

Filing fee: \$20.00

**ARTICLES OF MERGER  
OF DOMESTIC AND FOREIGN CORPORATIONS  
INTO**

.....NHPRI, Inc., a Rhode Island corporation.....

Pursuant to the provisions of Section 7-1.1-70 of the General Laws, 1956, as amended, the undersigned domestic and foreign corporations adopt the following Articles of Merger for the purpose of merging them into one of such corporations:

FIRST: The names of the undersigned corporations and the States under the laws of which they are respectively organized are:

	<u>Name of Corporation</u>	<u>State</u>
90275	NHPRI, Inc.	Rhode Island
75264	Neighborhood Health Plan of Rhode Island, Inc.	Delaware

SECOND: The laws of the State under which such foreign corporation is organized permit such merger.

THIRD: The name of the surviving corporation is NHPRI, Inc.; that name will be changed to Neighborhood Health Plan of Rhode Island, Inc. upon filing of these Articles of Merger and it is to be governed by the laws of the State of Rhode Island.

FOURTH: The following Plan of Merger was approved by the shareholders of the undersigned domestic corporation in the manner prescribed by Chapter 7-1.1 of the General Laws, 1956, as amended, and was approved by the undersigned foreign corporation in the manner prescribed by the laws of the State under which it is organized:

(Insert Plan of Merger)

See Exhibit A attached hereto

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FIFTH: As to each of the undersigned corporations, the number of shares outstanding, and the designation and number of outstanding shares of each class entitled to vote as a class on such Plan, are as follows:

<u>Name of Corporation</u>	<u>Number of Shares Outstanding</u>	<u>Entitled to Vote as a Class</u>	
		<u>Designation of Class</u>	<u>Number of Shares</u>
Neighborhood Health Plan of Rhode Island, Inc., a Delaware corporation	14 Shares		
	Common Stock		
	145,000 Shares		
	Preferred Stock (Non-Voting)		
NHPRI, Inc., a Rhode Island corporation	1 Share		
	Common Stock		

SIXTH: As to each of the undersigned corporations, the total number of shares voted for and against such Plan, respectively, and, as to each class entitled to vote thereon as a class, the number of shares of such class voted for and against such Plan, respectively, are as follows:

<u>Name of Corporation</u>	<u>Total Voted For</u>	<u>Total Voted Against</u>	<u>Number of Shares</u>		
			<u>Entitled to Vote as a Class</u>		
			<u>Class</u>	<u>Voted For</u>	<u>Voted Against</u>
Neighborhood Health Plan of Rhode Island, Inc., a Delaware corporation	9	0			
NHPRI, Inc., a Rhode Island corporation	1	0			

SEVENTH: If the surviving corporation is to be governed by the laws of any other state, such surviving corporation hereby: (a) agrees that it may be served with process in the State of Rhode Island in any proceeding for the enforcement of any obligation of the undersigned domestic corporation and in any proceeding for the enforcement of the rights of a dissenting shareholder of such domestic corporation against the surviving corporation; (b) irrevocably appoints the Secretary of State of Rhode Island as its agent to accept service of process in any such proceeding; and (c) agrees that it will promptly pay to the dissenting shareholders of such domestic corporation the amount, if any, to which they shall be entitled under the provisions of Chapter 7-1.1 of the General Laws, 1956, as amended, with respect to the rights of dissenting shareholders.

Dated December 31, 1996

NHPRI, Inc., a Rhode Island corporation

By Ronald Winter

Its President

and Robert J. Reddy

Its Secretary

Neighborhood Health Plan of Rhode Island, Inc., a Delaware corporation

By Ronald Winter

Its President

and Robert J. Reddy

Its Secretary

STATE OF Rhode Island }  
COUNTY OF Providence } Sc.

At Providence R.I. in said County on the 26 day of December 1996, before me personally appeared Ronald Winter, who being by me first duly sworn, declared that he is the President of NHPRI, Inc., a Rhode Island corporation, that he signed the foregoing document as such President of the corporation, and that the statements therein contained are true.

Lillian Winter  
Notary Public

(NOTARIAL SEAL)

Commission Expires 6/97

STATE OF Rhode Island }  
COUNTY OF Providence } Sc.

At Providence R.I. in said County on the 26 day of December 1996, before me personally appeared Ronald Winter, who being by me first duly sworn, declared that he is the President of Neighborhood Health Plan of Rhode Island, Inc., a Delaware corporation, that he signed the foregoing document as such President of the corporation, and that the statements therein contained are true.

Lillian Winter  
Notary Public

(NOTARIAL SEAL)

Commission Expires 6/97

EXHIBIT A

AGREEMENT AND PLAN OF MERGER

**THIS AGREEMENT AND PLAN OF MERGER**, dated as of December 31, 1996 is by and between NHPRI, INC., a Rhode Island corporation (the "Surviving Corporation") and NEIGHBORHOOD HEALTH PLAN OF RHODE ISLAND, INC., a Delaware corporation (the "Merged Corporation") (the Merged Corporation and Surviving corporation are sometimes hereinafter referred to collectively as the "Constituent Corporations").

WHEREAS, the Surviving Corporation is a Rhode Island corporation, its Articles of Incorporation being filed in the office of the Secretary of State of Rhode Island on November 20, 1996; and

WHEREAS, the Surviving Corporation has authorized capital stock consisting of 1,000,000 shares of \$0.01 par value Common Stock and 580,056 shares of \$0.01 par value Series A Preferred Stock; and

WHEREAS, the Merged Corporation is a Delaware corporation, its Certificate of Incorporation having been filed in the office of the Secretary of State of Delaware on December 8, 1993; and

WHEREAS, the Merged Corporation has authorized capital stock of Fifty (50) shares of \$0.01 par value Common Stock and Two Hundred Thousand (200,000) shares of \$0.01 par value Series A Preferred Stock; and

WHEREAS, the Board of Directors and all of the shareholders of each of the Constituent Corporations, deem it advisable that the Constituent Corporations merge and have duly approved and authorized the form of this Agreement and Plan of Merger; and

WHEREAS, the laws of the State of Delaware and the State of Rhode Island permit such a merger, and the Constituent Corporations desire to merge under and pursuant to the provisions of the laws of their respective states;

NOW, THEREFORE, in consideration of these premises and of the mutual agreements and covenants herein contained, it is agreed that the Merged Corporation shall be and it hereby is merged into the Surviving Corporation, which shall be the surviving corporation, and the terms and conditions of such merger and the manner of carrying it into effect are and shall be as follows:

**Section 1. Name of Surviving Corporation.** The name of the Surviving Corporation shall be changed to Neighborhood Health Plan of Rhode Island, Inc. upon the effective date of the merger.

**Section 2. Purposes of Surviving Corporation.** The purposes set forth in the Articles of Incorporation of the Surviving Corporation, as in effect on the date of the merger

provided for in this Agreement and Plan of Merger, shall continue in full force and effect as the corporate purposes of the Surviving Corporation.

**Section 3. Articles of Incorporation of Surviving Corporation.** The Articles of Incorporation of the Surviving Corporation shall not be amended in any respect by reason of this Agreement and Plan of Merger.

**Section 4. By-Laws of Surviving Corporation.** The By-laws of the Surviving Corporation, as they shall exist on the effective date of the merger, shall be and remain and continue to be the By-laws of the Surviving Corporation until they shall be altered, amended, or repealed as therein provided.

**Section 5. Directors and Officers.** Persons who are directors or officers of the Surviving Corporation on the effective date of the merger shall be and remain and continue to be directors and officers of the Surviving Corporation until their respective successors are duly named and qualified.

**Section 6. Effective Date of Merger.**

(a) For all purposes under the laws of the State of Rhode Island, this Agreement and Plan of Merger and the merger herein provided for shall become effective as soon as (i) this Agreement and Plan of Merger shall have been adopted, approved and signed in accordance with the laws of the State of Rhode Island and Articles of Merger indicating its adoption and approval shall have been executed in accordance with such laws and (ii) the Articles of Merger shall have been filed in the office of the Secretary of State of Rhode Island.

(b) For purposes of the laws of the State of Delaware, this Agreement and Plan of Merger and the merger herein provided for shall become effective, and the separate existence of the Merged Corporation shall cease except insofar as it may be continued by statute or operation of law, as soon as (i) this Agreement and Plan of Merger shall have been adopted, approved and signed in accordance with the laws of the State of Delaware and (ii) a Certificate of Merger shall have been filed in the office of the Secretary of State of Delaware.

(c) The corporate identity, existence, purposes, powers, objects, franchises, rights and immunities of the Surviving Corporation shall continue unaffected and unimpaired by the merger hereby provided for, and the corporate identity, existence, purposes, powers, objects, franchises, rights, and immunities of the Merged Corporation shall be continued in and merged into the Surviving Corporation and the Surviving Corporation shall be fully vested therewith.

(d) The date upon which this Agreement and Plan of Merger and any other required documents have been filed in all of the offices mentioned above and upon

which the Constituent Corporations shall so become a single corporation is the effective date of the merger.

(e) Notwithstanding the foregoing provisions of this Section 6, the merger provided for herein shall be deemed effective for accounting purposes as of the close of business on December 31, 1996.

**Section 7. Manner and Basis of Converting Shares.** Immediately upon the effective date of the merger, the outstanding shares of capital stock of the Merged Corporation shall be exchanged for capital stock of the Surviving Corporation as follows: Each share of the \$0.01 par value Common Stock of the Merged Corporation and each share of the \$0.01 par value Series A Preferred Stock of the Merged Corporation shall be exchanged for one share of the \$0.01 par value Common Stock of the Surviving Corporation and, thereupon, the shares of stock of the Merged Corporation shall cease to exist and shall be deemed cancelled, retired and eliminated. Except as set forth above, no cash or shares or other securities or obligations will be distributed, or issued upon conversion or cancellation of the shares of the Merged Corporation.

**Section 8. Effect of Merger.** Upon this merger becoming effective:

(a) The Surviving Corporation shall possess all rights, privileges, powers and franchises and shall be subject to all the restrictions, disabilities, obligations, and duties of each of the Constituent Corporations, except as otherwise herein provided, and except as otherwise provided by law;

(b) The Surviving Corporation shall be vested with all property, real, personal, or mixed, and all debts due to the Constituent Corporations on whatever account as well as all other choses in action belonging to the Constituent Corporations; and

(c) All property, rights, privileges, powers and franchises of the Constituent Corporations shall be thereafter as effectually the property of the Surviving Corporation as they were of the Constituent Corporations, but all rights of creditors and all liens upon any property of either of the Constituent Corporations shall be preserved unimpaired, limited in lien to the property affected by such liens immediately prior to the effective date of the merger; and all debts, liabilities, obligations, and duties of the Merged Corporation shall thenceforth attach to, and are hereby assumed by, the Surviving Corporation and may be enforced against it to the same extent as if such debts, liabilities, obligations and duties had been incurred or contracted by it.

**Section 9. Delivery of Deeds and Instruments.** From time to time as and when requested by the Surviving Corporation or by its successors or assigns, each of the Constituent Corporations shall execute and deliver, or cause to be executed and delivered, all deeds and other instruments and shall make, or cause to be taken, all such other and further actions as the Surviving Corporation may deem necessary and

desirable in order to more fully vest in and confirm to the Surviving Corporation title to and possession of all the property, rights, privileges, powers and franchises referred to in Section 8 hereof and otherwise to carry out the intent and purposes of this Agreement and Plan of Merger. For the convenience of the parties and to facilitate the filing and recording of this Agreement and Plan of Merger, any number of counterparts hereof may be executed and each such executed counterpart shall be deemed to be an original instrument.

**Section 10. Expenses of Merger.** The Surviving Corporation shall pay all expenses of carrying this Agreement and Plan of Merger into effect and of accomplishing the merger.

**Section 11. Abandonment of Merger.** This Agreement and Plan of Merger shall be submitted to the directors and shareholders of the Merged Corporation and the Surviving Corporation as provided by the applicable laws of the States of Rhode Island and Delaware; and upon the approval and adoption thereof, in the manner provided by such laws, by the members of the Boards of Directors and holders of the outstanding shares of capital stock of the Merged Corporation and the Surviving Corporation, shall be deemed and taken to be the Agreement and Plan of Merger and act of merger of the Constituent Corporations; provided, however, that anything herein or elsewhere to the contrary notwithstanding, this Agreement and Plan of Merger may be terminated or abandoned before it becomes effective without further action or approval by the shareholders of either of the Constituent Corporations:

(a) By mutual consent of the Boards of Directors of the Constituent Corporations; or

(b) By the Board of Directors of either one of the Constituent Corporations in the event of failure or inability to obtain necessary authorizations and approvals of any governmental agencies; or

(c) By the Board of Directors of either one of the Constituent Corporations if any material litigation or claims shall be pending or threatened against or substantially affecting any of the Constituent Corporations or the Surviving Corporation or any of their respective assets, or the merger, which, in the judgment of such Board, renders it inadvisable to proceed with the merger.

**Section 12. Service of Process.** Upon the merger herein proposed becoming effective, the Surviving Corporation agrees that it may be served with process in the State of Delaware in any proceeding for enforcement of any obligation of the Merged Corporation and in any proceeding for the enforcement of the rights of a dissenting shareholder of the Merged Corporation against the Surviving Corporation. The Surviving Corporation shall irrevocably appoint the Secretary of State of the State of Delaware as its agent upon whom may be served any notice, process or pleading in any such action or

proceeding; provided, however, that such appointment shall not be effective until the merger herein contemplated becomes effective.

**Section 13. Dissenting Shareholders.** The Surviving Corporation shall promptly pay to the dissenting shareholders of the Merged Corporation the amount, if any, to which they shall be entitled under the provisions of the Delaware Business Corporation Act with respect to the rights of dissenting shareholders.

**Section 14. Employer Identification Number.** The federal employer identification number of the Merged Corporation shall be the federal employee identification number of the Surviving Corporation.

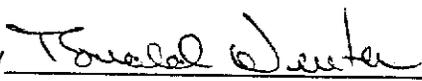
**Section 15. Tax Purposes.** For federal tax purposes, the merger effected hereby is a corporate reorganization categorized as a mere change in the place of organization of the Merged Corporation under Section 368(a)(1)(F) of the Internal Revenue Code of 1986, as amended.

**IN WITNESS WHEREOF**, the undersigned have caused this Agreement and Plan of Merger to be signed in their respective corporate names by an officer thereunto duly authorized as of the date first written above.

SURVIVING CORPORATION:

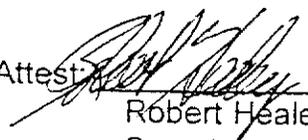
NHPRI, INC., a Rhode Island corporation

Attest:   
Robert Healey  
Secretary

By   
Ronald Winter  
President

MERGED CORPORATION:

NEIGHBORHOOD HEALTH PLAN OF  
RHODE ISLAND, INC., a Delaware  
corporation

Attest:   
Robert Healey  
Secretary

By   
Ronald Winter  
President

**FILED**

DEC 31 1995

BY 4059