ANESIS
SPINE & PAIN CARE

Medical services provided by
Pain Care Physicians, PLLC

May 7th 2024

Certificate of Need Program
Department of Health
111 Israel Rd S.E.
Tumwater, WA 98501

Dear Certificate of Need Program:

This letter is regarding a CN Exemption Application for Pain Care Physicians' ASF in Spokane, WA. The ASF is in a leased space and has not been licensed as an ASF previously. The name of the new ASF is Anesis Spokane ASC and is located at 1415 North Houk Road, Suite E, Spokane Valley, WA 99216. We are currently finishing up construction and working with DOH CRS, project **#61349708**.

Pain Care Physicians is completely physician-owned between Adam Burkey, MD (75%) and Caroline Harstroem, MD (25%). Pain Care Physicians practice in the pain management clinics known as Anesis Spine and Pain Care in several locations around the state. They also operate in an ASC in Olympia, WA, which also functions under a CN exemption.

Anesis Spokane ASC will work with The Joint Commission in getting CMS deemed status on the initial survey. Pain Care Physicians' ASC in Olympia is already a Joint Commission certified ASC with CMS deemed status. Both ASCs are managed by John Moore, RN, BSN, CGRN.

We understand the criteria for CN exemption and are confident that we meet the criteria and look forward to working with the Department of Health on another major project for our organization.

Sincerely,

John Moore, RN, BSN, CGRN
ASC Manager

Certificate of Need
Determination of Reviewability
Ambulatory Surgical Facility and Ambulatory Surgery Center
(Do not use this form for any other type of ASC/F project)

Certificate of Need submissions must include a fee in accordance with Washington Administrative Code (WAC) 246-310-990.

The Department of Health (department) will use this form to determine whether my ambulatory surgical center or facility requires a Certificate of Need under state law and rules. Criteria and consideration used to make the required determinations are Revised Code of Washington (RCW) 70.38 and Washington Administrative Code (WAC) 246-310. I certify that the statements in the submissions are correct to the best of my knowledge and belief. I understand that any misrepresentation, misleading statements, evasion, or suppression of material fact in this application may be used to take actions identified in WAC 246-310-500.

My signature authorizes the department to verify any responses provided. The department will use such information as appropriate to further program purposes. The department may disclose this information when requested by a third party to the extent allowed by law.

Owner/Operator Name of the surgical facility as it appears on the UBI/Master Business License Pain Care Physicians, PLLC	
Clinical Practice UBI #: 604-032-151 Surgery Center UBI #: 604-032-151	Federal Tax ID (FEIN) # 81-3770788
Mailing Address 801 SW 16th St Suite 121 Renton, WA 98057	Surgery Center Address Anesis Spokane ASC 1415 North Houk Road Suite E Spokane Valley, WA 99216
Website Address: www.anesispain.com	
Phone number (10-digit): 206-538-6300	Email Address: John.Moore@anesispain.com
Name and Title of Responsible Officer (Print): John Moore, RN ASC Manager	Signature of Responsible Officer: Date of Signature: 5/7/2024
Identify the purpose of your request: (New Facility) Change of Ownership Facility Relocation	Facility Expansion – Operating Room Increase Facility Expansion – Service Increase Other (please provide a letter describing)

Existing Facility Status

Complete for all applications concerning existing facilities

1. The CN Program previously determined the facility was not subject to CN Review (if yes, attach DOR letter)

   Yes (No)

2. If this request is for a change in ownership provide the following information:

Current facility's name	
Current facility's address	
Current facility's license number	ASF.FS.
Current facility's Certificate of Need status	Exempt DOR# _____
	Approved CN# _____
Anticipated change of ownership month and year	

3. If this request is for the relocation of an existing facility, provide the following information:

Current facility's address	
Anticipated relocation month and year	

Facility Information

4. Although you are not required to apply for an ASF license before a CN determination is issued, have you or do you intend to, apply for a license?*

   (Yes, intend to apply) No

   Yes, here is the facility's license #ASF.FS. _____

   *Your answer to this question will allow the CN program to effectively coordinate the licensure process with other DOH offices.

5.

Number of existing operating and procedure rooms:	0
Number of new operating and procedure rooms:	1
Total:	1

For Certificate of Need purposes operating and procedure rooms are one in the same.

Clinical and Surgical Services

6. Check all surgical procedures currently performed in the facility.

Ear, Nose, & Throat	Gynecology	Oral Surgery
Plastic Surgery	Gastroenterology	Maxillo facial
Orthopedics	Podiatry	General Surgery
Ophthalmology	(Pain Management)	Urology

Other (describe)

This is a new facility, no surgical procedures are currently performed

Check all new surgical procedures proposed to be performed in the facility

Ear, Nose, & Throat	Gynecology	Oral Surgery
Plastic Surgery	Gastroenterology	Maxillo facial
Orthopedics	Podiatry	General Surgery
Ophthalmology	Pain Management	Urology
Other (describe)		

Primary Purpose of the Facility

7. The Certificate of Need Program must understand how a facility operates in order to determine the facility's primary purpose. Typically, governance documents can aid the department in this understanding. These could be in the form of operating agreements, shareholder agreements, or corporate governing documents. Provide any documentation that could aid in this understanding.

8. A facility that receives more than 50% of their income or 50% of their visits from surgeries is subject to CN requirements. In order to determine if your project is subject to CN review, please provide the current (existing facility) and proposed (new facility) percentages of income and visits for clinical and surgical services. Include all assumptions used to determine the percentages provided.

This site's revenue	**Most recent full year of operation** **Year:** 2023	**Projected first full year of operation after the proposed changes** **Year:** 2025
Total revenue for clinical services	$942,500	$1,350,000
Total revenue for surgical services	$0	$600,000
Total revenue	$942,500	$1,950,000

This site's patient visits	**Most recent full year of operation** **Year:** 2023	**Projected first full year of operation after the proposed changes** **Year:** 2025
Total clinical patient visits	6,898	9,500
Total surgical patient visits	0	350
Total patient visits	6,898	9,850

Certificate of Need Program Revised Code of Washington (RCW) and Washington Administrative Code (WAC)

Certificate of Need Program laws RCW 70.38

Certificate of Need Program rules WAC 246-310

References	Title/Topic
246-310-010	Certificate of Need Program —Definitions
246-310-270	Certificate of Need Program —Ambulatory Surgery
Interpretive Statement CN 01-18	Certificate of Need Program – Interpretation of WAC 246-310-010(5), Definition of Ambulatory Surgical Facility

Licensing Resources:
Ambulatory Surgical Facilities Laws, RCW 70.230
Ambulatory Surgical Facilities Rules, WAC 246-330
Ambulatory Surgical Facilities Program Web Page

Construction Review Services Resources:
Construction Review Services Program Web Page
Phone: (360) 236-2944
Email: CRS@doh.wa.gov

PROFESSIONAL LIMITED LIABILITY COMPANY AGREEMENT OF PAIN CARE PHYSICIANS, PLLC

This professional limited liability company agreement (this "**Agreement**") is effective January 1, 2024 by and between Adam R. Burkey, M.D., Caroline Harstroem M.D., and each Person who is subsequently admitted to the Company and executes a counterpart signature page to this Agreement. Certain terms used in this Agreement are defined in the body of this Agreement or on Schedule 2 attached to this Agreement. The parties will operate the Company as a professional limited liability company under the provisions of the Act. In consideration of the mutual covenants and promises contained herein, the parties agree as follows:

1. Organization

1.1 Formation of Company. The Company was formed as "Pain Care Physicians, PLLC" when its certificate of formation (the "**Certificate**") was filed with the Washington Secretary of State on September 1, 2016 (the "**Filing Date**").

1.2 Manager-Managed LLC. The Company is manager-managed: the Members vest management of the Company's activities in one or more Managers. A Person does not need to be a Member to be a Manager.

1.3 Appointment of Manager. The Members hereby appoint Adam R. Burkey, M.D. as the Company's Manager.

1.4 Perpetual Term. The Company's term of existence is perpetual unless the Company is dissolved under Section 7 or the Act.

1.5 Purpose and Powers. The Company's purpose is to provide pain care and pain management services, including related laboratory services, and to engage in any business activities which may be lawfully engaged in under the Act by a professional limited liability company owned and managed by one or more licensed healthcare professionals described in RCW 25.15.046, as it may be amended from time to time. This Company shall render such professional services only through individuals who are duly licensed or otherwise legally authorized to render such services in the State of Washington or any other state in which the Company provides services. The Company shall not engage in any business other than the rendering of professional services for which it is formed; except that the Company may invest its funds in real estate, personal property, mortgages, stocks, bonds, insurance or any other type of investments approved by the Members.

1.6 Principal Office. The Company's principal office is located at 801 SW 16TH ST, STE 121, Renton, Washington 98057-2628.

1.7 Registered Office and Registered Agent. The Company's registered agent for service of process shall be OMW R.A. SERVICES, LLC, 901 5TH AVE, STE 3500, Seattle, Washington 98164-2059, or such other registered agent as the Manager may from time to time designate by notice to the registered agent and the Washington Secretary of State.

1.8 Corporation Tax Status. The Company elects to be taxed as a corporation for

federal tax purposes under the rules contained in Treasury Regulations §§ 301.7701-2 and 3.

1.9 S Corporation Election. The Unit Holders and the Company acknowledge that an IRS Form 2553, "Election by a Small Business Company," was filed by the Company and its Unit Holders pursuant to which the Company elects to be treated as an "S Corporation" under Subchapter S of the Code. The Unit Holders and the Company agree not to take any action that would cause the Company to lose its status as an S Corporation as defined in Section 1361 of the Code (unless otherwise determined by a Supermajority Vote) and each Unit Holder further agrees not to sell or otherwise transfer his or her Units, either during his or her lifetime or by will or trust instrument, to any party or parties who would cause the Company to lose its status as an "S Corporation" including, but not limited to, a transfer to an individual who is a non-resident alien, a transfer to one (1) or more persons who would cause the Company to have more than the permitted number of Unit Holders (presently one hundred (100)), a transfer to a trust which is not a "permitted shareholder" under the Code, or a transfer to any other unpermitted S Corporation shareholder. Any such purported transfer of Units that would cause the Company to lose its status as an "S Corporation" shall be void ab initio.

1.10 Damages for Termination of S Corporation Status. If a Transfer, including an Involuntary Transfer under Section 8.4 terminates the S Corporation election of the Company other than pursuant to the affirmative decision by a Supermajority Vote to terminate the Company's S Corporation election, the Unit Holder whose Units were subject to the Transfer shall be liable to the remaining Unit Holders and the Company for damages equal to the additional tax obligations (and any costs to cure such termination, if attempted) caused by the inadvertent termination plus interest equal to the "prime rate" of interest published by the Wall Street Journal's "money rates" column for the day immediately preceding the Transfer, plus four percent (4%), or the highest rate permissible by law, whichever is lower. This Section 1.10 shall not limit the Company's or the remaining Unit Holder's damages, whether at law or in equity against the Unit Holder whose Units were Transferred, but shall be construed as an additional remedy.

1.11 Indemnification of S Corporation Election by Supermajority Vote. No Member shall be liable to the remaining Unit Holders or the Company for any damages from the termination of the Company's S Corporation election pursuant to a Supermajority Vote, including additional tax obligations (and any costs to cure such termination, if attempted) caused by the termination, or any other damages, whether at law or in equity, resulting from the termination.

1.12 Incorporation by Reference. Except as otherwise provided herein, the parties incorporate by reference all of the provisions of the Act as the Professional Limited Liability Company Agreement of Pain Care Physicians, PLLC.

2. Management

2.1 Manager Authority. A Manager is an agent of the Company and may bind the Company with regard to matters in the ordinary course of the Company's activities. Subject to any requirement in this Agreement or any non-waivable provision of the Act that Members approve an action before that action is taken, a Manager may take whatever actions that that Manager believes are necessary or advisable to carry out any of the Company's objectives or

purposes. If the Company has multiple Managers, (1) each Manager shall keep the other Managers reasonably informed of any action that that Manager takes without the other Managers' consent; and (2) the Managers shall resolve any dispute between them by Majority Vote.

2.2 Authority of Members/Agents. No Member, employee or other agent of the Company shall have any power or authority to bind the Company in any way, to pledge its credit or to render it liable for any purpose, without the express written consent of the Manager.

2.3 Limitations on Manager Authority. Regardless of whether any other provision in this Agreement states otherwise, a Manager may take any of the following actions only after the action has been approved by a Majority Vote of the Managers and a Supermajority Vote of the Class A Members:

(1) confess a judgment against the Company;

(2) possess Company Property, or assign rights in Company Property, for a purpose other than a Company purpose;

(3) consolidate, merge, or otherwise combine the Company with or into any other entity or entities;

(4) sell, lease, license, convey, transfer, exchange, or otherwise dispose of all or substantially all Company Property in any one transaction or series of related transactions.

(5) participation of the Company as an investor, manager, consultant, or otherwise in any joint venture, combined business operations, partnership, limited partnership, corporation, limited liability company, or any other business operation or entity, but not including the formation of entities that are to be wholly owned, or wholly controlled by the Company.

(6) all matters relating to agreements, of any kind whatsoever, with any hospital, physician, physician's group or other health care professional or health care professional organization, including but not limited to, modification of existing agreements, bringing action under existing agreements, termination of existing agreements and entry into new agreements.

In addition to the above, the Manager, in his capacity as Manager or in his capacity as a Class A Member shall not undertake or vote in favor of any the above to the extent such action would violate such Member's or Manager's obligations under the Member Units Control Agreement.

2.4 Term and Number of Managers; Qualifications. A Manager will serve until a Manager resigns, dies, is removed (including pursuant to the terms of the member Units Control Agreement), or (if an individual) becomes unable to serve because of incapacity or Permanent Disability. Each Manager will be an Eligible Professional or a Person owned solely by Eligible Professionals.

2.5 Resignation, Removal, or Replacement of a Manager. Any Manager may resign as a Manager at any time by delivering a written notice of resignation to the Members. A

resignation will be effective as soon as the notice of resignation is delivered unless the notice specifies a later effective date. The Class A Members, by Majority Vote, may remove any Manager at any time. If the Person resigning or removed as a Manager is also a Member, the resignation or removal will not affect that Person's rights as a Member and will not constitute that Person's withdrawal as a Member. The Class A Members by Majority Vote may replace any Manager who resigns, dies, is removed, or becomes unable to serve as a Manager because of Permanent Disability. So long as Adam R. Burkey, M.D. or his successor is a Manager, if Paul Song delivers to the Company a certificate in the form attached hereto as Exhibit A, certifying that Adam R. Burkey, M.D. or his successor is incapacitated, then effective immediately, Adam R. Burkey, M.D. or his successor shall be removed as a Manager of the Company and the designee chosen by Paul Song. shall become a Manager of the Company. Notwithstanding the foregoing, in the event Adam R. Burkey, M.D. or his successor regains his capacity, he shall have the right to remove the designee as a Manager of the Company and reinstate himself as a Manager. Nothing herein shall abridge rights to permanently remove a Manager pursuant to the terms of the Member Units Control Agreement

2.6 Manager's Duties. Unless this Agreement provides otherwise, while serving as a Manager, a Person's duties to the Company, the Members, any other Manager, and any other Person bound by this Agreement are limited to the implied contractual duty of good faith and fair dealing; the duties to avoid intentional misconduct and knowing violations of law; and the duty to avoid violations of Section 6.3 on distributions.

2.7 Compensation and Reimbursement. The Class A Members by Majority Vote shall set a Manager's salary. The Manager shall set the salaries of all other employees, including any physician employees that may be Members, or as otherwise committed to by contract. In accordance with any policies established by a Majority Vote of the Class A Members, the Company shall reimburse a Manager for any reasonable, out-of-pocket expenses that that Manager incurs in carrying out his or her duties as a Manager.

2.8 No Employment Agreement. Nothing contained in this Agreement precludes any Manager from serving the Company in any other capacity and receiving reasonable compensation for such service. This Agreement does not give any Manager any right to be continually employed by the Company, and nothing in this Agreement creates any employment agreement with any Manager.

2.9 Right to Rely on Manager. Any Person dealing with the Company may rely (without duty of further inquiry) upon a certificate signed by the Manager as to the identity and authority of the Manager or other Person to act on behalf of the Company or any Member.

2.10 Delegation of Authority. The Manager may delegate or appoint an individual to act in their capacity as a Manager.

2.11 Indemnification. The Company shall indemnify and hold harmless the Managers against any liability, loss, damage, cost or expense incurred by the Managers on behalf of the Company or in furtherance of the Company's interests without relieving the Managers of liability for fraud, intentional misconduct, bad faith, gross negligence or a knowing violation of law. No Member shall have any personal liability with respect to the satisfaction of any required indemnification of the Managers. Any indemnification required to be made by the Company shall

be made within thirty (30) days following the fixing of the liability, loss, damage, cost or expense incurred or suffered by a final judgment of any court, settlement, contract or otherwise. In addition, the Company may advance funds to the Managers claiming indemnification under this Section 2.11 for legal expenses and other costs incurred as a result of a legal action brought against the Managers only if (i) the legal action relates to the performance of duties or services by the Managers on behalf of the Company; and (ii) a Manager undertakes to repay the advanced funds to the Company if it is determined that the Manager is not entitled to indemnification pursuant to the terms of this Agreement. Any Person's right to be indemnified and advanced expenses by the Company is not exclusive of any other right to be indemnified or similarly protected to which that Person is entitled by law, in equity, under any contract (including any insurance policy), or otherwise. This indemnity shall not apply to those individual acts of a Manager acting in their professional capacity described in Section 3.12 below.

3. Members

3.1 Limited Member Authority; No Member is an Agent of the Company. Except where this Agreement or the Act states otherwise, no Member may act for, assume any obligations or responsibility for, or bind the Company or any other Member. Unless the Manager expressly authorizes it, no Member may represent to any third party that any Member has any authority to act for or bind the Company.

3.2 Rights of a Member.

(a) **Voting Rights**. In accordance with the provisions of this Section 3, each Class A Member may vote on, consent to, or approve any matter only when the matter is subject to the vote, consent, or approval of such Member under this Agreement or any non-waivable provision of the Act. Each Class A Member will have 1 vote for each whole Class A Unit held by such Member. The Class A Members will not have any cumulative voting rights. Class B Units are non-voting interests and shall not confer voting rights on their holders.

(b) **Economic Rights**. With respect to Units the Members hold, the Company shall make allocations and distributions to the Members only in accordance with Section 5, Section 6, and Section 7. No Member has any right to receive a distribution from the Company in a form other than cash.

(c) **Right to Inspect Records**. Each Member (or that Member's designated agent) may inspect and copy the Company's records in accordance with Section 10.6.

(d) **No Right to Dissent from Merger**. No Member is entitled to dissent from any plan of merger by the Company and receive payment for the fair value of the Member's interest in the Company.

3.3 Member's Duties. A Member's duties (as a Member) to the Company, the other Members, any Manager, and any other Person bound by this Agreement are limited to the

implied contractual duty of good faith and fair dealing; the duties to avoid intentional misconduct, and knowing violations of law; and the duty to avoid violations of Section 6.3 on distributions.

3.4 Withdrawal and Dissociation of a Member.

(a) **Withdrawal.** No Member may voluntarily withdraw as a Member unless (1) the withdrawal has first been approved in writing by Supermajority Vote of all the Class A Members and the consent of the Manager, or (2) the Member transfers all the Member's Units in accordance with Section 8.

(b) **Dissociation.** When any of the events listed in RCW 25.15.131(1) occurs with respect to any Member, the Member will cease to be a Member and to have any of the rights or powers of a Member. If a Person who has been dissociated as a Member retains any Units, that Person's rights and powers with respect to the retained Units will be limited to those rights and powers stated in Section 3.5. If, however, a Member dies, then the deceased Member's personal representative or other legal representative will have and may exercise the rights of a Member for those Units while the deceased Member's estate is being settled, subject to obligations to sell such Units as provided in Section 8.2.

3.5 Rights of a Person Who Holds Units But is Not a Member. A Person who holds Units but is not a Member has the same rights under Section 3.2(b) as a Member with respect to those Units. Any such Person, however, has no right (1) to receive any information about or accounting of the Company's business or affairs; (2) to inspect and copy the Company's records (except that a Person dissociated as a Member under Section 3.4(b) may inspect and copy records in accordance with RCW 25.15.136(6)); (3) to participate in any vote, consent, or approval of the Members; or (4) to otherwise act as a Member or exercise any right or power a Member has under the Act or this Agreement. The Units that any such Person holds are subject to the transfer restrictions under Section 8.

3.6 Action by Members at a Meeting. When this Agreement or the Act requires the Members to take an action on a matter subject to the vote, consent, or approval of the Members, the act of the Class A Members shall be the act of all of the Members and the Class A Members will act collectively through meetings under this Section 3.6.

(a) **Call for Meeting.** The Class A Members may—but are not required to—hold annual, periodic, or other formal meetings. A meeting of the Class A Members may be called by (1) any Manager, or (2) the Members holding 25% or more of the Class A Units.

(b) **Place of Meeting.** Any Class A Member meeting will be held at the Company's principal office unless the Manager or Members calling the meeting identify a different meeting place in the notice of the meeting.

(c) **Notice of Meeting.** The Manager or Members calling the meeting shall deliver notice of the meeting's place, date, and time to the Class A Members entitled to attend no fewer than 7 calendar days but no more than 30 calendar days before the date of the meeting. The notice may—but does not need to—specify the meeting's purpose.

(d) **Quorum.** To take any action at a meeting, a quorum of Class A Members

must be represented at the meeting. A quorum of Class A Members is represented at a meeting if Class A Members or proxies for Members holding more than half of the Class A Units are present at the meeting.

(e) **Adjourned Meeting; Reconvened Meeting**. If a quorum of Class A Members is not represented at a meeting, the Class A Members or proxies for Class A Members holding a majority of the Class A Units represented at the meeting may adjourn the meeting for no more than 30 calendar days. Notice of reconvening the adjourned meeting is not required, but all Class A Members are entitled to attend the reconvened meeting. A quorum of Class A Members represented at the reconvened meeting may take any action that a quorum of Class A Members represented at the original meeting would have been able to take had such a quorum been represented.

(f) **Means of Communication**. Any Person may participate in or conduct a meeting using any means of communication that allows all Persons participating in the meeting to hear each other. A Person participating in a meeting by any such means of communication is deemed to be present at the meeting.

(g) **Minutes of Meeting of the Members**. The Company shall keep minutes of the meetings of the Members.

(h) **Required Vote**. Unless a Supermajority Vote is required hereunder or under the Act, all actions taken at a meeting of the Members shall be by Majority Vote. In the case where there is a 50% tied vote, the vote of the Manager shall be the tie-breaking vote.

3.7 Action by Members Without a Meeting. Regardless of anything in this Agreement that states otherwise, the Class A Members may take an action without a meeting if the Class A Members holding at least the minimum number of Units necessary to take the action at a meeting sign a written consent to the action that states the action taken. The Class A Members may make a written consent to an action either before or after the action is taken. Any such action taken by less than unanimous written consent shall be communicated to the Manager and the other Members within a reasonable time after execution of such written consent.

3.8 Proxies. Each Class A Member (or that Member's attorney-in-fact) may authorize any Person or Persons to act for the Member as a proxy for all matters on which the Member may act by signing a document authorizing the proxy. Unless the proxy document states otherwise, the proxy's authority to act for the Class A Member expires 11 months after the date on which the Member signs the proxy document. A Member's presence at a meeting voids the authority of any proxy acting for the Member for as long as the Member is present at the meeting.

3.9 Waiver of Notice. When any notice is required to be given to a Class A Member, a waiver thereof in writing signed by the Member entitled to such notice, whether before, at, or after the time stated therein, shall be equivalent to the giving of such notice. A Member's presence in a meeting, in person, or by proxy, shall constitute a waiver of notice of the meeting by such Member, unless such Member is present solely to object to the lack of notice of the meeting.

3.10 Professional Standards. Each Unit Holder of the Company shall: (i) be competent, willing and able to provide professional medical services; (ii) have a valid, current license to practice medicine in the State of Washington and be in good standing with the State of

Washington Medical Commission; (iii) be in compliance with all continuing medical education requirements imposed by Washington law; (iv) be board certified in pain management; (v) maintain professional liability coverage in an amount reasonably required by the Managers; and (vi) otherwise be qualified to practice in pain management care and provide professional medical services pursuant to the other standards as may be required by the Managers.

3.11 Professional Liability Insurance. In accordance with RCW 25.15.046, the Company shall at all times maintain for itself and its Members a policy of professional liability insurance, bond or other evidence of financial responsibility in the amount of at least One Million Dollars ($1,000,000) or greater amount as the state insurance commissioner may establish.

3.12 Compliance Requirements and Member Indemnity. The Members acknowledge and agree that each Member is expected to conform to Company's policies and procedures, including those related to legal compliance. Thus, each Member agrees to indemnify and hold Company and the other Members harmless from any and all liability for damages, of any type whatsoever, including injuries to persons, damage to property, repayments, or governmental fines and penalties, that may arise out of, or which may be alleged to have arisen out of: (a) any breach by such Member of patient privacy, security or confidentiality laws or regulations, including HIPAA and RCW Chapter 70.02; (b) any fraudulent, criminal or malicious act, and for claims of intentional discrimination, including but not limited to, sexual harassment prohibited by Title VII of the United States Code or state law; or (c) any personal acts of the Member, in the Member's capacity as a medical professional, resulting in any uninsured loss to the Company. A Member's duty to indemnify and hold harmless required by this Section 3.12 shall specifically include the payment of reasonable attorney fees and related expenses of litigation incurred by Company or the other Members, and is independent of a Member's status as a Member of Company or as a party to a lawsuit or other litigation of any type brought against the Company. A Member's duty to indemnify and hold Company and the other Members harmless under this Section 3.12 shall apply only to the extent such damages are caused by a Member's acts or failures to act and shall apply only to the extent the Company or another Member suffers loss (but loss shall specifically include reasonable attorney fees and related expenses of litigation incurred by the Company or other Members) that is not covered by applicable insurance (but shall include indemnifying Company and the other Members for any reasonable attorney fees and costs associated with seeking insurance coverage for such Member's acts or failures to act), and shall further not be construed to apply to any acts solely attributable to Company or to damages to the extent such damages are caused by Company. A Member's duty to indemnify and hold Company and the other Members harmless under this Section 3.12 shall survive the Member's withdrawal from Company or the termination or expiration of this Agreement, except as may be provided otherwise in a written agreement signed by Company and the other Members.

4. Units and Capital Contributions

4.1 Class of Units. The Company is authorized to issue two (2) classes of Units: Class A Units and Class B Units. All actions requiring the vote or consent of the Members will mean any Members holding Class A Units. For the avoidance of doubt, the Class B Units are non-voting interests and will not entitle their holders to participate in any Member decisions. The Class A Units and the Class B Units will otherwise have identical rights to distributions and identical economic rights, except as otherwise provided in this Agreement.

4.2 Issuance of Units. Effective as of the date of this Agreement, the Company (1) has admitted as a Member each Person who has signed a signature page of this Agreement as a Member, and (2) has issued to each Member the number and class of Units that appears across from the Member's name on Schedule 1.

4.3 Additional Capital Contributions, Units, and Members. Each Unit Holder shall be required to make such additional capital contributions as shall be determined by a Supermajority Vote of the Class A Members from time to time to be reasonably necessary to meet the expenses of the Company. Such additional capital contributions shall be made within thirty (30) days from the date that the additional capital contributions are approved by the Class A Members and shall be made ratably by the Unit Holders in accordance with their respective Percentage Interests.

In the event that a Unit Holder fails to make an additional capital contribution ("Default Member"), one or more of the other Members ("Creditor Member") may make such required capital contribution on behalf of the Default Member, and such capital contribution shall be deemed to be a demand loan from the Creditor Member to the Default Member, which shall bear interest at a fixed rate equal to the "Federal Mid-Term Rate" for the month immediately preceding the month during which the Default Member fails to make an additional capital contribution, as defined in Code Section 1274, as amended. In the event more than one (1) Member wishes to make such contribution on behalf of the Default Member, such loan shall be made by the Creditor Members pro rata based on the number of Units each Creditor Member then holds. Such loan shall be a lien against the Default Member's Units in the Company. Upon written notice from the Creditor Member, the Company shall make all distributions to the Creditor Member that the Default Member would otherwise be entitled to receive until such loan is fully repaid.

4.4 No Third Party Benefit. Nothing contained herein shall be construed as for the benefit of any third party. No third party shall have any rights, or ability to compel any action or capital contribution by the Members.

4.5 No Interest on or Return of Capital Contributions. Except when the Company is dissolved and liquidated in accordance with Section 7 or a Member receives the written consent of all of the Members and Manager, no Member is entitled to withdraw, earn interest on, or have the Company return any of the Member's capital contributions.

4.6 Loans by Members. Subject to the Manager's authorization, any Member may—but is not obligated to—make one (1) or more loans to the Company. The Company shall not treat any such loan as a capital contribution by the Member to the Company, but shall treat the Member as a creditor with respect to the loan.

4.7 No Interest; No Salary. No Member shall receive any interest, salary or drawing with respect to his or her capital contribution or for services rendered on behalf of the Company or otherwise in his or her capacity as a Member, except as otherwise provided in this Agreement.

5. Allocations of Profits and Losses.

The Profit or Loss for any taxable year of the Company shall be allocated among the Unit Holders on a per Unit per day basis.

6. Distributions

6.1 Quarterly Tax Distributions. The Manager will declare and pay (to the extent the Company has funds available for distribution) a pro rata distribution (which shall be in proportion to each Unit Holder's Percentage Interest), on or before January 15, April 15, June 15 and September 15 of each year (the "Quarterly Distributions"). The Quarterly Distributions shall equal the highest individual marginal U.S. income tax rate multiplied by the Company's Profits attributable to the applicable calendar quarter or other appropriate tax period (subject to increase under the provisions set forth below), but in no event will the dividend in any period, when added to all previous Quarterly Distributions with respect to the same Fiscal Year exceed forty percent (40%) of the Profits of the Company earned since the commencement of the applicable Fiscal Year or such lower rate as approved by the Manager (the "Distribution Percentage," subject to increase or decrease under the provisions set forth below), but in no event will the distribution in any period, when added to all previous Quarterly Distributions with respect to the same Fiscal Period exceed the Distribution Percentage of the Profits of the Corporation earned since the commencement of the applicable Fiscal Period (the "Required Distribution"). The Distribution Percentage may be reduced by the Manager to take into account any deduction available pursuant to Section 199A of the Internal Revenue Code ("Section 199A') in connection with the Company's Profits, or other deductions or Losses from Company activity otherwise available to the Members. (the "Required Distribution"). The Quarterly Distribution payment due on or before January 15 shall be sufficient to pay the Required Distribution for the period from September 1 through December 31 of the preceding year; the Quarterly Distribution payment due on or before April 15 shall be sufficient to pay the Required Distribution for the period from January 1 through March 31 of that year; the Quarterly Distribution payment due on or before June 15 shall be sufficient to pay the Required Distribution for the period from April 1 through May 31 of that year; and the Quarterly Distribution payment due on September 15 shall be sufficient to pay the Required Distribution for the period from June 1 through August 31 of that year. The total of the Quarterly Distributions shall be sufficient to cover the Required Distributions as calculated on an annual basis (taking into account any deduction available pursuant to Section 199A in connection with the Company's Profits), as of the date on which the Company files its Federal Income Tax Return. Any additional payment shall be made promptly following the filing of such Federal Income Tax Return. All distributions shall be made proportionately among the Unit Holders on a per Unit basis.

6.2 Non Liquidating Distributions. Distributions of Distributable Cash, other than distributions in liquidation, shall be made to the Unit Holders proportionately on a per Unit basis, from time to time as determined by the Manager. Notwithstanding this Section 6.2, distributions in liquidation of the Company shall be made to each Unit Holder in the manner set forth in Section 7.

6.3 Statutory Limitations on Distributions. Regardless of anything else stated in this Agreement, no one shall make a distribution that would violate RCW 25.15.231.

6.4 Compliance with S Corporation Rules. All distributions under this Section 6 shall be made proportionately to the Unit Holders on a per Unit per day basis, and shall comply with all rules for S corporations in Sections 1361 through 1379 of the Code.

6.5 Additional Distributions. Additional distributions, beyond those required by Section 6.1, of some or all remaining Distributable Cash, or some or all of any additional cash and marketable securities then held by the Company in excess of the Company's Distributable Cash, shall be made from time to time as determined by the Manager.

7. Dissolution and Termination

7.1 Dissolution. The Company will dissolve and begin winding up and liquidating as soon as any of the following events (each a **"Dissolution Event"**) occurs:

(1) the Managers and the Class A Members approve by Majority Vote to dissolve the Company;

(2) the superior court orders dissolution of the Company under RCW 25.15.274; or

(3) the Washington Secretary of State administratively dissolves the Company under RCW 25.15. 279, and the Company is not reinstated as provided in RCW 23.95.615, as such provision may be amended.

7.2 Wind-Up, Liquidation, and Distribution of Company Property. When a Dissolution Event occurs, the Manager shall begin winding-up the Company's business. Upon such Dissolution Event, the Manager may file a certificate of dissolution with the State of Washington for the Company with the Washington Secretary of State in accordance with RCW 25.15.269(2).and will proceed to wind up the affairs of the Company, unless the business of the Company is continued or such dissolution (and any certificate of dissolution previously filed) is revoked as provided in RCW 25.15.294. The Manager shall sell or otherwise liquidate all of the Company's assets as promptly as practicable, as set forth below.

(a) **Liquidating Company.** As promptly as is practicable, the Manager shall sell all Company Property, distribute it in-kind to the Members, or otherwise liquidate it.

(b) **Applying and Distributing Company Property.** The Manager shall apply or distribute the proceeds from selling Company Property, and any in-kind Company Property remaining after such sale, in the following order of priority:

(1) the Manager shall first pay all the Company's debts and liabilities—including those owed to any Member or Manager as a creditor of the Company—in the order of priority the law assigns to such debts and liabilities;

(2) the Manager shall next establish any Reserves that the Manager believes are necessary for contingent or unforeseen obligations of the Company (and shall distribute any remaining Reserves to the Members in accordance with Section 7.2(b)(3) once the period that the Manager believes is advisable for maintaining the Reserves has expired); and

(3) the Manager shall then distribute the remaining proceeds or Company Property, if any, to the Unit Holders proportionately on a per Unit basis.

7.3 No Recourse to Other Members for Capital Contribution. When any Dissolution Event occurs, each Member will look solely to Company Property for return of that Member's capital contribution. No Member will have recourse against any other Member for a return of capital from the Company.

8. Transfers

8.1 General Restrictions on Transfers. No Class A Member shall, voluntarily or involuntarily, directly or indirectly, sell, assign, exchange, gift, bequeath, encumber or otherwise Transfer all or any part of his or her Class A Units, except in accordance with the Member Units Control Agreement, if applicable to such Member. Except as otherwise expressly provided in this Agreement, no Member nor a Unit Holder shall Transfer all or any part of his or her membership interest or economic interest in the Company, except in accordance with this Agreement or with the prior written consent of the Manager, which consent may be withheld by the Manager in the Manager's sole discretion. Any attempted Transfer shall be null and void and shall not operate to transfer any interest or title, including any security interest, to the transferee. Any transferee of a Transfer must be an Eligible Professional. Notwithstanding anything contained herein to the contrary, if the Transfer of Units, by a Unit Holder to a transferee or donee who is not a Member immediately prior to the Transfer, is not approved in writing by all of the Class A Members, in their sole discretion, then the proposed transferee or donee shall have no right to participate in the management of the business and affairs of the Company or to become a Member. Such transferee or donee shall be merely an economic interest owner under Section 3.5.

8.2 Purchase on Incapacity, Death, or Termination of Employment. Upon the Permanent Disability, death, or termination of employment with the Company (the "Triggering Event"), of a Class A Member not subject to the Member Units Control Agreement or a Class B Member ("Selling Member"), the disabled or terminated Selling Member (or such Member's guardian) or personal representative of the decedent, as the case may be, shall offer for sale, and the Company, the other Members and then again the Company, shall have the right (but not the obligation, except as otherwise provided herein) to purchase, any or all Units owned by the incapacitated or terminated Selling Member or the decedent at the time of the Triggering Event. Commencing on the date of establishment of the Purchase Price (as defined in Section 8.5(a)), the Members and then the Company shall have sequential rights to purchase all such Units for a period of thirty (30) days at the Purchase Price and on the Payment Terms set forth in Section 8.5(a) and Section 8.5(d). In the event the Members and the Company do not exercise their rights to purchase all of the incapacitated or terminated Selling Member's or decedent's Units, then the disabled or terminated Selling Member or the decedent's personal representative shall have the option to revoke said offer.

8.3 Transfer Procedure.

(a) **Notice**. A Selling Member who is required to Transfer all or any portion of the Selling Member's Units to a third party purchaser shall, after determination of the Purchase Price provide written notice (the "Notice") to the Company and the other Members of the Offer to sell the Units hereunder ("Offer") stating the number of Units, and the price at which the purchase

is to be made. Alternatively, the Manager may provide such Notice and terms of the Offer.

(b) **Company's Right of First Refusal**. Upon receipt of the Notice, the Company shall have the right, but not the obligation, to purchase any or all of the Units covered by the Offer at the price and in accordance with the payment terms set forth in the Offer. The Company shall exercise its right to purchase by giving notice (the "Company Exercise Notice") to all Members within thirty (30) days following its receipt of the Notice, indicating the number of Units it will purchase. In the event a vote of the Members is taken on whether the Company should exercise its right to purchase the Selling Member's interest, such Selling Member shall vote with the position taken by a majority of the remaining Members. In the event of a tied vote of the remaining Members, the Selling Member shall abstain from voting on such matter.

(c) **Member's Right of Second Refusal**. If the Company's right to purchase the Units from the Selling Member under Section 8.3(b) expires without exercise or is waived in writing as to any of the Units covered by the Offer, the other Members (the "Offeree Members") shall then have the right, but not the obligation, to purchase any of the Units covered by the Offer and not purchased by the Company (the "Available Units") in accordance with the terms set forth in Section 8.3(b). The Offeree Members shall exercise their right to purchase, if at all, by giving notice (the "Member Exercise Notice") to the Selling Member and the Company within thirty (30) days after the earlier of: (a) receipt of notice from the Company that it intends to purchase less than all of the Units covered by the Offer; or (b) the expiration of the thirty (30) day period described in Section 8.3(b) specifying the number of Available Units that such Member wishes to purchase, pursuant to the price and payment terms of the Offer. If the total number of Units that all Offeree Members wish to purchase exceeds the number of Available Units, each Offeree Member that has exercised a right to purchase (a "Purchasing Member") shall have the right to purchase (up to the number of Units set forth in such Member's Exercise Notice) that fraction of Available Units, the numerator of which is the number of Units owned by the Purchasing Member and the denominator of which is the number of Units owned by all Purchasing Members. The number of Available Units not purchased on such a first allocation basis shall be allocated in one or more successive allocations to those Purchasing Members who indicated in their Member Exercise Notice that they wish to purchase more than the number of Units first allocated to them, with the successive allocations determined by a fraction, the numerator of which is the number of Units owned by each Purchasing Member and the denominator of which is the number of Units owned by all such Purchasing Members.

(d) **Company's Right of Third Refusal**. In the event the Purchasing Members fail to exercise the right to purchase all of the Available Units, the Company shall have an additional ten (10) days after the deadline for receipt of the Member Exercise Notice to notify the Selling Member of the Company's agreement to purchase the balance of the Available Units. In the event the purchase is required as a the result of a Class B Unit Holder's Permanent Disability or death, such purchase of the remaining Available Units by the Company shall be mandatory.

(e) **Closing**. The purchase of Units, pursuant to the exercise of any right of refusal set forth in Sections 8.3(b), 8.3(c), or 8.3(d) shall be closed within forty-five (45) days after the expiration of the period for the giving of the Company Exercise Notice or Member Exercise Notice, whichever is applicable. The obligation of the Selling Member to sell the offered Units to the Company and/or the Offeree Members shall be expressly conditioned upon

the Company's and the Offeree Members' agreement to purchase in the aggregate the number of Units offered by the Selling Member pursuant to the Offer.

(f) **Class A Members**. Notwithstanding the above, the requirements in Section 8.3(a)-(e) shall not apply to Class A Members Units that are subject to a Members Units Control Agreement. No such Member shall Transfer all or any part of such Class A Units, except in accordance with that certain Member Units Control Agreement.

8.4 Involuntary Transfer.

(a) **Purchase Option**. The occurrence of any one of the following ("Involuntary Transfer") shall trigger an option ("Option") entitling first the Company and then the remaining Members to purchase the Units subject to such Involuntary Transfer:

(1) the filing of any petition for voluntary or involuntary bankruptcy or insolvency of a Unit Holder (unless such petition is dismissed within thirty (30) days after such filing);

(2) the attachment or garnishment of any Units owned by a Unit Holder;

(3) the judicial sale of any Unit Holder's Units under the laws of any local, state, or federal government;

(4) the dissolution of a Unit Holder's marriage or registered domestic partnership where such Unit Holder's Units are awarded by settlement agreement, dissolution decree or otherwise to the Unit Holder's former spouse or registered domestic partner;

(5) any of the Units of a Unit Holder are involuntarily transferred out of such Unit Holder's name by any legal action brought by a person who is not a Member under this Agreement;

(6) failure of a Member to maintain his or her professional license in the State of Washington (after an opportunity to cure a temporary lapse);

(7) a Unit Holder becomes disqualified from holding or dispensing controlled substances under federal or state law;

(8) a Unit Holder becomes disqualified from billing to Medicare, Medicaid or any other government payment program; or

(9) the Company is unable, after making a commercially reasonable effort, to obtain professional liability insurance on behalf of a Member; or

(10) any redemption, sale, or transfer of a Unit Holder's equity interest in any of the Affiliated Companies, if the circumstances causing such redemption, sale, or transfer are not governed by this Agreement.

(b) **Notice**. Upon the happening of an Involuntary Transfer, the Member or Members, whose Units are subject to the Involuntary Transfer, shall deliver to the Company and

the remaining Members written notice of the event that triggers the Option. Such notice shall be deemed delivered on the thirtieth (30th) day following the Involuntary Transfer in the event that a Member fails to deliver prior written notice of the Involuntary Transfer. If the Involuntary Transfer coincides with termination of such Member's employment with the Company, the terms of this Section 8.5 shall apply, rather than the terms of Section 8.2

(c) **Option Price**. The purchase price for each Unit subject to an Option shall be equal to the Purchase Price determined pursuant to the process set forth in Section 8.5, on a per Unit basis, multiplied by 67%.

(d) **Option Exercise**. Upon receipt of written notice of an Involuntary Transfer, or upon the deemed delivery of such notice, first the Company and then the remaining Members shall have sequential rights for a period of thirty (30) days, respectively, to deliver notice to the Member whose Units are subject to the Involuntary Transfer of the Member's or the Company's exercise of the Option. In no event shall a Member or the Company be required to exercise the Option.

(e) **Option Closing**. The closing of the purchase and sale pursuant to the exercise of the Option shall be on the ninetieth (90th) day following an Involuntary Transfer or such other date as the Company and/or the Members shall determine.

(f) **Multiple Member Exercise**. If more than one (1) Member wishes to exercise the Option, then the Members exercising the Option shall be entitled to purchase such number of Units, subject to the Involuntary Transfer, determined pro rata based on the number of Units each Member exercising the Option then holds.

8.5 Terms Applicable to Transfers With Options to Purchase. The terms set forth below apply to Transfers under Sections, 8.2, 8.9, or Section 12.

(a) **Purchase Price**. The "Purchase Price" for Class A Units not subject to a Member Units Control Agreement or Class B Units, for purposes of Sections 8.2, 8.9, or Section 12, shall be an amount equal to fifty percent (50%) of the Formula Value (as defined below) of the Units. Within thirty (30) days following the discovery of a Triggering Event, any Member or the Company may request that the Purchase Price for the proposed purchase or sale of Units be established. If the Triggering Event happens in the first sixty (60) days of any calendar year, determination of the Purchase Price shall be delayed as needed to complete year-end financials for the prior year, but the determination of Purchase Price in such case shall be made no later than April 30 of that year. The Manager, with the assistance of Anesis Pain and Spine Care, Inc. shall calculate the Formula Value of the Units. Absent manifest error, the determination of Anesis Pain and Spine Care, Inc. will be final.

(b) **Formula Value.** For purposes of determining the Purchase Price, "Formula Value" means:

- Five (5) times average annual EBITDA for the prior three (3) calendar years;
- but in no case more than fifty percent (50%) of Average Revenue, or less than ten percent (10%) of Average Revenue;

divided by the number of Units then outstanding; but in no case will the aggregate Purchase Price paid for the Units be more than three (3) times the Member's Total Contributed Capital (the "Purchase Price Limitation"). The Purchase Price Limitation will not apply to a Sale of the Company, whether or not undertaken pursuant to Section 8.7.

"EBITDA" is defined as for any period the Company's profit or loss for that period determined in accordance with the accounting principles used in the Company's financial statements and not its tax returns, plus depreciation, amortization, interest expense, and income taxes incurred. The Company's profit or loss is subject to certain year-end adjustments for certain matters and other items which shall be taken into account in determining EBITDA. In the event the average EBITDA for the prior three (3) calendar years is a negative number, the EBITDA shall be zero (0).

"Average Revenue" is defined as the average annual revenue of the Company for the prior two (2) calendar years determined in accordance with the accounting principles used in the Company's financial statements and not its tax returns.

(c) **Closing of Purchase**. The closing of the purchase and sale pursuant to this section shall be on the ninetieth (90th) day following the determination of the Purchase Price or such other date as the purchasing parties shall determine.

(d) **Payment of Purchase Price**. The purchasing party shall pay the Purchase Price at closing by delivering to the selling party the Purchase Price amount in cash, certified check, or wire transfer. Alternatively, at closing the purchasing party shall deliver to the selling party at least 20% of the Purchase Price amount in cash, certified check, or wire transfer, and a promissory note for the balance of the Purchase Price amount. The purchasing party shall pay the promissory note in four annual installments, which will include interest on the declining balance of the Purchase Price at an annual rate equal to the applicable federal midterm rate in effect during the month of the closing. The promissory note will not have any prepayment penalty. If any installment of principal or interest remains unpaid for at least thirty (30) calendar days after it is due, the entire principal of and accrued interest on the promissory note will become immediately due and payable at the option of the holder of the promissory note. The first installment of principal and accrued interest under the promissory note will be due by the one-year anniversary of the closing date, with subsequent installments due each year thereafter by the anniversary of the closing date until the principal and accrued interest has been paid in full. If the Company is purchasing Units, and if the Company is liquidated or dissolved before completing payment of the Purchase Price for its Units, the unpaid balance that the Company owes will become immediately due and payable.

8.6 Offset; Payment of Indebtedness to Company. In the event the Company purchases Units pursuant to this Agreement, the Company may offset against the Purchase Price any indebtedness owed to the Company by the transferring Unit Holder, whether or not such indebtedness is then due. In the event a Member purchases all or a portion of another Member's

Units pursuant to this Agreement, the Purchasing Member shall receive a credit against the Purchase Price and pay to the Company an amount (up to the amount of the Purchase Price) equal to that of any indebtedness owed by the transferring Member or such Member's estate to the Company, whether or not such indebtedness is then due.

8.7 Obligation to Sell Units or Consent to Merger, Consolidation or Sale of Assets. If any Member or group of Members holding in excess of sixty-five percent (65%) of the Company's Class A Units (the "Majority Holders") receive a bona fide written offer that such Majority Holders determine to accept (the "Section 8.7 Offer") from one (1) or more third parties (the "Section 8.7 Offeror") (i) to purchase all of the then-outstanding Units of the Company for cash or readily marketable securities, (ii) for the Company to consolidate or merge with any person or entity, or (iii) to purchase all or substantially all of the assets of the Company for a specified price payable in cash or readily marketable securities and on specified terms and conditions (a "Sale of the Company"), the Majority Holders, as the case may be, shall promptly deliver to the other Members and the Manager a written notice (the "Section 8.7 Notice") of such Section 8.7 Offer, and the Company shall not be obligated to accept such Section 8.7 Offer and in the case of clause (iii) above to sell its assets on the terms and conditions set forth in the Section 8.7 Offer unless the Manager provides prior written approval of the Section 8.7 Offer, and if the Manager provides prior written approval of the Section 8.7 Offer, the other Members shall be obligated to (a) sell to the Section 8.7 Offeror all of their Units at the same price and form of consideration and on the same terms and conditions set forth in the Section 8.7 Offer, which terms and conditions shall be the same for the Majority Holders and all other Members (in the case of clause (i) above; and/or (b) vote (or consent in writing, as the case may be) in favor of the Section 8.7 Offer (in the case of clause (ii) or (iii) above if such Members have voting rights) and shall in all other respects support the transaction contemplated in the Section 8.7 Offer and enter into the same agreements as the Majority Holders and the Company, as the case may be, enter into with the Section 8.7 Offeror. Notwithstanding the above, nothing herein shall prohibit a Member from accepting a bona fide employment or consulting agreement with any purchaser or the Company even if not offered to other Members. The Members shall execute and deliver all such instruments of conveyance, transfer and approval, and take all such other action, including executing any purchase agreements, assignments, or other documents related to such transaction as the acquirer may reasonably require in order to carry out the terms and provisions of this Section. Each Member hereby waives any right to dissenters rights that may be provided by state law in connection with a Section 8.7 Offer.

8.8 Schedule of Units. The Manager shall promptly amend Schedule 1 to reflect any Transfer of any Units under this Section 8.

8.9 Insurance. The Company may insure the life of any Member, naming itself as beneficiary. The Company shall be the sole owner of any such insurance policy issued to it and may apply any dividends paid on such policy to premiums owing on the policy. In the event of the death of a Member, the Company shall be obligated to apply any life insurance proceeds it receives as a result of the death of the decedent Member, up to the Purchase Price, to the purchase of the decedent Member's Units. Any insurance proceeds in excess of the Purchase Price for the decedent Member's Units shall be an asset of the Company. Any life insurance policy owned by the Company on the life of a Member may be purchased by the Member for the net cash surrender value of the policy at the time that the Member ceases to be a Member and is

no longer a Unit Holder.

9. Limited Liability and Indemnification

9.1 Limited Liability to Third Parties. The Company's debts, obligations, and liabilities are only the Company's. Except as this Agreement or the Act states otherwise, no Member (as Member) or Manager (as Manager) is personally liable for any such debt, obligation, or liability of the Company.

9.2 Limited Liability to the Company and its Members. Except as otherwise set forth herein, no Member or Manager is personally liable to the Company, the Members, or any other Person bound by this Agreement for any conduct by the Member (as Member) or Manager (as Manager) unless the conduct (1) involves intentional misconduct or a knowing violation of law; (2) violates Section 6.3 on distributions; (3) violates the implied contractual duty of good faith and fair dealing; or (4) was not reasonably believed to be within the scope of authority granted to the Member or Manager under this Agreement.

10. Accounting and Records

10.1 Accounting Method; Tax Method. The Manager shall determine (1) the financial accounting method for keeping the Company's records; and (2) the Company's tax accounting method under the Code for federal income tax purposes.

10.2 Accounting Year; Tax Year. The Company's accounting period is the Fiscal Year unless the Manager determines otherwise. The Company's tax year for federal income tax purposes is the Fiscal Year unless the Manager determines otherwise in accordance with the Code.

10.3 Tax Returns. In accordance with the Code (and any other applicable law), the Company shall prepare and timely file all tax and information returns that the Code (and any other applicable law) requires the Company to file. The Company shall furnish a copy of any such return—or pertinent information from the return (including Schedule K-1 to IRS Form 1120S, if applicable)—to each Member within sixty (60) calendar days after the end of each Fiscal Year (or other applicable period) for which the Company was required to file the return.

10.4 Tax Elections. The Manager has sole discretion to make any elections for federal, state, and local tax purposes, including any election to extend the statute of limitations for assessment of tax deficiencies against Members with respect to adjustments to the Company's federal, state, or local tax returns.

10.5 Financial Statements. Within ninety (90) calendar days after the end of each Fiscal Year, and in accordance with generally accepted accounting principles, as modified by the Company in accordance with it standard practice, shall prepare financial statements (or cause such statements to be prepared).

10.6 Company Records. At its expense, the Company shall maintain reasonable records and accounts of all Company operations and expenditures. At a minimum, the Company

shall keep the following records at its principal office:

(1) copies of the Certificate (and all amendments to it), this Agreement (and all amendments to it), any filed articles of conversion or merger, and any certificate of dissolution or of revocation of dissolution; and

(2) copies of the three (3) most recent years of (A) the Company's federal, state, and local tax returns and reports, if any; (B) the Company's financial statements; (C) the Company's annual reports delivered to the Washington Secretary of State; (D) minutes of every meeting of the Managers or Members; and (E) any written consents of the Managers or Members for actions taken without a meeting.

If the Company receives a Person's written request to inspect and copy Company records, the Company shall make records available to the Person for inspection and copying in accordance with RCW 25.15.136, except that the Company will have twenty (20) business days after receiving the request to make the records available. Before making the records available to the Person, the Company may require the Person to sign a reasonable nondisclosure and confidentiality agreement regarding the information in the records. The Company may charge the Person reasonable costs of copying.

10.7 Tax Representative.

(a) **Designation.** The Manager or if the Manager is not able to serve, then the Person selected by the Manager, shall represent the Company in all tax matters.

(b) **Returns and Elections.** The Manager shall cause the preparation and timely filing of all tax and information returns required to be filed by the Company pursuant to the Code and all other tax and information returns deemed necessary and required in each jurisdiction in which the Company does business. Copies of such returns, or pertinent information therefrom, shall be furnished to the Unit Holders within a reasonable time after the end of the Company's Fiscal Year. Except as otherwise expressly provided to the contrary in this Agreement, all elections permitted to be made by the Company under federal or state laws shall be made, or revoked, by the Manager in his or its sole discretion. Each of the Unit Holders shall, upon request, supply the Manager with any information necessary to properly give effect to any such elections.

11. Restrictive Covenants.

11.1 Independent Activities of Members. Except as otherwise set forth in this Section 11, the Members, may engage in or possess an interest in other business ventures, of every nature and description, independently or with others, and neither the Company nor any of the Members shall have any right by virtue of this Agreement in and to such independent ventures or to the income or profits therefrom.

11.2 Nondisclosure. No Unit Holder shall, at any time (even if no longer a Unit Holder), directly or indirectly, disclose any confidential or proprietary information, of any of the Affiliated Companies for any reason, to any person, firm, corporation, partnership, limited liability company, association or other entity, except in the ordinary course of the Company's business, nor shall any Unit Holder, directly or indirectly, make use of any confidential or proprietary information of the

Company for such Unit Holder's own purpose or for the benefit of any person, firm, corporation, partnership, limited liability company, association or other entity, except in the ordinary course of the Company's business. The Unit Holders acknowledge that the Company would be irreparably harmed if confidential or proprietary information were disclosed to or utilized on behalf of others in a "competing business" (defined in Section 11.3) Business. The term "confidential or proprietary information" shall mean all information concerning the Company, except such information which (i) is or later becomes generally available to the public through no fault of the Unit Holder; (ii) was previously and independently known to the person, firm, corporation, partnership, limited liability company, association or other entity to which such information was disclosed by a Unit Holder and was not otherwise subject to a confidentiality obligation; or (iii) is required by law, governmental order or decree to be disclosed by a Unit Holder.

11.3 Nonsolicitation. While a Member and for a period of eighteen (18) months after such Unit Holder is no longer a Unit Holder of the Company, a Unit Holder shall not recruit any Company (or any Company Affiliate) employees, or customers to be employees, associates, customers, partners or participants in any "competing business" established, owned, operated, managed or participated in by that Unit Holder. A Unit Holder shall not, directly or indirectly, interfere with, circumvent, by-pass, or obviate the Company's (or any Company Affiliate's) relationship with its employees, customers, vendors, and clients. For purposes of the foregoing, a "competing business" means any business which provides services or products similar to the services or products provided by the Company, including but not limited to providing pain care and pain management services, including related laboratory services.

11.4 Noncompetition. For the purpose of protecting the Company's legitimate business interests, during the period that a Unit Holder is a Unit Holder of the Company, and for a period of eighteen (18) months after such Unit Holder is no longer a Unit Holder of the Company (the "Restricted Period"), the Unit Holder shall not Compete with the Company. "Compete" means to directly or indirectly solicit or perform the same or similar services or sell any similar services or products in a Competitive Business, including without limitation as a proprietor, member, partner, investor, shareholder, director, officer, employee, consultant, or independent contractor within ten (10) miles of any Affiliated Company office where such Unit Holder provided services in the last twelve months as a Unit Holder of the Company, or as an employee of any Affiliate of the Company (or Anesis Spine and Pain Care, Inc., Anesis Bel-Red ASC, LLC, or any of their respective Affiliates). "Competitive Business" means any business similar to the services or products provided by the Company, including but not limited to providing pain care and pain management services, including related laboratory services. The passive investment in, and becoming a shareholder of, a publicly traded company engaged in a Competitive Business shall not constitute a violation of the provisions of this Section.

11.5 Equitable Remedies. The parties acknowledge that a breach of this Section 11, may not be adequately remedied by money damages. Accordingly, in the event of a breach of this Section 11, the nonbreaching party shall have available any and all equitable remedies, including the remedies of injunctive relief and specific performance, in addition to any and all other remedies available at law.

11.6 Savings Clause. Each Unit Holder acknowledges that the provisions of this Section 11 will not unduly restrict such Unit Holder from earning a livelihood following the termination of

his/her status as a Unit Holder. Each Unit Holder also acknowledges and agrees that the provisions of this Section 11 are reasonable in geographic scope and duration and are necessary to protect the Company's (and any Company Affiliate's) proprietary interest. Additionally, if any provision of this Section 11 is found by a court of competent jurisdiction to be unenforceable or too broad, the parties hereto instruct the court to reform such a provision to comply with the maximum restriction then permitted by applicable law.

11.7 Commitment to Practice. Each Member shall exercise his/her best efforts to maintain a medical practice with the Company. While a Member, the Members shall not undertake other professional medical services (e.g., locum tenens, consulting, teaching, etc.) for any third party without first obtaining the prior written consent of the Company, which consent shall not unreasonably withheld.

12. Expulsion. Any Unit Holder may be expelled from the Company pursuant to an affirmative Majority Vote of the Class A Members. The Company shall be obligated to purchase the Units held by the expelled Unit Holder at the price and according to the terms set forth in Sections 8.5(a) and 8.5(d).

13. Miscellaneous

13.1 Notices. All notices, consents, or other communications required or permitted to be given to any Person under this Agreement must be in writing and must be addressed to the Person at the Person's address, email, or fax number as designated on Schedule 1 or as the Person designates otherwise in a notice that Person gives to the Company. Any such notice, consent, or other communication will be deemed given as follows:

(1) if given by personal delivery, certified or registered mail (return receipt requested), or express courier or delivery service, then when received (or, if delivery is refused, then when delivery is first attempted);

(2) if given by fax or email, then when sent (and the sending party receives confirmation of transmission); or

(3) if given by first-class mail, then five (5) business days after the date of mailing.

13.2 Waiver of Notice. If any Person entitled to receive any notice signs a written waiver of the notice before, at, or after the date and time the notice is to be given, the written waiver will be equivalent to timely giving the notice to the Person. If any Person who is entitled to receive notice of a meeting attends the meeting, that Person's attendance waives any requirement that notice of the meeting be given to the Person, unless when the meeting begins that Person objects to holding the meeting or transacting business at the meeting and does not subsequently vote for or assent to any action taken at the meeting.

13.3 Dispute Resolution. Each party to this Agreement contemplates that the parties' respective interests will be best served if the parties work together to resolve any dispute that arises out of or relates to this Agreement (any such dispute, a "**Dispute**"). Accordingly, the parties shall resolve any Dispute in accordance with the procedures set forth below.

(a) **Negotiations**. The parties shall promptly and in good faith attempt to

resolve any Dispute by negotiation. Any party may give any other party written notice of any Dispute between them. Within ten (10) calendar days after such notice is given, the party receiving the notice shall give a written response to the party that gave the notice. Each notice of a Dispute and each response to any such notice must include (1) a description of the Dispute, (2) a statement of the party's position on the Dispute, (3) a summary of arguments supporting that position, and (4) the name of the Person who will represent the party and who has authority to resolve the Dispute in the negotiations. Within twenty (20) calendar days after notice of a Dispute is given, the Persons designated to represent the parties to the Dispute will meet at a mutually acceptable time and place—and will meet thereafter as often as such Persons reasonably deem necessary—to attempt to resolve the Dispute. If the Dispute is not resolved within forty-five (45) calendar days after notice of the Dispute is given, then any party to the Dispute may instigate arbitration by giving written notice to the other party that the Dispute will be resolved by arbitration.

(b) **Arbitration**. If any party to a Dispute gives timely written notice that the Dispute will be resolved by arbitration, then the Dispute shall be settled by arbitration by, and in accordance with the rules of commercial arbitration of, Judicial Dispute Resolution, Inc. ("JDR") in Seattle, Washington, and the parties to the Dispute shall submit the Dispute to a commercial arbitrator on whom the parties agree. If the parties do not agree on an arbitrator within fifteen (15) calendar days after the notice of arbitration is given, each party shall choose an arbitrator within the next ten (10) calendar days. If any party fails to timely choose an arbitrator, that party will be deemed to have waived any right to choose an arbitrator. The arbitrator or arbitrators that are timely chosen by one (1) or more of the parties will then choose a final arbitrator who will serve as the arbitrator to resolve the Dispute. If a final arbitrator is not chosen within sixty (60) calendar days after the notice of arbitration is given, JDR will choose a final arbitrator who will arbitrate the matter. No arbitrator chosen under this Section 13.3(b) can be related to any party or can be any party's agent, attorney, accountant, or financial advisor. The final arbitrator's decision will be final and binding on the parties, and no party may appeal or re-litigate that decision, absent fraud or manifest error. The parties to the arbitration shall pay the costs of arbitration between them equally or as the final arbitrator otherwise determines.

(c) **Injunctive Relief; Specific Performance**. Each party to this Agreement acknowledges that the other parties would be harmed if that party failed to comply with this Agreement, and that any remedy at law to compensate the other parties for any such failure would be inadequate. Therefore, in addition to any other rights and remedies that each party may have, each party may obtain from any court of competent jurisdiction injunctive relief to restrain any other party's actual or threatened failure to comply with this Agreement, or to enforce specific performance of any other party's obligations under this Agreement.

13.4 Attorney Fees; Jurisdiction; Venue. If any party commences any proceeding to enforce or interpret this Agreement, at law or in equity or in any arbitration, the prevailing party will be entitled to recover from the non-prevailing party the expenses of maintaining the proceeding. Among other things, such expenses include reasonable attorney fees incurred before the proceeding is commenced; before, during, and after any trial; and on any appeal and in any bankruptcy or insolvency proceeding. In any proceeding relating to this Agreement, each party shall submit to the jurisdiction of (1) the United States District Court for the Western District of the State of Washington, (2) any court of the State of Washington located in the county where the Company's principal office is located, and (3) any appellate court of any court identified in clause

(1) or (2) of this sentence. The venue of any proceeding relating to this Agreement will be in the county of the State of Washington where the Company's principal office is located.

13.5 Amendment. This Agreement cannot be amended by oral agreement. The Certificate and this Agreement may be amended, restated, or otherwise modified only by a written document that at least one (1) Manager and Members holding Class A Units adequate to constitute a Supermajority Vote of the Members have signed. Any agreement among the Members must be in writing. The Manager, however, may make the following amendments without the Members' consent: (1) any amendment to Schedule 1 to reflect the issuance of any Units, Transfer of any Units, or admittance of a Member; and (2) any amendment to this Agreement and the Certificate to reflect a change in the Company's principal office or registered agent.

13.6 Course of Dealing. No course of dealing by or between Members, Managers, or the Company will modify, amend, waive, or terminate any provision of this Agreement or any of the rights or obligations of the Company, any Member, or any Manager under this Agreement. The failure of any Person to seek redress for violation of or to insist upon the strict performance of any covenant or condition of this Agreement shall not prevent a subsequent act, which would have originally constituted a violation, from having the effect of an original violation.

13.7 Complete Agreement. This Agreement contains the complete and exclusive agreement among the parties with respect to the subject matter of this Agreement. This Agreement supersedes all prior understandings, promises, agreements, and representations—whether written or oral—by or among the parties with respect to the subject matter of this Agreement.

13.8 Construction. The headings of the Sections and other divisions of this Agreement are included for convenience of reference only and will not limit or affect in any way the construction or interpretation of any terms of this Agreement. Unless expressly stated otherwise, references in this Agreement to "Sections", "Exhibits", and "Schedules" are references to the corresponding sections of, and the exhibits and schedules attached to, this Agreement. Each exhibit and schedule attached to this Agreement is by this reference incorporated in this Agreement.

13.9 Severability. If any court of competent jurisdiction holds any term of this Agreement invalid or unenforceable, the remaining terms of this Agreement will remain in full effect. Any term of this Agreement that is held invalid or unenforceable only in part or only in degree will remain in full effect to the extent not held invalid or unenforceable.

13.10 Further Assurances. Each party shall, from time to time, complete, sign, and deliver documents, instruments, and writings (including statements of interests and holdings, designations, and powers of attorney), as are necessary to carry out any of the terms of this Agreement or to enable the Company to comply with applicable rules and Regulations.

13.11 Successors; Third-Party Rights. Except as this Agreement permits with respect to the parties and their respective heirs, successors, and assigns, nothing expressed or referred to in this Agreement is to be construed to give any Person (including any creditor) any legal or equitable right, remedy, or claim under or with respect to this Agreement. Each of the covenants, terms, provisions, and agreements herein contained shall be binding upon and inure to the benefit of the

parties hereto and, to the extent permitted by this Agreement, their respective heirs, legal representatives, successors and assigns.

13.12 Counterparts. The parties may sign this Agreement in one or more counterparts, each of which is an original, and all of which together constitute only one (1) agreement between the parties. Delivery of a signed counterpart page of this Agreement by fax, email in portable document format (.pdf), by an electronic signature service or any other electronic means that preserves the original appearance of a document, has the same effect as delivery of a signed original of this Agreement.

13.13 Consultation with Counsel. Each party has had the opportunity to have this Agreement reviewed by attorneys and other professional advisors of that party's choice. Each party either has consulted with attorneys and other professional advisors before signing this Agreement or has voluntarily chosen to not consult with attorneys and other professional advisors before signing this Agreement. This Agreement shall be given a fair and reasonable interpretation in accordance with its words, without consideration to or weight given to its being drafted by any party or its counsel.

13.14 Governing Law. Washington State internal laws governs: this Agreement; the Company's internal affairs; and the liability of a Member as Member and a Manager as Manager for the debts, obligations, or other liabilities of the Company.

13.15 Corporate Transparency Act Compliance. The Members and the Company acknowledge that pursuant to the Corporate Transparency Act, 31 U.S.C. 5336 and related regulations (the "CTA") that the Company may be obligated to provide the Financial Crimes Enforcement Network of the U.S. Treasury Department with certain beneficial ownership information with regard to the Company, its owners and persons exercising substantial control. The Members and Managers agree to provide the Company all information (including personal identifying information) necessary to comply with the CTA as the Company may request from time to time, including any needed updates due to change in the Company's size, status, governance, or capitalization. The failure of any Member or Manager to provide requested information may cause the Company to be penalized. Any Member or Manager not supplying the requested information shall indemnify, defend and hold harmless the Company and its other Members and Managers from all damages and penalties (including attorney's fees and costs) arising from such failure to comply.**Investment Representations.** The Units have not been registered under the Securities Act of 1933, the Securities Act of Washington or any other state securities laws (collectively, the "Securities Acts"), because the Company is issuing the Units in reliance upon the exemptions from the registration requirements of the Securities Acts, and the Company is relying upon the fact that the Units are to be held by each Unit Holder for investment. Accordingly, each Unit Holder hereby confirms the Units have been acquired for such Unit Holder's own account, for investment and not with a view to the resale or distribution thereof and may not be offered or sold to anyone unless there is an effective registration or other qualification relating thereto under all applicable Securities Acts or unless such Unit Holder delivers to the Company an opinion of counsel, satisfactory to the Company, that such registration or other qualification is not required. The Unit Holders understand that the Company is under no obligation to register the Units or to assist any Unit Holder in complying with any exemption from registration under the Securities Acts

13.17 Admission of Additional Members. The Company shall have the right to admit additional Members to the Company by the Supermajority Vote of the Members as provided in this Agreement, and upon such additional Member's execution of a counterpart to this Agreement. The capital contribution to be made by the additional Member shall be as determined by the Managers in their discretion. Each Member must be an Eligible Professional.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates written below to be effective as of the date first specified above.

Members:

ADAM R. BURKEY, M.D. Date: 1-22-24

CAROLINE HARSTROEM, M.D. Date: 1/15/24

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates written below to be effective as of the date first specified above.

Members:

_____ Date: _____
ADAM R. BURKEY, M.D.

_____ Date: _____
CAROLINE HARSTROEM, M.D.

Schedule 1

Member	Total Contributed Capital	Units Issued	Percentage Interest
Adam R. Burkey, M.D.	$ 1,000	4500 Class A Units	75%
Caroline Harstroem, M.D.	$50,000	1500 Class A Units	25%

Member contact information:

Adam R. Burkey, M.D.

Address: _____
Phone: _____
Email: _____

Caroline Harstroem, M.D.

Address: _____
Phone: _____
Email: _____

Schedule 2

In this Agreement, the following definitions apply:

"**Act**" means the Washington Limited Liability Company Act, chapter 25.15 RCW, or any corresponding provisions of succeeding law, as amended.

"**Affiliate**" means, with respect to any Person, (A) any other Person directly or indirectly controlling, controlled by, or under common control with the Person; (B) any officer, director, manager, or general partner of the Person; or (C) any other Person who is an officer, director, manager, general partner, or trustee of any Person described in clause (A) or (B) of this sentence. For purposes of this definition, terms like "controls," "is controlled by," or "is under common control with" refer to directly or indirectly possessing power to direct—or to cause to be directed—the management and policies of a Person, whether by the ownership of voting securities, by contract, or otherwise.

"**Affiliated Companies**" means Anesis Spine and Pain Care, Inc., Anesis Bel-Red ASC, LLC, the Company, and any of their respective Affiliates. Any single one of these entities is an "**Affiliated Company.**"

"**Code**" means the Internal Revenue Code of 1986—or any corresponding provisions of succeeding law—as amended.

"**Company**" means Pain Care Physicians, PLLC, a Washington professional limited liability company.

"**Company Property**" means property—whether real, personal, or mixed, and whether tangible or intangible—in which the Company has any ownership interest.

"**Dissolution Event**" has the meaning set forth in Section 7.1.

"**Distributable Cash**" means all cash received by the Company, less the sum of the following, to the extent paid or set aside by the Company: (i) all principal and interest payments on indebtedness of the Company and other sums paid or payable to lenders; (ii) all cash expenditures incurred incident to the normal operation of the Company's business, which shall include payment of employee compensation, and professional malpractice premiums of Members and employees; and (iii) Reserves.

"**Eligible Professional**" means a licensed healthcare professional pursuant to one of the licensing chapters set forth in RCW 18.100.050(5)(a).

"**Fiscal Year**" means any of the following periods for the Company: (A) the period starting on the Filing Date and ending on December 31 of that same year; (B) any subsequent 12-month period starting on January 1 and ending on December 31 of that same year; or (C) any portion of a period described in clauses (A) or (B) of this definition for which the Company is required to allocate Profits, Losses, and other items of Company income, gain, loss, or deduction under Section 5.

"**Manager**" means a Person serving as a Manager in accordance with Section 2. If the Company has multiple Managers, "the Manager" means the Managers, and "a Manager" means any Manager.

"**Member**" means a Person holding any part of one (1) or more Units who has been admitted as a Member of the Company, and who has not ceased to be a Member under this Agreement.

"**Majority Vote**" with respect to any group of Members entitled to vote on a matter means the affirmative vote, consent, or approval of the Members of such group holding more than half of the total number of Units that all the Members of that group hold. In the event of a tie vote, the Vote of the Manager shall determine the outcome of the Vote. Notwithstanding the above, in the event of a vote for expulsion pursuant to Section 12, "Majority Vote" must include the affirmative vote of the Manager, if a Member, to expel. "Majority Vote" of the Managers means the affirmative vote, consent, or approval of a majority of the Managers by number without considering any Units owned by any Manager (that is, each Manager will have one vote).

"**Member Units Control Agreement**" means that Member Units Control Agreement effective November 1, 2016 between Adam Burkey, M.D. (or any Designee successor, as defined therein), the Company, and Anesis Spine and Pain Care, Inc., as such agreement may be amended from time to time.

"**Percentage Interest**" means, with respect to any Unit Holder, the percentage determined based upon the ratio that the number of Units held by such Unit Holder bears to the total number of outstanding Units.

"**Permanent Disability**" means a Member's inability by reason of accident or illness (including mental illness or substance abuse) to provide professional medical services on a full-time basis if the Member is not expected to be able to do so (i) within one hundred-eighty (180) days from the commencement of the disability; or (ii) for more than one hundred-eighty (180) days in any consecutive twelve (12) month period as a result of the same disability. If at any time a Member claims or is claimed to be permanently disabled, a physician ("Examining Physician") acceptable to the Member or his or her personal representative and the Company (which acceptances shall not be unreasonably conditioned or withheld) shall be retained by the Company and shall examine the Member. The Member shall cooperate fully with Examining Physician. If Examining Physician determines that the Member is permanently disabled, Examining Physician shall deliver to the Company a certificate certifying both that Member is permanently disabled and the date upon which the permanent disability commenced. The determination of Examining Physician shall be conclusive.

"**Person**" means any individual, partnership, limited liability company, trust, estate, association, corporation, governmental body, or other juridical being; and includes the heirs, legal representatives, successors, and assigns of any such individual or entity where the context permits.

"**Profits**" or "**Losses**" mean, for each taxable year or other period, shall be an amount equal to the Company's taxable income or loss for such period, determined in accordance with Code Sections 1363 and 1366 (for this purpose, all items of income, gain, loss or deduction required to be stated separately pursuant to Code Sections 1363 and 1366 shall be included in taxable income or loss),

with the following adjustments:

(A) Any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Profits or Losses shall be added to such taxable income or loss; and

(B) Any expenditures of the Company described in Code Section 1367(a)(2)(D), and not otherwise taken into account in computing Profits or Losses, shall be subtracted from such taxable income or loss.

"**Regulations**" includes proposed, temporary, and final Treasury Regulations promulgated under the Code and the corresponding sections of any regulations subsequently issued that amend or supersede such regulations.

"**Reserves**" means, with respect to any fiscal period, funds set aside or amounts allocated during such period to reserves which shall be maintained in amounts deemed sufficient by the Managers for working capital and to pay taxes, insurance, debt service or other costs or expenses incident to the ownership or operation of the Company's business, and shall also include asset sale proceeds dedicated to use in a federal income tax qualified deferred exchange.

"**Sale of the Company**" has the meaning set forth in Section 8.7.

"**Supermajority Vote**" with respect to any group of Members holding Class or Classes of Units that entitle such group of Members to vote on a matter means (i) the affirmative vote, consent, or approval of such group of Members holding two-thirds or more of the total number of Class or Classes of Units that entitle such group to vote, and (ii) to include the affirmative vote of the Manager, if a Member. "Supermajority Vote" of the Managers means the affirmative vote, consent, or approval of two-thirds or more of the Managers by number without considering any Units owned by any Manager (that is, each Manager will have one vote).

"**Total Contributed Capital**" means the total value in cash and property contributed by a Member in consideration for Units purchased from the Company and outstanding as of the time of determination, including any amounts paid in as additional capital contributions pursuant to Section 4.3, and without regard to any amounts distributed to the Member.

"**Transfer,**" and any derivative of that term, means any voluntary or involuntary transfer by a Member—whether by operation of law or otherwise—of all or any part of one (1) or more Units. The following are examples of events from which a Transfer may result: (A) any sale, exchange, transfer, assignment, hypothecation, pledge, gift; (B) a Member's or other Unit Holder's bankruptcy or insolvency; (C) the commencement with respect to a Member or other Unit holder of a voluntary or involuntary proceeding in bankruptcy, insolvency, receivership, or other similar law now or later in effect; or of an action to appoint a trustee, receiver, or similar Person; in a court of competent jurisdiction that continues for 90 calendar days without dismissal or without entry of any arrangement, composition, or reorganization for the benefit of creditors; (D) marital dissolution of a Member's marriage where Units are awarded to the Members former spouse or partner; or (E) death of a Member.

"**Treasury Regulations**" means federal income tax regulations (including temporary regulations)

promulgated under the Code—and corresponding provisions of succeeding regulations—as amended.

"**Unit**" means a unit of economic interest in the Company representing the right to share in and receive allocations in accordance with Section 5 and to receive distributions in accordance with Section 6 and Section 7.

"**Unit Holder**" means a Person holding any part of one (1) or more Units who may have been admitted as a Member of the Company or who may have ceased to be a Member or was not admitted as a Member under this Agreement.

EXHIBIT A
INCAPACITY CERTIFICATE
REGARDING ADAM R. BURKEY, M.D.

_____ hereby certifies:

1. I am an individual named in Section 2.5 of the Pain Care Physicians, PLLC Professional Limited Liability Company Agreement;

2. Adam R. Burkey, M.D.'s medical condition is such that that he is objectively incapable of managing his own property and affairs effectively and is incapacitated due to his physical and mental condition;

I certify (or declare) under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

Signed this _____ day of _____, 20__ at _____(City), Washington.

_____

STATE OF WASHINGTON)
) ss.
COUNTY OF _____)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that s/he signed this instrument and acknowledged it to be his or her free and voluntary act for the uses and purposes mentioned in the instrument.

Dated _____, 20__.

_____
NOTARY PUBLIC in and for the State of Washington
Printed Name: _____
My appointment expires: _____

(Stamp/seal)

EXHIBIT B
SPOUSAL/DOMESTIC PARTNER CONSENT

I acknowledge that I have read the foregoing Professional Limited Liability Company Agreement of Pain Care Physicians, PLLC (the "Agreement"), and that I know its contents. I am aware that by its provisions my spouse or domestic partner agrees to sell all his/her interest, of any form, in Pain Care Physicians, PLLC upon the occurrence of certain events. I hereby consent to the sale, approve of the provisions of this Agreement, and agree that that interest is subject to the provisions of this Agreement and that I will take no action at any time to hinder operation of this Agreement on that interest.

Further, in the event of dissolution of my marriage or domestic partnership or such other event which necessitates the division of property in which I have an interest, either by direct application of the law of community property or through application of community property principles, I will assert no right, claim or other entitlement to the interest of my spouse or domestic partner in Pain Care Physicians, PLLC so that full ownership of the interest therein shall thereafter remain with my spouse or domestic partner as his/her separate property, notwithstanding that it may be subject to valuation for the purpose of achieving a fair and equitable division of our community property, or the property acquired during our meretricious relationship.

I further acknowledge that I have had an opportunity to ask any and all questions concerning the foregoing Agreement and that I have had an opportunity to consult with counsel, if desired, concerning my rights and obligations.

Signature:_____

Print Name:_____

Spouse/Registered Domestic Partner of:

_____