

**ARTICLES OF INCORPORATION  
OF**

**The Sequoia Project, Inc.**

ARTICLE I

NAME

The name of the Corporation is The Sequoia Project, Inc.

ARTICLE II

PURPOSES

Section 1. Purposes. The Corporation shall be organized and operated exclusively for charitable, scientific and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), including, without limitation, for the benefit of, to perform the functions of and to carry out the purposes of facilitating industry consensus on policies, standards and guidelines to enable the safe and secure nationwide exchange of health information to improve health and healthcare, and providing education about the electronic exchange of health information in a safe and secure manner for improved quality, continuity and cost effectiveness of health care for persons in the United States of America. The Corporation shall carry out its purposes through a variety of activities including, but not limited to, convening groups of interested stakeholders to inform national policy related to the interoperability of electronic health information exchange and to promote the exchange of electronic health information, educate the healthcare industry and others about electronic health information exchange, facilitate groups of interested stakeholders to address barriers to achieving interoperability and support the operation of its tax-exempt Affiliates Healthway, Inc. (a Virginia non-stock corporation) and Carequality, Inc. (a Virginia non-stock corporation). "Affiliate" shall mean a corporation or other legal entity in which The Sequoia Project, Inc. is a member or shareholder. The Corporation will substantially lessen the burden on government for convening broad stakeholders to address interoperability barriers and advance the progress of interoperable health information exchange as well as supporting its Affiliates. It is intended that the Corporation shall have, and continue to have, the status of an organization which is exempt from federal income taxation under Code Section 501(c)(3). All terms and provisions of these Articles of Incorporation and the Bylaws of the corporation, and all authority and operations of the corporation, shall be construed, applied and carried out in accordance with such intent.

Section 2. No Private Inurement. No part of the assets or net earnings of the Corporation shall inure to the benefit of, or be distributable to, any director or officer of the Corporation or any private individual (except that reasonable compensation may be paid for services rendered to or for the Corporation effecting one or more of its purposes and benefits may be conferred that are in conformity with said purposes), and no director or officer of the Corporation or any private individual shall be entitled to share in the distribution of any of the corporate assets on dissolution

of the corporation. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation. The Corporation shall not participate in, or intervene (including through the publication or distribution of statements) in any political campaign on behalf of any candidate for public office.

Section 3. Prohibited Activities. Notwithstanding any other provision of these Articles, the Corporation shall not conduct or carry on any activity not permitted to be conducted or carried on by an organization described in Section 501(c)(3) of the Code and exempt from federal taxation under Section 501(a) of the Code.

Section 4. Dissolution. In the event of the dissolution of the corporation, to the extent allowed under applicable law, all of the assets of the Corporation shall be distributed to, or its assets shall be sold and the proceeds distributed to, one or more organizations as shall be selected by the Board of Directors of the corporation; provided, however, that any such recipient organization or organizations shall at that time be exempt from taxation under Sections 501(c)(3) and 170(c)(2) of the Code or corresponding sections of any future Code, or to the Federal, State, or local government for exclusively public purposes.

### ARTICLE III

#### MEMBERS

Section 1. Classes. The Corporation shall have one or more classes of members. The designation of such class or classes and the qualifications and rights of the members of each class shall be set forth in the Bylaws.

Section 2. Right to Vote. The voting rights of the members of each class entitled to vote shall be set forth in the Bylaws.

### ARTICLE IV

#### DIRECTORS

Section 1. Number. The number of directors shall be set forth in the Bylaws.

Section 2. Qualifications. The qualifications of directors shall be set forth in the Bylaws.

Section 3. Initial Directors. The Initial Directors of the Corporation shall be the individuals listed below:

Brian J. Ahier

Nancy G. Beavin

David J. Borden

Stephen E. Bounds



Hans J. Buitendijk

Peter J. DeVault

Margaret A. Donahue

Matthew A. Eisenberg Jamie A. Ferguson

Michael L. Hodgkins

David F. Horrocks, Sr

John P. Kansky

Stephen R. Lane Michael B. Matthews

Paul Matthews

Katherine W. Murray

Joyce E. Sensmeier

Ryan J. Stewart

Suhas Tripathi

Paul L. Uhrig

The Initial Directors shall each hold office for one (1) year from the date of the corporation's organizational meeting or until the members elect their replacements.

Section 4. Election or Appointment of Directors other than the Initial Directors.

a. The Corporation shall have ex officio directors and may have at-large directors as set forth in these articles and the corporation's bylaws. Any ex officio or at-large directors shall be elected by the affirmative vote of a majority of the directors.

b. Other than the Initial Directors and any ex officio or at-large directors, all other directors shall be elected by the members entitled to vote or if there are no members entitled to vote, by the affirmative vote of a majority of the directors.

c. Directors elected to fill vacancies on the Board of Directors shall be elected by the affirmative vote of a majority of the directors entitled to vote.

Section 5. Ex Officio Directors. The Chief Executive Officer of the Corporation shall be an ex officio, non-voting director. Ex officio directors shall have the right to be appointed for successive terms. The provisions of this section constitute a member agreement pursuant to §13.1-852.1 of the Virginia Code.

## Section 6. Terms of Directors.

- a. *Initial Directors:* Initial Directors shall hold office for one (1) year following the corporation's organizational meeting or until the members elect their successors.
- b. *Staggered Terms:* Except for the Initial Directors, all voting directors shall serve staggered terms. The voting directors shall be divided into three groups as set forth below to achieve the staggering of terms.
  - i. Directors elected by the members: The Initial Directors will work with the Nominating Committee, as set out in the corporation's bylaws, to develop a slate of director nominees to stand for election by the members as successors to the Initial Directors. The Initial Directors shall assign each director nominee to Group A, Group B or Group C for purposes of implementing staggered terms. Directors in Group A shall hold office for one year, directors in Group B shall hold office for two years and directors in Group C shall hold office for three years following their election.
  - ii. Initial at-large directors: The Board of Directors will assign an initial term to each at-large director at the time the at-large director is elected by the Board of Directors.
- c. *Ongoing Terms:* Except for those directors elected to Group A or Group B to commence the staggering of terms, each voting director shall hold office for a term of three years or until their successor is elected. All voting directors may be elected for successive terms.

Section 7. Compensation of directors. No director of the Corporation shall receive compensation for the performance of his or her duties under these articles or the bylaws. Any director may be reimbursed for expenses incurred by him or her on behalf of the Corporation where those expenses have been authorized in advance by the Board of Directors.

Section 8. Action without a meeting. Except for any action that requires greater than a majority of directors pursuant to the corporation's bylaws, the Board of Directors may act without having a meeting provided that, at least, a majority of all voting directors in office at the time that the action is taken sign a consent describing the action to be taken and deliver it to the corporation. The Board of Directors shall give written notice to all directors of any corporate action proposed to be taken without a meeting at least ten (10) business days before the action is taken. The notice shall contain or be accompanied by a description of the action to be taken without a meeting. However, if any voting director objects to taking the proposed action without a meeting and delivers the objection to the Corporation no later than ten (10) business days after notice of the proposed action is given by the corporation, then the action may not be taken in this manner. The action may be considered at a meeting of the Board of Directors.



## ARTICLE V

### OFFICERS

Section 1. Designation. The Corporation shall have such officers as are required by law and such additional officers as are determined by the corporation's directors.

Section 2. Compensation of officers. No officer of the Corporation shall receive compensation for the performance of his or her duties under these articles or the corporation's bylaws. Any officer may be reimbursed for expenses incurred by him or her on behalf of the Corporation where those expenses have been authorized in advance by the Board of Directors.

## ARTICLE VI

### INDEMNIFICATION AND ELIMINATION OR LIMITATION OF LIABILITY

Section 1. Indemnification of Directors and Officers. Except as provided in Section 2 of this Article, the Corporation shall indemnify every individual made a party to a proceeding because he is or was a director or officer against liability incurred in the proceeding if: (i) he conducted himself in good faith; and (ii) he believed, in the case of conduct in his official capacity with the corporation, that his conduct was in its best interests, and, in all other cases, that his conduct was at least not opposed to its best interests; and (iii) he had no reasonable cause to believe, in the case of any criminal proceeding, that his conduct was unlawful.

Section 2. Indemnification Not Permitted. The Corporation shall not indemnify any individual against his willful misconduct or a knowing violation of the criminal law or against any liability incurred by him in any proceeding charging improper personal benefit to him, whether or not by or in the right of the Corporation or involving action in his official capacity, in which he was adjudged liable by a court of competent jurisdiction on the basis that personal benefit was improperly received by him.

Section 3. Effect of Judgment or Conviction. The termination of a proceeding by judgment, order, settlement or conviction is not, of itself, determinative that an individual did not meet the standard of conduct set forth in Section 1 of this Article or that the conduct of such individual constituted willful misconduct or a knowing violation of the criminal law.

Section 4. Determination and Authorization. Unless ordered by a court of competent jurisdiction, any indemnification under Section 1 of this Article shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the individual is permissible in the circumstances because: (i) he met the standard of conduct set forth in Section 1 of this Article and, with respect to a proceeding by or in the right of the Corporation in which such individual was adjudged liable to the corporation, he is fairly and reasonably entitled to indemnification in view of all of the relevant circumstances even though he was adjudged liable;



and (ii) the conduct of such individual did not constitute willful misconduct or a knowing violation of the criminal law.

Such determination shall be made: (i) by the Board of Directors by a majority vote of a quorum consisting of directors not at the time parties to the proceeding; or (ii) if such a quorum cannot be obtained, by a majority vote of a committee duly designated by the board of directors (in which designation directors who are parties may participate), consisting solely of two or more directors not at the time parties to the proceeding; or (iii) by special legal counsel selected by the Board of Directors or its committee in the manner heretofore provided or, if such a quorum of the board of directors cannot be obtained and such a committee cannot be designated, selected by a majority vote of the Board of Directors (in which selection directors who are parties may participate). Authorization of indemnification, evaluation as to reasonableness of expenses and determination and authorization of advancements for expenses shall be made in the same manner as the determination that indemnification is permissible, except that if the determination is made by special legal counsel, authorization of indemnification and evaluation as to reasonableness of expenses shall be made by those selecting such counsel.

Section 5. Advance for Expenses. The Corporation shall pay for or reimburse the reasonable expenses incurred by any individual who is a party to a proceeding in advance of final disposition of the proceeding if: (i) he furnishes the Corporation a written statement of his good faith belief that he has met the standard of conduct described in Section 1 of this Article and a written undertaking, executed personally or on his behalf, to repay the advance if it is ultimately determined that indemnification of such individual in the specific case is not permissible; and (ii) a determination is made that the facts then known to those making the determination would not preclude indemnification under this Article. An undertaking furnished to the Corporation in accordance with the provisions of this Section shall be an unlimited general obligation of the individual furnishing the same but need not be secured and may be accepted by the Corporation without reference to financial ability to make repayment.

Section 6. Indemnification of Employees and Agents. The Corporation may, but shall not be required to, indemnify and advance expenses to employees and agents of the Corporation to the same extent as provided in this Article with respect to directors and officers.

Section 7. Elimination or Limitation of Liability of Directors and Officers. Except as provided in Section 8 of this Article, in any proceeding brought by or in the right of the corporation, the damages assessed against a director or officer arising out of a single transaction, occurrence or course of conduct shall be limited as follows:

- a. A director or officer who does not receive compensation for his services as such shall have no liability for damages if, at the time of the transaction, occurrence or course of conduct giving rise to the proceeding, the Corporation was exempt from federal taxation under Section 501(a) of the Code.
- b. The liability of a director or officer who does not receive compensation from the Corporation for his services as such shall not exceed the amount of \$100.00 if, at the time of the transaction, occurrence or course of conduct giving rise to the proceeding, the Corporation was not exempt from federal taxation under Section 501(a) of the Code.



- c. The liability of a director or officer who receives compensation from the Corporation for his services as such shall not exceed the amount of \$100.00.

Section 8. Liability of Directors and Officers Not Eliminated or Limited. The liability of a director or officer shall not be eliminated or limited in accordance with the provisions of Section 7 of this Article if the director or officer engaged in willful misconduct or a knowing violation of the criminal law.

Section 9. Definitions. In this Article:

“Corporation” means the Corporation and any domestic or foreign predecessor entity of the Corporation in a merger or other transaction in which the predecessor's existence ceased upon the consummation of the transaction.

“director” and “officer” mean an individual who is or was a director or officer of the corporation, as the case may be, or who, while a director or officer of the Corporation is or was serving at the corporation's request as a director, officer, partner, trustee, employee or agent of another foreign or domestic corporation, partnership, joint venture, trust, employee benefit plan or other enterprise. A director or officer shall be considered to be serving an employee benefit plan at the corporation's request if his duties to the Corporation also impose duties on, or otherwise involve services by, him to the plan or to participants in or beneficiaries of the plan.

“Expenses” includes but is not limited to counsel fees.

“Individual” includes, unless the context requires otherwise, the estate, heirs, executors, personal representatives and administrators of an individual.

“Liability” means the obligation to pay a judgment, settlement, penalty, fine, including any excise tax assessed with respect to an employee benefit plan, or reasonable expenses incurred with respect to a proceeding.

“Official capacity” means: (i) when used with respect to a director, the office of director in the corporation; (ii) when used with respect to an officer, the office in the Corporation held by him; or (iii) when used with respect to an employee or agent, the employment or agency relationship undertaken by him on behalf of the corporation. “official capacity” does not include service for any foreign or domestic Corporation or other partnership, joint venture, trust, employee benefit plan or other enterprise.

“Party” includes an individual who was, is or is threatened to be made a named defendant or respondent in a proceeding.


“Proceeding” means any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative and whether formal or informal and whether or not by or in the right of the corporation.

Section 10. Provisions Not Exclusive. As authorized by the Virginia Nonstock Corporation Act, the provisions of this Article are in addition to and not in limitation of the specific powers of a corporation to indemnify directors and officers set forth therein. If any provision of this Article shall be adjudicated invalid or unenforceable by a court of competent jurisdiction, such adjudication shall not be deemed to invalidate or otherwise affect any other provision hereof or any power of indemnity which the Corporation may have under the Virginia Nonstock Corporation Act or other laws of the Commonwealth of Virginia.

REGISTERED OFFICE AND AGENT

The post office address of the registered office is 109 Branchview Circle, Richmond, Virginia 23229. The County in which the registered office is located is Henrico. The registered agent is Steven D. Gravely, who is a resident of Virginia and a member of the Virginia State Bar, and whose business office is identical to the initial registered office.

Date: September 14, 2018

  
Steven D. Gravely  
Incorporator