorized to obtain, accept and review information relating to compliance by Participants, including, where deemed appropriate, tax, accounting and outside billing records, and to report matters of non-compliance to the Executive Committee and the Board.

##### **A. Audits and Other Sources of Information; Costs of Audit, Investigation and Collection.**

i. The Review Committee may arrange for periodic random audits by an independent third party of the relevant billing records of Participants. If there is a question of compliance, then other books, records and tax returns of Participants may be reviewed. Participants are required to cooperate with such audits.

ii. The Review Committee shall review information furnished to it pursuant to a random audit or otherwise, or information of which any member of the Review Committee becomes aware through public disclosure.

iii. In connection with its review of an alleged violation or other billing irregularity brought before the Review Committee, the Review Committee may request financial information from the Participant, and such Participant shall be obligated to provide such information to the Review Committee, and the Review Committee may arrange for an audit by an independent third party of the books, records and tax returns of the Participant. The cost of reviewing information in an audit will be borne by the Corporation if the audit is random or if the Participant is found to be in compliance with his or her obligations. If a Participant is determined by the Board not to be in compliance with his or her obligations, the cost of reviewing information and the

expenses of the audit will be borne by the subject Participant. Without limiting the foregoing, the Corporation shall be entitled to recover from any Participant for whom an audit must be conducted, and non-compliance is found, all costs and fees of professionals involved, including, without limitation, time expended by the Corporation's Board, Committee members, and staff, and all costs and fees of outside accountants, attorneys and other consultants. The Corporation is hereby authorized in such cases to secure reimbursement for all such costs and expenses by any means it may adopt, in its sole discretion, including, without limitation, deducting the same from the Participant's distributions or allocations. The Corporation is entitled to charge interest on funds, at the rate of prime as published in the Wall Street Journal plus two (2%) percent as of the date the monies were first diverted from the Corporation, or the maximum rate allowed by law, which ever is lower (the "Interest Rate") due as a result of such compliance violations, and the Corporation may also, upon approval of the Board, fine Participants for their noncompliance.

iv. The Review Committee shall not take action with respect to information received from an anonymous source or on the condition that the source not be disclosed if the alleged infraction cannot be corroborated through another source, or information which does not contain specific details as to the Participant involved, the type and location of activity involved, the manner in which the information was obtained and the signature of the person providing the information.

v. Until the matter is referred to the Executive Committee or Board for further action, the Review Committee shall retain as confidential the identity of any Participant and other details involved in an inquiry, although the substance of the basis for an allegation of non-compliance may be disclosed by the Committee as appropriate in reporting the matter to the Board, and to present the matter for a vote as to a particular course of action, in accordance with this Section 4. Notwithstanding the above, once the Board confirms non-compliance, absent the Participant's full cooperation to resolve the pending violation, the name of the Participant shall be provided to the Dean of the School, and each January, the list of willfully non-compliant Participants shall be circulated to all Voting Participants.

vi. In cases where the Committee has received information and considers it appropriate to inquire as to the accuracy of that information, the Committee shall contact the Participant involved and meet with the Participant to discuss the substance of the allegation of noncompliance, giving the Participant an adequate opportunity to explain relevant details as to the activity and the source and amount of income.

vii. At any time during an inquiry as to noncompliance, the Participant involved may settle with the Review Committee, subject to confirmation of the proposed settlement

by the Board, and agree to pay (in full or in installments) to the Corporation amounts which are due pursuant to the allocation of receipts described in the Affiliation Agreement. If the Review Committee determines that it is appropriate, interest may be charged, at the Interest Rate, on amounts owed pursuant to this payment agreement, and fines may be assessed, again subject to Board Confirmation.

viii. Notwithstanding the foregoing, if the Participant in question has previously been found to have been in violation of the Corporation's billing and collections policies and procedures, any such settlement must include the interest, fines and administrative assessments, including without limitation, legal, accounting and consulting fees and costs, as outlined in Subsection 4(A)(iii), absent approval of a waiver from the Corporation's Board of Directors. Further, any such settlement for a Participant with more than one violation of the Corporation's billing and collection policies must be approved by the Board.

B. Executive Committee and Board Action.

i. If the Review Committee determines that the Participant has not complied with his or her obligations to report income, and a settlement is not reached by the Review Committee with the Participant, then the Review Committee shall refer the matter to the Executive Committee of the Board for its review, accompanied by the Review Committee's recommendations. If the Executive Committee of the Board determines that the Participant has not complied with his or her obligations to report income, the Executive Committee shall refer the matter to the Board for its review, accompanied by the Review Committee's and the Executive Committee's recommendations.

ii. In the event the Board determines after review and investigation that there is proof, supported by documentation which is found to be adequate by the Board, that a Participant has not complied with his or her obligations to the Corporation, the Board shall be entitled to take such action as it deems necessary and appropriate to ensure compliance or to suspend or terminate such Participant's participation in the Plan except that such Participant shall nevertheless continue to be required to bill and collect for patient services through the Corporation. In such event, the Corporation may elect to assume directly, or through a third party, responsibility for Participant's charge submission at the Participant's sole express. In addition to any other action deemed appropriate by the Board in these circumstances, the Board shall be entitled to take the following actions, which are not mutually exclusive:

- (a) Refer the matter to the Dean of NJMS for appropriate action;

- (b) Refer the matter to the Compliance Office of the University;
- (c) Report the matter to Faculty Counsel;
- (d) Impose interest charges on amounts owed by the Participant to the Corporation for more than thirty (30) days after the Board determination that the Participant has failed to comply. Payments of these interest charges shall be allocated in the same manner as professional fees from outside activities are allocated under the Affiliation Agreement;
- (e) The Board may determine by vote to recommend to the Dean that the Participant's employment with the University be terminated for cause;
- (f) Secure reimbursement from the Participant of all administrative costs and expenses, as well as all legal, accounting and/or consulting fees and court costs incurred by the Corporation in investigating and pursuing the subject violation and recovery of the monies due the Corporation;
- (g) Impose monetary fines, in addition to any monies owed to the Corporation, as determined by the Review Committee and confirmed by the Executive Board, on a Participant who owes amounts to the Corporation after the determination that the subject Participant has failed to comply. These fines shall be paid to the Corporation to defray its costs of operation and enforcement of the Corporation's policies. For each subsequent failure to comply, these fines will escalate as follows:
  - (I) For the first subsequent infraction, the fine will be equal to the greater of (x) ten (10%) percent of the aggregate monies diverted from the Corporation's collections, as determined by the Review Committee, and (y) \$10,000.
  - (II) For the second subsequent infraction, the fine will be equal to the greater of (x) thirty (30%) percent of the



aggregate monies diverted from the Corporation's collections, as determined by the Review Committee, and (y) \$30,000.

- (III) For the third subsequent infraction, the fine will be equal to the greater of (x) fifty (50%) percent of the aggregate monies diverted from the Corporation's collections, and (y) \$50,000.

For any subsequent infraction, fines will be assessed as determined by the Executive Committee, and confirmed by the Board, which in no event will be less than \$50,000.

The Corporation shall have the right to secure payment of all fines, costs, interests and fees due pursuant to this Section (b) by any means the Corporation may adopt, in its sole discretion, including without limitation, by deducting such sums from disbursements and allocations otherwise payable to the Participant, until all monies due the Corporation have been fully recovered. This right of deduction is in addition to, and not in lieu of, other means to secure payment of the sums due.

In each such instance, the taxation assessed on the monies recovered from the Participant will be at the normal on-system taxation rate prevailing at the time of the clinical activity in question, and not at the off-system rate. Notwithstanding the preceding sentence, the monies received by the Corporation to recover its costs and expenses in pursuing the subject violation, including without limitation the fines collected, shall be retained by the Corporation.

While the Review Committee and/or the Corporation Board may recommend waiving or reducing the fine imposed for the first and/or second infractions, the fine imposed in the event of a third or subsequent infractions cannot be waived or reduced without a two-thirds affirmative vote of the Board; and

- (IV) For a Participant who has failed to bill and collect properly through the Corporation more than once, suspend the voting rights, if any, of the subject Participant, and upon approval of the Executive Committee, suspend the Participant's right to receive disbursements or allocations from the Corporation pending restitution to the Corporation for all monies, interest and fines that may be due to the Corporation.

C. Recovery of Costs and Fees. For all monies due to the Corporation under this Section 4, the Corporation may pursue all remedies available to it under these Rules and

Regulations, including, without limitation, the right to sue the Participant to recover all such costs, professional fees, expenses, fines, and interest. In any such action, the Corporation shall be entitled to recover its legal fees and all other costs incurred in such action. The Board is hereby authorized in such cases to secure reimbursement for all such costs and expenses by means it may adopt, in its sole discretion, including, without limitation, deducting the same from the Participant's distributions or allocations.

D. Billing and Coding Violations. If a Participant violates billing and/or coding procedures adopted by the Corporation, the Corporation may on its own initiative, or at the request of the Dean or the Department Chair or a University Compliance Officer (i) suspend billing and/or clinical revenue distributions to the subject Participant until the Participant demonstrates his ability and willingness to follow the subject procedures, and/or (ii) ask the Dean to impose sanctions on the subject Participant. Such suspension will be ratified by a vote of the Board at its next meeting.

E. Department, Division, Inter-Departmental Program and Group Accountability.

i. If a Department Chair, or the Head of Group, Division or Inter-Departmental Program permits a Participant to violate procedures, whether by tacit approval, or active consent, the Department, Division, Inter-Departmental Program and/or Group, as applicable, may be held jointly and severally accountable for all costs, expenses, fees and losses incurred by the Corporation together with the Participant. For the avoidance of doubt, if (by way of example) a Division is charged under this Section with permitting a Participant to violate the Corporation's billing and collections procedures, only the Division head and the Participant(s) involved will be held accountable; the Department of which the Division forms a part will not be charged as a whole. Further, any findings by the Review Committee that impact multiple members of a Department, Division, Inter-Departmental Program and/or Group, shall first be referred to the Board with the Review Committee's recommendations before any action is taken.

ii. If a Department, Division, Inter-Departmental Program or Group, or its members is/are found by the Board to be in habitual violation of the Corporation's policies or procedures and such violations lead to administrative costs and expenses to the Corporation, including, but not limited to, legal, accounting and/or other related fees, then the Board may charge the relevant Department, Division, Inter-Departmental Program or Group for such expenses, and may, in its sole discretion, impose interest and fines, too, for such conduct.

iii. If any special compliance audit is undertaken by the Corporation, all costs associated therewith shall be borne by the Corporation unless the subject Department, Division, Inter-Departmental Program or Group is found to be out of compliance, in which event all such

fees, costs and expenses associated therewith shall be borne by the subject Department, Division, Inter-Departmental Program or Group.

iv. For all monies due to the Corporation under this Subsection 4.E, the Corporation may pursue all remedies available to it under these Rules and Regulations, including, without limitation, the right to sue the Department, Division, Inter-Departmental Program or Group to recover all such costs. In any such action, the Corporation shall be entitled to recover its attorneys' and other professional fees and all other costs so incurred. The Board is hereby authorized in such cases to secure reimbursement for all such fees, costs and expenses by any means it may adopt, in its sole discretion, including, without limitation, deducting the same from the distributions or allocations otherwise due to the subject Department, Division, Inter-Departmental Program or Group.

EXHIBIT 3.A.ii.

**Procedures Related to Conducting a Department Distribution Formula Vote**

- \* UPA will notify the Department of the requirement for a Distribution Formula vote sixty (60) days prior to its deadline.
- \* The Departmental budget must be presented to the faculty within 90 days preceding the departmental formula vote]
- \* The Department Representative(s) will call a meeting of the Department Faculty to establish the Department Distribution Formula for the upcoming calendar year no later than November 1st of the prior calendar year.
- \* Notice of the meeting is to be provided by the Department Representative(s) at least seven (7) days prior to the meeting. Each such notice shall include, in its entirety, the proposed formula, including without limitation the proposed tail policy (or intent to apply the default tail policy) to be considered at the meeting. If the formula to be considered is the same formula that has been in effect, a copy of that formula shall be included with the notice.
- \* A quorum of Voting Participants consisting of at least two-thirds (2/3) of the Voting Participants of the Department is required for a valid vote.
- \* Only Voting Participants for the current year (confirmed as of June 30) and who are currently still full-time faculty members are allowed to vote on formulas.
- \* Written unsigned ballots will be used for any vote and the ballots will be counted in the presence of all present.
- \* An affirmative vote of at least two-thirds (2/3) majority of the Voting Participants present is required for Departmental approval.
- \* Formulas approved by the Department are to be submitted to the Finance Committee for approval. Approved formulas will then be submitted to the Dean of the NJMS for his final approval. Following approval by the Dean, the formula shall be submitted to the Corporation Board for its consideration. If the Dean does not act upon a submission within twenty (20) days, then the formula may then be referred to the Corporation's Board. If two-thirds (2/3) of the Corporation's Board votes to approve the formula, then such formula shall be deemed accepted by both UPA and the University.
- \* For the purposes of confirming the quorum required for a Department vote, the Voting Participants in that Department as of June 30 shall be the number considered. However, if after June 30, more than twenty (20) percent of the Department members resign or are transferred from the Department, then upon request from the Department Chair, or more than [a majority][two-thirds] of the remaining members, the number required for a quorum in the subject Department shall be adjusted (reduced) accordingly. If any Voting Participant of the Department informs UPA, at least 14 days Inter-Departmental Program
- \* Division Formula: Division formula shall be presented to and voted upon by its members in the same manner prescribed herein above for Department formulae.

## **Group Formula**

A functional Group of Participants seeking a special distribution for its members may do so provided that:

- (a) The proposed formula is not in conflict with the Department's policies.
- (b) Unanimous approval is required
- (c) Requirements for approval of Group formulas shall follow the same rules and voting procedures as the Department Distribution Formula, except as to (b) above, including the requirement that the subject formula shall require approval of the Finance Committee, and the Dean of the NJMS.
- (d) Any Group formula so adopted shall be reviewed, and re-approved by the Group Participants, and then the Finance Committee and the Dean of the NJMS, as prescribed above.

Sample Ballot:

Check "Yes" if you agree with the Departmental/Group Formula as presented Yes \_\_\_\_

Check "No" if you disagree with the Departmental/Group Formula as presented No \_\_\_\_

Date: \_\_\_\_\_

Please attach the notification of meeting, sign-in sheets and ballots related to the Departmental/Group Formula vote along with the approved formula for approval of the UPA Finance Committee and the Dean's Office.

Send notification of meeting, sign-in sheets and ballots, along with the Department/Group Formula:

UPA

Bldg. 12, Room 1205

Newark, New Jersey 07107

I, \_\_\_\_\_ and \_\_\_\_\_

[Print Name of Chair or Designee]

[Print Name of Department/Group Representative]

hereby attest and certify that following attached documents are true and correct and are in accordance with UPA Rules and Regulations.

\_\_\_\_\_

\_\_\_\_\_

## Meeting Attendance Form

Total Departmental/Group Voting Participants \_\_\_\_\_

### Signatures

1.	31.	61.
2.	32.	62.
3.	33.	63.
4.	34.	64.
5.	35.	65.
6.	36.	66.
7.	37.	67.
8.	38.	68.
9.	39.	69.
10.	40.	70.
11.	41.	71.
12.	42.	72.
13.	43.	73.
14.	44.	74.
15.	45.	75.
16.	46.	76.
17.	47.	77.
18.	48.	78.
19.	49.	79.
20.	50.	80.
21.	51.	81.
22.	52.	82.
23.	53.	83.
24.	54.	84.
25.	55.	85.
27.	57.	87.
26.	56.	86.

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28.	58.	88.
29.	59.	89.
30	60.	90.

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