

(ii) 1. Contracts or business relationships that are in existence on or before April 1, 1993 that would constitute a beneficial interest of, or a compensation arrangement with, a board member under subparagraph (i) of this paragraph may remain in existence until the end of that board member's existing term.

2. If a board member is reappointed to a subsequent term, a contract or business relationship exempted under subparagraph (ii)1 of this paragraph may not be continued.

3. A contract or business relationship exempted under subparagraph (ii)1 of this paragraph may not be amended or altered while the board member described under that paragraph remains on the board.

(iii) Nothing in this section may be construed to prohibit a hospital officer, director, or administrator, or a health care practitioner licensed under the Health Occupations Article from serving on the board.

(iv) For the purposes of this paragraph, "compensation" does not include compensation of less than \$500 in any calendar year.]

(4) A NONPROFIT HEALTH SERVICE PLAN INCORPORATED IN THIS STATE UNDER THIS SUBTITLE SHALL BE SUBJECT TO THE PROVISIONS OF § 2-419 OF THE CORPORATIONS AND ASSOCIATIONS ARTICLE.

~~(4) (I) SUBJECT TO THE PROVISIONS OF THIS PARAGRAPH, A CONTRACT OR OTHER TRANSACTION BETWEEN A NONPROFIT HEALTH SERVICE PLAN AND ANY OF ITS BOARD MEMBERS, OR BETWEEN A NONPROFIT HEALTH SERVICE PLAN AND ANY OTHER CORPORATION, FIRM, OR ENTITY IN WHICH ANY BOARD MEMBER IS A DIRECTOR OR HAS A MATERIAL FINANCIAL INTEREST, IS NOT VOID OR VOIDABLE SOLELY BECAUSE OF:~~

~~1. THE COMMON DIRECTORSHIP OR THE FINANCIAL INTEREST OF THE BOARD MEMBER;~~

~~2. THE PRESENCE OF THE BOARD MEMBER AT THE MEETING OF THE BOARD DURING WHICH THE CONTRACT OR TRANSACTION IS AUTHORIZED, APPROVED, OR RATIFIED; OR~~

~~3. THE COUNTING OF THE VOTE OF THE BOARD MEMBER FOR THE AUTHORIZATION, APPROVAL, OR RATIFICATION OF THE CONTRACT OR TRANSACTION.~~

~~(H) A CONTRACT OR TRANSACTION IS NOT VOID OR VOIDABLE UNDER THE PROVISION OF THIS PARAGRAPH IF:~~

~~1. THE FACT OF THE COMMON DIRECTORSHIP OR FINANCIAL INTEREST OF THE BOARD MEMBER IS DISCLOSED OR KNOWN TO THE BOARD;~~

~~2. THE BOARD AUTHORIZES, APPROVES, OR RATIFIES THE CONTRACT OR TRANSACTION BY THE AFFIRMATIVE VOTE OF A MAJORITY OF~~