

Exhibit E

HAWAII RESIDENCY PROGRAMS, INC. **REQUIREMENT FOR SUCCESSFUL COMPLETION OF USMLE STEP** **III and COMLEX III**

A: Residents who will not have completed their second year by July 1, 2004

These requirements will be effective **July 1, 2004**, and will apply to all Residents commencing or continuing training on or after that date except those Residents who will have completed their second or subsequent year prior to that date. (For Residents excepted in this later category, a modified requirement is set forth in Part B. below.)

For all Residents in this category, Hawaii Residency Programs, Inc. and each of its Residency Programs require that each such Resident provide evidence of having taken and successfully passed the USMLE Step III or COMLEX III not later than December 31 of his/her second year of residency training.

In the event that a Resident fails to demonstrate by that date that he/she has successfully passed the USMLE Step III or COMLEX III, the Resident will not receive a Certificate of Completion for the second year, and will not be eligible for Appointment Agreement renewal or extension in any HRP Program.

Commencing immediately, each Resident currently employed by HRP will be informed of this requirement by letter. New Residents employed prior to July 1, 2004, will also be so informed by letter. In addition, the requirement shall be contained in all agreements issued after July 1, 2003.

To ensure compliance with this requirement, Level 2 Residents must demonstrate not later than August 1 of their second year that he/she has applied for the USMLE Step III or COMLEX III to be administered in sufficient time to receive notice of results by December 31 of the same year. Residents are encouraged to apply for earlier examinations in order to permit subsequent efforts in the event of non-pass.

For Residents who are off-cycle, such Residents must apply within 30 days of commencement of Level 2 training.

Exceptions to this policy will be permitted only in cases in which a Resident's Level 2 training is interrupted by statutorily required leaves of absence from training. Such exceptions shall not be granted to excuse the requirement to pass the USMLE Step III or COMLEX III. Rather, an exception shall merely allow the Resident such additional time as he/she was in a statutorily mandated absence status and then only if he/she received an extension of the Appointment Agreement to compensate for such period of statutorily required absence.

B: Residents who will have completed their second or subsequent year by July 1, 2004

These requirements will be effective **July 1, 2004**, and will apply to those Residents commencing or continuing their third or subsequent year of training on or before July 1, 2004. (For individuals who have not completed their second or subsequent year by that date, a different requirement is set forth in Part A. above.)

For all Residents in this category, Hawaii Residency Programs, Inc. and each of its Residency Programs require that each such Resident provide evidence of having taken and successfully passed the USMLE Step III or COMLEX III not later than December 31, 2004.

In the event that a Resident fails to demonstrate by that date that he/she has successfully passed the USMLE Step III or COMLEX III, the Resident will not receive a Certificate of Completion for the training year in which the Resident is engaged as of December 31, 2004, and will not be eligible for Appointment Agreement renewal or extension in any HRP Program.

Commencing immediately, each Resident currently employed by HRP will be informed of this requirement by letter. New Residents employed prior to July 1, 2004, will also be so informed by letter. In addition, the requirement shall be contained in all Level 2 and above agreements.

To ensure compliance with this requirement, Level 3 and above Residents must demonstrate not later than August 1, 2004, that he/she has applied for the USMLE

Step III or COMLEX III to be administered in sufficient time to receive notice of results by December 31, 2004. Residents are encouraged to apply for earlier examinations in order to permit subsequent efforts in the event of non-pass.

For Residents who are off-cycle, such Residents must apply within 30 days of commencement of Level 3 training. An earlier application is strongly encouraged.

Exceptions to this policy will be permitted only in cases in which a Resident's Level 3 training is interrupted by statutorily required leaves of absence from training. Such exceptions shall not be granted to excuse the requirement to pass the USMLE Step III or COMLEX III. Rather, an exception shall merely allow the Resident such additional time as he/she was in a statutorily mandated absence status and then only if he/she received an extension of the Appointment Agreement to compensate for such period of statutorily required absence.

I have read, understood, and agree to be bound by this Policy. I understand that any exception to this Policy can only be granted by the Program Director and must be in writing.

Hawaii Residency Programs, Inc.

Resident

Date

Date