

# SOUTHERN HEALTH MANAGEMENT, INC.

P.O. Box 207 • Huntsville, AL 35804  
275 5<sup>th</sup> Ave Street • Building 500, Suite 17 • Huntsville, AL 35805  
Ph. (256) 539-1776 • Fax (256) 536-6076

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-06/09/98--01005--021  
\*\*\*\*\*10.00 \*\*\*\*\*10.00

May 13, 1998

000002523640--7  
-05/14/98--01077--001  
\*\*\*\*\*60.00 \*\*\*\*\*60.00

Department of State  
Division of Corporations  
409 E. Gaines Street  
Tallahassee, FL 32399

Re: Reliance Healthcare of Starke, an Alabama corporation, Baldwin County  
Cambridge Health Care of Starke, Inc., a Florida corporation, Bradford County

Dear Sir/Madam:

Enclosed please find original and two copies of Articles of Merger and Plan and Agreement of Reorganization by Merger, along with the supporting minutes and resolutions for the above-named corporations. For your information, I have sent the Alabama Secretary of State an identical package for filing.

Enclosed also is a check payable to the Secretary of State in the amount of \$60 (\$30 per corporation) for filing fees associated with this merger.

Thank you for your kind attention to this matter. If you have any questions, please call.

Sincerely,

*Elizabeth M. Denis*

Elizabeth M. Denis,  
Adm. Asst. to Bryson F. Hill, Jr.

/emd  
Enclosures

cc: Alabama Secretary of State

SECRETARY OF STATE  
TALLAHASSEE, FLORIDA

98 JUN -5 AM 9:30

APPROVED  
AND  
FILED

*June 5*

*32P8*

*OK*  
*Sum*  
*32P8*  
*Merger*  
*V43121*  
*6-5-98*



FLORIDA DEPARTMENT OF STATE  
Sandra B. Mortham  
Secretary of State

May 28, 1998

ELIZABETH M. DENIS  
P.O. BOX 207  
HUNTSVILLE, AL 35804

SUBJECT: CAMBRIDGE HEALTH CARE OF STARKE, INC.  
Ref. Number: V43121

We have received your document for CAMBRIDGE HEALTH CARE OF STARKE, INC. and your check(s) totaling \$60.00. However, the enclosed document has not been filed and is being returned for the following correction(s):

The fee to file articles of merger or articles of share exchange is \$35 per party to the merger. Please add an additional \$52.50 for each certified copy requested.

Please return your document, along with a copy of this letter, within 60 days or your filing will be considered abandoned.

If you have any questions concerning the filing of your document, please call (850) 487-6916.

Carol Mustain  
Corporate Specialist

Letter Number: 598A00029883

ARTICLES OF MERGER  
Merger Sheet

MERGING: -----

RELIANCE HEALTHCARE OF STARKE, INC., an Alabama corporation

INTO

CAMBRIDGE HEALTH CARE OF STARKE, INC., a Florida corporation,  
V43121.

File date: June 5, 1998

Corporate Specialist: Carol Mustain

**ARTICLES OF MERGER  
OF RELIANCE HEALTHCARE OF STARKE, INC.,  
INTO CAMBRIDGE HEALTH CARE OF STARKE, INC.**

Pursuant to section 607.1105 of the Florida Statutes and Section 10-2B-11.05 of the *Alabama Code*, the undersigned corporations, CAMBRIDGE HEALTH CARE OF STARKE, INC., a Florida corporation, and RELIANCE HEALTHCARE OF STARKE, INC., an Alabama corporation, adopt the following Articles of Merger for the purpose of merging RELIANCE HEALTHCARE OF STARKE, INC., into CAMBRIDGE HEALTH CARE OF STARKE, INC.:

**PLAN OF MERGER**

1. The Plan of Merger setting forth the terms and conditions of the merger of Reliance Healthcare of Starke, Inc., into Cambridge Health Care of Starke, Inc., is attached to these Articles as an exhibit and incorporated herein by reference.

**ADOPTION OF PLAN**

2. There are one thousand shares of common stock, each of \$1.00 par value of Reliance Healthcare of Starke, Inc., issued and outstanding that were entitled to vote on the Plan of Merger. One thousand shares were voted in favor of the Plan of Merger, and no shares were voted against the Plan of Merger, at a special meeting of the shareholders of Reliance Healthcare of Starke, Inc., held on March 31, 1998.

3. There are one thousand shares of common stock, each of \$.10 par value of Cambridge Health Care of Starke, Inc., issued and outstanding that were entitled to vote on the Plan of Merger. One thousand shares were voted in favor of the Plan of Merger, and no shares were voted against the Plan of Merger, at a special meeting of the shareholders of Cambridge Health Care of Starke, Inc., held on March 31, 1998.

59 JUN -5 AM 9:30  
SECRETARY OF STATE  
TALLAHASSEE, FLORIDA

APPROVED  
AND  
FILED

#### **EFFECTIVE DATE**

4. The Plan of Merger shall be effective upon the filing of these Articles with the Department of State.

#### **FOREIGN LAW**

5. The laws of the State of Florida, the jurisdiction of organization of Cambridge Health Care of Starke, Inc., and the laws of the state of Alabama, the jurisdiction of organization of Reliance Healthcare of Starke, Inc., permit the merger contemplated by the plan of merger, and the laws of both states, on fulfillment of all filing and recording requirements set forth by the respective laws of the State of Florida and the State of Alabama, will have been complied with.

#### **SERVICE OF PROCESS**

6. (a) Cambridge Health Care of Starke, Inc., agrees that it may be served with process in the State of Alabama in any proceeding for the enforcement of any obligation of Reliance Healthcare of Starke, Inc., and in any proceeding for the enforcement of the rights of a dissenting shareholder of Reliance Healthcare of Starke, Inc., against Cambridge Health Care of Starke, Inc.
- (b) Cambridge Health Care of Starke, Inc., irrevocably appoints the Secretary of State of Alabama as its agent to accept service of process in any proceeding with respect to those matters set forth in Subparagraph (a) above. The Secretary of State may forward a copy of process to: Cambridge Health Care of Starke, Inc.; Bryson F. Hill, Jr., President; Post Office Drawer 207; Huntsville, Alabama 35804.


(c) Cambridge Health Care of Starke, Inc., agrees that it will promptly pay to the dissenting shareholders of Reliance Healthcare of Starke, Inc., the amounts to which they are entitled pursuant to the business corporation law of the State of Alabama.


**COUNTY WHERE ARTICLES ARE FILED**

7. The Articles of Incorporation of Reliance Healthcare of Starke, Inc., are filed in the office of the probate judge in Baldwin County.

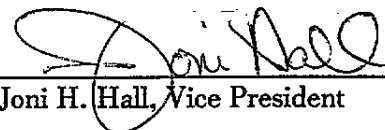
IN WITNESS WHEREOF, each of the undersigned corporations has caused these Articles to be signed as of the 3<sup>RD</sup> day of April, 1998.

**CAMBRIDGE HEALTH CARE OF STARKE, INC.**

  
By: Bryson F. Hill, Jr., President

  
By: Bryson F. Hill III, Secretary

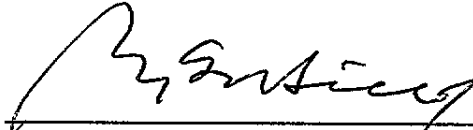
**ATTEST:**

  
Joni H. Hall, Vice President

**VERIFICATION**

The undersigned officer of Cambridge Health Care of Starke, Inc., does hereby certify and verify that the foregoing Articles of Merger were duly adopted by the corporation and that all statements contained in the Articles are true and correct.

**CAMBRIDGE HEALTH CARE OF STARKE, INC.**

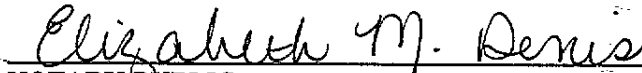


By: Bryson F. Hill, Jr., President

STATE OF ALABAMA

COUNTY OF Madison

Sworn to and verified before me this 3<sup>RD</sup> day of April, 1998.



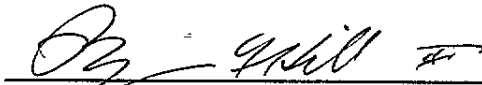
NOTARY PUBLIC

My Commission Expires: 8/15/99

**RELIANCE HEALTHCARE OF STARKE, INC.**

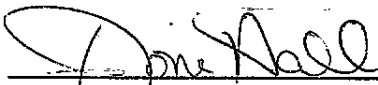


By: Bryson F. Hill, Jr., President



By: Bryson F. Hill III, Secretary

**ATTEST:**

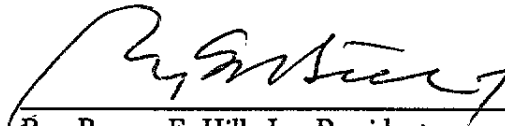


Joni H. Hall, Vice President

**VERIFICATION**

The undersigned officer of Reliance Healthcare of Starke, Inc., does hereby certify and verify that the foregoing Articles of Merger were duly adopted by the corporation and that all statements contained in the Articles are true and correct.

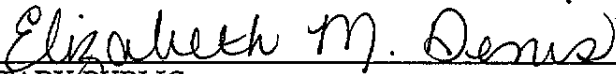
**RELIANCE HEALTHCARE OF STARKE, INC.**



By: Bryson F. Hill, Jr., President

STATE OF ALABAMA  
COUNTY OF MADISON

Sworn to and verified before me this 3<sup>RD</sup> day of April, 1998.

  
NOTARY PUBLIC  
My Commission Expires: 8/15/99

This instrument prepared by:

**Samuel H. Givhan, Esquire**  
**WATSON, FEES & JIMMERSON, P.C.**  
200 Clinton Avenue West, Suite 800  
Huntsville, Alabama 35801  
Telephone Number: (205) 536-7423



**PLAN AND AGREEMENT OF  
REORGANIZATION BY MERGER OF  
RELiance HEALTHCARE OF STARKE, INC.,  
WITH AND INTO  
CAMBRIDGE HEALTH CARE OF STARKE, INC.,  
UNDER THE NAME OF  
CAMBRIDGE HEALTH CARE OF STARKE, INC.**

This is a Plan and Agreement of Merger ("Agreement") between Reliance Healthcare of Starke, Inc., an Alabama corporation (the "Merging Corporation"), and Cambridge Health Care of Starke, Inc., a Florida corporation (the "Surviving Corporation").

**ARTICLE 1  
Plan of Merger**

**1.01. Plan Adopted.** A plan of merger of Reliance Healthcare of Starke, Inc., and Cambridge Health Care of Starke, Inc., pursuant to section 607.1101 of the Florida Statutes and section 10-2B-11.01 of the *Alabama Code* and section 368(a)(1)(A) of the Internal Revenue Code, is adopted as follows:

(a) Reliance Healthcare of Starke, Inc., shall be merged with and into Cambridge Health Care of Starke, Inc., to exist and be governed by the laws of the State of Florida.

(b) The name of the Surviving Corporation shall be Cambridge Health Care of Starke, Inc.

(c) When this agreement shall become effective, the separate corporate existence of Reliance Healthcare of Starke, Inc., shall cease, and the Surviving Corporation shall succeed, without other transfer, to all the rights and property of Reliance Healthcare of Starke, Inc., and shall be subject to all the debts and liabilities of the Merging Corporation in the same manner as if the Surviving Corporation had itself incurred them. All rights of creditors and all liens on the property of each constituent corporation shall be preserved unimpaired, limited in lien to the property affected by the liens immediately prior to the merger.

(d) The Surviving Corporation will carry on business with the assets of Reliance Healthcare of Starke, Inc., as well as with the assets of Cambridge Health Care of Starke, Inc.

(e) The shareholders of Reliance Healthcare of Starke, Inc., will surrender all of their shares in the manner hereinafter set forth.

(f) In exchange for the shares of Reliance Healthcare of Starke, Inc., surrendered by its shareholders, the Surviving Corporation will issue and transfer to these shareholders, on the basis set forth in Article 2 below, shares of its common stock. The Surviving Corporation will amend its Articles of Incorporation as set forth below to provide for issuance of the shares of common stock to be used in the exchange.

(g) The shareholders of Cambridge Health Care of Starke, Inc., will retain their shares as shares of the Surviving Corporation.

(h) (1) Article IV of the Articles of Incorporation of Cambridge Health Care of Starke, Inc., is amended to read as follows:

**The total number of shares which the corporation shall have authority to issue shall be two thousand (2,000) shares of common stock of a par value of \$.05 per share. Each shareholder may have his or her shares issued in any of the following manners:**

**i. in his or her individual name;**

**ii. in the names of two or more persons as joint tenants in common;**

**iii. in the names of two or more persons as tenants in common.**

(2) Except as amended in Subparagraph (h)(1), the Articles of Incorporation of Cambridge Health Care of Starke, Inc., shall continue in full force as the Articles of Incorporation of the Surviving Corporation until further amended, altered, or repealed as provided in the Articles or as provided by law.

**1.02. Effective Date.** The effective date of the merger (the "Effective Date") shall be when the Articles of Merger are filed with the Department of State.

**ARTICLE 2**  
**Manner of Converting Shares**

**2.01. Manner.** The holders of shares of Reliance Healthcare of Starke, Inc., shall surrender their shares to the Secretary of the Surviving Corporation promptly after the Effective Date, in exchange for shares of the Surviving Corporation to which they are entitled under this Article 2.

**2.02. Basis.** The shareholders of Reliance Healthcare of Starke, Inc., shall be entitled to receive 1000 shares of common stock of the Surviving Corporation, each of \$.05 par value, being fifty percent of the total outstanding common stock of the surviving corporation, to be distributed on the basis of one share for each share of common stock of Reliance Healthcare of Starke, Inc.

**2.03. Shares of Survivor.** The currently outstanding 1000 shares of common stock of Cambridge Health Care of Starke, Inc., each of \$.10 par value, shall remain outstanding as common stock, each of \$.05 par value, of the Surviving Corporation.

**ARTICLE 3**  
**Directors and Officers**

**3.01. Directors and Officers of Survivor.**

(a) The present Board of Directors of Cambridge Health Care of Starke, Inc., shall continue to serve as the Board of Directors of the Surviving Corporation until the next annual meeting or until their successors have been elected and qualified.

(b) If a vacancy shall exist on the Board of Directors of the Surviving Corporation on the Effective Date of the merger, the vacancy may be filled as provided in the bylaws of the Surviving Corporation.

(c) All persons who as of the Effective Date of the merger shall be executive or administrative officers of Cambridge Health Care of Starke, Inc., shall remain as officers of the Surviving Corporation until the Board of Directors of the Surviving Corporation shall determine otherwise. The Board of Directors of the Surviving Corporation may elect or appoint additional officers as it deems necessary.

## **ARTICLE 4**

### **Bylaws**

**4.01. Bylaws of Survivor.** The bylaws of Cambridge Health Care of Starke, Inc., as existing on the Effective Date of the merger, shall continue in full force as the bylaws of the Surviving Corporation until altered, amended, or repealed as provided in the bylaws or as provided by law.

## **ARTICLE 5**

### **Termination**

**5.01. Circumstances.** This Agreement may be terminated and the merger may be abandoned at any time prior to the filing of the Articles of Merger with the Secretary of State, notwithstanding the approval of the shareholders of either of the constituent corporations:

(a) By mutual consent of the Board of Directors of the constituent corporations.

(b) At the election of the Board of Directors of either constituent corporation if:

(1) Any material litigation or proceeding shall be instituted or threatened against either constituent corporation, or any of its assets, that, in the opinion of either Board of Directors, renders the merger inadvisable or undesirable.

(2) Any legislation shall be enacted that, in the opinion of either Board of Directors, renders the merger inadvisable or undesirable.

(3) Between the date of this Agreement and the Effective Date, there shall have been, in the opinion of either Board of Directors, any materially adverse change in the business or condition, financial or otherwise, of either constituent corporation.

**5.02. Notice of and Liability on Termination.** If an election is made to terminate this

Agreement and abandon the merger:

(a) The President or any Vice President of the constituent corporation whose Board of Directors has made the election shall give immediate written notice of the election to the other constituent corporation.

(b) On the giving of notice as provided in Subparagraph (a), this Agreement shall terminate and the proposed merger shall be abandoned, and except for payment of its own costs and expenses incident to this Agreement, there shall be no liability on the part of either constituent corporation as a result of the termination and abandonment.

IN WITNESS WHEREOF, this Agreement was executed on this the 3<sup>RD</sup> day of April, 1998.

**CAMBRIDGE HEALTH CARE OF STARKE, INC.**

  
By: Bryson F. Hill, Jr., President

**ATTEST:**

  
Bryson F. Hill III, Secretary

**RELIANCE HEALTHCARE OF STARKE, INC.**

  
By: Bryson F. Hill, Jr., President

**ATTEST:**

  
Bryson F. Hill III, Secretary

This instrument prepared by:  
**Samuel H. Givhan, Esquire**  
**WATSON, FEES & JIMMERSON, P.C.**  
200 Clinton Avenue West, Suite 800  
Huntsville, Alabama 35801  
Telephone Number: (205) 536-7423

**RESOLUTION OF THE  
BOARD OF DIRECTORS  
OF  
SOUTHERN HEALTH MANAGEMENT, INC.**

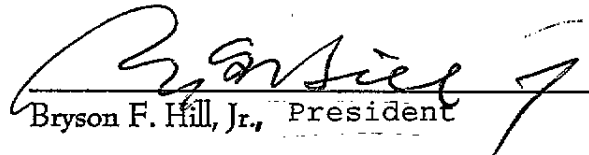
I, Bryson F. Hill III, certify that I am secretary of Southern Health Management, Inc., a corporation organized and existing under the laws of the State of Alabama, and that the following is a resolution adopted at a special meeting of the Board of Directors of the corporation duly and properly called and held on March 31, 1998.

**BE IT RESOLVED THAT** the officers of this corporation, Bryson F. Hill, Jr., president, and Bryson F. Hill III, secretary, be, and they hereby are, authorized to represent the corporation and to vote its shares at a special called meeting, to be held on this date, of the shareholders, of the following corporations:

Cambridge Health Care of Starke, Inc.  
Reliance Healthcare of Starke, Inc.

I further certify that the board of directors of this corporation has, and at the time of adoption of the resolution had, full power and lawful authority to adopt the foregoing resolution.

**IN WITNESS WHEREOF**, I have hereunto subscribed my name and affixed the seal of this corporation on April 3, 1998.

  
Bryson F. Hill, Jr., President

ATTEST:

  
Bryson F. Hill, III, Secretary

**MINUTES OF A SPECIAL  
MEETING OF  
THE BOARD OF DIRECTORS OF  
SOUTHERN HEALTH MANAGEMENT, INC.**

A special meeting of the board of directors of Southern Health Management, Inc., was called and held on the date and at the time and place set forth in the written Waiver of Notice signed by the shareholders and prefixed to the minutes of this meeting.

Present at the meeting were:

Bryson F. Hill, Jr., Bryson F. Hill III, Judy H. Monroe, and  
Joni H. Hall,

being all of the directors of the corporation.

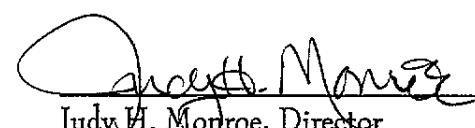
The meeting was called to order by Bryson F. Hill, Jr., President. It was moved, seconded and unanimously carried that Bryson F. Hill, Jr., act as chairman and that Bryson F. Hill III, act as secretary.

The chairman brought to the attention of the board the purpose of the meeting, which was to authorize agents to represent the corporation and vote its shares at various shareholders meetings for its subsidiary corporations. After discussion by the board, and upon motion duly made and seconded, the board unanimously approved a resolution to that effect, which resolution is attached hereto and constitutes a part of these minutes.

There being no further business to come before the meeting, upon motion duly made, seconded and unanimously carried, it was adjourned.

  
Bryson F. Hill, Jr., Director

  
Bryson F. Hill III, Director

  
Judy H. Monroe, Director

  
Joni H. Hall, Director

**WAIVER OF NOTICE  
OF A SPECIAL DIRECTORS' MEETING OF  
SOUTHERN HEALTH MANAGEMENT, INC.**

We, the undersigned, being all of the directors of the above-named corporation, hereby agree and consent that a meeting of the directors of said corporation be held on the date, at the time and at the location designated hereunder, and do hereby waive all notice whatsoever of such meeting and any adjournment or adjournments thereof.

We do further agree and consent that any and all lawful business may be transacted at such meeting, or at any adjournment or adjournments thereof, as may be deemed advisable by the directors present thereat. Any business transacted at such meeting, or at any adjournment or adjournments thereof, shall be as valid and legal and of the same force and effect as if such meeting or adjourned meeting were held after duly given notice.

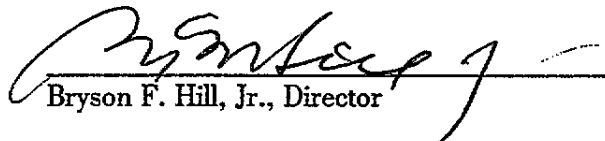
Place of Meeting: 2705 Artie Street, Building 400, Suite 32, Huntsville, Alabama

Date of Meeting: March 31, 1998


Time of Meeting: 9:00 o'clock, a.m.

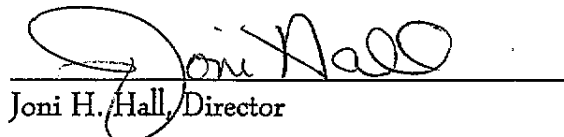
Purpose of Meeting: Consideration of Merger

Done this the 31<sup>st</sup> day of March, 1998.

  
Bryson F. Hill, Jr., Director

  
Bryson F. Hill III, Director

  
Judy H. Monroe, Director


  
Joni H. Hall, Director




**RATIFICATION OF SPECIAL MEETING OF  
THE BOARD OF DIRECTORS OF  
CAMBRIDGE HEALTH CARE OF STARKE, INC.**

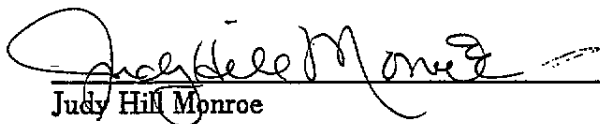
We, being all of the directors of CAMBRIDGE HEALTH CARE OF STARKE, INC., a corporation, do hereby ratify, approve and affirm any and all acts occurring at the special meeting of directors held on even date herewith, the minutes of which we have read.

IN WITNESS WHEREOF, we do hereby set our hands and seals on this the 31<sup>st</sup> day of March, 1998.

  
Bryson F. Hill, Jr.

  
Bryson F. Hill III

  
Joni Hill Hall

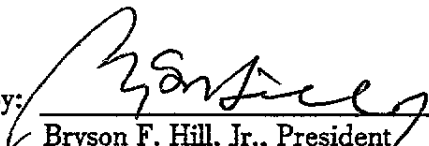
  
Judy Hill Monroe

**RATIFICATION OF SPECIAL  
MEETING OF  
SHAREHOLDERS OF  
CAMBRIDGE HEALTH CARE OF STARKE, INC.**

We, the undersigned, representing the sole stockholder of CAMBRIDGE HEALTH CARE OF STARKE, INC., a corporation, do hereby ratify, approve and affirm any and all acts occurring at the special meeting of shareholders occurring on even date herewith, the minutes of which we have read.

IN WITNESS WHEREOF, we do hereby set our hands and seal on this the 31<sup>st</sup> day of

March, 1998.

By:   
Bryson F. Hill, Jr., President

By:   
Bryson F. Hill III, Secretary

**CAMBRIDGE HEALTH CARE OF STARKE, INC.  
BOARD OF DIRECTORS  
RESOLUTIONS APPROVING PLAN  
AND AGREEMENT OF MERGER**

**WHEREAS**, there has been presented to and discussed at this meeting a proposed Plan and Agreement of Merger (the Plan and Agreement), a copy of which is attached to these Resolutions, providing for the merger of RELIANCE HEALTHCARE OF STARKE, INC., into this Corporation; and

**WHEREAS**, the Board of Directors deems it to be in the best interests of this Corporation and its shareholders that the Plan and Agreement be approved and that RELIANCE HEALTHCARE OF STARKE, INC., and this Corporation be merged;

**NOW, THEREFORE, IT IS:**

**RESOLVED**, that the terms and conditions of the proposed Plan and Agreement presented to this meeting, and the mode of carrying them into effect as well as the manner of converting the shares of the constituent corporations into shares of the surviving corporation as set forth in the Plan and Agreement, are by these Resolutions approved.

**RESOLVED FURTHER**, that the President and the Secretary of this corporation are directed to execute the Plan and Agreement in the name and on behalf of this corporation and to deliver a duly executed copy of it to RELIANCE HEALTHCARE OF STARKE, INC.

**RESOLVED FURTHER**, that a special meeting of the shareholders of this Corporation is called for 9:00 a.m. on March 31, 1998, at 2705 Artie Street, Building 400, Suite 32, Huntsville, Alabama for the purpose of considering and voting on the proposed Plan and Agreement.

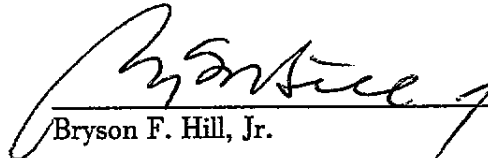
**RESOLVED FURTHER**, that March 1, 1998, is fixed as the record date for determination of shareholders entitled to receive notice of and to vote at the meeting, and that all shareholders of record as of the close of business of this Corporation on that day, and only those shareholders, are entitled to receive notice of or to vote at the meeting.


**RESOLVED FURTHER**, that all preparations for and conduct of the above matters be carried out in full compliance with all applicable federal and state securities laws and regulations, or so as to take advantage of any appropriate exemptions from registration under those laws.

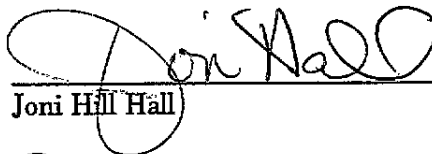
**RESOLVED FURTHER**, that should the shareholders of this Corporation approve the proposed Plan and Agreement in the manner required by the provisions of the Florida business corporation law, the officers of this Corporation are directed to execute, acknowledge, file, and deliver these instruments and do other acts in the name and on behalf of the Corporation as may be necessary or proper to perform fully the terms and conditions of the proposed Plan and Agreement of Merger.

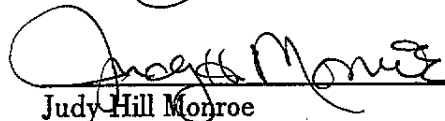
**RESOLVED FURTHER**, that the proposed plan of merger be recommended to the shareholders.

There being no further business, the meeting was, on motion duly made and carried, adjourned.

  
Bryson F. Hill, Jr.

  
Bryson F. Hill III

  
Joni Hill Hall

  
Judy Hill Monroe

**MINUTES OF A SPECIAL  
MEETING OF  
SHAREHOLDERS OF  
CAMBRIDGE HEALTH CARE OF STARKE, INC.**

A special meeting of the shareholders of CAMBRIDGE HEALTH CARE of Starke, Inc., was called and held on the date and at the time and place set forth in the written Waiver of Notice signed by the shareholders and prefixed to the minutes of this meeting.

The following shareholders were present:

Southern Health Management, Inc., represented by its authorized  
agents, Bryson F. Hill, Jr., President and Bryson F. Hill III, Secretary

who represented all of the outstanding shares of the corporation.

The meeting was called to order by Bryson F. Hill, Jr., President. The minutes were taken by Bryson F. Hill III, Secretary.

The President then stated that all of the outstanding shares of the corporation were represented.

The President then stated that the purpose of the meeting was to consider resolutions regarding the proposed merger.

After discussion, upon motion duly made, seconded and unanimously carried, the following resolutions were adopted:

**WHEREAS**, there has been presented to this meeting a Plan and Agreement of Merger (the Plan and Agreement), a copy of which is attached to this resolution, between RELIANCE HEALTHCARE OF STARKE, INC., and this Corporation; and

**WHEREAS**, it is deemed in the best interests of the shareholders of this Corporation that the terms and conditions of the Plan and Agreement be approved and performed;

**WHEREAS**, the proposed plan of merger was recommended to the shareholders by the board of directors;

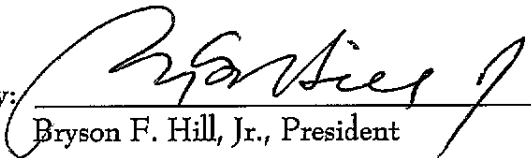
**NOW, THEREFORE, IT IS:**

**RESOLVED**, that the Plan and Agreement between this Corporation and RELIANCE HEALTHCARE OF STARKE, INC., submitted to this meeting is approved in the form attached to this resolution.

**RESOLVED FURTHER**, that the Board of Directors and officers of the Corporation are authorized on behalf of the Corporation to take all actions and to execute and file all documents that may be necessary or convenient to carry out and perform the Plan and Agreement.

There being no further business to come before the meeting, upon motion duly made, seconded and unanimously carried, it was adjourned.

  
Bryson F. Hill III, Secretary

By:   
Bryson F. Hill, Jr., President

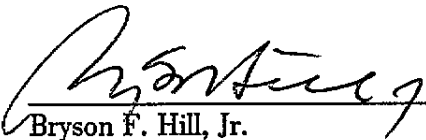
Attest:

By:   
Bryson F. Hill III, Secretary

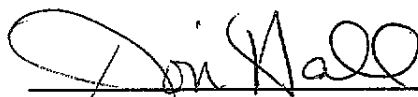
**WAIVER OF NOTICE OF  
SPECIAL MEETING OF THE BOARD OF DIRECTORS OF  
CAMBRIDGE HEALTH CARE OF STARKE, INC.**

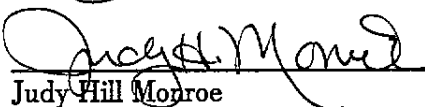
We, the undersigned, being all of the Directors of CAMBRIDGE HEALTH CARE OF STARKE, INC., a corporation, do hereby waive all notice of the time, place and purpose of the special meeting of the Board of Directors of said corporation, and do consent that the 31st day of March, 1998, be, and the same hereby is, fixed as the day, and the offices of the corporation located at 2705 Artie Street, Suite 32, Huntsville, Alabama, as the place for holding the said meeting; and further that all such business may be transacted thereat as may lawfully come before the meeting.

DATED this the 31<sup>st</sup> day of March, 1998.

  
Bryson F. Hill, Jr.

  
Bryson F. Hill III

  
Joni Hill Hall

  
Judy Hill Monroe

**WAIVER OF NOTICE  
OF A SPECIAL MEETING  
OF SHAREHOLDERS OF  
CAMBRIDGE HEALTH CARE OF STARKE, INC.**

We, the undersigned, being all of the shareholders of the above-named corporation, hereby agree and consent that a meeting of the shareholders of said corporation be held on the date, at the time and at the location designated hereunder, and do hereby waive all notice whatsoever of such meeting and any adjournment or adjournments thereof.

We do further agree and consent that any and all lawful business may be transacted at such meeting, or at any adjournment or adjournments thereof, as may be deemed advisable by the shareholders present thereat. Any business transacted at such meeting, or at any adjournment or adjournments thereof, shall be as valid and legal and of the same force and effect as if such meeting or adjourned meeting were held after duly given notice.

Place of Meeting: 2705 Artie Street, Building 400, Suite 32, Huntsville, Alabama

Date of Meeting: March 31, 1998

Time of Meeting: 9:00 o'clock, a.m.

Purpose of Meeting: Consideration of Merger

Done this the 31<sup>st</sup> day of March, 1998.

By: \_\_\_\_\_

Bryson F. Hill, Jr., President

By: \_\_\_\_\_

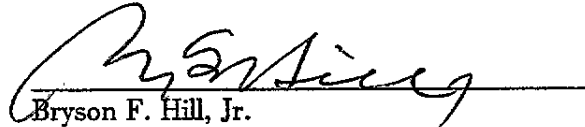
Bryson F. Hill III, Secretary

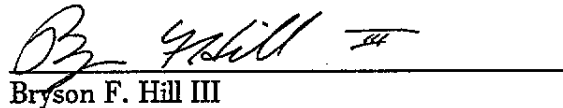


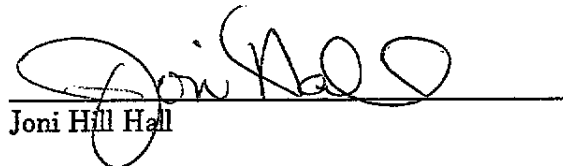
**RATIFICATION OF SPECIAL MEETING OF  
THE BOARD OF DIRECTORS OF  
RELIANCE HEALTHCARE OF STARKE, INC.**

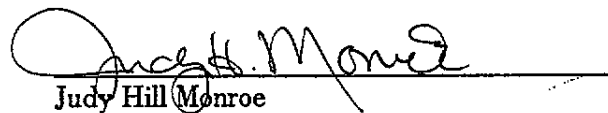
We, being all of the directors of RELIANCE HEALTHCARE OF STARKE, INC., a corporation, do hereby ratify, approve and affirm any and all acts occurring at the special meeting of directors held on even date herewith, the minutes of which we have read.

IN WITNESS WHEREOF, we do hereby set our hands and seals on this the 31<sup>st</sup> day of March, 1998.

  
Bryson F. Hill, Jr.

  
Bryson F. Hill III

  
Joni Hill Hall

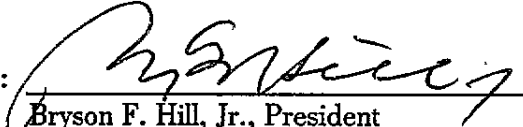
  
Judy Hill Monroe

**RATIFICATION OF SPECIAL  
MEETING OF  
SHAREHOLDERS OF  
RELIANCE HEALTHCARE OF STARKE, INC.**

We, the undersigned, representing the sole stockholder of RELIANCE HEALTHCARE OF STARKE, INC., a corporation, do hereby ratify, approve and affirm any and all acts occurring at the special meeting of shareholders occurring on even date herewith, the minutes of which we have read.

IN WITNESS WHEREOF, we do hereby set our hands and seal on this the 31<sup>st</sup> day of March, 1998.

By:

  
Bryson F. Hill, Jr., President

By:

  
Bryson F. Hill III, Secretary

**RELIANCE HEALTHCARE OF STARKE, INC.  
BOARD OF DIRECTORS  
RESOLUTIONS APPROVING PLAN  
AND AGREEMENT OF MERGER**

**WHEREAS**, there has been presented to and discussed at this meeting a proposed Plan and Agreement of Merger (the Plan and Agreement), a copy of which is attached to these Resolutions, providing for the merger of this Corporation into CAMBRIDGE HEALTH CARE OF STARKE, INC.; and

**WHEREAS**, the Board of Directors deems it to be in the best interests of this Corporation and its shareholders that the Plan and Agreement be approved and that CAMBRIDGE HEALTH CARE OF STARKE, INC., and this Corporation be merged;

**NOW, THEREFORE, IT IS:**

**RESOLVED**, that the terms and conditions of the proposed Plan and Agreement presented to this meeting, and the mode of carrying them into effect as well as the manner of converting the shares of the constituent corporations into shares of the surviving corporation as set forth in the Plan and Agreement, are by these Resolutions approved.

**RESOLVED FURTHER**, that the President and the Secretary of this corporation are directed to execute the Plan and Agreement in the name and on behalf of this corporation and to deliver a duly executed copy of it to CAMBRIDGE HEALTH CARE OF STARKE, INC.

**RESOLVED FURTHER**, that a special meeting of the shareholders of this Corporation is called for 9:00 a.m. on March 31, 1998, at 2705 Artie Street, Building 400, Suite 32, Huntsville, Alabama for the purpose of considering and voting on the proposed Plan and Agreement.

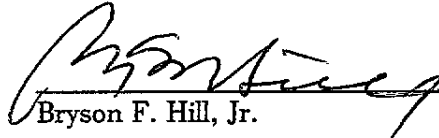
**RESOLVED FURTHER**, that March 1, 1998, is fixed as the record date for determination of shareholders entitled to receive notice of and to vote at the meeting, and that all shareholders of record as of the close of business of this Corporation on that day, and only those shareholders, are entitled to receive notice of or to vote at the meeting.

**RESOLVED FURTHER**, that all preparations for and conduct of the above matters be carried out in full compliance with all applicable federal and state securities laws and regulations, or so as to take advantage of any appropriate exemptions from registration under those laws.

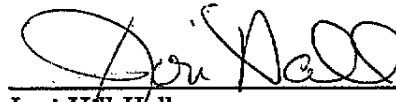
**RESOLVED FURTHER**, that should the shareholders of this Corporation approve the proposed Plan and Agreement in the manner required by the provisions of the Alabama business corporation law, the officers of this Corporation are directed to execute, acknowledge, file, and deliver these instruments and do other acts in the name and on behalf of the Corporation as may be necessary or proper to perform fully the terms and conditions of the proposed Plan and Agreement of Merger.

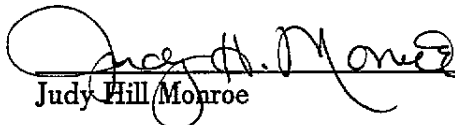
**RESOLVED FURTHER**, that the proposed plan of merger be recommended to the shareholders.

There being no further business, the meeting was, on motion duly made and carried, adjourned.

  
Bryson F. Hill, Jr.

  
Bryson F. Hill III

  
Joni Hill Hall

  
Judy Hill Monroe

**MINUTES OF A SPECIAL  
MEETING OF  
SHAREHOLDERS OF  
RELIANCE HEALTHCARE OF STARKE, INC.**

A special meeting of the shareholders of Reliance Healthcare of Starke, Inc., was called and held on the date and at the time and place set forth in the written Waiver of Notice signed by the shareholders and prefixed to the minutes of this meeting.

The following shareholders were present:

Southern Health Management, Inc., represented by its authorized agents, Bryson F. Hill, Jr., President and Bryson F. Hill III, Secretary

who represented all of the outstanding shares of the corporation.

The meeting was called to order by Bryson F. Hill, Jr., President. The minutes were taken by Bryson F. Hill III, Secretary.

The President then stated that all of the outstanding shares of the corporation were represented.

The President then stated that the purpose of the meeting was to consider resolutions regarding the proposed merger.

After discussion, upon motion duly made, seconded and unanimously carried, the following resolutions were adopted:

**WHEREAS**, there has been presented to this meeting a Plan and Agreement of Merger (the Plan and Agreement), a copy of which is attached to this resolution, between CAMBRIDGE HEALTH CARE OF STARKE, INC., and this Corporation; and

**WHEREAS**, it is deemed in the best interests of the shareholders of this Corporation that the terms and conditions of the Plan and Agreement be approved and performed;


**WHEREAS**, the proposed plan of merger was recommended to the shareholders by the board of directors;

**NOW, THEREFORE, IT IS:**

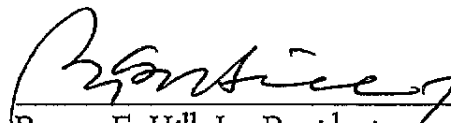
**RESOLVED**, that the Plan and Agreement between this Corporation and CAMBRIDGE HEALTH CARE OF STARKE, INC., submitted to this meeting is approved in the form attached to this resolution.

**RESOLVED FURTHER**, that the Board of Directors and officers of the Corporation are authorized on behalf of the Corporation to take all actions and to execute and file all documents that may be necessary or convenient to carry out and perform the Plan and Agreement.

There being no further business to come before the meeting, upon motion duly made, seconded and unanimously carried, it was adjourned.



Bryson F. Hill III, Secretary

By: 

Bryson F. Hill, Jr., President

Attest:

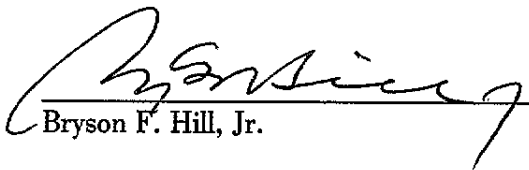
By: 

Bryson F. Hill III, Secretary

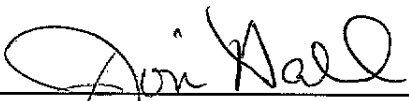
**WAIVER OF NOTICE OF  
SPECIAL MEETING OF THE BOARD OF DIRECTORS OF  
RELIANCE HEALTHCARE OF STARKE, INC.**

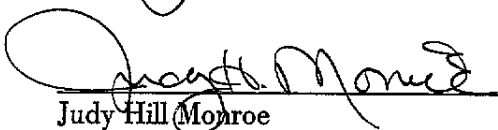
We, the undersigned, being all of the Directors of RELIANCE HEALTHCARE OF STARKE, INC., a corporation, do hereby waive all notice of the time, place and purpose of the special meeting of the Board of Directors of said corporation, and do consent that the 31st day of March, 1998, be, and the same hereby is, fixed as the day, and the offices of the corporation located at 2705 Artie Street, Suite 32, Huntsville, Alabama, as the place for holding the said meeting; and further that all such business may be transacted thereat as may lawfully come before the meeting.

DATED this the 31<sup>st</sup> day of March, 1998.

  
Bryson F. Hill, Jr.

  
Bryson F. Hill III

  
Joni Hill Hall

  
Judy Hill Monroe

**WAIVER OF NOTICE  
OF A SPECIAL MEETING  
OF SHAREHOLDERS OF  
RELIANCE HEALTHCARE OF STARKE, INC.**

We, the undersigned, being all of the shareholders of the above-named corporation, hereby agree and consent that a meeting of the shareholders of said corporation be held on the date, at the time and at the location designated hereunder, and do hereby waive all notice whatsoever of such meeting and any adjournment or adjournments thereof.

We do further agree and consent that any and all lawful business may be transacted at such meeting, or at any adjournment or adjournments thereof, as may be deemed advisable by the shareholders present thereat. Any business transacted at such meeting, or at any adjournment or adjournments thereof, shall be as valid and legal and of the same force and effect as if such meeting or adjourned meeting were held after duly given notice.

Place of Meeting: 2705 Artie Street, Building 400, Suite 32, Huntsville, Alabama

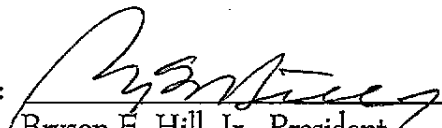
Date of Meeting: March 31, 1998

Time of Meeting: 9:00 o'clock, a.m.

Purpose of Meeting: Consideration of Merger

Done this the 31<sup>st</sup> day of March, 1998.

By:

  
Bryson F. Hill, Jr., President

By:

  
Bryson F. Hill III, Secretary