

AMENDED AND RESTATED
OPERATING AGREEMENT
GILA MULTISPECIALTY IPA, L.L.C.

ARTICLE I

GENERAL

Status of Company. Gila Multispecialty IPA, LLC, “the Company” has been formed under, and shall be governed by, the New Mexico Limited Liability Company Act, 53-19-1 et seq. (the “Act”). The provisions of the Act shall supersede any provision of this operating agreement inconsistent with the Act.

ARTICLE II

REVOCATION OF PRIOR AGREEMENTS

Revocation. Any prior Operating Agreements, By Laws, Amendments or Addendums thereto, are hereby revoked and of no force. This operating agreement is recognized to be the only binding agreement among the members of the Gila Multispecialty IPA, LLC

ARTICLE III

PURPOSES

The Company is organized for the purposes of:

- a. providing high quality, cost effective, medical services that are readily accessible to the people of the service area;
- b. representing the interests of the physician owners and providers to the medical care delivery system;
- c. initiating and monitoring the quality improvement programs of the medical care system;
- d. assuring quality and availability of the provider base by performing credentialing and support functions when the necessity is identified;
- e. performing utilization review for medical care services (inpatient and outpatient) and intervening where necessary to improve physician and other provider performance;
- f. sharing financial risk in an integrated delivery system;
- g. initiating and measuring outcomes for specific treatment protocols;
- h. utilizing an appropriate medical information system to accomplish the utilization review and provider performance objectives; and
- i. engaging in any other lawful activity which a limited liability company may perform.

ARTICLE IV

OFFICES

1. Registered Office and Agent. The company shall maintain a registered office in the State of New Mexico. The registered agent may be changed from time to time by the Board of Managers.
2. The Principal Place of Business. The principal place of business shall be located at 1268 E. 32nd St. Other offices, as may be necessary, may be used by the company.
3. Definitions. Definitions applicable to this Operating Agreement can be found in Article V.

ARTICLE V

DEFINITIONS

The following terms used in this Operating Agreement shall have the following meanings:

"Articles of Organization." The Articles of Organization of Gila Multi-Specialty IPA, L.L.C. a Limited Liability Company, as the same may be amended from time to time.

"Board of Managers." The governing body of the Company, elected in the manner described in this Operating Agreement.

"Capital Account." The Capital Account maintained for each Member in accordance with this Operating Agreement.

"Code." The Internal Revenue Code of 1986, as amended from time to time (or any corresponding provisions of succeeding law).

"Company." Gila Multispecialty IPA, L.L.C., a limited liability company created pursuant to the laws of New Mexico.

"Distributable Cash." All cash, revenues, and funds received by the Company from operations of the Company, less the sum of the following, to the extent paid or set aside by the Company:

(i) All cash expenditures incurred incident to the normal operation of the Company's business; and

(ii) Such reserves as the Managers deem reasonably necessary for the proper operation of the Company's business.

"Interest." The ownership interest of a Member in the Company.

"Manager." A person elected to serve on the Board of Managers of the Company.

"Member." An individual physician, licensed health care professional, and other such persons, firms, or entities which may be admitted as Members in the manner set forth herein.

"Net Income" or "Net Loss." The excess (or deficit) of gross receipts from operations after payment of operating expenses of the Company, which shall be computed on the accrual method of accounting, taking into account all claims for professional services rendered through the end of the fiscal year.

ARTICLE VI

MEMBERSHIP REQUIREMENTS AND CLASSES

1. The company shall have two classes of Members: 1) Physician Members and 2) non-Physician Members. Physicians include medical doctors (MD), Doctors of Osteopathic Medicine (DO) and Doctors of Podiatry (DMP). Qualifications and rights of Members shall be as set forth below. All Members, both voting and nonvoting of the Company shall be considered Members of the Company.
2. Members must complete and submit all requested information for consideration of Member participation, including the participation contract provided by the Company.
3. Members must maintain adequate malpractice insurance and must satisfy all credentials criteria as established by the Board of Managers, or its delegated committee.
4. Physician Members shall consist of eligible physicians who acquire interest in the Company, whose principal locations of practice are in New Mexico, and who have, in the opinion of the Board of Managers, the educational training, qualifications, and experience necessary to ensure a high quality of medical care.
5. Physician Members shall be the voting Members of the company.
6. Non-Physician Members may acquire interest in the Company if they meet the following qualifications: principal location of practice is in New Mexico, including but not limited to providers of patient care, , NPs, Pa's, CNM's, MW's. OT's and PT's, home care and mental health and substance abuse services; and they have the educational training, qualifications and experience necessary to ensure a high quality of medical care.

ARTICLE VII

MEMBER INTERESTS AND CAPITAL

1. Members. The Company shall issue Membership Interests to the persons or entities authorized herein to be Members.
2. Capital Contributions. The Membership Interests shall be issued by the Company in exchange for contributions to the capital of the Company, as may be determined by the Board of Managers from time to time. Initially, each physician Member shall make a capital contribution of \$250 to the Company. The company shall maintain a ledger showing the respective Interest owned by each member. The updated ledger, as it exists on the date of approval of this operating agreement, is deemed to accurately show each of the existing member's current interest in the company on that date.
3. Transfer of Interests. The Interests held by the Members shall not be transferable or assignable, except upon the approval of the Board of Managers, which approval may be granted or withheld in its absolute discretion. The Board of Managers may establish

conditions for the transfer or assignment of Interests, which conditions may vary from time to time. No attempted transfer or assignment shall be valid or shall be recognized by the Company, unless the Board of Managers has granted its approval and all conditions set by the Board have been complied with. The Company shall make any distributions under Article VII to the Members of record, until such time as the approval, if any, is granted, and the compliance with conditions with respect to a specific transfer have been completed to the satisfaction of the Company.

ARTICLE VIII

ALLOCATIONS AND DISTRIBUTIONS

1. Allocations of Net Income and Net Loss. Net Income and Net Loss shall be allocated to the Members in proportion to their respective Capital Accounts.
2. Capital Account. There shall be maintained for each Member a Capital Account to which there shall be credited such Member's capital contributions and such Member's share of Net Income and to which shall be debited all distributions to such Member of Distributable Cash and such Member's share of any Net Loss. Capital Accounts shall be maintained in accordance with the requirements of the Code and the regulations thereunder.
3. Distributions. Distributable Cash shall be distributed equally to Members in the manner described in Section 1 above. The Board of Managers shall determine each year whether the LLC is capable of making a distribution of retained earnings of the LLC. In general the Board of Managers shall apply a guideline of distributing 50% of annual net income not needed for working capital of the LLC in the next fiscal year and of retaining the 50% of the annual net income as retained earnings. Distributions may only be made to Members of the LLC.
4. Other Classes. If the Board of Managers approves the creation of Classes of Interest, the Board shall establish capital requirements for each such Class and shall adjust the allocations of Net Income, Net Loss, and Distributable Cash set forth herein.

ARTICLE IX

MEMBER MEETINGS

1. Meetings. Any meeting of the Members of the Company, whether an annual meeting or a special meeting, may be held either at the principal office of the company or at any place

within the State of New Mexico. The annual meeting of the Members of the Company shall be held on a date selected by the Board of Managers; provided, that the annual meeting may not be held on a legal holiday. All Meetings of the Members shall require a quorum of 51% of voting Members to establish a Meeting Quorum. All Meetings of the Company shall adhere to Roberts Rules of Order, revised.

2. Special Meetings. A special Meeting of the Members may be called at any time, for any lawful or authorized purpose or purposes whatsoever, by the Chairman of the Board of Managers, a majority of the Board of Managers, or upon the written request of Voting Members holding not less than thirty percent (30%) of all the votes entitled to be cast, on any issue proposed to be considered at the proposed special meeting. Such a call for a special meeting must describe the purpose for which it is to be held. Only business within the purpose described in the meeting notice may be conducted. Voting on all matters shall be by voice vote or by show of hands by Voting Member unless anyone qualified to vote, prior to the voting on any matter, demands vote by ballot, in which case each ballot shall state the name of the Member voting and the number of Interests voted by him or her. If the ballot is to be cast by proxy, it shall also state the name of the proxy. Special Meetings of the Members shall require Quorum requirements as described in Section 1.
3. Proxies. A Physician Member entitled to vote pursuant to Article V above may vote in person or by proxy executed in writing by the Member. All proxies must have an effective date. No proxy shall be valid in excess of 12 months from its effective date. If not dated by the Member giving the proxy, the effective date of the proxy is the date on which it is received by the person appointed to serve as proxy, which date must be noted by the appointee on the appointment form. If the validity of any proxy is questioned, it must be submitted to the secretary of the Member meeting for examination or to a proxy officer or committee appointed by the person presiding at the meeting. The secretary of the meeting, or if appointed, the proxy office or committee, shall determine the validity or invalidity of any proxy submitted, and reference in the minutes of the meeting to the regularity of a proxy shall be received as prima facia evidence of the facts stated for the purpose of establishing the presence of a quorum at the meeting and for all other purposes.
4. Presiding Officer. The Chairman of the Board or a Board Member representative shall serve as the Chairman of every Company meeting.
5. No Meeting Necessary. If any action is required by law or permitted to be taken at any Company meeting, such action may be taken without a meeting if the action is passed by a majority vote of the voting Members. Such votes may be delivered in person, electronically or by telephone. The Company shall give written notice of actions taken without a meeting to Members as required by the Act.

ARTICLE X

BOARD OF MANAGERS

1. Functions and Definitions. The business and affairs of the company shall be managed by a Governing board, which is herein referred to as the “Board of Managers,” the “Board,” or “Managers”. The use of the phrase “entire Board” or “full Board” in this operating Agreement refers to the total number of Managers which the Company would have if there were no vacancies.
2. Qualifications and Number. A Manager shall be a Member of the Company. The number of Managers constituting the entire board shall total five (5) and shall consist of, at a minimum, (2) two Primary Care Physicians, and at a minimum (2) two Non-Primary Care Physicians and (1) one Non-Physician Member. For purposes of the foregoing, a “Primary Care Physician” shall be a physician who practices Internal Medicine, Pediatrics, OB/GYN or Family Practice. The Board shall fill the Non-Physician Board Seat from among nominations submitted by Non-Physician Members. The Non-Physician Board Member shall have a vote on the Board of Managers.
3. Election: Tenure.
 - (a) At each annual meeting or special meeting in lieu of annual meeting, the Members will elect, by a majority vote of the voting Members, Managers to fill existing or anticipated vacancies in the Board of Managers. The Board of Managers (or the Nominating Committee, if requested by the Board of Managers) shall prepare a slate of nominees to fill all existing or anticipated vacancies on the Board of Managers, and such slate shall be submitted to the Members with the notice of the annual meeting (or special meeting at which the election of Managers may be held). A slate shall include nominees for each vacancy on the Board. The Board of Managers or Nominating Committee shall submit the slate of nominees in a manner that effectuates the requirements of Section 2 above. Member may nominate other candidates from the floor at a meeting.
 - (b) Board Members shall be elected in the following manner:
 - i. The Board shall prepare a slate of candidates.
 - ii. Voting Members who are Primary Care Physicians shall elect two Primary Care Physician managers. The candidates with the highest number of votes will be deemed elected. If two or more candidates receive the same number of votes, a run-off election shall be held.
 - iii. Voting Members who are Non-Primary Care Physicians shall elect the two Non-Primary Care Managers. The candidates receiving the highest number of votes shall be declared elected. If two or more candidates receive the same number of votes, a run-off election shall be held.
 - iv. The Board shall obtain nominations from the Non-Physician non-voting Members for a Non-Physician Member Participant to serve on the Board of Managers. The Board shall select a Member from those nominated to be appointed by the Board to serve on the Board of Managers. The appointed Nonphysician Member Participant will serve a two year term and shall have a vote on the Board of Managers.

- v. Managers shall be elected for a term of two (2) years, and may serve additional terms.
4. General Powers. All powers permitted a limited liability company by law shall be exercised by or under the authority of, and the business and affairs of the Company shall be managed under the direction of, the Board of Managers, except for those matters reserved to a vote of the Members. In addition to the powers and authorities expressly conferred upon it by this Operating Agreement, the Board of Managers may exercise all powers of the Company and do all lawful acts and things as are not by law, by any legal agreement among Members, by the Articles of Organization, the Operating Agreement directed or required to be exercised or done by the Members.

ARTICLE XI

COMMITTEES

1. Standing Committees. The Board of Managers may utilize the following standing committees:
 - (a) Managed Care/Marketing. Tasks to be performed in connection with managed care and marketing would include overseeing the preparation and/or compliance of all contracts or agreements for medical services to be executed and delivered by or to the Company; making such recommendations to the Board of Managers as may be necessary to assist the Board in the Board's ultimate responsibility with respect to the review of such contracts or agreements; analyzing and making recommendations relating to guidelines; analyzing and assisting in developing marketing plans and service programs; and performing such other duties related to marketing, and contracting as directed from time to time by the Board.
 - (b) Nominating Committee. The Nominating committee shall consist of a Board Member and at least two other persons, who must be Voting Members (but need not be Managers). It shall advise the Board with regard to persons to serve as Managers and shall prepare slates of nominees for election as Managers. It shall meet as necessary to carry out such responsibilities, together with others as may be assigned to it by the Board. Any Nominating Committee shall be constituted with a reasonable balance of Primary Care and NonPrimary Care Physicians.
 - (c) Credentialing Committee. Credentialing Committee shall consist of three (3) NM licensed health professionals which, whenever possible, shall consist of a Chairperson appointed by the Board, a Primary Care Physician and either a specialist Physician or a Non-Physician Member. The purpose of the committee is to support delegated credentialing efforts on behalf of Member. The Committee shall meet as necessary. The Committee may review initial and recredentialing Member files, policies and processes and make recommendations to the Board of Managers on Credentialing. Committee may review Delegated Credentialing Policies and Procedures on an annual basis and update as

needed. Members of this committee shall receive compensation for these meetings as set by the Board.

ARTICLE XII

DISSOLUTION

1. Dissolution. The Company shall be dissolved and its affairs wound up upon the first to occur of the following:
 - a. On December 31, 2030;
 - b. Upon the consent of Members holding at least seventy five percent (75%) of the Interests; or
 - c. Upon the occurrence of any of the following events, unless, within ninety (90) days after any such event, the remaining Members of the Company consent in writing to continue the Company:
 - (i) a Member who is a Manager makes an assignment for the benefit of creditors; files a voluntary petition in bankruptcy; is adjudicated as bankrupt or insolvent; files a petition or answer seeking for such Member any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any state law or regulation; files an answer or other pleading admitting or failing to contest the salient allegations of a petition filed against such Member in any proceeding of this nature; or seeks, consents to, or acquiesces in the appointment of a trustee, receiver, or liquidation of such Member or of all or any substantial part of the Member's properties; or
 - (ii) There is filed against the Company a proceeding seeking reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any statute, law, or regulation, which proceeding is not dismissed within ninety (90) days of the filing thereof.
2. Distribution of Assets. Upon the dissolution of the Company, the assets shall be used and distributed in the following order:
 - a. To pay or provide for the payment of all obligations of the Company, other than obligations to Members, and liquidating expenses and obligations;
 - b. To establish a reasonable reserve for contingencies;
 - c. To pay debts owing to Members other than for capital and profits; and
 - d. To Members in accordance with their respective Capital Accounts.

ARTICLE XIII

DISASSOCIATION BY MEMBER

1. Any member may disassociate from the Company and withdraw his/her membership by sending notice to the Board of Managers and indicating the date of the effective disassociation or withdrawal.
2. Any Member who withdraws or loses membership status from the LLC for any reason shall forfeit and lose all right, title and interest in and to his or her interest in and to the LLC, including all economic interest previously earned or paid in, effective upon the date of such withdrawal. Any portion of a Member's economic interest earned in the year of withdrawal shall be forfeited for the entire year and not prorated.
3. Any Member who has joined the LLC (New Member) in a year in which one or more Member's interest is forfeited shall be entitled to receive a pro-rata portion of the forfeited Member (s) interest, based upon the portion of the time the New Member was a Member of the LLC in that year bears to twelve months, multiplied by the New Member's share in the LLC. All existing Members shall share in the interest of the forfeited Member(s) in the year of such forfeiture, based upon their pro-rata share in the LLC.
4. A short term capital gain in the amount of the forfeited capital obtained by each Member of the LLC will be recognized by the remaining Members of the LLC and shall be shown on the Form K-1 issued to each member in connection with the LLCs tax return at the end of each year in which a Member withdraws from the LLC.

ARTICLE XIV

CONFIDENTIALITY

The Members acknowledge that, by virtue of being Members in the Company, they will receive or come into contact with confidential information concerning managed care contracts with payors, pricing and costs of medical services, contract analysis and contract proposals, bidding information, demographic and incidence of medical care information in respect of group contracts, marketing programs, utilization data and quality or outcomes data as to other providers to the Company, treatment and referral protocols, pharmaceutical formularies, identity of contracting payors and identity of patients, and similar information (and tangible representations of the foregoing), any of which could be of significant competitive benefit to other parties. In view of the foregoing, each Member agrees that any and all such information shall for so long as the Member is a Member of the Company and for two (2) years thereafter (i) be kept fully confidential, (ii) not be disclosed to any other person, entity, or organization whatsoever without the express written consent of the Board of Managers, and (iii) not be used in any way competitive with the Company.

ARTICLE XV

AMENDMENT TO OPERATING AGREEMENT

Any additions, deletions or modifications to this Operating Agreement must be approved by a majority vote of the voting Members at a general meeting that meets Quorum requirements of the Members or by electronic communication. Advance notice of the proposed changes shall be provided to the members prior to any meeting.

ARTICLE XVI

MISCELLANEOUS

1. Notices. Any notices required or permitted to be given, pursuant to the provisions of the New Mexico Act, the Articles of Organization, or this Operating Agreement, shall be effective as of the date personally delivered or, if sent by mail, on the date deposited with the United States Postal Service, postage prepaid and addressed to the intended receiver at his/her last known address as shown in the records of the Company.
2. Indemnification of Managers. The persons serving as the Board of Managers or as officers and/or committee members of the Company shall be indemnified by the Company for any action taken against them for performance of their duties.
3. Information. Each Member shall be provided with summary financial information (balance sheet and income/loss statement) on a fiscal quarterly and annual basis, and such information relating to operations as the Board of Managers determines from time to time.
4. Construction.
 - (a) This Operating Agreement and the interpretation thereof shall be governed exclusively by the New Mexico Act.
 - (b) Whenever the singular is used in this Operating Agreement, and when required by the context, the same shall include the plural, and vice versa, and the masculine shall include the feminine, and vice versa.
5. Severability. If any provision of this Operating Agreement or the application thereof to any person or circumstance shall be invalid, illegal or unenforceable to any extent, the remainder of this Operating Agreement and the application thereof shall not be affected and shall be enforceable to the fullest extent permitted by law.
6. Federal Income Tax Election. All elections required or permitted to be made by the Company under the Code shall be made by the Board of Managers as determined in its sole discretion. The Managers shall appoint a Tax Matters Manager to perform such functions as are contemplated by the Code.

Approved on this ____ day of _____, 2020

Board Member

Board Member

Board Member