

COMBINATION AGREEMENT

by and among

DARTMOUTH-HITCHCOCK HEALTH

GRANITEONE HEALTH

CATHOLIC MEDICAL CENTER

CMC HEALTHCARE SYSTEM

ALLIANCE AMBULATORY SERVICES

ALLIANCE HEALTH SERVICES

CATHOLIC MEDICAL CENTER PHYSICIAN PRACTICE ASSOCIATES

HUGGINS HOSPITAL

and

MONADNOCK COMMUNITY HOSPITAL

DATED: September 30, 2019

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COMBINATION AGREEMENT

This COMBINATION AGREEMENT (the “Agreement”) is entered into and made effective as of September 30, 2019 (the “Agreement Date”), by and among **Dartmouth-Hitchcock Health**, a New Hampshire non-profit, voluntary corporation with a principal place of business at One Medical Center Drive, Lebanon, New Hampshire (“D-HH”), and **GraniteOne Health**, a New Hampshire non-profit, voluntary corporation with a principal place of business at 100 McGregor Street, Manchester, New Hampshire (“GOH”), and **CMC Healthcare System**, a New Hampshire non-profit, voluntary corporation with a principal place of business at 100 McGregor Street, Manchester, New Hampshire (“CMCHS”), and **Catholic Medical Center**, a New Hampshire non-profit, voluntary corporation with a principal place of business at 100 McGregor Street, Manchester, New Hampshire (“CMC”), and **Alliance Ambulatory Services**, a New Hampshire non-profit, voluntary corporation with a principal place of business at 100 McGregor Street, Manchester, New Hampshire (“AAS”), **Alliance Health Services**, a New Hampshire non-profit, voluntary corporation with a principal place of business at 100 McGregor Street, Manchester, New Hampshire (“AHS”), **Catholic Medical Center Physician Practice Associates**, a New Hampshire non-profit, voluntary corporation with a principal place of business at 100 McGregor Street, Manchester, New Hampshire (“CMCPPA”), and **Huggins Hospital**, a New Hampshire non-profit, voluntary corporation with a principal place of business at 240 South Main Street, Wolfeboro, New Hampshire (“HH”), and **Monadnock Community Hospital**, a New Hampshire non-profit, voluntary corporation with a principal place of business at 452 Old Street Road, Peterborough, New Hampshire (“MCH”). Each of D-HH, GOH, CMCHS, CMC, AAS, AHS, CMCPPA, HH, and MCH is referred to individually herein as a “Party” and collectively they are referred to as the “Parties.”

RECITALS

A. WHEREAS, D-HH is the coordinating organization of a multi-member, integrated academic health system (the “D-HH System”) that delivers a full spectrum of health care services to the general public of New Hampshire, Vermont and northern New England, and is the sole corporate member of Mary Hitchcock Memorial Hospital and Dartmouth-Hitchcock Clinic, which operate jointly as Dartmouth-Hitchcock (“D-H”). The D-HH System is anchored by Dartmouth Hitchcock Medical Center (“DHMC”) in Lebanon – New Hampshire’s only academic medical center – and comprised of three rural critical access hospitals (“CAHs”), an acute care community hospital, a post-acute and hospice care provider, and multi-specialty community group practices throughout its service area (collectively the “D-HH System Members”), and operates to strengthen and augment its members’ provision of high quality, cost-effective health care, scientific research, and medical education to promote public health and welfare;

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B. WHEREAS, GOH is the supporting organization of a multi-member health care delivery system comprised of CMC, MCH and HH (the “GOH System”). GOH is the sole corporate member of MCH and HH, and the co-member of CMC, along with CMCHS, and operates to support, enhance and expand the breadth, depth and quality of cost-effective health care services available to the communities served by its members;

C. WHEREAS, CMC is an acute care, three-hundred-thirty (330) licensed bed community hospital in Manchester offering a full range of medical and surgical services, including emergency care, obstetrics and gynecology, women’s fertility, breast care, orthopedic care, urology, weight management, gastroenterology, inpatient and outpatient rehabilitation, outpatient behavioral health care, and is a nationally-recognized provider of heart and vascular care at its New England Heart and Vascular Institute (“NEHVI”);

D. WHEREAS, CMCHS is the co-member of CMC together with GOH, and is the sole member of AAS, AHS, and CMCPA (each a “CMCHS Subsidiary” and collectively the “CMCHS Subsidiaries”), and serves as the public juridic person of diocesan right under the Code of Canon Law of the Roman Catholic Church (“Canon Law”), responsible for ensuring CMC’s adherence to the Ethical and Religious Directives for Catholic Health Care Services of the United States Conference of Catholic Bishops (“ERDs”), and is subject to certain powers reserved to the Roman Catholic Bishop of Manchester (the “Bishop”);

E. WHEREAS, AAS owns and operates interests in various ambulatory care facilities, AHS manages the professional services relationship between CMC and D-HC Manchester, and CMCPA employs the physicians who provide health care services to patients of CMC and other facilities within CMCHS;

F. WHEREAS, MCH is a twenty-five (25) bed CAH that provides emergency care; inpatient medical, surgical, orthopedic, and obstetric services; outpatient primary and specialty care services; and behavioral health services to the residents of the Town of Peterborough and surrounding communities. MCH is a participant in the New England Alliance for Health (“NEAH”), wholly owned by Mary Hitchcock Memorial Hospital (“MHMH”), a D-HH System member, and offering services and a collaborative forum for rural health care providers;

G. WHEREAS, HH is a twenty-five (25) bed CAH that provides emergency care, inpatient medical, surgical and orthopedic services, and outpatient primary and specialty care services to the residents of the Town of Wolfeboro and surrounding communities;

H. WHEREAS, D-HH and GOH, and all of the respective members within each of the two systems, share a common commitment to promoting the delivery of high quality, cost-effective health care to the communities of New Hampshire and Vermont served by their members and

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affiliates, and to improving the health of those populations by deploying and coordinating resources to achieve efficient and effective patient management that enables patients to receive care at the most appropriate, convenient and cost-effective sites;

I. WHEREAS, the Parties believe that the combination of the D-HH System and the GOH System described in this Agreement (the “Combination”) will allow them mutually to benefit from each other’s clinical, educational, and technological resources so that, together, they remain at the forefront of patient care, quality assurance, health care technology, information systems, and population health management;

J. WHEREAS, evinced by the numerous successful and durable clinical collaborations between and among them, the Parties recognize the compatibility of their charitable purposes to improve the health and health care of individuals in the communities they serve through education, research and the advancement of clinical practice;

K. WHEREAS, the Parties recognize the commonality of their patient-centered care cultures and, informed in part by organizational culture assessments conducted by D-H and CMC, also recognize the complementary nature of their organizational cultures;

L. WHEREAS, as demonstrated by long-standing clinical affiliations, D-HH has acknowledged and supported CMC’s Catholic identity and adherence to the ERDs, including the acknowledgement of CMC’s value of life;

M. WHEREAS, the Parties envision that the establishment of a bi-regional, more fully integrated health care delivery system centered around the state’s only academic medical center, DHMC, in Lebanon and the GOH high acuity urban community hospital in Manchester will serve better the diverse needs of New Hampshire’s rural and urban communities, including through commitments to reinforce, enhance, and add needed specialty services across the Parties’ rural service areas and to address the complex needs of more urban populations in Greater Manchester and southern New Hampshire, including the acute need for substance use disorder treatment and behavioral health care;

N. WHEREAS, with the advice of experienced consultants and counsel, the Parties have analyzed their respective strategic options and have worked collaboratively to negotiate the myriad issues involved in creating a financially, administratively and clinically integrated health care delivery system;

O. WHEREAS, D-HH and GOH entered into a non-binding Letter of Intent dated January 23, 2019, and now wish to make a specific and binding commitment to develop a combined health care system comprised of the components of the D-HH System and GOH System (as combined,

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the “System”), and for D-HH, MCH and HH to reconstitute a coordinating organization which will preserve the Parties’ local identities, cultures, and traditions, and to which CMC will subsequently be joined; and

P. WHEREAS, the Parties wish to set forth the complete terms, conditions, and steps required to implement the Combination and to govern their relationships following integration, and to state their commitment to the Combination subject to: (i) further due diligence; (ii) appropriate review by regulatory authorities; and (iii) any mutually acceptable modifications resulting from such further due diligence, regulatory review, and public input received pursuant to the process required by New Hampshire RSA 7:19-b.

NOW THEREFORE, in consideration of the foregoing premises and the mutual promises and covenants contained in this Agreement, and for other good and valuable consideration received, the Parties hereby agree as follows:

ARTICLE 1. STATEMENT OF PURPOSE AND MUTUAL VISION

To assist the public and regulatory agencies to understand the Parties’ commitments to improving the health and health care of the communities they will continue to serve through the System, the Parties declare the following purposes for the Combination and their shared vision of its benefits.

1.1 Furtherance of Charitable Purposes. Each of D-HH, GOH, CMC, MCH and HH seeks to further its charitable purposes, and those of its respective subsidiaries, to enhance the health status of individuals in the communities it serves and to advance health care through education, research, and the improvement of clinical practice while preserving its unique local identity and traditions. Each Party believes that its respective charitable purposes can best be achieved by creating an integrated health care delivery system that optimizes the efficient use of resources to improve access to high quality patient care that results in better outcomes while reducing cost, inconvenience, and variability in clinical pathways and protocols.

1.2 Compatible Missions and Cultures. The Parties share a common and unifying mission to promote health and improve the delivery of health care by providing greater access to cost-effective, high quality health care and health care-related services without pecuniary gain or discrimination based on race, creed, gender, or ability to pay. Through multiple and varied clinical collaborations between and among them in areas such as general and orthopedic surgery, obstetrics, cancer care, and cardiovascular care, among others, the Parties have gained deep experience and appreciation for each other’s values, patient-centered care cultures, and the benefits of integrated health care delivery. Having realized those benefits in part, the Parties believe that their compatible missions will be served and advanced best by creating a more fully integrated health care delivery system that meets the health-related needs of the patients and communities

they serve and avoids unnecessary and costly duplication of services, fragmented and inconvenient access to care, and variability in outcomes.

1.3 Integrated Health Care Delivery. Through a bi-regionally distributed care delivery model, the System will maximize clinical integration opportunities by aligning service delivery to ensure that patients receive the highest quality, acuity-appropriate care at the most convenient, cost-effective site of service across the continuum of care. The System will facilitate this clinical integration by fostering collaboration among providers, allocating resources strategically, transferring patients rationally, preserving existing services in rural hospitals as feasible, expanding services where desired, utilizing telehealth services, and ensuring the interoperability and eventual integration of the Parties' electronic medical records systems. In order to implement these clinical integration strategies and tactics, maximize benefits to patients, and achieve operational efficiencies, the Parties also must integrate their governance structures, financial affairs, and administrative functions subject, however, to the provisions of Sections 2.6, 3.4.3 and 3.4.4 of this Agreement.

1.4 Improve Access to Services. Increased demand for health care services has strained the capacity of the Parties to provide access to high quality, cost-effective health care to the patients and communities they serve, leaving patients to seek care out-of-state, at higher cost or inconvenient sites of service. The Combination will enable the Parties to offer mission-critical inpatient, outpatient and ambulatory services by more effectively utilizing existing capacity, expanding capacity where necessary, deploying innovative digital tools for remote specialty care, and enhancing services across the continuum of care, thereby improving the timeliness of care and curbing the outmigration from New Hampshire that leads to higher costs and greater inconvenience. The System will build upon the Parties' history of clinical collaborations to offer a broader array of specialty services, particularly in southern New Hampshire, in the areas of behavioral health, pediatrics, oncology, orthopedics, spine care and pain management, obesity and bariatrics, and cardiovascular care, among others. Significantly, more patients will have access to clinical trial opportunities here in New Hampshire, obviating their need to seek such advanced care out-of-state. Additionally, the Combination will enable the Parties to invest jointly in critical infrastructure and the workforce required to support the expanded breadth of services, at a lower cost of capital and more strategically and efficiently than if the Parties sought to do so independently.

1.5 Continuous Quality Improvement. The System will take a comprehensive approach to quality improvement by measuring the Parties' performance against established benchmarks to improve patient experience, safety, and timeliness of care while aiming to reduce adverse events, readmissions and length of stay, among other quality metrics. The Parties expect that the Combination will enable them to reduce site-sensitive variability in outcomes by sharing best practices and data analytics, standardizing clinical protocols and care pathways, and deploying

D-H's advanced quality measurement infrastructure across the combined system. The safe and effective delivery of health care in today's complex health care environment demands sustained investment in state-of-the-art technology, equipment, information systems, infrastructure, and professional staff. The Combination will help to assure the Parties' joint investment in those necessary resources as they strive to improve the quality of their health care and health care delivery.

1.6 Address Workforce Needs. The System will draw on the Parties' respective strengths to educate, recruit, develop, and retain the workforce required to meet the complex medical needs of the communities they serve. With an academic medical center providing tertiary and quaternary care in a rural setting, acute care community hospitals in both urban and rural settings, multiple CAHs throughout New Hampshire and Vermont, and a post-acute home health and hospice provider, the System will offer opportunities for growth and diversity of experience to attract high-demand clinicians, associate providers, nurses and support staff. The dearth of local, qualified health care workers is reflected in both the number of vacancies and the premium temporary labor expense incurred by the Parties. The Combination will enable them to develop strategies to address this acute labor shortage, which is exacerbated by the region's challenging demographics, and expand the reach of programs like D-H's "Workforce Readiness Institute" and CMC's Transition to Professional Practice and LNA Apprenticeship Program, each of which offers training opportunities for careers in health care with a proven record of retaining licensed or certified program graduates locally. The Combination also will create opportunities to expand graduate medical education in New Hampshire by establishing residency programs to train and retain the future clinical workforce, without which rural health care will be jeopardized further and local communities will suffer the adverse health, social, and economic consequences.

1.7 Reinforce Rural Health Care. As the rural health care delivery network continues to slowly erode with the contraction or closure of programs and services, the stress on the Parties' resources increases proportionally and unsustainably. DHMC and CMC are the state's largest transfer centers, respectively, receiving referrals from throughout New Hampshire and Vermont, and both institutions are laboring under severe capacity constraints. The Combination will enable them to meet the high demand for their services, which they are unable to do presently, while reinforcing the fraying rural health care delivery network. By expanding efforts to deploy clinical specialists to rural communities, utilizing its combined human and technological resources, and building upon D-H's robust telehealth capabilities, the System will help to ensure that rural patients continue to enjoy local access to acuity-appropriate care while simultaneously reducing the Parties' transfer request volumes. The System will include multiple CAHs and rural providers across New Hampshire and Vermont among its members, all of whom will be strengthened by a more integrated, regionally distributed care delivery model, and whose patients will benefit by continued access to local, acuity-appropriate care.

1.8 Population Health Management. The paradigm shift to alternative payment models and value-based care requires a sharper focus by providers on better health and health care outcomes, which, in turn, requires greater alignment among providers in order to efficiently coordinate care, manage the total cost of care, and improve population health. The System will offer patients seamless coordination across the continuum of care, from primary care to post-acute skilled nursing and home health care. Drawing upon experience gained through participation in government and commercial alternative payment models, the System will utilize more effectively the Parties' population health capabilities and facilitate their joint participation in accountable care organizations and other innovative payment and health care delivery arrangements. A greater number of patients will benefit from the Parties' use of data analytics derived from a combined pool to treat more effectively community health threats like substance use disorder, obesity, and diabetes. The Parties believe that the Combination will catalyze their population health initiatives for the benefit of patients and is the most effective vehicle for achieving alignment of operations, coordination of services, and efficiency in health care delivery.

1.9 Financial Sustainability. The System will help to stabilize and strengthen the financial profile of its member charitable organizations, which confront the structural problem of rising expenses and steadily diminishing reimbursement from public payors, and downward price pressure from private payors. The System's bi-regionally distributed care delivery model will enable the Parties to provide acuity-appropriate, volume-supported services that meet patient and community needs, operate more efficiently by obviating costly duplication of services, and offer more medically complex services in the most cost-effective and convenient setting. Just as D-HH has a demonstrated record of allocating financial, strategic, operational, and human resources within its system where and when necessary, so too will the System enable the Parties to provide such support where and when necessary. Moreover, like existing D-HH members, assuming all conditions for participation are satisfied, CMC, MCH and HH anticipate that they will have the opportunity to participate in the Dartmouth-Hitchcock Obligated Group, which will consolidate the System's debt and offer the potential for less costly access to capital markets.

ARTICLE 2. GUIDING PRINCIPLES.

The Parties understand that today's rapidly changing health care environment requires nimbleness in response to evolving patient needs, innovations in health care delivery and reimbursement models, and improvements in medical care and hospital administration. While the Parties can develop strategic and operational plans to pursue the purposes and vision of the Combination set forth above, they cannot anticipate or prescribe in a written agreement their collective response to the many unforeseen circumstances they are certain to encounter. Accordingly, the Parties agree that the following principles will help guide the evolution of their relationship and the operation of the System so that the spirit of this Agreement, and the purpose and mutual benefits of the Combination, can be preserved:

2.1. Commitment to Community Health Care Needs. The health care needs of the communities served by the Parties are paramount, and the integration of D-HH, GOH, CMC, MCH and HH into a combined system will be designed and implemented to meet best the needs of the patients and communities served by all of the Parties.

2.2. Commitment to Integrated, Quality, Efficient Services. Through a bi-regionally distributed care delivery model, the Parties will align service delivery to ensure that patients receive the highest quality, acuity-appropriate care at the most convenient, cost-effective site of service across the continuum of care. In order to fulfill this commitment, the Parties and their subsidiaries and affiliates will integrate their clinical services, governance structures, financial affairs, and administrative functions, and consistent with the terms of this Agreement, the Parties agree to align their activities, and those of their subsidiaries and affiliates, with the strategic plans established for the System.

2.3. Commitment to Identity and Charitable Mission. The Parties acknowledge the compatibility of their charitable missions, and those of their subsidiaries and affiliates, and no Party will be required to take any action that is materially inconsistent with, or in contravention of, its respective charitable mission. The System is designed and the Combination will be implemented to ensure a patient-centered culture consistent with the identities and values of each of the Parties, and operated efficiently to meet the needs of the communities they serve.

2.4. Compliance with Applicable Charitable and Tax-Exempt Requirements. The Parties at all times will be operated in a manner consistent with the charitable missions of the Parties and their subsidiaries and affiliates, and none of them will be required to take any action pursuant to this Agreement which may impair or jeopardize its tax-exempt or public charity status under federal income tax law, or its charitable status under state law.

2.5. Principles Underlying the Provision of Health Care Services. In providing health care services within the combined System, the Parties are committed to observing the following principles:

2.5.1. Promoting and maintaining population health through wellness and preventative measures, research and data analytics, health education, and the achievement of high quality clinical outcomes;

2.5.2. Meeting local community expectations regarding the provision of services that can be maintained in a financially reasonable manner and consistent with the strategic plans established for the System;

2.5.3. Directing patients and providers to receive and deliver care at the most appropriate sites within the combined system and supporting the health needs of patients and communities in the most appropriate, convenient and cost effective manner, while ultimately respecting the choice of patients and the medical judgment of providers;

2.5.4. Advancing the knowledge, training, development, recruitment and retention of health care professionals;

2.5.5. Preserving universal access to appropriate health care services for all who are vulnerable and/or in need, regardless of ability to pay;

2.5.6. Recognizing the inherent dignity of all patients and respecting each Party's core values and identity; and

2.5.7. Providing a true continuum of health care services and creating opportunities for joint participation in a wide variety of health care ventures including managed care products, rehabilitation services, primary care development, behavioral health services, nursing care, wellness and prevention services.

2.6 Catholic Identity and Health Care Mission of CMC and CMCHS Subsidiaries. The Parties acknowledge that CMC is a Catholic organization with the mission of carrying out Christ's healing ministry by offering health, healing and hope to every individual who seeks CMC's care. As a ministry of the Catholic Church, CMC adheres to Catholic moral teaching, particularly as expressed in the ERDs and operates in accordance with Canon Law, and must continue to do so. Although the Parties agree to establish a more fully-integrated health care system, CMC will continue to offer prophetic Christian witness and will not participate in or endorse any System activity which is contrary to Catholic moral teaching, the ERDs or Canon Law, and conversely the components of the System outside of CMC will not be restricted by Catholic moral teaching, the

ERDs or Canon Law. The System can never require CMC to engage in any action contrary to Catholic moral teaching, the ERDs or Canon Law, including direct abortions; reproductive technologies using donor gametes or in which conception occurs outside a women's body, including in vitro fertilization and donor insemination; the cryopreservation or destruction of human embryos; the procurement of embryonic stem cells through the destruction of human embryos; research at CMC that is not consistent with Catholic moral teaching, the ERDs or Canon Law and has not gone through the CMC Institutional Review Board which applies the ERDs; the withholding or withdrawing of medically assisted nutrition and hydration or of any medical intervention with the purpose of causing death as a means to alleviate suffering; and physician-assisted suicide if it becomes legal in the State of New Hampshire. Whether or not expressly stated in this Agreement, CMC's integration into the System is subject to this Section 2.6, and the Parties agree to cooperate in establishing procedures or other mechanisms to ensure that the System does not cause or require CMC to violate, or to impose upon other Members or components of the System other than CMC, Catholic moral teaching, the ERDs or Canon Law. The Parties further agree that CMCHS will remain a co-member of CMC and will continue to serve as the public juridic person and corporate mechanism by which the Bishop will exercise his powers and oversight over CMC. CMCHS's reserved powers over CMC will coexist with those of the System Board as described in Sections 3.4.3 and 3.4.4 below. The Parties agree, however, that the exercise by the System Board of the System Board Reserved Powers described in Section 3.4.2 below with respect to CMC cannot require CMC to implement any programs, services or procedures that are against the moral teachings of the Catholic Church or in violation of the ERDs or Canon Law. The Parties agree that each reference to "CMC" in this Section 2.6 will be deemed to include a reference to each of the CMCHS Subsidiaries.

2.7 D-HH's Academic Health Care Mission. The Parties acknowledge that D-HH is New Hampshire's only academic health system whose mission includes delivering innovative, high quality care across a broad range of services to patients and families regardless of where or how a patient chooses to utilize the health system. The Parties also acknowledge that, subject to the provisions set forth generally in Section 2.6 above and more specifically in Sections 3.4.3 and 3.4.4, the provisions specific to CMC will neither be imposed upon nor mandatory for other System Members, who will not be precluded from providing services or conducting research and medical education activities prohibited by Catholic moral teaching, the ERDs or Canon Law, including, among other things, the provision of reproductive health services. As more fully described in Section 5.3.7 below, the Parties recognize that the geography and combined resources of the System will create new opportunities for academic synergies, enabling them to advance knowledge in the basic, translational, and clinical sciences across a broader urban/rural population, offering more patients access to best practices in care, and making the System a dynamic educational hub for health and allied health professions training to prepare the region's future health care workforce.

2.8 Rural Health Care and Critical Access Hospitals. Both the D-HH and GOH systems include among their members CAHs that provide critical health care services to the rural areas of New Hampshire. The Parties intend the System to support and enhance the quality and accessibility of health care in rural areas, which support and enhancement includes reinforcing the viability of the CAHs in the System as long as they remain the appropriate vehicle for delivering health care services in rural areas served by the System.

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ARTICLE 3. DESCRIPTION OF COMBINATION AND GOVERNANCE

3.1 ESTABLISHMENT OF COORDINATING ORGANIZATION FOR THE COMBINED SYSTEM

On or prior to the Combination Date (defined in Section 6.1.2 below), D-HH will file with the New Hampshire Secretary of State an Affidavit of Amendment to its Articles of Agreement to: (i) revise its corporate name from “*Dartmouth-Hitchcock Health*” to “*Dartmouth-Hitchcock Health GraniteOne*”; (ii) amend and restate its Bylaws; and (iii) make such other changes and revisions to its key governing documents that are necessary or desirable so that it can continue to serve as the sole corporate member of the D-HH Members, and also serve as the sole corporate member of MCH and HH and a co-member (along with CMCHS) of CMC and the CMCHS Subsidiaries, and be responsible for the strategic direction and management of the System (“D-HH GO”). The Parties agree that the name of the System will be re-evaluated within three (3) to five (5) years after the Combination Date to reflect branding of the System, changes in the market and the evolution of the System. As described in Section 11.7 below, CMCHS and CMC will not be involved in the reconstitution of D-HH or any other acts necessary to prepare D-HH to serve as the coordinating and managing organization of the System, or in the substitution of D-HH GO as the sole member of MCH and HH.

3.2 CORPORATE STRUCTURE

3.2.1 D-HH GO as Sole Member of HH and MCH. On or before the Combination Date, each of HH and MCH will amend its respective Articles of Agreement and Bylaws to: (i) establish D-HH GO as its sole member in replacement of GraniteOne; (ii) reserve to D-HH GO the powers described in Section 3.4.1 below but subject to the retained powers described in Section 3.4.5; and (iii) add support of, and participation in, the combined System as one of its corporate purposes.

3.2.2 D-HH GO as Co-Member of CMC and the CMCHS Subsidiaries. On or before the Combination Date but following the actions described in Section 3.2.1 above, each of CMC and the CMCHS Subsidiaries will amend its respective Articles of Agreement and Bylaws to: (i) establish D-HH GO as one of its two corporate members, along with CMCHS; (ii) reserve to D-HH GO the powers described in Section 3.4.2 below but subject to the restrictions described in Sections 3.4.3 and 3.4.4 and the retained powers described in Section 3.4.5; and (iii) add support of, and participation in, the combined System as one of its corporate purposes subject to the provisions of Section 2.6 above.

3.3 GOVERNANCE

3.3.1 General. Each of the Parties will retain its separate legal identity and, except as may be expressly stated in this Agreement to the contrary, will retain ownership and responsibility for its assets and liabilities. To effectively manage and maintain the high level of integration and communication required to achieve the Parties' goals for the Combination, however, the Parties agree that certain powers and responsibilities will be reserved to the D-HH GO Board of Trustees (the "System Board") subject to the powers and responsibilities reserved to the Bishop and CMCHS over only CMC and the CMCHS Subsidiaries, certain powers and responsibilities will be retained by the respective Boards of Trustees of CMC, the CMCHS Subsidiaries, HH and MCH, and the System Board will have representation among those Boards and will be informed by the Member Leadership Council and Rural Hospital Group, all as described below.

3.3.2 D-HH GO Board of Trustees.

(a) *Responsibilities*. The System Board responsibilities include creating and implementing the System Strategic Plan described in Section 5.1.1 below, establishing System-wide programs and initiatives designed to improve access to care and the quality and efficiency of the delivery of care throughout the System, overseeing and allocating the resources of the System in furtherance of the System Strategic Plan and the financial guidelines described in Section 5.5.2 below, identifying, evaluating and developing strategic opportunities, and negotiating the addition of new System members or the establishment of strategic relationships between the System and third parties.

(b) *Composition of System Board*. From and after the Combination Date, the System Board will be comprised of fifteen (15) trustees initially determined as follows:

(i) The System Chief Executive Officer (described in Section 4.2.1 below) will serve *ex officio* with full voting rights;

(ii) The President of Region I (described in Section 4.2.2 below) will serve *ex officio* with full voting rights

(iii) The President of Region II (described in Section 4.2.2 below) will serve *ex officio* with full voting rights;

(iv) Seven (7) System Board Trustees will be nominated by the D-HH Board of Trustees prior to the Combination Date and elected by the D-HH GO Board as of the Combination Date (together with any successors during the transitional period described in paragraph (c) below, the "D-HH Nominees"); and

- (v) Five (5) System Board Trustees will be nominated by the Board of Trustees of GraniteOne prior to the Combination Date and elected by the D-HH GO Board as of the Combination Date (together with any successors during the transitional period described in paragraph (c) below, the “GOH Nominees”).

If one (1) individual holds more than one (1) of the foregoing offices, he or she will have one (1) vote for each office held. The Parties agree that the initial Trustee terms will be staggered from one (1) to three (3) years in length, and that no Trustee will serve more than three (3) consecutive terms. Each System Board Trustee will have the full right to vote and participate in the governance and affairs of D-HH GO; provided, however, that any GOH Nominee who also serves on the CMC Board of Trustees or the Board of Trustees of a CMCHS Subsidiary will make an explicit objection, and will not consent, to any decision regarding the implementation or continuation of any procedures that are not consistent with Catholic moral teaching and the ERDs.

(c) *Nomination and Election Process.* The twelve (12) non-*ex officio* System Board positions will be filled by individuals qualified by knowledge, skill, experience and willingness to contribute to the achievement of the purposes of the System. Prior to the Combination Date, D-HH and GOH will identify the D-HH Nominees and the GOH Nominees, respectively, and assign each a term in accordance with the attached Schedule 3.3.2(c). If any D-HH Nominee is subject to re-election or vacates his or her position on the System Board for any reason during a transitional period equal to that individual’s first term and one (1) successive three (3) year term, then that D-HH Nominee will be re-elected or replaced by a majority vote only of the remaining D-HH Nominees on the System Board. If any GOH Nominee is subject to re-election or vacates his or her position on the System Board for any reason during a transitional period equal to that individual’s first term and one (1) successive three (3) year term, then that GOH Nominee will be re-elected or replaced by a majority vote only of the remaining GOH Nominees on the System Board. The Parties further agree that, after the D-HH Nominees and GOH Nominees serve their initial terms and their guaranteed successive terms, the System Board will be self-perpetuating and will elect and re-elect all of its non-*ex officio* Trustees by a simple majority vote of all of the System Board Trustees.

(d) *Chair of the System Board.* The initial Chair of the System Board is critical to the successful transition and implementation of the Combination and will be mutually-agreed upon by the Parties prior to the Combination Date.

3.3.3 CMC, CMCHS Subsidiaries, HH and MCH Boards of Trustees. The Boards of Trustees of CMC, each of the CMCHS Subsidiaries, HH and MCH, respectively (collectively the “Member Boards”), will retain the powers described in Section 3.4.5 below and will be responsible for the strategic planning described in Section 5.1.2 below, for Member operations as described in

Section 5.2.2 below, and for adhering to the financial management provisions of Section 5.5 below. The Member Boards also will determine the total number of individuals who will comprise their respective Member Boards, including *ex officio* positions, subject to the System Board Reserved Powers (described in Sections 3.4.1 and 3.4.2 below). Up to one-third (1/3) of the Trustees serving on the Member Boards of HH and MCH will be appointed by the System Board, which appointments will be consistent with the Trustee criteria set forth in the attached Schedule 3.3.3. Up to one-third (1/3) of the Member Boards of CMC and each of the CMCHS Subsidiaries will be nominated by the System Board and appointed by CMCHS and the Bishop. The System Board will make such nominations to the CMC Board and CMCHS Subsidiary Boards consistent with the Trustee criteria set forth in Schedule 3.3.3, which CMCHS agrees are important factors in maintaining a strong and effective governing Board of CMC and each of the CMCHS Subsidiaries and ensuring their continued adherence to Catholic moral teaching, the ERDs and Canon Law. The remaining two-thirds (2/3) of the Member Boards will be comprised of *ex officio* positions and individuals nominated by the Member Boards and approved under the System Board Reserved Powers described below (the “Member Board Nominees”). The Member Board Nominees of HH and MCH will be elected by the D-HH GO acting through the System Board, and the Member Board Nominees of CMC will be appointed by CMCHS.

3.3.4 CMCHS Board of Trustees. CMCHS is not a component of the System or a participant in its establishment. The Parties agree that CMCHS will remain a co-member of CMC and the CMCHS Subsidiaries and will continue to serve as the public juridic person and corporate mechanism by which the Bishop will exercise his powers and oversight over CMC and the CMC Subsidiaries, but will have no authority over any other System Member. The CMCHS Board of Trustees will retain its reserved powers over CMC and the CMCHS Subsidiaries, which CMCHS reserved powers will coexist with those of the System Board as described in Sections 3.4.3 and 3.4.4 below. The Parties agree, however, that the exercise by the System Board of the System Board Reserved Powers described in Section 3.4.2 below with respect to CMC or the CMCHS Subsidiaries cannot require CMC or any of the CMCHS Subsidiaries to implement any programs, services or procedures that are against the moral teaching of the Catholic Church or inconsistent with the ERDs or Canon Law.

3.3.5 Member Leadership Council and Rural Hospital Group.

(a) *Member Leadership Council*. The System will create a Member Leadership Council comprised of one or more senior management executives employed by each System Member, e.g., CEO, CFO, CMO, and/or one or more representatives of each System Member Board of Trustees, e.g., Board Chair, Vice Chair. The Member Leadership Council will be convened and led by the System CEO or his or her designee at regular intervals to be determined, but no less than quarterly, to review, discuss, and advise on System-wide management issues, including but not limited to strategic planning,

integration progress, financial planning and budgeting, operations, clinical matters and governance. The Member Leadership Council will serve an advisory role to the System Board, whose Chair or designee will have a standing invitation to attend and participate in Member Leadership Council meetings. The System CEO or his or her designee will be responsible for ensuring that matters raised and discussed at the Member Leadership Council are communicated to the System Board.

(b) *Rural Hospital Group.* The Member Leadership Council will form a subgroup comprised of one or more of the senior management executives of the rural hospitals (including the CAHs) which are Members of the System (the “Rural Hospital Group”). At each meeting of the Member Leadership Council, a breakout session will be scheduled for a meeting of the Rural Hospital Group. The Rural Hospital Group will review and discuss strategic, clinical, financial and/or operational issues or challenges unique to rural community hospitals and CAHs in the System. The Rural Hospital Group will report matters raised by the Rural Hospital Group to the System CEO or his or her designee, who in turn will communicate such matters to the System Board together with matters raised by the Member Leadership Council. The Regional Presidents, System CEO and System Board Chair will have standing invitations to attend and participate in meetings of the Rural Hospital Group.

3.4 RESERVED AND RETAINED POWERS.

The Parties acknowledge that the System must be well-integrated to accomplish their mutual goals for the effective and efficient delivery of quality health care described in Article I above. The Parties also acknowledge that the Member hospitals and other provider organizations in the System are responsible for identifying the health needs in their communities and overseeing their organization’s delivery of care. To balance the needs of the System and the responsibilities of its Members within an effective and dynamic structure for the integrated delivery of care, the Parties agree that (i) the System Board will hold certain powers reserved to it as the corporate member of each of HH and MCH and will share certain powers reserved to it with the co-member, CMCHS, with respect to CMC and the CMCHS Subsidiaries only, so that the System Board can serve as the coordinator and steward of the System, and (ii) the Board of Trustees of each of CMC, HH and MCH will retain certain powers and responsibilities for health care in their respective communities, as described below.

3.4.1 D-HH GO Reserved Powers Applicable to HH and MCH. Each of HH and MCH agree to reserve to D-HH GO as its sole corporate member the following powers and authority (together with the D-HH GO powers and authority over CMC as described in Section 3.4.2 below, the “System Board Reserved Powers”), subject to any process or criteria imposed by any other provision of this Agreement on the exercise of the System Board Reserved Powers:

(a) *Approval Rights Over Certain Actions of HH and MCH Board of Trustees.* Prior to becoming effective, each of the following actions of HH and MCH must be approved by the System Board or by a committee of the System Board (the majority of which committee will be composed of System Board Trustees) to which any of the following approval rights is delegated by the System Board:

(i) Nominees to HH and MCH Boards of Trustees; Size of Boards. Beginning with the selection of any new Trustee after the Combination Date, the nomination by each of HH and MCH of individuals to serve as elected members of its Board of Trustees (sometimes individually referred to as a “Member Board”) as described in Section 3.3.3, and the establishment by each of HH and MCH of the total number of Trustees to serve on its respective Member Board for any upcoming period of time. If the System Board objects to any Member Board nominee based on an inconsistency with the criteria described in Schedule 3.3.3, then the Member Board will identify a new nominee for System Board approval.

(ii) Amendments of Articles of Agreement and Bylaws. The approval by the respective Member Board of any proposed amendment or repeal of the Articles of Agreement or Bylaws of HH or MCH, respectively, which proposed amendment or repeal would (a) impact the powers reserved to the System Board in this Section 3.4.1, or (b) reasonably be expected to have any material strategic, competitive or financial impact on the System.

(iii) Operating and Capital Budgets of HH and MCH. The respective Member Board’s final adoption (and any subsequent revision) of the annual operating and capital budgets of HH and MCH, respectively, including without limitation the establishment by a Member Board of reserves, and any vote by a Member Board to propose an action (other than those addressed by Sections 3.4.1 (a) (iv) and (v) below) which may result in an unbudgeted expense or series of expenses equaling or exceeding an amount of Five Hundred Thousand Dollars (\$500,000.00).

(iv) Indebtedness. The vote of a Member Board to incur any unbudgeted indebtedness or other borrowings (such as capital leases) that exceed the principal amount of Five Hundred Thousand Dollars (\$500,000.00).

(v) Disposition of Assets. Unless contemplated by an approved budget, the vote of a Member Board to sell, convey, assign, or lease, or grant a mortgage or other lien or encumbrance on, assets of HH and MCH, respectively, in excess of Five Hundred Thousand Dollars (\$500,000.00), as measured by net book value.

(vi) Auditing Firm. The appointment by a Member Board of a firm of independent public accountants to conduct an independent audit of the financial statements of HH and MCH, respectively.

(vii) Clinical Service or Programs. The decision of a Member Board to eliminate or add any health care service or program, change any licenses, or otherwise make a change to the operating character or CAH designation of HH and MCH, respectively.

(viii) Academic and Research Matters. A Member Board's adoption or material revision of any policies of HH and MCH, respectively, relating to academic and research programs (except for student internship arrangements with training programs for nursing, physical, occupational therapy and speech/language pathology services, and other similar services), and any decision by a Member Board to enter into or terminate an academic affiliation.

(ix) Exercise of HH and MCH Reserved Powers. Unless waived by the System Board in writing in its discretion, the proposed exercise by a Member Board of any reserved powers or rights that it holds over any subsidiary or other organization or arrangement in which it has a controlling ownership interest.

(x) Strategic Plans. A Member Board's adoption or material revision of any strategic initiative or plan of HH and MCH, respectively.

(xi) Key Strategic Relationships. A decision of a Member Board to establish (whether by contract, joint venture or subsidiary entity), modify or terminate a "Key Strategic Relationship," defined as the ownership of, or contractual participation in, a network, system, affiliation, joint venture, alliance, proprietary health plan product (e.g. a so-called "narrow network") or similar arrangement entered into with an organization that is not a member in the System.

(xii) Merger/Change of Control; Divestiture. A decision of the Member Board to: (a) merge or consolidate HH or MCH, respectively, into another entity or otherwise conduct a change of control transaction; (b) acquire substantially all of the assets of another entity; or (c) sell or lease substantially all of the assets of HH and MCH, respectively, to any person or entity.

(xiii) Bankruptcy; Closure; Dissolution. Any decision by a Member Board to (a) commence bankruptcy or other insolvency proceedings, or (b) close, liquidate and dissolve HH and MCH, respectively, and/or any of their respective affiliates.

(b) *Rights of D-HH GO to Initiate or Enforce Actions by HH and MCH.* In addition to the approval rights described in Section 3.4.1(a) above and the appointment rights described in Section 3.3.3 above, the System Board will have the right to initiate the following actions to be taken or directed by HH and/or MCH:

(i) Removal of Member Board Trustees. Following consultation with the Chair of the Member Board, the System Board may remove any trustee of the Member Board if the System Board determines, in its reasonable good faith discretion, that such removal is in the best interests of the System. In making the foregoing determination, the System Board will consider the impact of such removal on HH or MCH, respectively, and on the interests and representation of the communities it serves.

(ii) Member President and Chief Executive Officer. Following consultation with the Chair of the Member Board and the applicable Regional President and consideration of any evaluation or recommendation by the Member Board under Section 3.4.5(c) below, the System Board acting through the System CEO or his or her designee will retain sole authority to hire, evaluate, compensate and terminate the President and Chief Executive Officer of HH and MCH, respectively.

(iii) Participation in System Strategies. To the extent applicable and determined by the System Board to be in the best interest of the System, HH and MCH, respectively, will participate (and the System Board may mandate its participation) in System-wide strategies, delivery networks, products (including risk-based reimbursement arrangements) and other similar initiatives consistent with the System strategic plan(s) and designed to further the establishment of an integrated and sustainable health delivery system.

(iv) Participation in System Programs and Initiatives. As determined and directed by the System Board, HH and MCH will participate in, and fulfill the requirements of, System-wide programs and initiatives designed to improve access, quality and/or costs of services to patients including those of HH and MCH, respectively. Subject to the process set forth in Section 5.6 as applicable, such programs and initiatives may include but not be limited to group purchasing, Information Technology (IT) system integration, quality improvement measures, shared finance functions, and shared corporate services. The System Board will determine the locations from which such programs and services are provided. The System Board may assess all participating System members a fee or other reasonable charge for such programs or initiatives provided that such fee or other

charge is assessed proportionately against all System members to whom such programs or initiatives are available.

(v) Changes in Clinical Services. The System Board may initiate changes in the clinical services provided by either HH or MCH if those changes are necessary to implement the System strategic plan and System-wide objectives, to further the clinical program development contemplated by Section 5.3 below, or to improve the financial position of HH or MCH in connection with the System Board's approval of the Member's operating and capital budgets under Section 3.4.1(a)(iii) above. Prior to the implementation of any clinical changes, D-HH GO will collaborate with the Member in evaluating the Member's clinical programming as described in Section 5.3.3 below. The System Board also will evaluate the impact of the proposed change on: (i) the ability of HH or MCH to meet the health needs of the communities in its service area; (ii) the ability of HH or MCH to continue to qualify as a CAH after the proposed change; (iii) the quality and efficiency with which the Member can deliver its health services; and (iv) the charitable purpose of the Member. The System Board also will give the appropriate Member Board an opportunity to address the proposed change and to provide any additional information, and will consider any input from the Member Board in good faith. After completion of the evaluation process and consistent with Section 5.3.3 below, the Member agrees to implement the clinical changes required by the System Board in accordance with a mutually-agreed upon schedule.

(vi) Powers Enumerated in Other Sections of this Agreement. HH and MCH agree that the System Board's authority to initiate action at the Member level is not limited to those powers listed in this Section 3.4.1(b), and acknowledge that other provisions of this Agreement provide the System Board with certain authority and reserved powers, including but not limited to: Section 3.3.3 with respect to the right to appoint representatives to the Member Boards; Section 5.1.1 with respect to the establishment of a System strategic plan; Section 5.2.1 with respect to the development and negotiation of joint ventures, affiliations or reorganizations with prospective System members or with other parties or health systems; Section 5.5.2 with respect to the financial management of the System including the power to reallocate certain of the assets of HH and/or MCH; and Section 5.6 regarding the consolidation of administrative functions.

3.4.2 Reserved Powers of D-HH GO, CMCHS and the Bishop Applicable to CMC and the CMCHS Subsidiaries. Each of CMC and the CMCHS Subsidiaries agrees to reserve to D-HH GO as one of its corporate members the following powers and authority to the extent applicable to the activities, governance and operation of each organization (together with the D-HH GO powers and authority over HH and MCH as described in Section 3.4.1 above, the "System Board Reserved

Powers”). The Parties acknowledge and agree that the System Board Reserved Powers over CMC and the CMCHS Subsidiaries must be exercised in conjunction with the powers over CMC and the CMCHS Subsidiaries that are reserved to CMCHS and the Bishop (collectively the “Bishop’s Reserved Powers”) and which Bishop’s Reserved Powers shall be exercised to ensure that CMC and each of the CMCHS Subsidiaries adheres with the Catholic moral teaching, the ERDs and Canon Law, as described below:

(a) *Approval Rights Over Certain Actions of CMC Board of Trustees.* Prior to becoming effective, each of the following actions of CMC and the CMCHS Subsidiaries must be approved by both (1) the System Board or by a committee of the System Board (the majority of which committee will be composed of System Board Trustees) to which any of the following approval rights is delegated by the System Board, and (2) CMCHS, unless otherwise stated below:

(i) Nominees to CMC and CMCHS Subsidiaries Boards of Trustees; Size of Boards. The nomination by CMC and each of the CMCHS Subsidiaries of individuals to serve on its Board of Trustees (sometimes referred to as the “CMC Board” and “CMCHS Subsidiary Boards” as applicable) as described in Section 3.3.3, and the establishment by CMC and each CMCHS Subsidiary of the total number of Trustees to serve on the CMC Board and CMCHS Subsidiary Boards, respectively, for any upcoming period of time. If either the System Board or CMCHS objects to any CMC Board or CMCHS Subsidiary Board nominee based on an inconsistency with the criteria described in Schedule 3.3.3, then the CMC Board or the CMCHS Subsidiary Board, as applicable, will identify a new nominee for System Board and CMCHS approval.

(ii) Amendments of Articles of Agreement and Bylaws. The approval by the CMC Board or any CMCHS Subsidiary Board of any proposed amendment or repeal of the Articles of Agreement or Bylaws of CMC or a CMCHS Subsidiary, as applicable, which proposed amendment or repeal would (with respect to the System Board approval) (a) impact the powers reserved to the System Board in this Section 3.4.2, or (b) reasonably be expected to have any material strategic, competitive or financial impact on the System, or (c) with respect to the CMCHS approval, impact the powers reserved to CMCHS or the Bishop.

(iii) Operating and Capital Budgets of CMC and CMCHS Subsidiaries. The final adoption (and any subsequent revision) by the CMC Board and the CMCHS Subsidiary Boards of the annual operating and capital budgets of CMC and its subsidiaries and the CMCHS Subsidiaries and their subsidiaries, respectively, including without limitation the establishment by the CMC Board and

the CMCHS Subsidiary Boards of financial reserves, and any vote by the CMC Board or any CMCHS Subsidiary Board to propose an action (other than those addressed by Sections 3.4.2(a)(iv) and (v) below) which may result in an unbudgeted expense or series of expenses equaling or exceeding an amount of: (A) with respect to CMC and CMCPA, One Million Dollars (\$1,000,000.00), and (B) with respect to any CMCHS Subsidiary other than CMCPA, Two Hundred and Fifty Thousand Dollars (\$250,000.00).

(iv) Indebtedness. The vote of the CMC Board to incur any unbudgeted indebtedness or other borrowings (such as capital leases) that exceed the principal amount of One Million Dollars (\$1,000,000.00), and the vote of any CMCHS Subsidiary Board to incur any unbudgeted indebtedness or other borrowings (such as capital leases) that exceed the principal amount of Two Hundred Fifty Thousand Dollars (\$250,000.00).

(v) Disposition of Assets. Unless contemplated by an approved budget, the vote of (A) the CMC Board to sell, convey, assign, or lease, or grant a mortgage or other lien or encumbrance on, assets of CMC in excess of One Million Dollars (\$1,000,000.00), as measured by net book value, and (B) any CMCHS Subsidiary Board to sell, convey, assign, or lease, or grant a mortgage or other lien or encumbrance on, assets of any CMCHS Subsidiary in excess of Two Hundred Fifty Dollars (\$250,000.00), as measured by net book value.

(vi) Auditing Firm. The appointment by the CMC Board and each of the CMCHS Subsidiary Boards of a firm of independent public accountants to conduct an independent audit of the financial statements of CMC and its subsidiaries and of the CMCHS Subsidiaries and their subsidiaries, respectively, which requires the approval only of the System Board.

(vii) Clinical Service or Programs. Subject to the provisions of Section 2.6 above, the decision of the CMC Board or any CMCHS Subsidiary Board (as applicable) to eliminate or add any health care service or program, change any licenses, or otherwise make a change to the operating character of CMC or any of its subsidiaries or of any CMCHS Subsidiary or its subsidiaries, respectively, which action requires the approval only of the System Board unless after receipt of prior notice CMCHS determines that the proposed action may impact the Catholic identity of, or adherence to Catholic moral teaching, the ERDs and Canon Law by, CMC or the CMCHS Subsidiaries, in which case CMCHS's approval also will be required.

(viii) Academic and Research Matters. Subject to the provisions of Section 2.6 above, the adoption or material revision by the CMC Board or any CMCHS Subsidiary Board of any policies of CMC or a CMCHS Subsidiary, respectively, relating to academic and research programs (except for student internship arrangements with training programs for nursing, physical, occupational therapy and speech/language pathology services, and other similar services), and any decision by the CMC Board or CMCHS Subsidiary Boards to enter into or terminate an academic affiliation, which action requires the approval only of the System Board unless after receipt of prior notice CMCHS determines that the proposed action may impact the Catholic identity of, or adherence to Catholic moral teaching, the ERDs and Canon Law by, CMC or the CMCHS Subsidiaries, in which case CMCHS's approval also will be required.

(ix) Exercise of CMC and CMCHS Subsidiary Reserved Powers. Unless waived by the System Board in writing in its discretion and subject to the provisions of Section 2.6 above, the proposed exercise by the CMC Board or any CMCHS Subsidiary Board of any reserved powers or rights that it holds over any subsidiary or other organization or arrangement in which it has a controlling ownership interest.

(x) Strategic Plans. The adoption or material revision by the CMC Board or any CMCHS Subsidiary Board of any strategic initiative or plan of CMC and/or its subsidiaries or a CMCHS Subsidiary or its subsidiaries, respectively, which action requires the approval only of the System Board unless after receipt of prior notice CMCHS determines that the proposed action may impact the Catholic identity of, or adherence to Catholic moral teaching, the ERDs and Canon Law by, CMC or the CMCHS Subsidiaries, in which case CMCHS's approval also will be required.

(xi) Key Strategic Relationships. A decision of the CMC Board or any CMCHS Subsidiary Board to establish (whether by contract, joint venture or subsidiary entity), modify or terminate a "Key Strategic Relationship," defined as the ownership of, or contractual participation in, a network, system, affiliation, joint venture, alliance, proprietary health plan product (e.g. a so-called "narrow network") or similar arrangement entered into with an organization that is not a member in the System, which action requires the approval only of the System Board unless after receipt of prior notice CMCHS determines that the proposed action may impact the Catholic identity of, or adherence to Catholic moral teaching, the ERDs and Canon Law by, CMC or the CMCHS Subsidiaries, in which case CMCHS's approval also will be required.

(xii) Merger/Change of Control; Divestiture. A decision of the CMC Board or any CMCHS Subsidiary Board to: (a) merge or consolidate CMC or any of its subsidiaries or the CMCHS Subsidiary or any of its subsidiaries, as applicable, into another entity or otherwise conduct a change of control transaction; (b) acquire substantially all of the assets of another entity; or (c) sell or lease substantially all of the assets of CMC and/or any of its subsidiaries or a CMCHS Subsidiary and/or any of its subsidiaries, respectively, to any person or entity.

(xiii) Bankruptcy; Closure; Dissolution. Any decision by the CMC Board or a CMCHS Subsidiary Board to (a) commence bankruptcy or other insolvency proceedings, or (b) close, liquidate and dissolve CMC and/or any of its subsidiaries or the CMCHS Subsidiary and/or any of its subsidiaries, as applicable.

(b) *Rights of D-HH GO to Initiate Actions by CMC and the CMCHS Subsidiaries.* In addition to the approval rights described in Section 3.4.2(a) above and the appointment rights described in Section 3.3.3 above, but subject to the provisions of Section 2.6 above, the System Board will have the right to initiate the following actions to be taken or directed by CMC and/or its subsidiaries or the CMCHS Subsidiaries and/or their respective subsidiaries, subject to the rights of CMCHS and the Bishop to assure compliance with Catholic moral teaching, the ERDs and Canon Law as described below:

(i) Removal of Member Board Trustees. Following consultation with the Chair of the CMC Board or the respective CMCHS Subsidiary Board, as applicable, the System Board may propose the removal of any trustee of the CMC Board or a CMCHS Subsidiary Board if the System Board determines, in its reasonable good faith discretion, that such removal is in the best interests of the System. In making the foregoing determination, the System Board will consider the impact of such removal on CMC and the CMCHS Subsidiary and on the interests and representation of the communities they serve. Such action, however, must be approved by CMCHS under its reserved powers, which approval will not be withheld unless the proposed removal would jeopardize adherence by the CMC Board or the CMCHS Subsidiary Board, as applicable, with Catholic moral teaching, the ERDs and Canon Law.

(ii) CMC and CMCHS Subsidiary President and Chief Executive Officer. Following consultation with the Chair of the Member Board, the System CEO and the applicable Regional President, the System Board will retain sole authority to evaluate and compensate the President and Chief Executive Officer of CMC (the “CMC CEO”) and any President and Chief Executive Officer of a CMCHS

Subsidiary (each a “CMCHS Subsidiary CEO”). The System Board also may initiate the hiring or termination of the CMC CEO or any CMCHS Subsidiary CEO, which hiring or termination must be approved by CMCHS, which approval will not be withheld unless the proposed removal would jeopardize adherence by the CMC Board or the CMCHS Subsidiary Board, as applicable, with Catholic moral teaching, the ERDs and Canon Law.

(iii) Participation in System Strategies. To the extent applicable and determined by the System Board to be in the bests interest of the System, CMC and each CMCHS Subsidiary will participate in System-wide strategies, delivery networks, products (including risk-based reimbursement arrangements) and other similar initiatives consistent with the System strategic plan(s) and designed to further the establishment of a more fully integrated and sustainable health delivery system, with the understanding that the obligation of CMC and the CMCHS Subsidiaries to support or participate in System initiatives will not include any strategies or activities which violate Catholic moral teaching, the ERDs or Canon Law.

(iv) Participation in System Programs and Initiatives. As determined and directed by the System Board, CMC and the CMCHS Subsidiaries will participate in, and fulfill the requirements of, System-wide programs and initiatives designed to improve access, quality and/or costs of services to patients including those of CMC and the CMCHS Subsidiaries (as applicable), with the understanding that the obligation of CMC and the CMCHS Subsidiaries to support or participate in System programs and initiatives will not include those which violate Catholic moral teaching, the ERDs or Canon Law. Subject to the process set forth in Section 5.6 as applicable, such programs and initiatives may include but not be limited to group purchasing, Information Technology (IT) system integration, quality improvement measures, and shared corporate services. The System Board will determine the locations from which such nonclinical programs and services are provided. The System Board may assess all participating System members a reasonable charge for such programs or initiatives provided that such charge is assessed proportionately against all System members to whom such programs or initiatives are available.

(v) Changes in Clinical Services. The System Board may initiate changes in the clinical services provided by CMC and any CMCHS Subsidiary if those changes are necessary to implement the System strategic plan and System-wide objectives, to further the clinical program development contemplated by Section 5.3 below, or to improve the financial position of CMC or any CMCHS Subsidiary

in connection with the System Board's approval of the operating and capital budgets of CMC and the CMCHS Subsidiaries under Section 3.4.2(a)(iii) above, provided such changes are consistent with Catholic moral teaching, the ERDs and Canon Law, CMC's values and do not result in the alienation of ecclesiastical goods. Prior to the implementation of any clinical changes, D-HH GO will collaborate with CMC and the CMCHS Subsidiary, as applicable, in evaluating the clinical programming of CMC and the CMCHS Subsidiaries, respectively, as described in Section 5.3.3 below. The System Board also will evaluate the impact of the proposed change on: (i) the ability of CMC or the CMCHS Subsidiary to meet the health needs of the communities in its service area; (ii) the quality and efficiency with which CMC or the CMCHS Subsidiary can deliver its health services; and (iii) the charitable purpose of CMC or the CMCHS Subsidiary, as applicable. The System Board also will give the CMC Board and the CMCHS Subsidiary Board, as applicable, an opportunity to address the proposed change and to provide any additional information, and will consider any input from the CMC Board or any CMCHS Subsidiary Board, as applicable, in good faith. After completion of the evaluation process and consistent with Section 5.3.3 below, CMC and the CMCHS Subsidiary Boards agree to implement the clinical changes required by the System Board in accordance with a mutually-agreed upon schedule.

(vi) Powers Enumerated in Other Sections of this Agreement. Each of CMC and the CMCHS Subsidiaries agrees that the System Board's authority to initiate action at the Member level is not limited to those powers listed in this Section 3.4.2(b), and acknowledge that other provisions of this Agreement provide the System Board with certain authority and reserved powers (subject to Section 2.6), including but not limited to: Section 3.3.3 with respect to the right to appoint representatives to the Member Boards; Section 5.1.1 with respect to the establishment of a System strategic plan; Section 5.2.1 with respect to the development and negotiation of joint ventures, affiliations or reorganizations with prospective System members or with other parties or health systems; Section 5.5.2 with respect to the financial management of the System including the power to reallocate certain of the assets of CMC and the CMCHS Subsidiaries; and Section 5.6 regarding the consolidation of administrative functions.

3.4.3 Additional Reserved Powers of CMCHS and the Bishop Applicable to CMC and the CMCHS Subsidiaries. In addition to the powers reserved to CMCHS as described in Section 3.4.2 above, CMCHS will continue to have the sole authority to approve any proposed change to the philosophy, objectives or purposes of CMC and its subsidiaries or of the CMCHS Subsidiaries and their subsidiaries, and any change to its ethical religious standards. No action that could impact CMC's name, or the Catholic identity of, or compliance with Catholic moral teaching, the ERDs

and Canon Law by, CMC and the CMCHS Subsidiaries may be taken without the prior approval of CMCHS.

3.4.4 Reconciliation of Conflict in Exercise of D-HH GO and Bishop's Reserved Powers. If there is a conflict between a ratification of the Bishop's Reserved Powers and the exercise of the Reserved Powers of the System Board with respect to CMC and its subsidiaries and the CMCHS Subsidiaries, then the decision of the Bishop will govern unless the System Board has objected to the proposed action. For those actions which require the approval or ratification of both the Bishop or CMCHS and the System Board and either or both of them has objected, then each of CMC and the CMCHS Subsidiaries, as applicable, will revise its proposed action until it receives the approval of both the Bishop or CMCHS and the System Board. Notwithstanding the foregoing, the Parties agree that if a proposed action conflicts with Catholic moral teaching, the ERDs or Canon Law, or if there is a question related to the interpretation of Catholic moral teaching, the ERDs or Canon Law, as applied to CMC and the CMCHS Subsidiaries, then the decision and interpretation of the Bishop will govern.

3.4.5 Retained Powers of CMC, the CMCHS Subsidiaries, HH and MCH. The Parties agree that each of CMC, the CMCHS Subsidiaries, HH and MCH will retain the following powers:

(a) *Ex Officio Positions; Member Board Nominees.* *Ex officio* positions on the Member Boards will be determined in accordance with the Member's respective bylaws. Each of CMC, the CMCHS Subsidiaries, HH and MCH will nominate individual trustees who, together with the *ex officio* trustees, comprise at least two-thirds (2/3) of the trustees serving on their respective Member Boards, subject to the System Board Reserved Powers (and the Bishop's Reserved Powers with respect to CMC and the CMCHS Subsidiaries) to approve each nominee.

(b) *Member Board Chair.* The Chair of the respective Member Boards of CMC, the CMCHS Subsidiaries, HH and MCH will be selected by each Member Board from among the trustees nominated by CMC, the CMCHS Subsidiaries, HH and MCH, respectively.

(c) *Input on Actions Pertaining to Member President and Chief Executive Officer.* Although the power to hire, evaluate, compensate and terminate the President and Chief Executive Officer of CMC, the CMCHS Subsidiaries, HH and MCH (each a "Member CEO") is reserved to the System Board acting through the System CEO or designee (subject to the right of CMCHS to approve the hiring or termination of the CMC CEO), each Member Board and the applicable Regional President will have the right to provide to the System CEO or designee an evaluation of their respective Member CEO prior to any compensation determination, and a recommendation prior to any proposed

hiring or termination of their respective Member CEO of which the System CEO or designee will notify the Member Board Chair. If the System CEO or designee decides to hire or terminate a Member CEO when the Member Board has provided a contrary evaluation or recommendation, the System CEO or designee will consult with the System Board Chair before taking any action.

(d) *Strategic Planning and Operational Oversight.* Subject to Article 5 below and the System Board’s Reserved Powers, each of CMC, HH and MCH will retain primary responsibility for identifying the health needs of the communities it serves, developing a strategic plan (consistent with the System Strategic Plan described in Section 5.1 below) for meeting those needs, and overseeing the delivery and safety of health care services at its respective hospital and any related facilities.

(e) *Donor-Restricted Funds.* Subject to the System Board’s Reserved Powers and the intent of donors, each of CMC, the CMCHS Subsidiaries (if applicable), HH and MCH will retain responsibility for determining whether and how much to appropriate from its donor-restricted funds for qualifying expenditures, consistent with the requirements of New Hampshire RSA 292-B:4, the Uniform Prudent Management of Institutional Funds Act.

(f) *Fundraising.* Each of CMC, HH and MCH will retain the authority to determine and implement fundraising activities conducted by the Member Hospital in its respective service area, and to approve any fundraising efforts proposed by the System Board in the Member Hospital’s respective service area.

(g) *Intellectual Property.* Each of CMC, the CMCHS Subsidiaries, HH and MCH will retain exclusive rights with respect to the ownership and use of its corporate names and any trade names it has registered or put into use in the marketplace. The Parties acknowledge that CMC intends to maintain the name “Catholic Medical Center” for its main hospital campus in Manchester, New Hampshire and “New England Heart and Vascular Institute” and “NEHVI” for its heart center, and that any change in such names will be determined solely by CMC, CMCHS and the Bishop.

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ARTICLE 4. SYSTEM MANAGEMENT AND REPORTING

4.1 CLINICAL STRUCTURE

4.1.1 Pluralistic Model. The System will develop a pluralistic medical staff model for community practice physicians, community hospital and CAH medical staff, academic medical center physicians, and independent physicians, which model accommodates and respects the existing medical staff structures of the Parties while seeking to achieve the clinical integration goals of the Combination. Following the Combination Date, each of the Parties will continue to maintain its medical staff structures and be responsible for granting clinical privileges, subject to System-wide initiatives such as credentialing which may be implemented by the System Board as described in Sections 3.4.1(b)(iii) and (iv) and Sections 3.4.2(b)(iii) and (iv). While maintaining the pluralistic medical staff model, the System Board subsequently may establish a System-wide clinical management and reporting structure to ensure and enhance the quality of care and the dissemination of best practices throughout the System.

4.1.2 Existing Contractual Commitments. For the avoidance of doubt and to ensure stability, collaboration, continuity and a smooth transition for the Combination, each of the System and System Members, as applicable, will honor the terms of employment and other contractual commitments that they each have to physicians, other providers and senior management existing on and after the Combination Date.

4.1.3 Diversity of Member Organizations. The System's pluralistic medical staff model will be designed to support the critical access and rural hospital characteristics of HH and MCH (and other existing Members of the D-HH System), the acute care community hospital and Catholic characteristics of CMC, and the academic medical center characteristics of DHMC. Consistent with the provisions of Section 2.6 above, no provider employed or contracted by CMC or by any of the CMCHS Subsidiaries and acting in the course of the provider's duties to CMC or a CMCHS Subsidiary, as may be applicable, and its patients may be required or permitted to make referrals to any Member of the System for procedures that are inconsistent with Catholic moral teaching, the ERDs or Canon Law.

4.2 ADMINISTRATIVE MANAGEMENT STRUCTURE

4.2.1 System Chief Executive Officer. The System will have a Chief Executive Officer (the "System CEO") and such other individual management officers as are determined by the System Board to be necessary or appropriate. The System CEO will report to the System Board and be responsible for, among other things, providing leadership, strategic guidance and operational oversight to achieve the purposes and shared vision for the System set forth in Article 1 of this Agreement, ensuring adherence to the guiding principles set forth in Article 2 of this

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Agreement – including respect for the diverse identities and traditions of System Members and advancing the mission of New Hampshire’s only academic health system, and galvanizing clinical, operational, and financial integration efforts across the System. The System CEO will appoint and oversee the Regional Presidents in the performance of their responsibilities as set forth in Section 4.2.2(c) below.

The System CEO’s duties and responsibilities will be more fully set forth in a System CEO position description approved by the System Board or appropriate committee of the System Board.

The initial System CEO will be Joanne M. Conroy, MD.

4.2.2 Regional Leadership and Reporting Relationships. The System Members will be managed regionally as described below.

(a) *Regions*. As of the Combination Date, the System will consist of two Regions (each a “Region”). Region I generally will include the following: Mary Hitchcock Memorial Hospital, Dartmouth-Hitchcock Clinic Keene, Lebanon and Putnam, New London Hospital, Mt. Ascutney Hospital and Health Center, Cheshire Medical Center, Alice Peck Day Memorial Hospital, Visiting Nurse Association and Hospice for Vermont and New Hampshire and any other current northern New Hampshire and Vermont facilities and practices that are part of the D-HH System on the Combination Date. Region II generally will include the following: CMC, the CMCHS Subsidiaries, HH, MCH, Dartmouth-Hitchcock Clinic Concord, Manchester and Nashua and any other current southern New Hampshire facilities and practices that are part of the D-HH System or GraniteOne System on the Combination Date, and any southern New Hampshire facilities and practices that become part of the System after the Combination Date. The System Board will retain the power and authority to establish new regions and to add to the component entities and facilities of each Region from time to time as it deems appropriate. The Parties agree that the System Board will reevaluate the regional structure on or about the second (2nd) anniversary of the Combination Date, and may vote any time thereafter to alter the membership or structure of the Regions or replace them in their entirety with a new operational and management reporting structure. Any vote to restructure or eliminate the Regions prior to the sixth (6th) anniversary of the Combination Date will require both a majority vote of the D-HH Nominees then serving on the System Board and a majority vote of the GOH Nominees then serving on the System Board. If HH or MCH requests a transition to a different region during the reevaluation, then the System Board (including majorities of both the D-HH Nominees and the GOH Nominees) will approve such a transition unless the interests of the System are inconsistent with the request.

(b) *Regional Presidents – Appointment and Special Provision.* Region I will be managed by the President of Region I, who initially will be Joanne Conroy, MD, the current President and CEO of D-HH and D-H. Region II will be managed by the President of Region II, who initially will be Joseph Pepe, MD, the current President and CEO of GOH and CMC. The identity of the initial President of Region II is critical to successfully achieving the objectives of the Combination as set forth in Article 1 of this Agreement, and the Parties recognize the important role of the GOH Members in determining the leadership of Region II during implementation of the System. For these reasons, while the initial President of Region II will be Joseph Pepe, MD, the Parties further agree that for six (6) consecutive years following the Combination Date (subject to the possible restructuring described in Section 4.2.2(a) above) the appointment of the Region II President will be subject to the approval of a majority of the GOH Nominees (as defined in Section 3.3.2 above), who must exercise their fiduciary duties to the System and consider the needs of Region II and the necessary skills and experience of a successor Region II President. The President of Region I and the President of Region II are collectively referred to as the “Regional Presidents.” Except for the foregoing provisions and subject to the possible restructuring described in Section 4.2.2(a) above, the Regional Presidents will be appointed by the System CEO and approved by the System Board.

(c) *Regional Presidents – Authority and Responsibilities.* The Regional Presidents will report to the System CEO. Subject to Section 4.2.2(d) below, the Regional Presidents will be responsible for overseeing and coordinating the implementation, management and evaluation of the System strategies, clinical initiatives and operational programs at the System Member hospitals and outpatient facilities, including, but not limited to, Dartmouth-Hitchcock Clinic facilities and ambulatory surgical centers (the “D-HC Facilities”), within each Regional President’s respective Region. The Regional Presidents also will foster and guide collaboration among the System Members in the assigned Region, recognizing that System Members may cooperate and collaborate with each other outside their assigned Region consistent with the System strategic plan. The responsibilities and authority of the Regional Presidents will include the following:

(i) With respect to Region II, leading, coordinating, and supervising (A) the President and CEO of each of the System Members within Region II, who will have a reporting relationship to the Region II President, (B) in collaboration with the D-HH GO Chief Clinical Officer, the physician administrator of each of the D-HC Facilities and the D-HC Regional Medical Director in Region II, who will have a primary reporting relationship to the Region II President, and (C) in collaboration with the D-HH GO Chief Operating Officer, the D-HC Vice President of Community Group Practice Business Operations;

(ii) Leading the development of the new integrated delivery system in the respective region;

(iii) Implementing strategies to:

(A) Improve access for the communities served by the System Members in the region, and meet the growing health needs of the population;

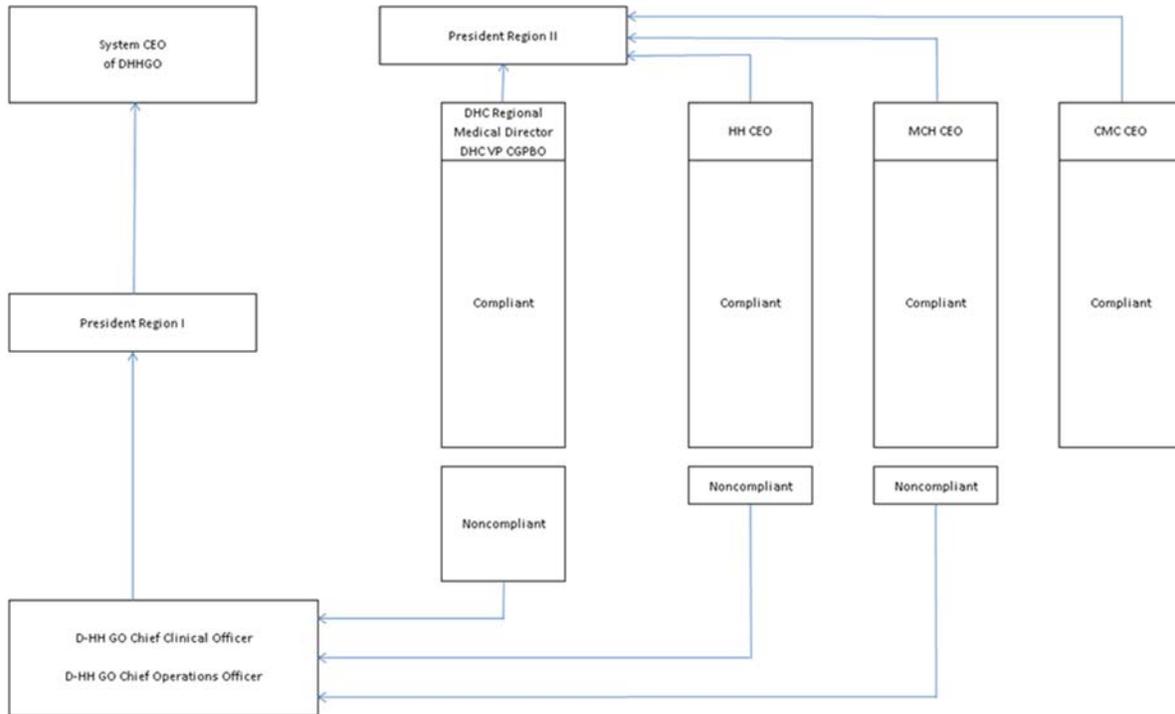
(B) Coordinate with System leadership to develop integrated clinical programs focusing on strengthening existing practice leaders and developing new and enhanced programming;

(C) Develop a comprehensive geographic plan for the provision of clinical programs to enhance access throughout the System over the next five (5) or more years; and

(D) Develop the workforce plan to achieve the objectives of the Combination and strategic plans of the System.

(d) *Adherence to Catholic Moral Teaching and Compliance with the ERDs and Canon Law in Region II Management.* This Section 4.2.2(d) applies only for so long as the CMC President and CEO also serves as the President of Region II. As the administrator of both Catholic and non-Catholic facilities, the President of Region II will be responsible and accountable for, and oversee, only those strategic initiatives and clinical and operational programs of System Members in Region II that are consistent with Catholic moral teaching, the ERDs and Canon Law. Procedures that are inconsistent with Catholic moral teaching, the ERDs and Canon Law will be overseen by the President of Region I. Currently, all of the day-to-day business and clinical operations of D-HC in Region II are overseen by the Vice President of Community Group Practice Business Operations and the D-HC Regional Medical Director. Both are D-H employees and those employment arrangements and positions will remain intact after the Combination Date. The Vice President of Community Group Practice Business Operations currently reports to the D-HH Chief Operating Officer. The D-HC Regional Medical Director currently reports to the D-HH Chief Clinical Officer who reports to the D-HH CEO. After the Combination, the Vice President of Community Group Practice Business Operations and the D-HC Regional Medical Director will continue to be responsible for the day-to-day business and clinical operations but D-HH GO will require each administrator to bifurcate those operations and procedures into those consistent with Catholic moral teaching, the ERDs and Canon Law and those operations and procedures that are inconsistent with Catholic moral teaching, the ERDs and Canon Law. Other secular Member Hospitals and facilities

in Region II will continue to be responsible for their day-to-day operations, including those procedures that are inconsistent with Catholic moral teaching, the ERDs and Canon Law. After the Combination, those hospital Member CEOs, D-H employed Vice President of Community Group Practice Business Operations and the D-HC Regional Medical Director will report to the D-HH GO Chief Operating Officer and Chief Clinical Officer with respect to operations and procedures that are inconsistent with Catholic moral teaching, the ERDs and Canon Law.



(e) *Adherence to Catholic Moral Teaching and Compliance with the ERDs and Canon Law in Region II Clinical Operations.* In addition to maintaining its existing reporting structure for those operations that are inconsistent with Catholic moral teaching, the ERDs and Canon Law, D-HH GO will undertake and require the following with respect to D-HC clinical operations:

- (i) D-HC will require ERD training (which may be online) among its providers practicing in Region II to ensure respect and understanding of the ERDs and CMC’s Catholic Identity and the needs of Catholic patients who seek their care at CMC.
- (ii) D-HC will uphold CMC’s existing Annual ERD Certification of D-HC Physicians Credentialed at CMC.

(iii) D-HC will track and make available to CMC on an annual basis the number, nature and location of procedures that were performed that are inconsistent with the ERDs. As detailed above, those procedures and any potential future procedures that are inconsistent with the ERDs will be identified and D-HC will explicitly require and confirm that these will be under the authority of the D-HC employed Medical Director(s) that manage D-HC services in Region II. With regard to reporting and oversight of the Medical Director(s), all matters pertaining to procedures that are inconsistent with Catholic moral teaching, the ERDs and Canon Law will be reported directly to the Chief Clinical Officer and Chief Operating Officer of D-HH GO.

(iv) A “hotline” to the Office of Catholic Identity at CMC for reporting of alleged violations of the ERDs will be established and staffed to enable the faithful to express concerns, ask questions and alert CMC of any matters that may need to be addressed.

(v) D-HC agrees to cooperate and participate in the CMC ERD Audit Process which includes an annual assessment and report to the Bishop on ERD compliance.

(vi) D-HC acknowledges that financial matters related to procedures that are inconsistent with Catholic moral teaching, the ERDs and Canon Law cannot be managed by an administrator of a Catholic facility.

(vii) D-HC acknowledges that CMC will be including the following disclosure for CMC patients who are referred to a D-HC OB/GYN specialists or other specialists:

“CMC is a member of Dartmouth-Hitchcock Health GraniteOne. While CMC and its providers and facilities are committed to following Catholic moral teaching and the ERDs, other members, providers and facilities in the system are not. You are being referred to a specialist or facility which is not Catholic and could be engaging in actions contrary to Catholic moral teaching and the ERDs. You are not being referred for any purpose contrary to Catholic moral teaching and the ERDs. Any procedures or educational materials they may offer that are not consistent with the ERDs are not approved by or within the scope of authority of CMC. If you have any questions about Catholic moral teaching and the ERDs or a procedure you are considering and whether it is consistent with these, then please contact the CMC Office of Catholic Identity at (603) 663-6440.”

(viii) D-HC also will display the following disclosure in those Region II waiting rooms and exam rooms that are utilized in a manner not consistent with the ERDs:

“Dartmouth-Hitchcock Health GraniteOne includes both Catholic and non-Catholic member hospitals. Only its Catholic members are committed to following Catholic moral teaching, including the ERDs. This is a non-Catholic provider and facility. Any procedures or educational materials that are not consistent with Catholic moral teaching and the ERDs are the sole responsibility of this provider or facility and its non-Catholic parent organizations. If you have questions about Catholic moral teaching and the ERDs or a procedure you are considering and whether it is consistent with these, then please contact the CMC Office of Catholic Identity at (603) 663-6440.”

4.2.3 Member Leadership and Reporting Relationships. Each of the System Members will be served by a chief executive officer (each a “Member CEO”), who may be employed by the System and may serve as the chief executive officer for more than one Member. Unless a subsequent change to the System’s regional structure is approved by the System Board as described in Section 4.2.2(a) above, each Member CEO will report directly to the Regional President for the Region in which the Member is located or, in the case of Region I if the System CEO and the Region I President are the same person, to his or her designee. Each Member CEO also will be responsible to his or her Member Board, and will consult regularly with and inform his or her Member Board acting through its Chair or the Chair’s designee. The Member CEO will perform such duties as are typical of an executive of a community hospital in an integrated health care system, including but not limited to the execution of the System strategic plan and Member strategic plan, oversight of hospital administration, operations, and finances, and supervision of Member personnel reporting to the Member CEO. The Member CEO also will perform such duties as may be determined by the Regional President or, in the case of Region I if the System CEO and the Region I President are the same person, his or her designee after consultation with the Member Board Chair or Member Board Chair designee; provided that the CMC CEO may not be required to perform any duties which conflict with the ERDs or the principles of Canon Law or which would violate the principles described in Section 2.6 above.

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ARTICLE 5. SYSTEM INTEGRATION

5.1 STRATEGIC PLAN AND INITIATIVES

5.1.1 System Board Strategic Planning. The System Board will develop and implement a System-wide long-term strategic plan for achieving the System's goals (the "System Strategic Plan"). The System Strategic Plan will be designed to further the charitable mission of D-HH GO, support the charitable missions of the System's Members (subject in the case of CMC and the CMCHS Subsidiaries to Section 2.6 above), address the ongoing changes in the delivery of and reimbursement for wellness and health care services, and implement and maximize the goals and synergies identified in this Agreement. The System Strategic Plan will include, but not be limited to, clinical programming, services and procedures, quality standards and measures, operating and capital budgets, System-wide resource allocation and investment policies. The Parties expect that the System Strategic Plan will be prepared within one (1) year after the Combination Date, and that thereafter the System Board will regularly evaluate the System Strategic Plan and update or modify it from time to time to ensure that it continues to meet the goals and purposes of the System and the System's Members.

5.1.2 Member Board Strategic Planning. Each Member Board will develop and implement a strategic plan for meeting the identified health needs of the communities it serves. Each System Member's strategic plan must be consistent with the System Strategic Plan, and must be approved by the System Board pursuant to the System Board Reserved Powers; provided that CMC's strategic plan and any strategic plan adopted by the CMCHS Subsidiaries will be subject to the provisions of Section 2.6 above and the Bishop's Reserved Powers.

5.2 OPERATIONAL PLANNING

5.2.1 System-Wide Operations. The Parties agree to continue to evaluate and develop ways to integrate their operations to further the objectives of the Combination, including the enhancement of the quality of care throughout the System, the achievement of economic efficiencies, and the dissemination of best practices. The System Board will be responsible for establishing and overseeing System-wide operational programs and initiatives. The System Board also will have the authority to develop and/or negotiate joint ventures, affiliations or reorganizations with prospective System members or with other parties or health systems in furtherance of the System Strategic Plan.

5.2.2 Member Board Operational Responsibilities. Consistent with the System Strategic Plan and the integration planning under Section 5.2.1 above, and subject to the System Board's Reserved Powers (which include the power to require participation in System-wide programs and initiatives such as System-wide credentialing) and the Bishop's Reserved Powers with respect to

CMC and the CMCHS Subsidiaries (as applicable) only, each Member Board will be responsible for evaluating, implementing and overseeing the delivery and safety of health care services at and from its respective hospital and any related facilities. Such operational responsibilities include, but are not limited to: (i) preparation of community needs assessments on a regular basis and as required by applicable law; (ii) oversight of compliance with legal, licensing, applicable accreditation and reimbursement program participation standards and requirements; (iii) implementation and oversight of quality and safety standards for patient care; (iv) risk management; (v) oversight and approval of medical staff bylaws and granting of clinical privileges; (vi) adoption of annual operating and capital budgets for the Member for approval by the System Board; (vii) identification and recommendation of capital needs; and (viii) identification and recommendation of recruitment and/or retention needs.

5.3 CLINICAL PROGRAM DEVELOPMENT

To the extent legally permissible and, with respect to CMC and the CMCHS Subsidiaries only, consistent with the provisions of Section 2.6 above, the Parties agree to continue to evaluate and develop ways in which to integrate their clinical programming to further the objectives of the Combination, including enhancement of population health and wellness and prevention services; expansion of primary care practice development; enhancement of existing clinical collaborations and addition of new specialty services in southern New Hampshire; support of services appropriately provided in rural locations to promote access to care in the most efficient and economical setting; achievement of high quality clinical outcomes; reduction of risk and assurance of corporate compliance; improvement of physician recruitment and retention; achievement of efficiencies; and implementation of best practices. The specific clinical programming commitments and processes identified by the Parties to date as having the greatest potential for immediate benefit to patients are more fully described in Sections 5.3.1 and 5.3.2 below.

5.3.1 Inpatient Services

The Parties acknowledge that rising demand for high quality inpatient services, fueled by an aging population with chronic and higher acuity health care needs, has surpassed their present ability to provide access to these mission-critical services. Capacity constraints at DHMC and CMC, in particular, force the denial of more than 3,000 inpatient admissions per year combined, requiring many of these patients to seek care out-of-state at higher cost and greater inconvenience. Additionally, approximately 8,000 patients from southern New Hampshire annually seek inpatient services in Massachusetts hospitals often at greater expense and inconvenience than if such services were available locally. This rising demand for inpatient services is projected to continue unabated in correlation with New Hampshire's aging population, one-quarter of which will be 65 years of age or older by 2040.

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The Parties agree that the System will be better-positioned to meet inpatient demand by more efficiently utilizing the existing capacity of its member hospitals, including HH and MCH, and centralizing transfer operations to identify System-wide bed availability to ensure that patients receive care in the most convenient, acuity-appropriate site of service. While greater combined capacity and process improvement will reduce inpatient admission denials in some measure, the Parties agree that new capacity will be required to meet existing and projected demand. A planned 60-bed inpatient tower at DHMC will be augmented by a substantial expansion project on the CMC campus, to be developed, financed (subject to the limitation in Section 5.5.2(c) with respect to HH and MCH assets), and constructed by the System as more fully described in Section 5.5.5 below. The creation of new inpatient capacity on the CMC campus will benefit patients in multiple ways by, for example, offering a New Hampshire-based alternative to more expensive and inconvenient out-of-state care, facilitating patient transfers from the relatively higher cost academic medical center at DHMC to a more cost-effective and convenient setting, especially for patients from southern New Hampshire, and creating needed vacancy at DHMC for patients requiring more complex care.

5.3.2 Specialty Services

(a) *Behavioral Health.* The Parties recognize and are committed to addressing New Hampshire's behavioral health needs, fueled in large part by a substance use disorder ("SUD") crisis that indiscriminately afflicts both urban and rural communities. This scourge is most prevalent in southern New Hampshire, where overdose-related deaths, emergency department visits and hospital admissions have stretched mental health and SUD treatment resources beyond their limits. While both D-HH and GOH are demonstrated leaders in behavioral health care, evinced in part by their participation in "Doorway-NH" and MHMH's and CMC's regional leadership of New Hampshire's Delivery System Reform Incentive Program ("DSRIP") to strengthen and integrate behavioral health care for those served by the Medicaid program, their separately allocated resources are asymmetrical and fragmented.

The Parties agree that D-HH offers a broad range of inpatient and outpatient mental health and SUD treatment programs from which patients in GOH's service areas will benefit substantially. The Combination will enable the System to draw on the expertise of specialists and sub-specialists at DHMC in support of adult and child emergency psychiatric services and outpatient psychiatric care at CMC, HH, and MCH. D-HH currently provides tele-psychiatry support to both D-HH System members and non-members in New Hampshire and Vermont, offering HH, MCH and CMC, which currently purchases tele-psychiatry services from a third-party vendor, the opportunity to obtain such support in an integrated System.

Well-aware of the importance of early psychiatric intervention, the Parties will expand D-HH's established collaborative care model to primary care sites throughout the System, integrating

mental and physical health care services and SUD screening in order to identify and address the totality of patient needs at the first visit. This well-studied best practice improves care quality and treatment compliance, and avoids unnecessary, costly emergency department visits and hospitalizations. Additionally, while GOH System members currently do not have inpatient psychiatric capacity, the Combination will facilitate direct access to the System's 21-bed inpatient psychiatric unit at DHMC, enhancing patient care coordination and management while reducing barriers to access and fragmented care.

The Parties also agree to integrate and broaden their respective outpatient addiction treatment programs, share best practices, measure outcomes, and implement standardized screening tools and care pathways across the System. Each of DHMC and CMC offers medication for substance use disorder ("MOUD") treatment and a specialized addiction treatment program for pregnant and parenting women, i.e., "Mom's In Recovery" at DHMC and "Roots for Recovery" at CMC. In addition to expanding access to these intensive outpatient treatment programs and consultation services, the Combination will enable the Parties, and CMC in particular, to replicate DHMC's "Behavioral Intervention Team" ("BIT") model, an innovative, multidisciplinary, behavioral health care delivery model for inpatients with co-occurring medical conditions.

The Parties agree to prioritize the behavioral health needs of their patients and communities, and to use their combined expertise, experience, and human and technological resources to reduce opioid dependence and other SUDs and improve the mental and physical well-being of those served by the System.

(b) *Pediatrics.* The Parties recognize that southern New Hampshire is home to more than two-thirds of the state's children yet the region lacks sufficient access to routine pediatric outpatient services and comprehensive pediatric urgent/emergent care. The Children's Hospital at Dartmouth-Hitchcock ("CHaD") on the DHMC campus is New Hampshire's only full-service children's hospital, offering dedicated pediatric and adolescent inpatient services and comprehensive care in over 30 pediatric medical and surgical specialties and sub-specialties, including Level I trauma care and pediatric intensive care. CHaD also operates a Level III neonatal intensive care unit ("Level III NICU") that provides advanced, subspecialty care for critically ill newborns. CMC operates the Special Care Nursery at The Mom's Place ("SCN"), a Level II nursery that offers family-centered newborn care.

The Parties agree that a main objective of the Combination is to address the dearth of pediatric outpatient and urgent/emergent hospital services in southern New Hampshire. By deploying clinicians and/or employing telehealth, the System will draw on the diverse expertise of CHaD specialists and sub-specialists in support of new or expanded neonatal and pediatric capabilities at CMC. Mindful that D-HH physicians already collaborate with CMC to deliver more than 1,200 babies annually, the Parties agree that the System will facilitate the delivery of more

complex neonatal services at CMC's SCN, buttressed by the complementary services of CHaD's Level III NICU, in order to offer patients a more convenient, cost-effective site of neonatal services. Additionally, the Parties agree to commit System expertise and resources to enable CMC to offer advanced pediatric emergency services to the nearly 1,300 pediatric patients who seek emergency care annually at CMC, many of whom require more complex care than CMC is currently equipped to provide and, consequently, must be transferred to less convenient, often more expensive, locations. The Parties further agree to optimize the use of System urgent care facilities to offer acuity-appropriate pediatric patients a convenient alternative to the emergency department. Finally, with enhanced urgent/emergent care options and access to specialty expertise, the System will be positioned better to create a short stay pediatric inpatient unit at CMC.

The Parties agree that the Combination will enable the System to aggregate D-HH's robust pediatric outpatient presence in southern New Hampshire, CHaD's specialty and sub-specialty expertise, and CMC's neonatal, emergency department, and inpatient facilities to offer neonatal and pediatric services across the continuum of care and otherwise unavailable in southern New Hampshire.

(c) *Oncology.* The Parties acknowledge that cancer is the leading cause of death in New Hampshire and, by utilizing its combined resources, the System can deliver more comprehensive, convenient, and cost-effective care for cancer patients. D-HH, in partnership with the Geisel School of Medicine at Dartmouth College, is home to the Norris Cotton Cancer Center ("NCCC") in Lebanon, one of only 50 National Cancer Institute-designated "Comprehensive Cancer Centers" in the nation, performing cutting edge basic and clinical research and providing high quality, multi-disciplinary clinical care across a broad range of specialties and sub-specialties. One of NCCC's four regional sites is co-located on CMC's campus in Manchester, where D-HH physicians collaborate with CMC to provide certain outpatient, infusion, and inpatient oncology services and other local cancer survivorship resources.

The Parties agree to utilize their combined resources to expand existing cancer care capabilities and create new medical and surgical treatment options and wraparound services. For example, System synergies will enable patients to receive complex outpatient and pre- and post-operative transplant care locally while travelling to DHMC only for complex surgery and inpatient services. In southern New Hampshire, the System will supplement CMC's existing breast and colorectal surgical oncology services by deploying providers of more complex surgical, and pre- and post-operative care for pulmonary, esophageal, colorectal, endocrine, gynecologic and hematologic cancer conditions, offering a more convenient, less costly alternative for patients who presently seek such treatment out-of-state. The System will capitalize on NCCC's nationally renowned clinical and research infrastructure to export and standardize care protocols/pathways to ensure consistent care quality and patient safety regardless of the site of service. Significantly, the Combination will enable the System to offer wider access to advanced clinical trial opportunities

for eligible patients, many of whom reside in the larger population centers of southern New Hampshire. As referenced in Section 5.3.4(c) below, the System will seek to enhance and develop cancer treatment services at HH and MCH (including initiating infusion services at HH) by deploying oncological specialists to those and other member hospitals, providing patients more convenient, less costly access to specialty care than is presently available in those communities.

In order to optimize the System's distributed cancer care model, centralized patient transfer operations will coordinate and expedite access to the most convenient, acuity-appropriate site of service across the System's outpatient, inpatient, ambulatory and infusion facilities, efficiently aligning System resources to manage the total cost of care.

(d) *Orthopedics.* The Parties recognize that the need for comprehensive surgical and non-surgical orthopedics care is expected to grow in correlation with the aging of New Hampshire's population and agree to integrate their respective orthopedic capabilities in order to offer a full range of inpatient, outpatient and ambulatory services to patients throughout the System's service areas. D-HH orthopedics and sports medicine specialists and sub-specialists provide advanced adult and pediatric medical and/or surgical care for the full spectrum of orthopedic-related conditions and injuries, including hip and knee joint replacement, foot and ankle, shoulder and elbow, and hand and wrist, among others. They also provide orthopedic services for patients who require multi-disciplinary, specialty and sub-specialty care for spine, trauma and oncological conditions, among others.

CMC has developed a dedicated inpatient orthopedics unit which provides more complex orthopedic services in collaboration with independent, community-based physicians, who will continue to be an integral component of the System's coordinated patient care and pluralistic physician model. HH and MCH provide routine orthopedic care but face mounting physician and associate provider workforce challenges that threaten their ability to meet community needs. The Parties agree that the combination of their complementary resources will enable the System to allocate those resources appropriately and optimize capacity to serve the needs of its patients.

The System will deploy specialists and sub-specialists to CMC's inpatient orthopedic unit to expand access to complex orthopedic procedures like joint replacement and revision surgery for patients in southern New Hampshire, more than 1,000 of whom annually seek inpatient orthopedic care out-of-state or at DHMC, which, due to capacity constraints, is forced to deny admission to hundreds of orthopedic patients annually. Additionally, the System will proactively manage the transition of appropriate inpatient procedures to the hospital outpatient setting and utilize the System's existing and planned ambulatory surgery center capacity in Manchester to expand access to the rapidly growing volume of orthopedic procedures performed in the less costly ambulatory setting, ensuring that patients receive the most acuity-appropriate, convenient and cost-effective care across the inpatient, outpatient and ambulatory care continuum. As referenced in Section

5.3.4(a) below, the Parties agree that the System will seek to deploy providers to HH and MCH to support general orthopedic care, pre- and post-operative care, and low complexity procedures appropriate for a CAH.

By fully implementing its distributed care model throughout its integrated service areas, the System will broaden and expedite patient access to high quality orthopedic care, create needed vacancy at DHMC and CMC for higher acuity patients, and support the financial sustainability of its community and CAH Members.

(e) *Spine Care and Pain Management.* The Parties understand that chronic pain, specifically back and spine-related pain, is a common condition that restricts mobility, impairs activities of daily living, diminishes workforce productivity, and may lead to opioid dependence and substance use disorder. Chronic spine and pain conditions are expected to rise in correlation with New Hampshire's aging population and the Parties agree to integrate their respective capabilities in order to offer comprehensive non-surgical and surgical spine care and novel approaches to pain management for patients throughout the System's service areas.

D-HH, through the Spine Center at DHMC, currently offers a full range of non-surgical and surgical spine-related services such as rehabilitation, functional restoration, spinal cord and nerve stimulation, spinal fusion, and neurosurgery, as well as a wide range of clinical and procedural pain treatments through the Pain Management Center at DHMC and the Pain Clinic at Cheshire. CMC currently offers certain surgical spine capabilities through its successful collaboration with independent, community-based physicians, who will continue to be an integral component of the System's coordinated patient care and pluralistic physician model. CMC also offers some pain management services, inpatient and outpatient rehabilitation for spinal cord injuries, occupational therapy services, and a tele-neuro/spine program.

The Parties agree that the System will deploy specialists and sub-specialists in order to develop comprehensive, multi-disciplinary spine-related services at CMC, utilizing existing and new capacity to expand access to the complex inpatient spine procedures for which more than 500 patients from southern New Hampshire annually seek such care out-of-state or at DHMC. The Parties further agree to optimize CMC's existing collaboration with the New Hampshire Neurospine Institute and the use of D-HH's planned ambulatory surgery center in Manchester to ensure that patients receive the most acuity-appropriate, convenient and cost-effective care across the System's integrated inpatient, outpatient and ambulatory care continuum. The System also will support outpatient and pre- and post-operative spine care at HH and MCH and other Member hospitals by deploying specialists and/or employing telemedicine, offering patients more convenient, less costly access to specialty care than is presently available in those communities while supporting the financial sustainability of its community and CAH Members.

The Parties agree that the System will augment existing pain management capabilities by deploying specialists to CMC and expanding telemedicine services to connect Member and non-Member hospitals in order to broaden patient access to innovative approaches to pain management for behavioral health, oncology, orthopedics and spine care, among other disciplines, while offering evidence-based, clinically proven alternatives to traditional opioid prescribing practices.

(f) *Obesity and Bariatrics.* The Parties acknowledge the need to address New Hampshire's adult and childhood obesity problem – a condition that afflicts 28% of the State's adult population and 15% of the State's high school age population – and obesity-related chronic health conditions like diabetes, hypertension, arthritis, and heart disease.

Through its New England Weight Management Institute, CMC offers medical interventions to prevent obesity, manage weight loss, and promote health and wellness through anti-obesity medication, nutritional programs, and counseling, all of which will be augmented by DHMC's Weight and Wellness Center programs, including the innovative Culinary Medicine Program, which aims to translate current research about healthful foods, nutrition, and cooking into a vision of food as medicine. D-HH, through its Manchester clinic, also operates New Hampshire's only obesity program for children and adolescents. The Parties agree that the System will build upon their existing obesity-related care networks by deploying advanced practice providers and/or exploring the potential for telehealth to offer local access to adult, adolescent and pediatric bariatric consultations and pre- and post-operative care at HH and MCH and other rural sites of service. The Parties further agree to utilize the System's expanded primary care network to facilitate early screening and medical intervention for a higher volume of obese and/or overweight patients, obviating or reducing the need for invasive surgical procedures and expediting the diagnosis and management of obesity-related chronic health conditions. To the extent that patients require surgical intervention, both DHMC and CMC offer comprehensive bariatric surgical expertise in gastric bypass, sleeve gastrectomy, and minimally-invasive laparoscopic and/or endoscopic procedures.

The Parties agree that by integrating their existing medical and surgical capabilities and implementing a distributed care model the System will expand access to convenient and cost-effective obesity-related health care to enhance health and wellness throughout its service areas.

(g) *Heart and Vascular.* The Parties understand that heart disease is the second leading cause of death in New Hampshire and its incidence is projected to quadruple over the twenty year period from 2010 to 2030 in correlation with the state's aging population. The Parties agree that by utilizing their combined resources and complementary expertise the System can offer expanded access to more comprehensive, convenient, and cost-effective heart and vascular care for patients throughout its service areas.

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CMC is home to NEHVI, a nationally recognized center of excellence in the diagnosis and treatment of cardiovascular disease, specializing in heart failure care, general and interventional cardiology, cardiothoracic surgery, and vascular surgery. DHMC is home to the Heart and Vascular Center at Dartmouth-Hitchcock, providing comprehensive cardiovascular medicine and surgical services, including advanced procedures otherwise available only at academic medical centers in Massachusetts. The Parties agree that by combining and building upon their respective heart and vascular care capabilities the System will enable providers to cross-train and jointly develop innovative treatment options, share best practices, and collaborate to create new and expanded access at NEHVI to the most advanced techniques and procedures for patients in southern New Hampshire, more than 1,400 of whom annually seek inpatient heart and vascular care out-of-state at higher cost. For example, the Parties anticipate that their combined resources will achieve the scale necessary to establish specialized programs otherwise unavailable in New Hampshire like left ventricular assist device (“LVAD”) implantation, for which the need is projected to grow by 74% in southern New Hampshire’s more populous communities by 2027. The Parties also anticipate that the System will enable them to align and distribute resources more efficiently, including through centralized patient transfer operations, to offer expanded access at NEHVI for nearly 300 patients from southern New Hampshire who annually seek inpatient care at DHMC, which, due to capacity constraints, is forced to deny admission to several hundred heart and vascular patients annually. The Parties agree that the CMC expansion project to be developed, financed, and constructed by the System as more fully described in Section 5.5.5 below, will include new and renovated cardiac catheterization and electrophysiology laboratories and supporting infrastructure to offer greater access to outpatient and non- and minimally-invasive procedures at NEHVI.

The Parties further agree that the System will reinforce and enhance existing support for cardiology services, consultation, and pre- and post-operative care at HH and MCH, as well as at other Member and non-Member hospitals, by deploying specialists and/or employing telehealth to offer patients lower complexity heart and vascular services appropriate for a CAH than is presently available in those communities. By fully implementing its distributed care model the System will offer more convenient, less costly access to integrated, acuity-appropriate heart and vascular care throughout its service areas, support the financial sustainability of its CAHs and other rural health care providers across New Hampshire, and create needed vacancy at DHMC and CMC for higher acuity patients.

Finally, as referenced in Section 5.3.7 below, the System’s combined resources will enable the Parties to explore the expansion of graduate medical education (“GME”) programs to include a cardiovascular rotation at NEHVI for residents and fellows and a cardiac surgery fellowship currently unavailable in New Hampshire.

5.3.3 Continuation of Services.

(a) *Evaluation of Services.* The Parties are dedicated to their respective missions, levels of excellence and commitment to rural healthcare, and recognize the importance of maintaining their existing level of hospital and other health care services to the extent feasible under evolving standards of quality, cost, effectiveness and reimbursement. D-HH GO will support the continued availability of services necessary and appropriate for the communities served by CMC, HH and MCH and, with respect to HH and MCH, as both necessary to maintain CAH status and appropriate for a comparable rural hospital (collectively the “Core Services”), subject to the following evaluation process. The Regional Presidents, in consultation with the Member CEOs and their respective clinical leaders, will evaluate regularly the effectiveness and efficiency of clinical services provided by the Members in addressing the health needs of the communities they serve. The evaluation will include consideration of the following: (i) the synergies created by the Combination and the goals of the Parties stated in Article 1 above; (ii) quality; (iii) cost; (iv) reimbursement; (v) profitability; (vi) outcomes; (vii) access; (viii) provider retention and recruitment needs and challenges; and (ix) community needs. If the evaluation pertains to any clinical services or operations in Region II that are not consistent with Catholic moral teaching, the ERDs or Canon Law and Section 4.2.2(d) remains applicable, then the evaluation of such services or operations and the process under Section 5.3.3(b) below will be the responsibility of the D-HH GO Chief Clinical Officer or Chief Operating Officer. No Core Service will be terminated, however, for the sole reason that the Core Service is not profitable.

(b) *Process for Implementing Changes in Clinical Services.* The Member CEOs and their respective clinical leaders will have an opportunity to review the data reviewed by the Regional Presidents, to provide additional data and information, to review the preliminary analysis of the Regional Presidents, and to provide their own analysis and recommendations. If a Regional President recommends a material change in clinical services by any Member, the recommendation will be presented to the System CEO and the applicable Member CEO and its clinical leadership will be invited to participate in the presentation. If the System CEO agrees with the recommended change, then the System Board will evaluate the recommendation in accordance with the process and standards set forth in Sections 3.4.1(b)(v) (with respect to HH and MCH) and 3.4.2(b)(v) (with respect to CMC) above. Notwithstanding the foregoing, the Parties agree that NEHVI is an integral component of CMC’s services and will not be relocated, reduced or eliminated without the prior approval of the CMC Board, in its discretion.

5.3.4 System Commitments to HH and MCH. As set forth in Sections 1.7, 1.9 and 2.8 above, the Parties recognize the need to reinforce the rural health care network by expanding access to local, acuity-appropriate care for rural populations and thereby promote the long-term financial sustainability of the System’s rural Members. Specifically, as to HH and MCH, the Parties agree that following the Combination Date, the System promptly will evaluate the feasibility of:

- (a) Deploying general and orthopedic surgical services (together with subparagraphs (b), (c) and (d) below, the “Services”) in order to expand access to surgical procedures appropriate in a CAH setting and to optimize the hospitals’ operating room capacity;
- (b) Deploying specialists for outpatient services and minor surgical procedures in urology and geriatrics;
- (c) Enhancing cancer treatment services at both HH and MCH with particular attention to initiating chemotherapy infusion services at HH; and
- (d) Supporting appropriate services in ophthalmology, bariatrics and behavioral health.

The feasibility analysis generally will take into account but not be limited to an evaluation of the local demand for the Services, the resources available to meet the demand for the Services, the most convenient, cost-effective, acuity-appropriate site of service for patients in those communities, and the best interests of the System as a whole and of its Members. If, following its analysis, the System determines that it is feasible to provide one or more of the Services at HH and MCH, then the System promptly will develop an appropriate implementation plan.

5.3.5 Telehealth Services

The Parties acknowledge that in order to realize their mutual vision and achieve the objects of the Combination, among which are improving local access to services, improving patient safety and quality of care, responding to community needs, addressing workforce challenges, and reinforcing rural health care providers, the System must align and optimize existing telehealth capabilities and further develop this powerful tool. As referenced throughout the discussion of clinical program development in Section 5.3.2 above, the Parties agree that telehealth services are a critical component of their vision for a fully integrated, regionally distributed health care delivery network.

D-HH and GOH each has an established telehealth presence, albeit somewhat duplicative and reliant on third-party vendors for some services. D-HH has invested heavily in telehealth over several years and currently provides one or more advanced services in emergency (“tele-ED”), intensive care (“tele-ICU”), pharmacy, neurology, psychiatry, intensive care nursery (“tele-ICN”), and specialty care to 19 member and non-member hospitals throughout New Hampshire and Vermont, including tele-pharmacy services at HH and MCH. D-HH also is developing “direct to consumer” urgent care and behavioral health services as well as remote patient monitoring. GOH

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supports tele-stroke and tele-neurology services at CMC, HH and MCH, as well as neurology, neuro/spine, hospitalist, and cardiology telehealth services at rural, non-member hospitals in New Hampshire. CMC also purchases tele-psychiatry services from a third-party vendor and is planning to explore the development of a bariatrics service.

The Parties agree that their combined telehealth resources and infrastructure will enable them to align and expand telehealth services at CMC, among other locations, where D-HH currently has no connectivity. For example, the System will facilitate the development of tele-ICU services at CMC, using interactive audiovisual technology to connect board-certified intensivists at DHMC with bedside teams at CMC to provide real-time care, consultation and 24/7 patient monitoring. This will expand access to more convenient critical care for New Hampshire patients who presently are forced to seek such care out-of-state, reduce ICU length of stay and mortality rates through more prompt care interventions driven by advanced analytics, and through more efficient utilization relieve capacity constraints at DHMC and CMC to better accommodate critical care patient demand. Additionally, by supporting tele-ICU services at participating Member and non-Member hospitals throughout its regional care delivery network, the System will ensure that patients receive high quality critical care in the most convenient, acuity appropriate location.

The Parties agree that their increased scale, including a larger base of available providers, will enable them to strengthen their internal telehealth capabilities, reduce over time their reliance on third-party vendors who lack integration with the Systems quality and cost initiatives, avoid unnecessary and costly duplication of services, and defray the high cost of human resources and technical infrastructure necessary to support robust telehealth programming. The Parties further agree that the System will facilitate the development of telehealth services by CMC providers and the combined telehealth capabilities and expertise at both CMC and D-H will enable them to offer an expanded menu of services across the System's network and beyond, which will benefit rural health care providers and their patients in particular by: i) expanding access to high quality specialty care otherwise unavailable in those communities; ii) giving patients a lower cost, more convenient specialty care alternative; iii) offering a virtual solution to the rural health care workforce crisis; iv) stemming the contraction of low volume, high complexity specialty services in rural communities; and v) supporting the financial sustainability of rural providers.

Finally, the Parties agree to optimize the potential of telehealth technology to provide remote patient monitoring and "direct to consumer" services, offering appropriate patients lower cost access to care from the convenience of their homes.

5.3.6 Clinical Quality and Process Improvement

The Parties are deeply committed to consistent clinical quality and process improvement, and the highest standards of patient care and safety as top priorities. The Parties agree to strive continuously to ensure that the System is a high reliability, high value health care organization, offering patients throughout its service areas high quality, safe, and cost-effective care. The System will achieve these strategic objectives by establishing standards of care that exceed regulatory requirements, measuring performance against those established benchmarks, sharing best practices, and minimizing inefficient or “non-value-added” care variation, all of which has proven to reduce the total cost of care.

While both D-HH and GOH bring to the Combination quality improvement infrastructure upon which the System will build and expand, the Parties recognize that D-HH, with the resources and expertise of an academic medical center at its core, has developed a mature quality improvement regime that includes its Value Institute (which oversees the conduct of more than 50 care quality and process improvement projects annually), its Analytics Institute (which provides analytical tools to support care quality and process improvement initiatives), its Patient Safety Training Center (which simulates real-world provider-patient encounters using programmable mannequins and live actors), and its System Quality Management Council (a system-wide, standard setting body), all of which require significant financial investments. These resources are used to establish system-wide, data-driven patient care and process improvement goals, against which performance is measured regularly to promote accountability. Best practices are derived from the data and packaged as “care bundles” for implementation by System Members, driving standardization of care pathways, care quality, and patient experience.

The Parties agree to deploy their integrated quality improvement resources to develop and monitor adherence to System-wide quality, safety, and patient experience goals, such as reducing serious safety events and hospital-acquired conditions (“HACs”). In order to facilitate this work the Parties agree to convene a System Quality Management Council, modeled on the D-HH Quality Management Council, on which each Member will be represented and responsible for patient care and process improvement goal-setting, data-driven performance measurement, and implementation of best practices. The Parties further agree to utilize the System’s Analytics and Value Institutes to tailor care quality and process improvement initiatives to local needs and expand access to proven training programs for System providers and other health care professionals. The System will enable the Parties to spread the high cost of such tools and infrastructure across multiple Members, most of whom alone are financially incapable of making such investments.

In addition to an emphasis on data-driven, measurable care quality and process improvement, the System’s quality improvement efforts, as referenced in Sections 5.3.2 and 5.3.5 above, will include deploying specialists and subspecialists and/or employing telehealth in order

to expand local access to specialty care while concentrating high-risk, low-volume services at acuity-appropriate sites like CMC and DHMC.

5.3.7 Teaching and Research Programs

The Parties recognize that high quality patient care begins with strong medical education, research and training, and agree that D-HH GO will be an academic health system with DHMC as its sole academic medical center and primary campus for teaching, research and GME programs. MHMH, in partnership with Dartmouth-Hitchcock Clinic, the Geisel School of Medicine at Dartmouth, and the Veteran's Affairs Medical Center in White River Junction, Vermont, sponsors more than 50 accredited residency and fellowship programs training more than 500 medical students and post-graduates. Demonstrating their shared commitment to training obstetrician gynecologists ("OB/GYN") in women's health care, MHMH and CMC have partnered for several years to offer OB/GYN residents a second-year rotation at CMC to expose them to an urban community practice and NaPROTECHNOLOGY®. The Parties understand that local training is crucial to the future of the region's health care workforce as one-quarter of the OB/GYN program's graduates have remained to practice in New Hampshire, which ranks 45th nationally in physician workforce retention.

The Parties recognize that the geography and combined resources of the System will create opportunities for new academic synergies, enabling them to advance knowledge in the basic, translational, and clinical sciences across a broader urban/rural population, offering more patients easier access to innovative treatments and best practices in care, and making the System a dynamic educational hub for health and allied health professions training to prepare the region's future health care workforce. The Parties agree that, over time, CMC will become the System's primary community teaching hospital in southern New Hampshire, offering diverse learning experiences to medical students, interns, residents and fellows in an urban, acute care hospital setting, as well as faculty appointments for eligible and interested medical staff. The System's combined resources and urban and rural sites of service will offer opportunities to establish new GME programs in, for example, cardiac surgery or rural-based internal medicine and the Parties agree to explore the feasibility of establishing such new programs.

The System also will offer more convenient, expanded access to clinical trials for patients from southern New Hampshire and rural communities across its service areas. CMC currently conducts more than a dozen clinical trials advancing new SUD treatments and heart and vascular techniques. D-HH has built a centralized clinical trials and research infrastructure that coordinates over 500 active trials and studies and provides clinical trial and grant management, research finance, information technology, and regulatory compliance support. The Parties agree to combine their respective clinical trial and research infrastructures to extend the reach of innovative, advanced treatments and technologies to a greater number of patients throughout New Hampshire.

5.4 INFORMATION TECHNOLOGY

The Parties acknowledge that presently they do not operate on common electronic medical record (“EMR”) and/or business system platforms but they recognize that integrating their disparate systems will facilitate and serve the objects of the Combination for the benefit of patients, providers, employees and the System. Common information system (“IS”) platforms will promote clinical integration and coordinated patient care by documenting a patient’s clinical history in a unified, System-wide medical record, eliminating unnecessary and inefficient care interventions. Access to common tools will better enable providers to direct care to the most acuity-appropriate sites of service, expedite System-wide standardization of care, and optimize clinical quality and process improvement efforts. Integrated IS platforms also will enable the System to streamline operations and avoid inefficient duplication of information management systems across multiple business units and administrative functions. Consequently, the Parties agree that the System will pursue a two-pronged IS strategy to achieve interim interoperability while preparing for full integration over time and as permitted by existing third-party contractual obligations.

5.4.1 Interim Interoperability. In order to achieve interim interoperability following the Combination Date, the Parties agree to align their existing IS systems and design clinical workflows to create a common set of Continuity of Care Documents (“CCDs”), which will allow providers to aggregate and share key clinical information about a patient to support continuity of care throughout the System. The System will seek to augment the use of CCDs by using third-party interoperability tools to develop a common data storage repository, enable data sharing between and among disparate IS platforms, and optimize provider and patient connectivity. The Parties further agree to develop common security and privacy policies governing their shared IS enterprise, and to commence technical planning for full integration to take effect as soon as legally, clinically and financially feasible.

5.4.2 Full Integration. The Parties understand that full integration of their respective IS infrastructure is temporarily prohibited by the complexity of their disparate platforms and competing third-party vendor contractual obligations. D-HH has already moved D-H (MHMH and DHC), Cheshire, and APD to shared EMR and Enterprise Resource Project (“ERP”) platforms and plans to migrate NLH are underway. The Parties agree that the System will implement common IS platforms at CMC, HH, and MCH as soon as legally, clinically and financially feasible.

5.5 FINANCIAL MANAGEMENT

5.5.1 Endowment Funds. Subject to the System Board’s Reserved Powers under Sections 3.4.1 (with respect to HH and MCH) and 3.4.2 (with respect to CMC and the CMCHS Subsidiaries) with respect to proposed expenditures, each System Member will retain ownership

and control over its Endowment Funds and the Endowment Funds will not be subject to reallocation by the System under Section 5.5.2 below. For purposes of this Agreement, “Endowment Funds” means: (i) all donor-restricted assets reflected on the Member’s financial statements as restricted and (ii) all unrestricted donations received in connection with a fundraising effort of a System Member as described in Section 5.5.6 below. In evaluating a System Member’s request for financial support from the System, however, D-HH GO may consider the amount of Endowment Funds which the System Member has available for its own support. If D-HH GO establishes a System-wide program requiring System Members to become a participant in The Dartmouth-Hitchcock Master Investment Program of Pooled Investment Accounts (the “Pooled Investment Program”), then CMC, HH and MCH will include their Endowment Funds (along with reserve funds) in the Pooled Investment Program unless the investments are not consistent with the requirements of the New Hampshire Uniform Prudent Management of Institutional Funds Act, RSA 292-B. CMC’s participation and the participation of CMCHS Subsidiaries in the Pooled Investment Program is subject to Section 2.6 and the Bishop’s Reserved Powers and such participation is further subject to CMCHS’s assessment of the Pooled Investment Program and whether it is consistent with the Socially Responsible Investment Guidelines set forth by the United States Conference of Catholic Bishops (“USCCB”). Although such funds are pooled for investment purposes, each System Member retains ownership of its funds and any earnings on those funds.

5.5.2 Financial Performance and Allocation of System Resources and Expenses. The System will operate as a more fully-integrated health care delivery system to further the mission of the System and its Members in a coordinated manner. One of the primary responsibilities of D-HH GO is to ensure that the collective resources of the System are used to address as effectively as possible the health care needs of all of the communities served by the System. Therefore, subject to the provisions of Section 2.6 with respect to CMC, the System Board will have the responsibility and power to ensure that the System and its Members observe sound financial practices as described below.

(a) *Financial Principles.* In managing the System’s financial resources, D-HH GO will observe, and may require the System Members to observe as applicable, the financial principles set forth in Schedule 5.5.2(a) as they may be modified from time to time by D-HH GO (the “System Financial Principles”).

(b) *Financial Monitoring and Improvement Planning.* D-HH GO will monitor the ongoing financial performance of the System Members, and the System Members agree to provide such financial information as may be requested by D-HH GO. If a System Member is unable to meet the System Financial Principles or has a material deviation from its approved operating budget, then D-HH GO may require the System Member to meet with the D-HH GO Chief Financial Officer (the “System CFO”) to discuss the Member’s

financial performance and to develop a mutually-agreeable plan to improve the Member's financial performance. The improvement plan may require the regular oversight of the System CFO or his/her designee or one or more consultants.

(c) *Reallocation of Member Assets by System.* In furtherance of the objectives described in this Section 5.5.2, the System Board also will have the power and authority to require a reallocation of a System Member's assets or resources (excluding Endowment Funds) for one or more System purposes. If the System Board determines that a reallocation of assets or resources from one or more System Members to D-HH GO for use elsewhere within the System (i) will further the System Strategic Plan, (ii) is the most appropriate way in which to fund the System need or program or initiative, (iii) will not materially impair the ability of the System Member from which the assets or resources are re-allocated to continue to serve the health needs of the communities in its service area and meet its debt obligations, and (iv) is consistent with the Member's compliance with the Financial Principles described in Section 5.5.2(a), then the System Board will notify the Member Board(s) of the proposed re-allocation. The Member Board and the Member CEO then will have the opportunity to discuss the proposal with the System Board Chair, the System CEO and the Regional President, and to provide additional information or alternative recommendations. The input of the Member Board, the Member CEO and the Regional President then will be considered by the System Board before it approves the proposed reallocation. D-HH GO will not exercise its authority to reallocate assets or resources within the System, however, if it would cause (i) a default or breach of a Member's covenants or obligations under bond documents and other financing documents, or (ii) a reduction, withdrawal, suspension of or other materially adverse effect on the rating of a Member's outstanding bonds as determined as described in Section 1.3 of the D-HH GO Bylaws. Any proposed reallocation of the assets or resources of CMC or any CMCHS Subsidiary will be subject to the Bishop's Reserved Powers and the provisions of Section 2.6 above, and in no event can D-HH GO reallocate assets or resources of CMC or CMCHS to fund or implement any procedure that is inconsistent with Catholic moral teaching, the ERDs or Canon Law. The Parties agree that D-HH GO shall not reallocate any assets of either HH or MCH to fund any part of the capital costs of the DHMC patient tower or the CMC Expansion Project described in this Agreement.

5.5.3 Dartmouth-Hitchcock Obligated Group. All debts, liabilities, assets and duties of a System Member will remain the obligation and property of such Member after the Combination Date except as follows. Following the Combination Date, when the System Chief Financial Officer and the respective Member Chief Financial Officer determine that it is advantageous, then each of CMC, HH and MCH will be offered an opportunity to join the Dartmouth-Hitchcock Obligated Group (the "DHOG") and become subject to its covenants and obligations. Such joinder must be approved by the DHOG and the Member's Board, and the joining Member may be

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required to execute an agreement which may modify some of the System Board's Reserved Powers or impose other operational requirements in recognition of the joint and several liability incurred by members of the DHOG.

5.5.4 Defined Benefit Pension Plan. D-H and CMC each previously have sponsored, and currently have suspended active participation in, a "defined benefit" Pension Benefit Plan (the "Pension Plan") as defined by the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). Each of D-H and CMC will maintain a funding program designed to meet current and anticipated future liabilities under its Pension Plan, consistent with the requirements of ERISA, the Internal Revenue Code of 1986, as amended, applicable accounting standards and any other applicable law, rule or regulation. If a Pension Plan is underfunded, then the Party sponsoring the Pension Plan (the "Sponsoring Party") will report to the System CFO on a quarterly basis as to the status of the funding and initiatives designed to address any underfunding.

5.5.5 Capital and Financial Investments

(a) *CMC Hospital Expansion.* CMC currently has insufficient inpatient capacity to meet the health care needs of its service area. It recently acquired a commercial parcel of land adjacent to the CMC campus in Manchester, New Hampshire upon which it plans to construct an addition to its hospital facility containing inpatient beds, clinical service areas and related amenities (the "CMC Expansion Project"). CMC has not yet finalized the details pertaining to the final scope, cost, financing, feasibility and timing of the CMC Expansion Project, but the Parties acknowledge that the scope and/or phasing of construction of the CMC Expansion Project will be materially impacted without access to additional capital given the current borrowing capacity of CMC and uncommitted financial resources available to it.

To further the objectives of the Combination, D-HH and CMC agree to work collaboratively before (to the extent legally permissible), and D-HH GO will work collaboratively with CMC after, the Combination Date to finalize the CMC Expansion Project plan at a project cost not to exceed \$200 Million and to access up to \$200 Million for the construction and equipping of the CMC Expansion Project, subject to the satisfaction of the following conditions:

- (i) CMC will have obtained all federal, state and municipal permits, approvals and licenses, and all third party consents, necessary for the ownership, development and operation of the CMC Expansion Project;
- (ii) CMC, in consultation with D-HH prior to the Combination Date to the extent permitted by law and in collaboration with D-HH GO after the

Combination Date, will prepare a project cost and feasibility plan (the “Expansion Project Plan”) containing the following minimum information and which is mutually acceptable to and agreed upon by D-HH and D-HH GO and CMC and CMCHS, as applicable:

(A) The scope and components of the CMC Expansion Project, and their relationship to the furtherance of CMC’s strategic and long-term financial and clinical planning and to the objectives of CMC and the Combination (or to the System Strategic Plan, if developed before the Expansion Project Plan);

(B) The projected cost of the CMC Expansion Project, broken down by components and including financing costs, professional fees and other soft costs, and contingencies, and segregating but identifying any costs for rehabilitation or re-purposing of existing CMC facilities which may result from the CMC Expansion Project (collectively the “Project Costs”);

(C) All expected sources of financing and the anticipated amounts, terms, and interest rates;

(D) The project timeline for the financing and development of the CMC Expansion Project, including any proposed phasing; and

(E) The projected revenues from the CMC Expansion Project, and a cash flow analysis demonstrating the anticipated capital recovery and the extent to which projected revenues will exceed projected operating costs (the “Projected Return on Investment”). The Projected Return on Investment measured as an internal rate of return over a twenty year period should be five percent (5%) or higher.

(iii) The Expansion Project Plan will be presented to the System Board and CMCHS and the Bishop for approval. In considering whether to approve the Expansion Project Plan, the System Board will take into consideration the resources of the System, the debt capacity of the DHOG and the Projected Return on Investment, and prevailing financial market conditions.

(b) *Future Capital Projects Planning.* The Parties acknowledge the importance of continual capital project planning. After the Combination Date and as part of the System's strategic planning process, D-HH GO will solicit input from Members and will

identify and prioritize any new capital projects to which the System Board may decide to contribute System resources consistent with the System Strategic Plan and the Financial Principles.

5.5.6 Philanthropy. Subject to the approval rights under Section 3.4.5(f) above, each System Member will be expected to participate in System-wide fund raising activities in support of the System Strategic Plan, the proceeds of which will be controlled by D-HH GO. If a System Member conducts fundraising activities in its Service Area and the proceeds are expressly designated for one or more projects or uses by the System Member within its Service Area, then such fundraising proceeds will be considered to be Endowment Funds as long as they are identifiable as such on the books of the System Member.

5.6 CONSOLIDATION OF ADMINISTRATIVE FUNCTIONS

Although there are no immediate plans to do so, certain administrative functions of D-H, CMC, HH and/or MCH may be consolidated in the future with those of other System Members to achieve efficiencies while maintaining effectiveness. Any such proposed consolidation first must be presented to the Member Leadership Council for its feedback and recommendations, and then approved by the System CEO and the President of the Region(s) affected.

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ARTICLE 6. IMPLEMENTATION OF COMBINATION

6.1 CLOSING; COMBINATION DATE

6.1.1 Closing. Within thirty (30) days after the satisfaction of all of the conditions described in Section 6.3 below, and if the Agreement has not been terminated pursuant to Article 10 below, then the Parties agree to take the actions described in Section 6.2 below in order to implement the Combination (the “Closing”). The Closing will occur at the offices of Hinckley, Allen and Snyder, LLP in Manchester, New Hampshire at a date and time mutually-acceptable to the Parties unless they agree to conduct the Closing through the exchange of electronic counterparts of all required Closing documents.

6.1.2 Combination Date. The Combination will become effective on the date on which the last of the amended governance documents described in Section 6.2 below are accepted for filing by the office of the New Hampshire Secretary of State (the “Combination Date”). Each Party agrees to use its best efforts to accomplish a Combination Date of no later than July 1, 2020.

6.2 TRANSACTIONS IN CONNECTION WITH THE CLOSING

Each of the Parties agrees to fulfill its respective obligations at the Closing as follows:

6.2.1 Obligations of D-HH. At Closing, D-HH will:

(a) *Amended Articles of Agreement*. File with the New Hampshire Secretary of State and the Clerk of the City of Lebanon, New Hampshire an affidavit of amendment to its Articles of Agreement, substantially in the form attached as Appendix 6.2.1 (a), amending its name to “Dartmouth-Hitchcock Health GraniteOne;”

(b) *Amended Bylaws*. Adopt amendments to its Bylaws, substantially in the form attached as Appendix 6.2.1(b), amending its name to “Dartmouth-Hitchcock Health GraniteOne” and reconstituting its Board of Trustees as described in Section 3.3.2 above; and

(c) *Reconstitution of Board of Trustees*. Obtain and submit at Closing the vote of the D-HH Board of Trustees, substantially in the form attached as Appendix 6.2.1(c) and effective as of the Combination Date, amending the size of the System Board, electing to the System Board the D-HH Nominees and the GOH Nominees, and accepting the resignations of those members of the D-HH Board of Trustees who are not D-HH Nominees under Section 3.3.2(b)(iii) above (collectively, the “Resigning D-HH Trustees”).

6.2.2 Obligations of GOH. At Closing, GOH will:

(a) *Consent to Name Change.* Deliver to D-HH a letter consenting to the change of the name of D-HH to “Dartmouth-Hitchcock Health GraniteOne,” which letter may be presented to the New Hampshire Secretary of State if necessary;

(b) *Amended Articles of Agreement.* File with the New Hampshire Secretary of State and the Clerk of the City of Manchester, New Hampshire an affidavit of amendment to its Articles of Agreement amending its name to one which will not conflict with the change of the name of D-HH to “Dartmouth-Hitchcock Health GraniteOne;”

(c) *Member Substitution.* Deliver any instrument necessary to document its consent to the substitution of D-HH GO for GOH as the sole corporate member of HH and MCH, and as a co-member of CMC; and

(d) *Winding Down and Dissolution.* Commence and complete the winding down and dissolution of GOH as soon as reasonably possible following the Combination Date.

6.2.3 Obligations of HH and MCH. At Closing, each of HH and MCH will:

(a) *Amended Articles of Constitution/Articles of Agreement.* File with the New Hampshire Secretary of State and the municipality in which each is located an affidavit of amendment to its Articles of Constitution or Articles of Agreement (as applicable), substantially in the form attached as Appendix 6.2.3(a)-1, and Appendix 6.2.3(a)-2, respectively, (i) substituting D-HH GO for GOH as its sole corporate member, (ii) reserving to D-HH GO (either directly or by reference to its Bylaws) the System Board Reserved Powers described in Section 3.4.1 above, and (iii) including support of the System in the corporate purposes of HH and MCH;

(b) *Amended Bylaws.* Adopt amendments to its Bylaws, substantially in the form attached as Appendix 6.2.3(b)-1, and Appendix 6.2.3(b)-2, respectively, reserving to D-HH GO the System Board Reserved Powers described in Section 3.4.1 above; and

(c) *Reconstitution of Board of Trustees.* Obtain and submit at Closing the resignations, effective as of the Combination Date, of any members of the HH Board of Trustees or the MCH Board of Trustees necessary to allow for the appointment of the System Board representatives described in Section 3.3.3 above.

6.2.4 Obligations of each of CMC and the CMCHS Subsidiaries. At Closing, but only following the completion of the actions described in Sections 6.2.1, 6.2.2 and 6.2.3 above, each of CMC and the CMCHS Subsidiaries will:

(a) *Amended Articles of Agreement.* File with the New Hampshire Secretary of State and the Clerk of the City of Manchester, New Hampshire an affidavit of amendment to its Articles of Agreement, substantially in the form attached as Appendix 6.2.4(a)-1, Appendix 6.2.4(a)-2, Appendix 6.2.4(a)-3, and Appendix 6.2.4(a)-4, respectively (i) substituting D-HH GO for GOH as one of its corporate members, (ii) reserving to D-HH GO (either directly or by reference to the Bylaws) the System Board Reserved Powers described in Section 3.4.2 above, (iii) preserving and modifying as necessary (either directly or by reference to the Bylaws) the Bishop's Reserved Powers described in Section 3.4.2 above, (iv) incorporating (either directly or by reference to the Bylaws) the provisions of Sections 3.4.3 and 3.4.4 above, and (v) including support of the System within its corporate purposes (subject to the provisions of Sections 2.6, 3.4.3 and 3.4.4 of this Agreement);

(b) *Amended Bylaws.* Adopt amendments to its Bylaws, substantially in the form attached as Appendix 6.2.4(b)-1, Appendix 6.2.4(b)-2, Appendix 6.2.4(b)-3 and Appendix 6.2.4(b)-4, respectively (i) reserving to D-HH GO the System Board Reserved Powers described in Section 3.4.2 above, (ii) preserving and modifying as necessary the Bishop's Reserved Powers described in Section 3.4.2 above, and (iii) incorporating the provisions of Sections 3.4.3 and 3.4.4 above; and

(c) Obtain and submit at Closing the resignations, effective as of the Combination Date, of any members of its Board of Trustees necessary to allow for the appointment of the System Board representatives described in Section 3.3.3 above.

6.3 CONDITIONS PRECEDENT TO OBLIGATIONS OF THE PARTIES

The obligation of the Parties to conduct the Closing and implement the Combination as described above is expressly conditioned upon the prior satisfaction of the following conditions:

6.3.1 Representations and Warranties True and Correct. The representations and warranties of the Parties remain true and correct in all material respects as of the Combination Date.

6.3.2 Performance of Covenants. The Parties perform their respective pre-Closing covenants under Article 8 below in all material respects as of the Combination Date.

6.3.3 Governmental and Third-Party Consents, Approvals, Authorizations. The Parties obtain (a) all governmental and third party consents, approvals and authorizations necessary to complete the Combination and (b) if applicable, successfully challenge in a court of competent jurisdiction and venue the withholding or denial of any such consent, approval or authorization, including but not limited to: (i) approval of the New Hampshire Director of Charitable Trusts under the so-called Change of Control Law, New Hampshire RSA 7:19-b; (ii) no action decision by the New Hampshire Attorney General, Division of Consumer Protection and Antitrust; (iii) no action decision by the Federal Trade Commission and/or the United States Department of Justice in connection with the Parties' filing under the Hart-Scott-Rodino Act; (iv) approval of the Bishop of the Roman Catholic Diocese of Manchester; and (v) any other approvals required by Canon Law or the Bishop of the Roman Catholic Diocese of Manchester.

6.3.4 Completion of Due Diligence. The completion by each Party, and receipt of satisfactory results, of due diligence into various operational, legal, financial, tax, clinical and other issues and matters (including those arising between the Agreement Date and the date of the Closing) which may impact the successful consummation of the Combination transaction. The Parties agree to conduct such diligence as promptly as possible, and in any event prior to the Closing.

6.3.5 Corporate Approvals. If any material modifications are required to this Agreement or any of the documents attached as appendices as a result of the regulatory review process, the requirements of third parties with the right to approve or consent to the Combination, or remaining due diligence, then such modifications must be approved and this Agreement ratified by the respective board of trustees of each of the Parties.

6.3.6 No Material Adverse Event. There shall not have occurred any change in law or circumstances prior to the Closing that has or, with the passage of time, is expected to have, a material adverse effect on the financial condition, business prospects or operations of any Party that impedes the ability of any Party to consummate successfully the Combination and pursue the mutual vision of the Parties expressed in Article 1 above (a "Material Adverse Event"). The Parties agree that the exclusion of any Party from participation in any health care program funded through the federal government, including without limitation Medicare or Medicaid, will constitute a Material Adverse Event. The Parties further agree that the failure, in any material respect, of any Party to institute, or achieve the projected results of, any operational and financial improvement measures or initiatives adopted by its Board of Trustees prior to the Agreement Date ("Improvement Initiatives") will constitute a Material Adverse Event.

6.3.7. Failure to Satisfy Conditions. If any one Party fails to satisfy any condition described in this Section 6.3, then each of the remaining Parties may elect in its discretion either to (i) waive in writing such failure to satisfy the conditions in Sections 6.3.1, 6.3.2, 6.3.4 and 6.3.6,

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if applicable, or (ii) consummate the Combination in accordance with the Agreement but without the Party which failed to meet the conditions. If the remaining Parties do not unanimously make one of the foregoing elections, then the provisions of Section 10.1.1 will apply.

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ARTICLE 7. REPRESENTATIONS AND WARRANTIES; INDEMNIFICATION

7.1 REPRESENTATIONS AND WARRANTIES

Each Party represents and warrants to the other Parties that each statement below is true and correct as of the Agreement Date and will be true and correct as of the Combination Date, except as described in any applicable Disclosure Schedule submitted by such Party and accepted by the other Parties as evidenced by its attachment to this Agreement:

7.1.1 Organization and Good Standing. The Party is duly organized, validly existing and in good standing as a voluntary, nonprofit corporation under the laws of the State of New Hampshire. Each Party has delivered to the others a complete and accurate copy of the Party's current organizational documents, and no breach or violation of any provision of its organizational documents is outstanding.

7.1.2 No Capital Stock; Membership. The Party has no capital stock. The Party has identified to the other Parties any and all corporate members of the Party and any and all organizations of which the Party is a corporate or limited liability company member.

7.1.3 Corporate Powers. The Party has all requisite power and authority, and all necessary licenses, certifications, accreditations and permits, to own, lease and operate its properties and assets and to conduct its health care operations consistent with the manner in which such operations presently are conducted.

7.1.4 Authorization; Binding Agreement. The Party has the unconditional right, power and authority to execute and deliver this Agreement and to perform its obligations under the Agreement. This Agreement is valid and binding upon, and enforceable against, the Party in accordance with its terms.

7.1.5 No Conflicts; Required Consents. The Party's execution and delivery of this Agreement and its consummation of the Combination under the terms of this Agreement: (i) is not in contravention of the Party's organizational documents; (ii) does not require a filing with or approval by any governmental agency other than as specified in Section 6.3.3 above; (iii) will not violate any applicable law; (iv) does not and will not violate any judgment, order or decree of any court or agency to which the Party or any of its assets or operations is subject; and (v) except as disclosed on the attached Schedule 7.1.5, does not require any consent, approval, license or permit which the Party has not obtained or will not have obtained by the Closing.

7.1.6 Tax-Exempt Status; Taxes. The Party is an organization exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the

“Code”) and a public charity under Section 509(a)(1) or (2) of the Code, and has obtained a determination of such exemption from the Internal Revenue Service, which determination is in full force and effect. The Party is in material compliance with all applicable laws related to its status as a tax-exempt organization and has not taken any action or failed to take any action that could reasonably be expected to result in the loss or revocation of, or place in jeopardy, such status. The Party has filed all tax returns required to be filed by the United States Government and the State of New Hampshire, and all taxes, assessments and other governmental charges due from the Party, if any, have been duly paid, other than taxes or charges which are not as yet delinquent and have been properly accrued on the books of the Party.

7.1.7 Financial Information.

(a) *Financial Statements.* The Party has furnished to the other Parties its most recent audited financial statements consisting of a balance sheet, statement of operations and changes in net assets and cash flow for the Party and any wholly-owned subsidiaries (collectively the “Subsidiaries”) for the applicable fiscal year (collectively, the “Audited Financial Statements”). The Audited Financial Statements have been prepared by the Party’s management in accordance with generally accepted accounting principles and from the books and records of the Party, which books and records are complete and correct in all material respects, and fairly present the [consolidated] financial condition of the Party and its subsidiaries as of the date thereof and the results of their operations and changes in net assets and cash flows for the period ended on the date thereof. The Audited Financial Statements reflect reserves appropriate and adequate for all known liabilities and reasonably anticipated losses as of the date thereof, based on information known to the Party as of such date. Since the period covered by the Audited Financial Statements, there has been no material adverse change in the business or financial condition of the Party or its Subsidiaries, taken as a whole, or in any of their respective assets or liabilities from those reflected in the Audited Financial Statements, except for (i) changes in the ordinary course of business consistent with past practice and (ii) changes disclosed in writing to the other Parties.

(b) *Absence of Undisclosed Liabilities.* Except as disclosed on the attached Schedule 7.1.7, the Party and its Subsidiaries do not have any material liabilities or obligations of any nature whatsoever, due or to become due, accrued, absolute, contingent or otherwise except as reflected or reserved against in the Audited Financial Statements and except for liabilities and obligations incurred since the date of the Audited Financial Statements in the ordinary course of business and consistent with past practice, all of which liabilities have been disclosed to the other Parties.

(c) *No Adverse Actions.* Except as expressly contemplated herein, the Party has not, at any time after the date of the Audited Financial Statements: (i) written off as uncollectible, or established any extraordinary reserve with respect to, any material account receivable or other material indebtedness of the Party; (ii) amended or restated, or approved the amendment or restatement of, the organizational documents of the Party; (iii) made or changed any material tax election, entered into any settlement or compromise of any material tax liability or surrendered any right to claim a material tax refund; (iv) settled or compromised any pending or threatened legal proceeding, suit, action, claim, arbitration, mediation, inquiry or investigation, unless in connection with such settlement or compromise there was no finding or admission of any violation of any legal requirement and the sole relief provided was monetary damages; (v) made any material capital expenditure or commitment for additions to property, plant or equipment or for any other purpose, except in the ordinary course of business or as disclosed on Schedule 7.1.7; (vi) sold, transferred, leased, optioned or otherwise disposed of any assets except in the ordinary course of business; (vii) granted or incurred any obligation for any increase in the compensation of any of the employees of the Party (including any increase pursuant to any bonus, pension, profit sharing, retirement, or other plan or commitment) except in the ordinary course of business; (viii) received any written notice from any governmental authority of any liability, potential liability or claimed liability based on any violation of law; or (ix) agreed or committed to take any of the actions referred to in this Section 7.1.7.

7.1.8 Medicare And Medicaid Participation; Reimbursement Contracts; Accreditation. The Party represents and warrants that it is not excluded, voluntarily or by law, from participation in a federal or state health care program under 42 USC § 1320a-7, and that it will not perform any act or suffer any omission that will cause it to be excluded. The Party further represents and warrants that it is not in violation in any material respect with: (i) the Conditions of Participation imposed by the federal Medicare and Medicaid programs; (ii) any reimbursement contract between the Party and a commercial payer; or (iii) the requirements of any accreditation body to which the Party is subject.

7.1.9 Third Party Cost Reports. The Party represents and warrants that it has timely filed all cost reports and related information required under the Medicare and Medicaid programs, and that to the best of its knowledge the cost reports are accurate and complete in all material respects. Neither the Centers for Medicare & Medicaid Services nor any other regulatory agency is actively contesting the information contained in any cost report filed by the Party.

7.1.10 Employee Benefit Plans

(a) *Compliance.* Except as set forth on the attached Schedule 7.10, each Welfare Benefit Plan and Pension Benefit Plan, as defined in Sections 3(1) and 3(2)

ERISA, sponsored by the Party conforms (and at all times during the relevant statute of limitations period has conformed) in all material respects to, and its operation and administration are (and at all times during the relevant statute of limitations period have been) in compliance in all material respects with, all applicable requirements of ERISA, including without limitation funding requirements. Each such Plan that is required to be qualified under the Code meets all such qualification requirements in all material respects.

(b) *Absence of Claims.* There are no actions, suits, claims, proceedings or investigations pending (other than routine claims for benefits) or, to the knowledge of the Party, threatened against any such Plan.

(c) *COBRA.* Each Welfare Benefit Plan covering any present or former employee of the Party or any of its Subsidiaries which is subject to the requirements of the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended (“COBRA”) has complied in all material respects with all requirements for continuation coverage under group health benefit plans under COBRA, and there are no claims against the Party or any of its Subsidiaries for a failure or alleged failure to comply with the COBRA continuation requirements.

7.1.11 Compliance With Laws. Except as disclosed on the attached Schedule 7.1.11, the Party and its Subsidiaries are in compliance in all material respects with all laws, ordinances, legal requirements, rules, regulations and orders applicable to the Party and its Subsidiaries and their respective operations, properties, assets and services, including without limitation statutes and regulations applicable to Medicare, Medicaid and any other federal health care programs, where the failure to comply would have a material adverse effect on the business or financial condition, assets or operations of the Party and its Subsidiaries, taken as a whole.

7.1.12 Legal Proceedings; Claims. Except as set forth on the attached Schedule 7.1.12, neither the Party nor its Subsidiaries has been served with any summons, complaint or written notice to arbitrate, and no suit, litigation, claim (equitable or legal), administrative arbitration, investigation or other proceeding is pending or threatened against the Party or its Subsidiaries that would materially and adversely affect the Party or its Subsidiaries or its or their business by or before any court, governmental department, commission, board, bureau, agency, mediator, arbitrator or other person or instrumentality. None of the actions, claims, suits, proceedings and matters set forth in Schedule 7.1.12 materially and adversely affects the financial condition of the Party or its Subsidiaries or materially adversely affects the ability of the Party to perform its obligations under this Agreement.

7.1.13 No Cash Consideration/Merger. No Party has transferred to or exchanged with any other Party cash or other assets, or assumed the debt or other liabilities of any Party, or exchanged

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any other similar financial consideration to effect the Combination. The Combination does not contemplate the merger or consolidation of any existing legal entities; the sale, purchase or lease of part or all of the Party; or the transfer of all or substantially all of the assets of the Party.

7.1.14 Absence Of Certain Changes Or Events. Except as disclosed on Schedule 7.1.14 and to the best of the Party's knowledge, no facts or circumstances exist, or are likely to occur, which might reasonably be expected to have a material adverse effect on the Party or its operations or its ability to participate in the System as contemplated by this Agreement.

7.1.15 Opportunity For Due Diligence. The Party has had full opportunity to conduct due diligence regarding legal, financial, operational, regulatory, clinical and other matters pertaining to the other Parties specifically and the Combination generally, and the completion by the Party of the actions described in Article 6 above will be conclusive evidence that the results of such diligence are satisfactory to the Party.

7.2 MUTUAL INDEMNIFICATION.

For a period of two (2) years from the Combination Date, each Party agrees that it will defend, indemnify, and hold harmless the other Parties, and the other Parties' trustees, directors, officers, employees, and agents from and against any and all claims, actions, suits, proceedings, liabilities, losses, demands, judgments, and expenses (including court costs and reasonable attorneys' fees) arising out of the falsity or material inaccuracy of any of the representations or warranties set forth in Sections 7.1.1 through 7.1.14 above. No Party will be entitled to receive indemnification, however, for special, punitive or consequential damages.

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ARTICLE 8. PRE-CLOSING COVENANTS OF THE PARTIES

Between the Agreement Date and the Closing, the Parties agree to conduct themselves in the following manner:

8.1 ACCESS AND INFORMATION

Subject to Section 8.6 below, each Party will provide the others with access during normal business hours to the offices, properties, facilities, and books and records of the Party and the officers, directors, employees, accountants, counsel, consultants, advisors, agents and other representatives of the Party to discuss the business, financial condition or prospects of the Provider. When accessing the property or records of the Party granting access, each other Party will conduct itself in accordance with applicable laws and regulations and will ensure that it does not disrupt the operations of the Party granting access.

8.2 GOOD FAITH EFFORTS; COOPERATION

8.2.1 Satisfaction of Conditions. The Parties will use reasonable efforts and act in good faith to obtain all necessary regulatory approvals and all necessary corporate and other approvals, to seek satisfaction of the other conditions precedent described in Section 6.3 above, and to take such other actions as may be necessary or appropriate to effectuate the Combination as contemplated by this Agreement.

8.2.2 Cooperation. The Parties will cooperate with each other and provide such assistance as may be reasonably necessary in connection with the preparation of all filings with state and federal regulatory agencies, other actions required for the satisfaction of the pre-conditions described in Section 6.3 above, and/or the implementation of the Combination. The Parties will meet within ten (10) business days of the Agreement Date to develop a mutually acceptable timetable and sequencing plan to complete all required regulatory filings within a reasonable period after the Agreement Date.

8.3 HART-SCOTT-RODINO ACT FILINGS AND REGULATORY APPROVALS

8.3.1 Pursuit of Regulatory Approvals. D-HH and GOH, on behalf of CMC, the CMCHS Subsidiaries, MCH and HH, will prepare and file with the Federal Trade Commission Premerger Notifications pursuant to the Hart-Scott-Rodino Amendments to the Antitrust Improvement Act (the “HSR Notices”), and will provide copies of the HSR Notices to the Office of the New Hampshire Attorney General, Antitrust Division. Subject to Section 10.1.1(c) below, the Parties agree to use their reasonable best efforts to obtain all required regulatory approvals, including responding to all information requests in connection with the HSR Notices, defending any litigation or administrative proceedings initiated by any regulatory agency challenging the Combination, and pursuing a court action to appeal any adverse decision of a regulatory body.

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Notwithstanding anything to the contrary in this Agreement, no Party may be required, in connection with any demand by any regulatory agency or otherwise, to agree or commit to (A) divest, hold separate, offer for sale, abandon, limit its operations of, or take similar action with respect to any assets (tangible or intangible) or any business interest of any of them, or (B) any restrictions or actions that after the Combination Date would limit the ability of the Parties to operate as of the Combination Date.

8.3.2 Conduct of the Parties with Respect to Regulatory Agencies. No Party will meet or engage in material conversation with any regulatory agency or representative of any regulatory agency in connection with obtaining any consent, authorization, order and approval unless it consults with the other Parties in advance to the extent not precluded by applicable law or regulation. The Parties will not take or cause to be taken any action of which a Party is aware or reasonably should be aware would have the effect of delaying, impairing or impeding the receipt of any consent, authorization, order or approval of any governmental authorities referred to in this Section 8.3 or in Section 6.3.3 above.

8.3.3 Costs. The costs of pursuing and obtaining regulatory appeals, including without limitation any litigation costs, will be shared equally by D-HH and GOH; provided that each Party will be responsible for the costs of its attorneys and consultants who are not jointly engaged by two or more Parties.

8.4 CONDUCT OF BUSINESS IN THE ORDINARY COURSE .

Each of the Parties agrees to operate in the usual and ordinary course of business, consistent with its past practices. Each Party also agrees to take all reasonable efforts to implement any Improvement Initiatives and to report to D-HH and GOH quarterly on the progress of the implementation and its results.

8.5 INTEGRATION PLANNING

The Parties will continue their ongoing efforts to develop and evaluate business plans and timelines for the System integration efforts described in Article 5 above, which efforts will continue after the Combination Date and will be subject to any limitations imposed by applicable law before the Combination Date.

8.6 CONFIDENTIALITY AND JOINT DEFENSE AGREEMENT

The Parties acknowledge and agree that they remain subject to: (i) a certain Mutual Confidentiality and Nondisclosure Agreement entered into by D-HH and CMC on December 5, 2017, a certain Mutual Confidentiality and Nondisclosure Agreement entered into by D-HH and GOH on December 17, 2018, and a certain Mutual Confidentiality and Non-Disclosure Agreement dated March 18, 2019 and effective January 23, 2019 (collectively the “Confidentiality

Agreements”); and (ii) a Joint Defense and Common Interest Agreement entered into by the Parties on March 18, 2019 and effective January 23, 2019 (the “Joint Defense Agreement”). The Parties further agree that the Confidentiality Agreements and Joint Defense Agreement applies to any Confidential Information disclosed to or by a Party in connection with this Agreement or the Combination.

8.7 EXCLUSIVITY

Without the prior written approval of the other Party in its discretion, neither D-HH nor GOH, nor any of the other Parties which are D-HH Members or GOH Members, nor any of their respective members, trustees, directors, officers, employees or agents, will solicit or entertain offers, or enter into discussions, concerning a possible merger, consolidation, acquisition, change of control or other corporate affiliation, sale of substantially all assets or joint venture agreement or management agreement with any other hospital or hospital system.

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ARTICLE 9. DISPUTE RESOLUTION

9.1 INFORMAL DISPUTE RESOLUTION

9.1.1 *Pre-Combination Disputes.* Prior to the Closing Date, each Party agrees to inform the others promptly of any concerns or of any circumstances which may impair the Party's performance of its obligations under this Agreement. The Parties agree to discuss and seek to resolve any such concerns promptly and in good faith.

9.1.2 *Post-Affiliation Disputes.* After the Closing Date, the Parties will use their best efforts to operate within the System in accordance with the applicable organizational documents and in furtherance of the mutual vision and purpose described in Article 1 above. Regular communications will be encouraged, and any concerns or disputes will be addressed promptly, in good faith, and through the application of the guiding principles described in Article 2 above.

9.2 NON-BINDING MEDIATION

Any conflicts which cannot be resolved by the Parties through good faith discussion within thirty (30) days then must be referred to non-binding mediation. Within ten (10) days following the expiration of the 30-day negotiation period, the Parties to the conflict will mutually agree on a mediator who is experienced in mediation and health care matters similar to those in contention. The Parties will share equally in the cost of the mediation. The mediation will be held promptly after the mediator is identified and will be conducted in accordance with the procedures prescribed by him or her. This step is non-binding, but the Parties to the dispute will be obligated to exert their best efforts to reach common ground and resolve their differences.

9.3 BINDING ARBITRATION

If the mediation fails to achieve a mutually agreeable resolution of the dispute, then the dispute will be submitted to binding arbitration through the American Health Lawyers Association ("AHLA") and subject to the AHLA rules of procedure. Three arbitrators will be selected from a panel provided by the arbitration service. The costs will be divided in accordance with the applicable AHLA rules. The Parties will present their points of view to the arbitration panel and will be bound by its decision. There will be no further appeal of that decision except for very unusual and rare occurrences, such as allegations of fraud.

ARTICLE 10. TERMINATION

10.1 TERMINATION EVENT(S).

Each of the Parties has expended considerable resources to effect this Combination and each is making a long-term commitment to the System. Therefore, the Parties' relationship under this Agreement and related documents will continue in perpetuity unless a Party elects in its discretion to terminate this Agreement upon the occurrence of one or more of the following events (each a "Termination Event"):

10.1.1 Termination Prior to Combination Date. Either D-HH or GOH, as applicable, will have the right in its discretion to terminate the Agreement, and either HH or MCH will have the right in its discretion to terminate its participation in this Agreement and the proposed Combination, upon the occurrence before the Combination Date of any of the following Termination Events:

(a) *Failure to Satisfy Conditions.* One or more of the Parties is unable to satisfy the conditions to Closing described in Sections 6.3.1 through 6.3.6 above despite its (their) good faith efforts required under Sections 8.2 and 8.3 above.

(b) *Mutual Consent of Parties' Boards for Failure To Achieve Combination Goals.* The written consent of the Parties upon a determination by their respective Boards of Trustees that the mutual vision and purpose of the Combination, as described in Article 1 above, is unlikely to be furthered or achieved.

(c) *Material Adverse Event.* The occurrence of a Material Adverse Event under Section 6.3.6 which remains uncured (i) at the time all other conditions in Section 6.3 above are met or, (ii) if the conditions in Section 6.3 (other than 6.3.6) have not yet been met, for a period of ninety (90) days after receipt of written notice of such Material Adverse Event from any Party.

10.1.2 Termination At Any Time. Any affected Party may terminate, in its discretion, its obligations under the Agreement prior to the Combination Date or under any surviving provisions of the Agreement after the Combination Date upon the occurrence of any of the following at any time while any provisions of this Agreement remain in effect:

(a) *Material and Uncured Breach.* A material breach of this Agreement or any surviving provisions which has a material adverse effect on the affected Party and remains uncured or for which a cure has not been commenced within a period of ninety (90) days after the breaching Party's receipt of written notice of such default from an affected Party.

(b) *Material Change in Law or Regulation.* A subsequent and material change in applicable laws or regulations which prohibits, or substantially and materially impairs, the Parties' ability to operate the System as contemplated by this Agreement.

10.2 CONSEQUENCES OF TERMINATION

If the Agreement is terminated, then the Agreement will become void and have no further effect except for those provisions which expressly survive the termination of this Agreement. No Party will have any further obligations or liabilities under the Agreement following its termination; provided, however, that no Party will be relieved of liability for any damages arising out of its breach of the Agreement.

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ARTICLE 11. MISCELLANEOUS PROVISIONS

11.1 NO ASSIGNMENT.

The identity of each of the Parties is an essential element of the proposed Combination. Therefore, no Party may assign its rights or duties under this Agreement in whole or in part without the prior written consent of all of the other Parties.

11.2 GOVERNING LAW.

This Agreement and the obligations of the Parties under it will be governed by and interpreted under New Hampshire law.

11.3 APPLICATION OF LEGAL PRINCIPLES

11.3.1 Waiver. A waiver of any right under this Agreement will be effective only if it is written and signed by all of the Parties except the Party seeking the waiver. No waiver of any right will be deemed to be a waiver of any future right under this Agreement.

11.3.2 Integration. This Agreement represents the entire understanding and agreement among the Parties and supersedes all prior negotiations, representations and agreements, both written and oral, made by and among them, excluding the Confidentiality Agreements and Joint Defense Agreement, which remain in effect. This Agreement may be amended or modified only by a written document signed by all of the Parties.

11.3.3 No Third Party Beneficiaries. No person, organization or other party not a signatory to this Agreement will be regarded as a beneficiary of its terms or will have the standing or right to enforce any of the provisions of this Agreement.

11.3.4 Severability. If any particular provision of this Agreement is determined to be invalid or illegal, it will not affect the other provisions of this Agreement; instead, the Agreement will be construed as if the invalid or unenforceable provisions were limited to the fullest extent permitted by law and consistent with the spirit and intent of this Agreement.

11.3.5 Survival.

(a) The following provisions of this Agreement will survive for so long as any of CMC, the CMCHS Subsidiaries, HH or MCH remain in the System: Article 1; Article 2; Section 3.3.4; Section 3.4.3; Section 3.4.4; Sections 4.2.2(d) and (e); and Section 11.7;

(b) The following provisions of this Agreement will survive for so long as any of CMC, the CMCHS Subsidiaries, HH or MCH remain in the System unless a modification or termination is agreed upon in writing by all of the affected Parties: Section 3.3.3; Section 3.4.1(b); Section 3.4.2(b); Section 3.4.5; Section 5.3; Section 5.5; Section 10.1.2; Section 10.2; and Schedule 3.3.3;

(c) The following provisions of this Agreement will survive for so long as any of CMC, the CMCHS Subsidiaries, HH or MCH remain in the System unless modified or terminated by a vote of the System Board: Section 5.1; Section 5.2; Section 5.4; Section 5.6; and Schedule 5.5.2(a); and

(d) The following provisions of this Agreement will survive for a period of six (6) years following the Combination Date: Section 3.1; Sections 3.3.2(a), (b) and (c); Section 3.3.5; Section 4.1; Section 4.2.1; Section 4.2.2 (a), (b) and (c); Section 6.3.6; Section 7.1.6; Section 7.1.8; Section 7.1.10(a); Section 7.1.11; Section 7.2 (without altering the 2-year indemnification limit); Article 9; Section 11.1; Section 11.2; Section 11.3; Section 11.4; and Section 11.5.

11.3.6 Availability of Rights and Remedies. Nothing in this Agreement is intended to limit the nature or extent of legal or equitable rights and remedies available to the Parties under New Hampshire law. The Parties agree that non-performance of this Agreement cannot be remedied by monetary damages, and that the equitable remedy of specific performance should be available to them as an appropriate remedy.

11.4 JOINT COMMUNICATIONS; PUBLIC STATEMENTS.

Each Party agrees not to make any public announcements or communications regarding the Combination unless the content has been shared in advance with the other Parties and is mutually acceptable. The Parties will develop and implement a joint communication plan and process for publicly announcing various milestones in the Combination process, communicating the terms and timing of the Combination to their respective medical staff, employees, donors and other stakeholders, and responding to any inquiries regarding the Combination. Any such communications regarding the Combination must be approved by all of the Parties prior to being released to ensure consistency and accuracy.

FINAL FOR SIGNATURE

11.5 NOTICES.

Any notice required to be given under this Agreement will be effective when it is deposited in first-class mail, overnight courier or certified mail, return receipt requested, or sent by electronic mail with confirmation of receipt, addressed as follows:

If to D-HH:

Dartmouth-Hitchcock Health
One Medical Center Drive
Lebanon, New Hampshire 03756
Attn: John P. Kacavas, Esq., Chief Legal Officer and General Counsel
John.P.Kacavas@hitchcock.org

With a simultaneous copy to:

Hinckley, Allen & Snyder LLP
650 Elm Street, Suite 500
Manchester, New Hampshire 03101
Attn: Mark S. McCue, Esq.
mmccue@hinckleyallen.com

If to CMCHS, CMC and/or a CMCHS Subsidiary:

CMC Healthcare System
Catholic Medical Center
100 McGregor Street
Manchester, New Hampshire 03102
Attn: Jason E. Cole, Esq., Vice President and General Counsel
jcole@devinemillimet.com

If to MCH:

Monadnock Community Hospital
452 Old Street Road
Peterborough, New Hampshire 03458
Attn: Cynthia McGuire, President and CEO
Cynthia.McGuire@mchmail.org

With a simultaneous copy to:

Orr & Reno, P.A.
45 S. Main Street
Concord, New Hampshire 03301
Attn: John A. Malmberg, Esq.

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jmalmborg@orr-reno.com

If to HH:

Huggins Hospital
240 South Main Street
Wolfeboro, New Hampshire 03894
Attn: Jeremy S. Roberge, President and CEO
jroberge@HHhospital.org

With a simultaneous copy to:

Orr & Reno, P.A.
45 S. Main Street
Concord, New Hampshire 03301
Attn: John A. Malmberg, Esq.
jmalmborg@orr-reno.com

11.6 EXECUTION, DELIVERY AND COUNTERPARTS.

This Agreement and any amendments may be executed and delivered by facsimile or other electronic transmission, in any number of counterparts, each of which will be deemed to be an original and all of which will constitute one agreement that is binding upon each of the Parties. CMCHS and CMC are executing this Agreement subject to the provisions of Section 11.7 below.

11.7 INTERPRETATION OF STATEMENTS ABOUT CLOSING ACTIONS AND DELIVERABLES.

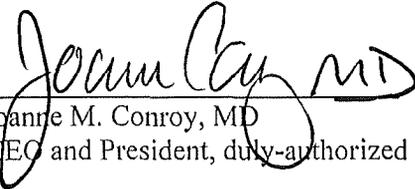
The requirements established by this Agreement for the delivery of certain documentation or the taking of certain actions on or prior to the Combination Date are intended to describe and prescribe the timing, occurrence and sequence of the steps required to implement the Combination. This Agreement purposefully excludes CMCHS, CMC and the CMCHS Subsidiaries from the reconstitution of D-HH into D-HH GO, its substitution as the sole member of HH and MCH, the powers reserved to the System Board by HH and MCH and other related actions. The Parties acknowledge that the execution of this Agreement by CMCHS, CMC and the CMCHS Subsidiaries may not be interpreted (a) to require CMCHS, CMC or any of the CMCHS Subsidiaries to participate in or to enforce any provisions of this Agreement regarding the implementation of the Combination that are inconsistent with Catholic moral teaching, the ERDs or Canon Law, or (b) as the agreement with or support of such provisions by CMCHS, CMC or any of the CMCHS Subsidiaries. The existence of such provisions, however, will not impair or excuse the performance of the express obligations of CMCHS, CMC and the CMCHS Subsidiaries under the terms of this Agreement.

FINAL FOR SIGNATURE

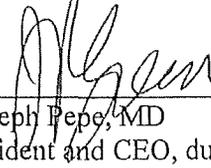
Execution by the Parties:

Each of the Parties indicates its understanding and acceptance of the terms described above as of the Agreement Date by signing below through its duly-authorized representative.

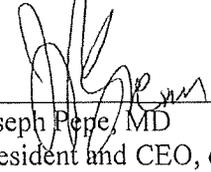
DARTMOUTH-HITCHCOCK HEALTH

By: 
Name: Joanne M. Conroy, MD
Title: CEO and President, duly-authorized

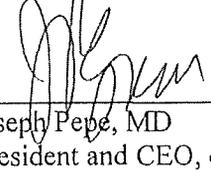
GRANITEONE HEALTH

By: 
Name: Joseph Pepe, MD
Title: President and CEO, duly-authorized

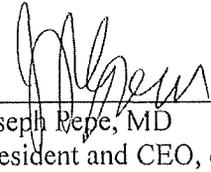
CMC HEALTHCARE SYSTEM

By: 
Name: Joseph Pepe, MD
Title: President and CEO, duly-authorized

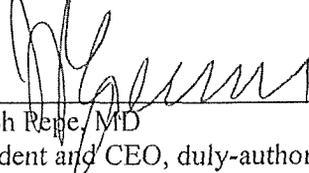
CATHOLIC MEDICAL CENTER

By: 
Name: Joseph Pepe, MD
Title: President and CEO, duly-authorized

ALLIANCE AMBULATORY SERVICES

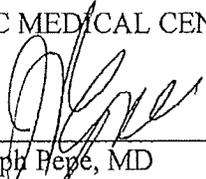
By: 
Name: Joseph Pepe, MD
Title: President and CEO, duly-authorized

ALLIANCE HEALTH SERVICES

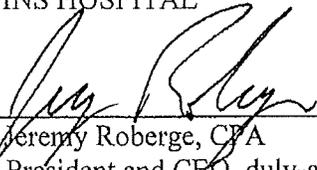
By: 
Name: Joseph Pepe, MD
Title: President and CEO, duly-authorized

FINAL FOR SIGNATURE

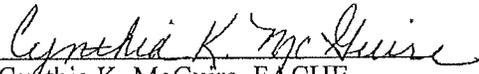
CATHOLIC MEDICAL CENTER PHYSICIAN PRACTICE ASSOCIATES

By: 
Name: Joseph Pepe, MD
Title: President and CEO, duly-authorized

HUGGINS HOSPITAL

By: 
Name: Jeremy Roberge, CPA
Title: President and CEO, duly-authorized

MONADNOCK COMMUNITY HOSPITAL

By: 
Name: Cynthia K. McGuire, FACHE
Title: President and CEO, duly-authorized

INDEX OF SCHEDULES AND APPENDICES

[NOTE: Schedules 5.5.2(a) through 7.1.14 are Confidential and will not be posted publicly. The Appendices will be posted separately when completed.]

Schedules:

- 3.3.2(c) -- Terms of D-HH Nominees and GOH Nominees to System Board
- 3.3.3 -- Trustee Criteria for System Board Appointees/Nominees and Member Board Nominees
- 5.5.2(a) -- Dartmouth-Hitchcock Health GraniteOne (D-HH GO) Financial Management Principles
- 7.1.5 -- Required Consents, Approvals, Licenses or Permits
- 7.1.7 -- Undisclosed Liabilities
- 7.10 -- Noncompliance of Welfare Benefit Plan/Pension Benefit Plan with ERISA
- 7.1.11 -- Noncompliance with Laws, Regulations, Rules, Orders and Legal Requirements
- 7.1.12 -- Material Legal Proceedings or Claims
- 7.1.14 -- Material Adverse Circumstances

Appendices:

- 6.2.1(a) -- Amended D-HH Articles of Agreement
- 6.2.1(b) -- Amended D-HH Bylaws
- 6.2.1(c) -- Vote of D-HH Board of Trustees
- 6.2.3(a)-1 -- Amended HH Articles of Constitution
- 6.2.3(a)-2 -- Amended MCH Articles of Agreement
- 6.2.3(b)-1 -- Amended HH Bylaws
- 6.2.3(b)-2 -- Amended MCH Bylaws
- 6.2.4(a)-1 -- Amended CMC Articles of Agreement
- 6.2.4(a)-2 -- Amended AAS Articles of Agreement
- 6.2.4(a)-3 -- Amended AHS Articles of Agreement
- 6.2.4(a)-4 -- Amended CMCPA Articles of Agreement
- 6.2.4(b)-1 -- Amended CMC Bylaws
- 6.2.4(b)-2 -- Amended AAS Bylaws
- 6.2.4(b)-3 -- Amended AHS Bylaws
- 6.2.4(b)-4 -- Amended CMCPA Bylaws

SCHEDULE 3.3.2(c)
Terms of D-HH Nominees and GOH Nominees to System Board

D-HH Designees	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
#1	Original Term			Auto Renew			Renew or Replace		
#2	Original Term			Auto Renew			Renew or Replace		
#3	Original Term		Auto Renew			Renew or Replace			
#4	Original Term		Auto Renew			Renew or Replace			
#5	Original Term	Auto Renew			Renew or Replace				
#6	Original Term	Auto Renew			Renew or Replace				
#7	Original Term	Auto Renew			Renew or Replace				
GOH Designees									
#1	Original Term			Auto Renew			Renew or Replace		
#2	Original Term			Auto Renew			Renew or Replace		
#3	Original Term		Auto Renew			Renew or Replace			
#4	Original Term		Auto Renew			Renew or Replace			
#5	Original Term	Auto Renew			Renew or Replace				
EX OFFICIO									
System Parent CEO									
Region 1 President									
Region 2 President									
TOTAL	15	15	15	15	15	15	15	15	15

COLOR CODE:

Green	D-HH Designee and Auto Renew Term; D-HH Ex Officio	Orange	First Renewal Election by Reconstituted Board or Officer Appointment
Blue	GOH Designee and Auto Renew Term; GOH Ex Officio		

SCHEDULE 3.3.3

Trustee Criteria for System Board Appointees/Nominees and Member Board Nominees

1. Employment or personal experience, and/or professional status, that reflect a record of accomplishment or reveals expertise that will help the Member Board fulfill its duties.
2. Possesses a long-term, positive reputation for high ethical standards.
3. Demonstrates an understanding of the Member's mission including, in the case of a nominee to the CMC Board of Trustees, the Catholic moral teachings, the ERDs and Canon Law, as well as the mission, vision and principles of the System.¹
4. Demonstrates a strategic perspective, an awareness of the dynamics of the complex and ever-changing healthcare environment and the need to anticipate and capitalize on opportunities that enhance the vision and principles of the Member as well as the System.
5. Service and experience with other non-profit or healthcare boards with a record of preparation, attendance, participation, interest and initiative.
6. Willing and enthusiastic promoter of the Member as well as the System.
7. Connections with public and influential community organizations and stakeholders important to Member.
8. Willingness and availability to contribute time and energy to the Members Board and its committees.

¹ Pursuant to Article III, Section 3(b) of the Amended and Restated Bylaws of CMC, Trustees shall attest on an annual basis, in their capacity as a Trustee of CMC, that they will comply with and respect the ERDs and the moral teachings of the Catholic Church and that their activities outside of CMC shall not mislead or confuse the Christian faithful about the moral teachings of the Catholic Church.

APPENDIX 6.2.1(a)

AMENDED D-HH ARTICLES OF AGREEMENT (AFFIDAVIT OF AMENDMENT)

[ATTACHED]

State of New Hampshire

Recording fee: \$25.00
Use black print or type.

Form NP-3
RSA 292:7

AFFIDAVIT OF AMENDMENT OF

Dartmouth-Hitchcock Health
A NEW HAMPSHIRE NONPROFIT CORPORATION

I, _____, the undersigned, being the Secretary
(Note 1) of the above named New Hampshire nonprofit corporation, do hereby certify that a meeting was held for the purpose of amending the articles of agreement and the following amendment(s) were approved by a majority vote of the corporation's Trustees. (Note 2)

VOTED: To amend Article I of the corporation's Articles of Agreement by deleting it in its entirety and replacing it with the following:

ARTICLE I:

The name of the Corporation is "Dartmouth-Hitchcock Health GraniteOne."

[If more space is needed, attach additional sheet(s).]

A true record, attest: _____
(Signature)

Print or type name: _____

Title: _____

Date signed: _____

- Notes: 1. Clerk, secretary or other officer.
2. Enter either "Board of Directors" or "Trustees".

DISCLAIMER: All documents filed with the Corporation Division become public records and will be available for public inspection in either tangible or electronic form.

Mailing Address - Corporation Division, NH Dept. of State, 107 N Main St, Rm 204, Concord, NH 03301-4989
Physical Location - State House Annex, 3rd Floor, Rm 317, 25 Capitol St, Concord, NH

File a copy with Clerk of the town/city of the principal place of business.

APPENDIX 6.2.1(b)

AMENDED D-HH BYLAWS

[ATTACHED]

Reviewed/Revised/Approved: 11/4/09
Formal Approval: 9/3/10
Revised/Approved: 10/27/11
Revised/Approved: 6/26/13
Revised/Approved: 6/24/16
Revised/Restated/Approved: 1/20

AMENDED AND RESTATED BYLAWS

OF-

DARTMOUTH-HITCHCOCK HEALTH (~~D-H HEALTH~~) GRANITEONE

A New Hampshire Voluntary Corporation-

ARTICLE 1: DEFINITIONS, CORPORATE PURPOSES AND CORPORATE RESPONSIBILITIES

Section 1.1 Definitions. The terms set forth below shall have the following meanings unless otherwise required by the context in which they are used:-

1.1.1 Articles of Agreement. The term "Articles of Agreement" shall mean the Articles of Agreement of the Corporation accepted by the Secretary of State of New Hampshire on the 1st day of May, 2009 and subsequently by the City Clerk for the City of Lebanon, New Hampshire, and all amendments thereto.-

1.1.2 Board. The term "Board" shall mean the Board of Trustees of the Corporation.-

1.1.3 Board Groupings Bylaws. The term "~~Board Group~~" or "~~Group~~" Bylaws" shall mean ~~each the Bylaws of the Corporation-~~
~~the groupings of Members of the Board constituted as provided in Section 3.2 of the Bylaws.-~~

1.1.4 Combination. ~~The term "Combination" shall mean the combination of the System and GraniteOne Health System as described in the Combination Agreement~~

1.1.5 Combination Agreement. ~~The term "Combination Agreement" shall mean the Combination Agreement among the Corporation, GraniteOne Health and other related parties effective as of September 30, 2019 and setting forth the terms of the Combination.~~

1.1.6 Combination Date. ~~The term "Combination Date" means the effective date of the Combination as described in Section 6.1.2 of the Combination Agreement.~~

1.1.7 1.1.4 Bylaws Combination Transition Period. The term "~~Bylaws~~" "Combination Transition Period" shall mean ~~the Bylaws of the Corporation~~ a period of six (6) years beginning on the Combination Date.-

~~1.1.5~~ 1.1.8 Corporation. The term "Corporation" shall mean ~~D-H~~ Dartmouth-Hitchcock Health, GraniteOne, a New Hampshire voluntary corporation.-

1.1.9 D-HH Nominees. The term "D-HH Nominees" shall mean those Elected Members of the Board who were nominated by the Corporation prior to the Combination Date, and their successors during the Combination Transition Period, as described in Section 3.2.

~~1.1.6~~ **1.1.10 Debt.** The term "Debt" shall mean short-term and long-term indebtedness and financial obligations of all types, including, but not limited to, capitalized leases, notional principal contracts, and guarantees, except "Debt" shall not include loans or guarantees incurred to facilitate routine business transactions (not to exceed that amount per transaction specified from time to time by the Board or by a duly-authorized Officer or Officers, which amount need not be the same for each ~~Related Organization~~ **System Member**) or accounts payable incurred in the ordinary course of business.-

~~1.1.7~~ **DHC.** ~~The term "DHC" shall mean Dartmouth-Hitchcock Clinic, a voluntary corporation organized under the laws of the State of New Hampshire, located in Lebanon, New Hampshire.~~

~~1.1.8~~ **1.1.11** Elected Members of the Board or Elected Trustees. The term "Elected Members of the Board" or "Elected Trustees" shall mean those Members of the Board ~~in the various Board Groupings elected as Members of the Board from among the categories of persons specified with respect to each such Board Group (or, prior to the designation of Board Groupings, elected by the Members of the Board).~~ **elected as described in Sections 3.2 and 3.3 below.**

~~1.1.9~~ **1.1.12** *Ex Officio* Members of the Board or *Ex Officio* Trustees. The term "*Ex Officio* Members of the Board" or "*Ex Officio* Trustees" shall mean those Members of the Board serving as Members of the Board by virtue of the official positions they hold.-

1.1.13 GOH Nominees. The term "GOH Nominees" shall mean those Elected Members of the Board who were nominated by GraniteOne Health prior to the Combination Date, and their successors during the Combination Transition Period, as described in Section 3.2.

~~1.1.10~~ **1.1.14** Key Strategic Relationship. The term "Key Strategic Relationship" shall mean the ownership of, or contractual participation in, a network, system, affiliation, joint venture, alliance or similar arrangement (not including academic affiliations, managed care contracts, or other payment arrangement with third party payors), entered into with an organization that is not a ~~Related Organization~~ **System Member**.-

~~1.1.11~~ **1.1.15** Majority. The term "Majority," without any modifier, shall mean more than fifty percent of the applicable total number.-

~~1.1.12~~ **1.1.16** Member. The term "Member" shall in all cases refer to a person serving as a regular member of a body with authority to vote and be counted in determining the existence of a quorum. ~~The Members of the Corporation shall be the Members of its Board.~~

~~1.1.13~~ ~~MHMH~~ **1.1.17 Officer.** The term "~~MHMH~~ **Officer**" shall mean ~~Mary Hitchcock Memorial Hospital, a voluntary corporation duly existing under the laws of New Hampshire, located in Lebanon, New Hampshire~~ **a person holding one or more of the positions set forth in Article 5.**

1.1.18 Region I. For purposes of managing the operations of the System, Region I generally will consist of those System Members that are located or provide services principally in northern New Hampshire and Vermont. The initial System Members in Region I include: Mary Hitchcock Memorial Hospital; Dartmouth-Hitchcock Clinic Keene, Lebanon and Putnam; New London Hospital; Mt. Ascutney Hospital and Health Center; Cheshire Medical Center; Alice Peck Day Memorial Hospital; and Visiting Nurse Association and Hospice for Vermont and New Hampshire.

1.1.19 Region II. For purposes of managing the operations of the System, Region II generally will consist of those System Members that are located or provide services principally in southern New Hampshire. The initial System Members in Region II include: Catholic Medical Center; Alliance Ambulatory Services; Alliance Health Services, Inc.; Catholic Medical Center Physician Practice Associates; Huggins Hospital; Monadnock Community Hospital; and Dartmouth-Hitchcock Clinic Concord, Manchester and Nashua.

~~1.1.14 Officer~~1.1.20 Super-Majority. The term "~~Officer~~""Super-Majority" shall mean a ~~person holding one two-thirds (2/3) or more of the positions set forth in Article 5~~applicable total number. -

~~1.1.15 Related Organizations~~1.1.21 System Members. The term "~~Related Organizations~~System Members" shall collectively mean ~~DHC, MHMH, and such other those~~ not for profit organizations that (i) are or shall become members of the System (as defined below) and (ii) are dedicated to charitable, scientific and educational purposes and are described in sections 501(c)(3) and 509(a)(1) or (2) of the Internal Revenue Code of 1986, as amended, or the corresponding provision of any future United States internal revenue law (referred to herein as the "Code") and Regulations promulgated thereunder.

~~1.1.16 Super Majority. The term "Super Majority" shall mean two-thirds or more of the applicable total number.~~

~~1.1.17~~1.1.22 System. The term "System" shall mean the integrated healthcare delivery system ~~affiliated with managed by~~ the Corporation, ~~MHMH and DHC and consisting of the Corporation and the System Members, each of which become System Members by designating the Corporation as a corporate member with enumerated reserved powers over the System Members.~~ -

Section 1.2 Corporate Purposes. The purposes of the Corporation are to support the purposes and ~~supervise~~guide, grow and enable the activities of the ~~Related Organizations~~System Members and other parties with which the Corporation ~~has or the System Members have~~ a Key Strategic Relationship in order to prevent, diagnose, treat and cure human illness. Specifically, the Corporation was formed to serve as the ~~controlling~~coordinating organization for the ~~Related Organizations~~System Members primarily for the benefit of the general public of Northern New England; to ~~provide~~manage the provision of health care services to the public in a cost-effective manner; to establish and maintain hospital and provider relationships that work cooperatively throughout the ~~Related Organizations~~System Members; to achieve excellence in clinical innovations, service, quality, cost and outcomes, supported by a strong academic program; and to integrate research, training, information technology and academic medicine in the ~~Related Organizations~~System Members. The Corporation's activities will include, but not be limited to, long-term oversight, supervision and planning for the ~~Related Organizations~~System Members, fundraising for the ~~Related Organizations~~System Members, the approval of operating and capital budgets for the ~~Related Organizations~~System Members, the design and implementation of strategic plans, and the approval of any participation in a Key Strategic Relationship by the

Corporation or a ~~Related-Organization~~System Member. In addition, the Corporation will serve as the overall authority for the development of health care delivery policies for the ~~Related-Organizations~~System Members and will develop strategic plans for the expansion and direction of health care services by the ~~Related-Organizations~~System Members. It also will be responsible for monitoring the commitment of the ~~Related-Organizations~~System Members to their community benefit, educational, and research programs. In addition, the Corporation will assist the ~~Related-Organizations in their operation of~~System Members to optimize their participation in the System.-

Section 1.3 Principal Responsibilities of the Corporation. The principal responsibilities of the Board of Trustees shall be to: (i) establish the goals, objectives and strategy for the Corporation, ~~the Related-Organizations~~and ensure harmony between and among the strategic plans of System Members and the System; (ii) review and approve for consistency with the mission, goals and objectives of the System the proposals and/or decisions of the governing bodies of the ~~Related-Organizations~~System Members which affect the operation of the System and its governance and administration; (iii) oversee the financial ~~condition of the Related-Organizations~~performance of the Corporation and the System Members and ensure the observance of sound financial practices; (iv) approve policies for and oversee the management and investment of all funds ~~within the Related-Organizations~~held by the Corporation and the System Members including, without limitation, endowment funds of the Corporation and the ~~Related-Organizations~~System Members; (v) make decisions regarding the selection, evaluation, compensation and discharge of the ~~President(s)~~Chief Executive Officer and Regional Presidents of the Corporation; ~~(vi) approve the and, after consultation with the System Members, make~~ decisions of the Related-Organizations with respect to regarding the selection, evaluation, compensation and discharge of their presidents or chief executive officers; (vii) guide ~~the expansion and evolution of grow~~ the System by the Related-Organizations to include other institutions ~~and~~, organizations and Key Strategic Relationships, as appropriate; (ix) approve policies for managed care contracting; (x) approve policies for quality of care; (xi) approve policies relating to academic and research programs and affiliations; and (xii) establish such rules and policies and take such action as it may deem appropriate with reference to the acceptance or non-acceptance and disposition of gifts to the Corporation and the ~~Related-Organizations~~System Members, whether restricted or unrestricted. The Board shall have the authority and responsibility to assess each of the ~~Related-Organizations~~System Members for a monetary amount, which need not be equal among the ~~Related-Organizations~~System Members and which will provide for payment of the operating expenses of the Corporation and the establishment of reasonable financial reserves for the Corporation's activities, and to reallocate assets and resources of the ~~Related-Organizations~~System Members among the ~~Related-Organizations~~System Members; provided, however, that the Corporation shall not impose an assessment or require a reallocation of assets or resources if it would cause (i) a default or breach in a ~~Related-Organization's~~System Member's covenants or obligations under bond documents and other financing documents, or (ii) a reduction, withdrawal, suspension or other materially adverse effect (a "Downgrading") of the rating of a ~~Related-Organization's~~System Member's outstanding bonds in the judgment of ~~two (2) independent~~an investment bankers, one selected banker mutually agreed upon by the Corporation and ~~one selected by the affected Related Organization~~; and further provided that if the two investment bankers so selected do not agree on whether there will be a Downgrading of the bonds, such investment bankers shall select a third investment banker whose opinion regarding whether there will be a Downgrading of the bonds shall be binding and conclusive. the System Member.-

Section 1.4 Modification of Corporation's Responsibilities by Agreement. To the extent the Board of Trustees determines it to be beneficial to the ~~Related-Organizations~~System and the System Members to do

so, the Board of Trustees may modify its responsibilities and authority, as set forth above in Sections 1.2 and 1.3, with respect to any ~~Related Organization~~System Member, and may likewise modify by agreement the voting requirements specified below in Sections 3.9.1 or 3.9.2. Any such modifications shall be reflected in a written agreement with such ~~Related Organization~~System Member.

ARTICLE 2: OFFICES-

The Corporation shall have and continuously maintain an office in Lebanon, New Hampshire, in the County of Grafton, and may have such other offices within or without the State of New Hampshire as the Board may from time-to-time determine.-

ARTICLE 3: BOARD OF TRUSTEES-

Section 3.1 Powers. All of the business and affairs of the Corporation shall be managed by the Board in a manner consistent with the Articles of Agreement, these Bylaws and applicable law. The Board may delegate such authority as it deems appropriate to the Officers and to such Committees as may be designated by the Board under these Bylaws.-

Section 3.2 Composition and Qualifications. The Board shall have ~~between thirteen (13) and twenty-four (24) Members, as determined from time to time by the Board. At all times, no less than a majority of the Corporation's Board Members shall also be serving as members of the Boards of Trustees of DHC and MHMH. In no event, however, may fifty percent (50%) or more of the Board consist of persons who are employed by the Corporation or any Related Organization~~fifteen (15) Members. After the Combination Transition Period, the Board may vote to expand or contract the size of the Board from time to time in its discretion. The Board shall be composed as follows:-

3.2.1 Ex Officio Board Members. These Board Members shall be *Ex Officio* Members of the Board ~~and shall initially be the President; (i) the Chief Executive Officer~~ of the Corporation (including Acting or Interim designations); ;(ii) the President of MHMH, Region I; and (iii) the President of DHC, and Region II. The Dean of The Geisel School of Medicine will have a standing invitation to attend and participate in all Board meetings as an invitee, but without any voting rights.-

3.2.2 ~~Dartmouth-Hitchcock Board Members~~D-HH Nominees. These Board Members shall be Elected Members of the Board ~~and shall be (i) four (4) or more persons elected by the Corporation's Board of Trustees from among individuals recommended by the President of DHC and approved by the DHC Board of Trustees, and (ii) an equal number of persons elected by the Corporation's Board of Trustees from among individuals recommended by the President of MHMH and approved by the MHMH Board of Trustees.~~ during the Combination Transition Period, initially shall be seven (7) persons nominated by the Corporation prior to the Combination Date and elected by the Board as of the Combination Date. If any D-HH Nominees are subject to re-election or vacates his or her position on the Board during the Combination Transition Period, then the D-HH Nominee will be re-elected or replaced by a majority vote of only the remaining D-HH Nominees on the Board.

~~3.2.3 College Board Member. This Board Member shall be an Elected Member of the Board elected by the Board upon the nomination by the Board of Trustees of Dartmouth College (the "College Board of Trustees") or a candidate from among the individuals serving on the College Board of Trustees. The College Board of Trustees Member must continue to be a sitting member of the College Board of Trustees during his or her term on the Board.~~

3.2.3 GOH Nominees. These Board Members shall be Elected Members of the Board and, during the Combination Transition Period, shall be five (5) persons nominated by GOH prior to the Combination Date and elected by the Board as of the Combination Date. If any GOH Nominees are subject to re-election or vacates his or her position on the Board during the Combination Transition Period, then the GOH Nominee will be re-elected or replaced by a majority vote of only the remaining GOH Nominees on the Board.

~~3.2.4 Public Board Members. These Board Members shall be~~ Post-Transition Period. After the Combination Transition Period, the Elected Members of the Board, ~~shall be the number of persons representing the difference between the total number determined by the Board and the total of~~ shall be all Members of the Board except for the *Ex Officio*, Dartmouth-Hitchcock and College Board Members, and shall be persons elected by the Corporation's Board of Trustees from among individuals nominated by the Nominating Committee ~~as representatives of the general public.~~

and having skills and/or experience which are beneficial to the Corporation in the performance of its corporate purposes. The -

~~3.2.5 Physician Board Members. These Physician Board Members shall be Elected Members of the Board and shall consist of up to two physician representatives of DHC jointly nominated by the Presidents of DHC and MHMH. To be eligible to serve in~~ Elected Members shall include at least two physicians, one nominated by Dartmouth-Hitchcock (D-H) and the other nominated by Catholic Medical Center (CMC), for as long as they remain System Members. The physician ~~Trustee category, the candidate nominees~~ must (i) be a current physician ~~employee of DHC (or its predecessor in interest)~~ employed by D-H and CMC, ~~respectively~~ with more than ten (10) ~~consecutive~~ years of service, or (ii) have been retired from the practice of medicine within the past three (3) years after having served more than fifteen (15) ~~consecutive~~ years as a physician employee of ~~DHC (or its predecessor in interest)~~ D-H and CMC, respectively.

Section 3.3 Election and Tenure. The Ex Officio Members of the Board shall automatically shall serve as Members of the Board for so long as they shall hold their respectively specified positions, and the Elected Members of the Board shall be elected as specified in Section 3.2 for terms of ~~four~~ three (3) years, provided that ~~Elected Members of each Board Grouping shall, after an initial elected term of four years, serve for staggered terms expiring at intervals of two years and, to this end, Elected Members of the Board may be elected for terms of less than four years~~ the initial terms of the D-HH Nominees and the GOH Nominees may be less than three years to allow for the staggering of terms. No Board Member, other than ~~one employed by the Corporation, a Related Organization, or a subsidiary organization of a Related Organization~~ an Ex Officio Member, shall serve more than ~~twelve~~ three (123) consecutive ~~years~~ terms as a Member of the Board; provided that if a Board Member is elected to fill the remainder of a vacating Board Member's term, that service will not count toward the term limit.

Section 3.4 Regular Meetings. A regular Annual Meeting of the Board shall be held during the last four months of each fiscal year for the purpose of electing Members of the Board, Officers and Members of Board Committees and for the transaction of such other business as may come before the Meeting. The Board shall provide by resolution for the holding of additional Regular Meetings to the end that at least four Regular

Meetings (including the Annual Meeting) shall be scheduled during each fiscal year. The Board may, by resolution, prescribe the time and place for the holding of Regular Meetings, which may be within or without the State of New Hampshire, and the adoption of such resolution shall constitute notice of such Regular Meetings. If the Board does not prescribe the time and place for the holding of Regular Meetings, such Regular Meetings shall be held at the time and place specified by the Chairperson in the notice of each Regular Meeting. Personal attendance of Board Members at Regular Meetings will be expected.-

Section 3.5 Special Meetings. Special Meetings of the Board may be called by, or at the direction of, the Chairperson of the Board or the ~~President(s)~~Chief Executive Officer of the Corporation, or by the Secretary at the written request of six (6) Members of the Board, and such a Meeting shall be held at such time and place as shall be designated in the notice thereof.

Section 3.6 Notice; Waiver. Except as otherwise provided herein, notice of the time and place of any Meeting of the Board shall be given in writing to each Trustee, either personally, by first class mail, or by electronic transmission, at least seven (7) days prior thereto. Any Member of the Board may in a manually or electronically signed writing waive notice of any Meeting whether before or after such Meeting. The attendance of a Member of the Board at any Meeting shall constitute a waiver of notice of such Meeting, except where a Member of the Board attends a Meeting for the stated, express purpose of objecting to the transaction of any business on the ground that the Meeting is not lawfully called or convened.-

Section 3.7 Quorum. A Majority of the Members of the Board shall constitute a quorum for the transaction of business at any Meeting of the Board, unless otherwise specifically provided by statute, the Articles of Agreement or these Bylaws. Attendance shall be in person, except for emergency meetings called by the Chairperson. The powers of a Member of the Board are exercisable only by the Member himself or herself and not by any proxies, attorneys, conservators, guardians, fiduciaries or other persons representing a Member. If less than a quorum is present at any such Meeting, a Majority of the Members present may adjourn the Meeting from time-to-time, without further notice, until a quorum shall be present.-

Section 3.8 Manner of Acting.-

3.8.1 Action at Meetings. Except as provided in Section 3.8.2 below, no action of the Board shall be valid unless taken at a Meeting at which a quorum is present. The affirmative vote of a Majority of the Members of the Board physically present at a Meeting at which a quorum is present shall be the act of the Board, unless otherwise provided by statute, the Articles of Agreement or these Bylaws. Members of the Board may participate in any meeting of the Board by means of conference telephone or similar communication equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at such meeting. ~~Such participation shall not be included in the determination of the existence of a quorum.~~ Each Board Member will have one vote; provided, however, that if one individual Ex Officio Member holds more than one office qualifying for ex officio membership, then such Ex Officio Member will have one vote for each such office held.

3.8.2 Action by Unanimous Written Consent. Any action which may be taken at a Meeting of the Board may be taken without a Meeting if a consent in writing (setting forth the action so taken) shall be manually or electronically signed by all Members of the Board.

Section 3.9 Supermajority~~Super-Majority~~ Voting.

~~3.9.1~~—The following actions of the Corporation shall, except as otherwise agreed pursuant to Section 1.4 hereof, require an affirmative Super-Majority vote of the Members of the Board then ~~in-office~~serving:-

- A. Admission of a new organization to the System as a ~~Related-Organization~~System Member:-
- ~~B. Participation by a Related Organization in a Key Strategic Relationship;-~~
- ~~C. Allowance of the~~ withdrawal₂ or removal₂ of a ~~Related-Organization~~System Member from the System;-
- ~~D.~~ Removal of a Member of the Corporation's Board;-
- ~~E.~~ Removal of the Corporation's ~~President~~Chief Executive Officer;-
- ~~F.~~ A sale, lease or exchange of substantially all the assets of, or the statutory merger, consolidation, corporate division, dissolution, or liquidation of, the Corporation; and-
- ~~E.~~ ~~G.~~ The amendment of the Articles of Agreement or Bylaws of the Corporation.-

~~3.9.2~~—~~Both MHMH and DHC have~~Section 3.10 Reserved Powers Over System Members. Each System Member has agreed to incorporate into ~~their~~its governing documents a provision that all material governance, programmatic and financial decisions of their governing bodies will be subject to the approval of, or disapproval or modification by, the Board of the Corporation. Except as otherwise agreed pursuant to Section 1.4 hereof, ~~any additional Related Organization~~all existing System Members have agreed and incorporated, and any future System Member shall agree and incorporate₂ into its governing documents, as a condition of admission to the System, that it will include support of the System in its corporate purposes and that it will not take any of the following actions without an affirmative Super-Majority vote of the Members of the Corporation's Board then ~~in-office~~serving:-

- A. ~~Appointment or removal~~Nomination of a Member of the governing board of a ~~Related-Organization~~System Member:-
- B. Final adoption of, and any approval of a material deviation from, the annual and any revised operating and capital budgets of a ~~Related-Organization~~System Member:-
- C. Transfer to any person or organization, with or without consideration, during any twelve (12) month period of tangible, intangible or mixed assets with a value in excess of that amount specified from time to time by the Board for each ~~Related-Organization~~System Member, which amounts need not be equal;-
- D. Any single incurrence, or cumulative incurrences in any twelve (12) month period, of Debt by a ~~Related-Organization~~System Member in

excess of that amount specified from time to time by the Board for each ~~Related Organization~~System Member, which amounts need not be equal;-

- E. Sale, lease or exchange of any material portion of the assets of, or the statutory merger, consolidation, corporate division, dissolution, or liquidation of, ~~any Related Organization~~or the commencement of bankruptcy or other insolvency proceedings by, any System Member;-
- F. Appointment of a firm of independent public accountants to conduct an independent audit of a ~~Related Organization's~~System Member's financial statements or a special project which materially impacts assets, revenues or operations;-
- G. The participation by a ~~Related Organization~~System Member in a Key Strategic Relationship;-

~~H. Appointment, evaluation, and compensation or termination of the president or chief executive officer of a Related Organization;-~~

H. The adoption or material revision by a System Member of a strategic initiative or plan;

- I. Elimination or addition of any material health care service or program by a ~~Related Organization~~System Member; and-
- J. The amendment of the Articles of Agreement, Bylaws or other governing documents of a ~~Related Organization~~System Member where such proposed amendment would (i) impact the powers reserved to the Corporation in these Bylaws, (ii) reasonably be expected to have any material strategic, competitive or financial impact on one or more ~~Related Organizations~~System Members or on the System as a whole, or (iii) impact the obligations of such ~~Related Organization~~System Member under any agreement between or among the ~~Related Organizations~~System Members.-

Section ~~3.10~~3.11 Decisions Subject to Board Action. In addition to the authority to be provided to the Corporation's Board pursuant to Section ~~3.9.2, MHMH and DHC have~~3.10, each existing System Member has agreed, and, except as otherwise agreed pursuant to Section 1.4 hereof, any additional ~~Related Organization~~System Member shall agree and incorporate into its governing documents, as a condition of admission to the System, that the Corporation shall have all of the authority specified in Sections 1.2 and 1.3 with respect to each ~~Related Organization~~System Member, including, without limitation, the authority to require a ~~Related Organization~~System member to pay the assessments and make the reallocations of assets or resources described in and subject to the limitations of Section 1.3, to make gifts or contributions to other organizations (subject to the same limitations specified in Section 1.3 for assessments or reallocations), ~~and to utilize and adhere to System-wide, coordinated financial planning and budget development, and to participate in System-wide strategies, programs and initiatives, and the authority to take the following actions unless otherwise agreed pursuant to Section 1.4 above;~~

- A. Following consultation with the System Member Board chair, to remove a trustee from a System Member Board if such removal is in the best interests of the System;
- B. Following consultation with the System Member Board chair and the applicable Regional President, to select, evaluate, compensate and discharge the president or chief executive officer of a System Member;
- C. To initiate changes in the clinical services provided by a System Member to implement System strategic plans or objectives, to further clinical program development, or to improve the financial position of the System Member; and
- D. The appointment of up to one-third (1/3) of the Members of the System Member's Board of Trustees.

Section ~~3.11~~3.12 Resignation and Removal. Any Member of the Board may resign from the Board at any time by giving written notice to the Chairperson of the Board, the ~~President~~Chief Executive Officer or the Secretary of the Corporation and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Any *Ex Officio* Member of the Board shall cease to be a Member of the Board at the time he or she shall cease to hold the position which was the basis for his or her *ex officio* membership. ~~Any Elected Member of the Board shall cease to be a Member of the Board at the time he or she shall cease to be a Member of the category of persons from which he or she was elected.~~ In addition, any Elected Member of the Board may be removed from the Board without assigning any cause by the vote of the Board as provided in Section ~~3.9.1~~3.9 D.

Section ~~3.12~~3.13 Vacancies. Any vacancy occurring in the *ex officio* membership of the Board shall be filled by the person succeeding to the position which was the basis for the *ex officio* membership. Any vacancy occurring in the elected membership of the Board shall be filled by the Board in a manner consistent with the original election. A Member of the Board elected to fill a vacancy shall be elected for the unexpired term of such Member's predecessor in office.-

Section ~~3.13~~3.14 Attendance. Each Elected Member of the Board shall be required to attend at least fifty percent (50%) of all meetings of the Board during each fiscal year of the Board duly convened pursuant to these Bylaws unless excused in writing by the Chairperson of the Board. Any ~~such~~ Member of the Board who fails to meet this minimum requirement of attendance shall be deemed to have resigned such position effective the last meeting thereof during such fiscal year.

Section ~~3.14~~3.15 No Compensation. Members of the Board shall receive no compensation for their services as Board Members. By resolution of the Board, either specific and limited or general and continuing, reimbursement for reasonable expenses incurred in attending meetings of the Board or in performing other services to the Corporation may be allowed. A Board Member shall not be barred from serving the Corporation in another capacity and receiving reasonable compensation for such other services as long as there is strict compliance with the Corporation's Conflict of Interest Policy.

Section ~~3.15~~3.16 Procedure. The Board may adopt its own rules of procedure which shall not be inconsistent with the Articles of Agreement, these Bylaws or applicable law.-

Comment [MSM1]: We did not talk about this with CMC. Should we leave super-majority voting under 3.9 or require a majority of the appropriate group of Nominees?

Section 3.17. Limited Fiduciary Duty to System Members. In exercising the powers reserved to it under Sections 3.10 and 3.11 above, the Board will act in a limited fiduciary capacity toward the System Members and take into account their respective interests while acting in furtherance of the System and the Corporation's purposes.

ARTICLE 4: COMMITTEES-

Section 4.1 Standing Committees. The Corporation shall have an Executive Committee and the following Standing Committees: (a) Compensation Committee, (b) Audit and Compliance Committee, and (c) ~~Nominating~~Governance Committee; (d) Finance Committee; and (e) Quality Committee. The Board also may, by resolution adopted by a Majority of the Members of the Board in office, establish one or more additional standing committees or subcommittees, *ad hoc* committees or other committees or subcommittees as it may deem appropriate. The Board also may, by resolution adopted by a Majority of the Members of the Board then in office, dissolve one or more standing, *ad hoc* or other committees or subcommittees as it deems appropriate. Except as otherwise provided in these Bylaws or in the resolution creating the committee or subcommittee, all committees and subcommittees of the Board shall consist of at least two (2) individuals plus a chairperson. Standing Committees and those committees or subcommittees having the authority to exercise the power of the Board shall consist only of Trustees of the Corporation. Other committees or subcommittees serving in an advisory capacity to the Board may consist of both Trustees and non-Trustees, as determined by the Board.-

4.1.1 Executive Committee. The Executive Committee shall have and may exercise the authority of the Board of Trustees between meetings of the Board, except that neither it nor any other committee or subcommittee shall have any power or authority as to the following: (i) the filling of vacancies in the Board of Trustees; (ii) the adoption, amendment or repeal of the Bylaws; (iii) the amendment or repeal of any resolution of the Board; (iv) action on matters committed by the Bylaws or a resolution of the Board of Trustees to another committee or subcommittee of the Board; and (v) actions subject to a Super-Majority vote of the Board under Section 3.9.1 of these Bylaws. The Members of the Executive Committee shall include the *Ex Officio* Members of the Board, the Chairperson of the Board, and such other Members of the Board as may be determined by the Board. The Chairperson of the Board will serve as the Chairperson of the Executive Committee. ~~The Executive Committee~~ shall perform such responsibilities as are delegated to it by the Board including: (i) overseeing day-to-day operations; (ii) reviewing the Corporation's budget prior to submittal to the Board; (iii) overseeing implementation of decisions made by the Board; and (iv) ensuring that critical issues are brought before the Board. Notice of each meeting of the Executive Committee, with a copy of the meeting agenda, shall be given to each Board member in advance of each meeting of the Executive Committee.-

4.1.2 Compensation Committee.

- A. Composition and Election. There shall be a Compensation Committee, the membership of which shall consist of the Chairperson of the Board and three (3) or more Members of the Board, who (i) are elected by the Board, acting upon the recommendation of the Chairperson, and (ii) are not employees of the Corporation, a ~~Related Organization~~System Member or a subsidiary organization of a ~~Related Organization~~System Member.

- B. Authority and Functions. The Compensation Committee shall determine the compensation of Officers of the Corporation within ranges established by the Board and shall oversee and approve or modify the decisions of the ~~Related-Organizations~~System Members (which shall be reported to the Compensation Committee at least fifteen (15) days prior to their intended implementation) with respect to the selection, evaluation, compensation and discharge of their presidents or chief executive officers. The Committee shall elect its own Chairperson annually.-

4.1.3 Audit and Compliance Committee.-

- A. Composition. There shall be an Audit and Compliance Committee composed of three (3) or more of the Members of the Board who are not employed by the Corporation, a ~~Related-Organization~~System Member, or a subsidiary organization of a ~~Related-Organization~~System Member, and who are financially literate, designated by the Chairperson of the Board.-
- B. Authority and Functions. The Audit and Compliance Committee shall select the independent auditor of the Corporation's financial statements and shall review the results of the independent audit of the Corporation and each ~~Related-Organization~~System Member and report thereon to the Board. The Board may promulgate a charter for the Audit and Compliance Committee if it deems one appropriate, in order to delineate in greater detail the duties of the Audit and Compliance Committee. The Committee shall meet at least three (3) times annually at the call of the Chairperson of the Committee and shall report thereafter concerning its decisions and actions to the Board of Trustees.-
The Committee shall elect its own Chairperson annually.

4.1.4 Nominating Governance Committee. There shall be a Nominating Governance Committee that shall consist of the Ex Officio Members of the Board and ~~six five (65)~~ six five (65) of the remaining Members of the Board designated from time to time by the Chairperson of the Board ~~(or, prior to the designation of Board Groupings, shall consist of nine (9) Members of the Board appointed by the Chairperson of the Board);~~ provided that during the Combination Transition Period, the Board Chair shall select three (3) D-HH Nominees and two (2) GOH Nominees to serve on the Nominating Committee.-

- A. Nomination of Trustees. Acting in accordance with these Bylaws and considering all recommendations submitted to it, the Nominating Governance Committee shall prepare nominations for individuals to serve as ~~Public Trustees of Elected Members of the Board of~~ Public Trustees of Elected Members of the Board of the Corporation ~~(or, prior to the designation of Board Groupings, individuals to serve as successors to any of the Trustees whose terms are expiring). The Nominating~~ The Governance Committee shall deliver to the Secretary of the Corporation and to each Trustee a list of the nominations of the Committee at least fifteen (15) days prior to the submission of the nominees to the Board for action.

~~B. Related Organization Nominating Committees. Any Related Organization may establish its own Nominating Committee to evaluate and recommend candidates for Public Trustee positions (or any successor Trustees prior to the designation of Board Groupings) to the Board's Nominating Committee.~~

B. ~~C.~~ Criteria for Nomination of Trustees. In considering nominations for Public Trustees of the Corporation (or any successor Trustees prior to the designation of Board Groupings), the Nominating Committee:-

1. Shall consider a diversity of community leaders who by experience in significant medical, business, professional, scientific, philanthropic or community activities can offer meaningful oversight to an integrated health care delivery system that includes one or more academic medical centers, community hospitals and other health care providers and who have the interest and ability to contribute to the advancement of the goals of the Corporation and the System; and
2. Shall ensure that the majority of the Trustees are persons who are not employed by the Corporation, a ~~Related Organization~~System Member or a subsidiary organization of a ~~Related Organization~~System Member.

4.1.5. Finance Committee. [To be completed]

4.1.6. Quality Committee. [To be completed]

Section 4.2 Other Committees.

A. Additional Committees.

1. Composition and Election. The Board, by resolution adopted by a Super-Majority vote of the Members of the Board then ~~in office~~servng, may create one or more additional Committees, ~~such as Finance, Development, Compliance, Research and Development, and the like.~~ If an additional Committee is created, the Chairperson of the Board shall designate its Members, specifying one of the Members of the Board to serve as Chairperson of the Committee, all subject to ratification by the Board.
2. Authority and Functions. The resolution creating an additional Committee shall designate the authority of the Board which such Committee shall have (if any) and exercise and the functions such Board Committee shall discharge.

- B. Combination of Committees. If the Board determines by a Super-Majority vote of the Members of the Board then in-office~~in-office~~serving that any one or more of the Committees or Subcommittees, other than the Executive, Finance or Compensation Committees, should not exist, the Board shall assign the functions of such Committee to a new or existing Committee or to the Board as a whole.

Section 4.3 Tenure. The persons serving on a Committee by virtue of being an Officer of the Corporation or an *Ex Officio* Member of the Board shall automatically be Members of such Committee for so long as they shall hold their respective positions. Unless otherwise provided by the Board, all other Members of a Committee shall continue to serve as such until the next Annual Meeting of the Board and until such Members' successors are elected, unless any such Member sooner resigns or is removed from such Committee. Where deemed feasible, continuity in membership over a period of several years may be advisable for certain Committees.-

Section 4.4 Meetings. Meetings of a Committee may be called by, or at the direction of, the Chairperson of the Board, the ~~President~~Chief Executive Officer of the Corporation, the chairperson of the Committee or a Majority of the Members of the Committee then in-office~~in-office~~serving, to be held at such time and place, which may be within or without the State of New Hampshire, as shall be designated in the notice of the Meeting. At its first Meeting of the year each Committee shall adopt a tentative schedule of Meetings to be held during the year.-

Section 4.5 Notice. Notice of the time and place of any Meeting of a Committee shall be given in writing to each Member of the Committee, either personally, by first class mail, or by electronic transmission, by the person(s) calling the Meeting at least seven (7) days prior thereto. Any Member of a Committee may, in a manually or electronically signed writing, waive notice of any Meeting whether before or after such Meeting. The attendance of a Member of a Committee at any Meeting shall constitute a waiver of notice of such Meeting, except where a Member of a Committee attends a Meeting for the express purpose of objecting to the transaction of any business because the Meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any Regular or Special Meeting of a Committee need be specified in the notice or waiver of notice of such Meeting.-

Section 4.6 Quorum. A majority of the Members of a Committee, but not less~~fewer~~ than two Members thereof, shall constitute a quorum for the transaction of business at any Meeting of a Committee, unless otherwise specifically provided by the Articles of Agreement, these Bylaws or by statute. The powers of a Member of a Committee are exercisable only by the Member himself or herself and not by any proxies, attorneys, conservators, guardians, fiduciaries or other persons representing a Member. If less than a majority of the Members of the Committee are present at such Meeting, a majority of the Members of the Committee present may adjourn the Meeting from time-to-time without further notice, until a quorum shall be present.-

Section 4.7 Manner of Acting.-

4.7.1 Action at Meetings. Except as provided in Section ~~4.8.2~~4.7.2 below, no action of a Committee shall be valid unless taken at a meeting at which a quorum is present. The act of a Majority of the Members of a Committee present at a meeting at which a quorum is present shall be the act of the Committee, unless the act of a greater number is required by statute, the Articles of Agreement, these Bylaws (such as a vote

requiring a Super-Majority) or by resolution of the Board. Members of a Committee may participate in any meeting of the Committee by means of conference telephone or similar communication equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at such meeting-

4.7.2 Action by Unanimous Written Consent. Any action which may be taken at a meeting of a Committee may be taken without a meeting if a consent in writing (setting forth the action so taken) shall be manually or electronically signed by all Members of the Committee.-

Section 4.8 Resignations and Removal. Any Member of a Committee may resign therefrom at any time by giving written notice to the Chairperson of the Board, the ~~President~~Chief Executive Officer of the Corporation or the Secretary of the Corporation and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Any elected Member of a Committee may be removed from office at any time by the Board in its sole discretion, without assigning any cause, pursuant to a resolution adopted by a Super-Majority vote of the Members of the Board then serving in office.-

Section 4.9 Vacancies. Any vacancy occurring in the membership of a Committee shall be filled by the Board in a manner consistent with the original selection.-

Section 4.10 Compensation. Members of a Committee shall receive no compensation for their services as Committee Members. By resolution of the Board, either specific and limited or general and continuing, reimbursement for reasonable expenses incurred in attending meetings of a Committee or in performing other services to the Corporation may be allowed. A Member of a Committee shall not be barred from serving the Corporation in another capacity and receiving reasonable compensation for such other services as long as there is strict compliance with the Corporation's Conflict of Interest Policy.-

Section 4.11 Procedure. The Chairperson of each Committee may appoint a vice-chairperson and secretary for such Committee. Each Committee may adopt its own rules of procedure which shall not be inconsistent with the Articles of Agreement, these Bylaws or applicable law.-

Section 4.12 Subcommittees. Procedures similar to those specified in Sections 4.3 through 4.11 shall apply with respect to the meetings and operations of any subcommittee.-

ARTICLE 5: OFFICERS-

Section 5.1 Officers. The Officers of the Corporation shall be a Chairperson of the Board, a ~~President~~Chief Executive of the Corporation, a Region I President, a Region II President, a Treasurer and a Secretary. The Corporation may, at the discretion of the Board, have additional Officers, including without limitation, one or more Assistant Treasurers and one or more Assistant Secretaries. Officers other than the Chairperson are not required to be selected from among the existing Members of the Board, but the ~~person-elected as the President~~persons appointed as the Chief Executive Officer and Regional Presidents shall become ~~an-Ex Officio Member~~Members of the Board upon election. The duties of certain Officers are set forth herein.

Section 5.2 Election and Tenure. All Officers shall be elected by the Board at its Annual Meeting. If the election of Officers shall not be held at such Meeting, it shall be held as soon thereafter as convenient. The Chairperson of the Board shall serve for a term of one year and until his or her successor is designated. The ~~President initially shall serve for a term of two (2) years after the date on which the Corporation becomes the sole member of DHC and MHMH, and thereafter the President shall serve for a term of four (4) years.~~ Chief Executive Officer shall serve until his or her successor is designated. An appropriate term of office for all other Officers shall be established by the Board prior to the election of such Officers. Each Officer shall hold office from the date of such Officer's election until such Officer's successor shall have been duly elected and qualified, unless such Officer shall sooner resign or be removed.-

Section 5.3 Resignation and Removal. Any Officer may resign at any time by giving written notice to the ~~President~~ Chief Executive Officer or the Secretary and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Any Officer may be removed by an affirmative Super-Majority vote of the Members of the Board then serving in office whenever in the judgment of the Board the best interests of the Corporation would be served thereby.-

Section 5.4 Vacancies. A vacancy in any office may be filled by the Board for the unexpired portion of the term.-

Section 5.5 Chairperson. The Chairperson of the Board shall be elected from among the Trustees by majority vote ~~from among the Dartmouth-Hitchcock and Public of the~~ Board ~~Members~~, and he or she shall be Chairperson of and preside at all Meetings of the Board and the Executive Committee. The Chairperson shall perform such other duties as may be assigned by the Board or these Bylaws.-

Section 5.6 ~~President. The President of the Corporation shall be~~ Chief Executive Officer. The Chief Executive Officer of the Corporation shall be the administrator of the Corporation, having singular responsibility for the business and affairs of the Corporation as may be more particularly described by the Board including, without limitation, the provision of leadership in: (i) the development and pursuit of the Corporation's policies and strategies; (ii) the resolution of issues concerning financial interrelationships affecting the ~~Corporation System~~ and the ~~Related Organizations System Members~~; (iii) the coordination of planning processes and operating arrangements; (iv) the ~~furtherance of rapport management and oversight of the Regional Presidents~~; (v) the facilitation of integration and cooperation among the ~~Related Organizations System Members~~ and between the ~~Corporation System~~ and the ~~Related Organizations System Members~~; (vi) the advancement of regional collaboration in health care activities; and (vii) the representation of the Corporation in external affairs. Unless a regular Member, the ~~President~~ Chief Executive Officer shall be invited to attend meetings of all committees and subcommittees of the Corporation ~~other than the Compensation Committee and the Audit and Compliance Committee. The President, but will be excused from deliberations and voting as appropriate. The Chief Executive Officer~~ shall sign, together with the Secretary or any other Officer authorized by the Board, any deeds, mortgages, bonds, contracts or other instruments which the Board has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board, or by these Bylaws or by statute, to some other Officer or agent of the Corporation; and in general the ~~President~~ Chief Executive Officer shall perform all duties incident to the office of ~~President~~ Chief Executive Officer and such other duties as may be prescribed by the Board from time to time.-

Section 5.7 Regional Presidents. Each of Region I and Region II will be managed by a Regional President. The Regional Presidents will be appointed by the Board of the Corporation, after consultation with the Corporation's Chief Executive Officer; provided that during the Combination Transition Period, the appointment of the Region II President will be subject to the approval of a majority of the GOH Nominees. Each Regional President will report to the Corporation's Chief Executive Officer, and will be responsible for overseeing and coordinating the implementation, management and evaluation of System strategies, clinical initiatives and operational programs at the System Members in his or her respective Region. The Regional Presidents also will foster and guide collaboration among the System Members in his or her respective Region, and perform such other duties as may be prescribed by the Chief Executive Officer or the Board from time to time.

Section ~~5.75.8~~ Treasurer. The Treasurer shall, subject to the direction of the ~~President~~Chief Executive Officer, have charge and custody of and be responsible for all funds and securities of the Corporation, keep the Corporation's books and records of account, receive and give receipt for monies due and payable to the Corporation from any source whatsoever, deposit all such monies in the name of the Corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of these Bylaws, and in general perform all duties incident to the office of Treasurer and such other duties as may from time to time be assigned to the Treasurer by the ~~President~~Chief Executive Officer or Board. If required by the Board, the Treasurer shall give a bond for the faithful discharge of the Treasurer's duties in such sum and with such surety as the Board shall determine. The Treasurer shall have the right to delegate these duties to the Corporation's Chief Financial Officer.-

Section ~~5.85.9~~ Secretary. The Secretary shall, subject to the direction of the ~~President~~Chief Executive Officer, keep records of the actions of the Corporation, including a record of the Meetings of the Board and all Committees in one or more books provided for that purpose, which records shall be open to inspection by the Members of the Board at any reasonable time; assure that all notices are given in accordance with the provisions of these Bylaws and as required by law; be custodian of the corporate records and of the seal of the Corporation; assure that the seal of the Corporation is affixed to all documents, the execution of which, on behalf of the Corporation under its seal, is authorized in accordance with the provisions of these Bylaws; and in general perform all duties incident to the office of Secretary and such other duties as may from time to time be assigned to the Secretary by the ~~President~~Chief Executive Officer or the Board. The Secretary shall have the right to delegate these duties to the Corporation's Assistant Secretary.-

Section ~~5.95.10~~ Bonds of Officers. The Board may secure the fidelity of any or all Officers by bond or otherwise, in such terms and with such surety or sureties, conditions, penalties or securities as shall be required by the Board.

Section ~~5.105.11~~ Contracts, Checks, Drafts, Deposits, Etc. The Board may authorized any Officer or agent of the Corporation, in addition to the Officers so authorized by these Bylaws, to enter into any contract or execute any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances. All checks, drafts or other orders for the payment of money, and all notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such Officer or Officers, agent or agents of the Corporation and in such manner as shall from time-to-time be determined by resolution of the Board. In the absence of such determination by the Board, such instruments shall be signed by the Treasurer or an Assistant Treasurer, if any, and countersigned by the ~~President~~Chief Executive Officer. All funds of the Corporation shall be deposited from time-to-time to the credit of the Corporation in one or more such banks, trust

companies or other depositories as the Board may from time to time designate, upon such terms and conditions as shall be fixed by the Board. The Board may from time to time authorize the opening and keeping, with any such depository as it may designate, of general and special bank accounts and may make such special rules and regulations with respect thereto, not inconsistent with the provisions of these Bylaws, as it may deem necessary.-

Section ~~5.11~~5.12 Delegation. In case of an Officer's absence or for any other reason, the Board may delegate temporarily the powers and duties of any Officer to any other Officer and may authorize the delegation by any Officer of any of such Officer's powers and duties to any agent or employee, subject to the general supervision of such Officer; provided that during the Combination Transition Period, any delegation of the powers and duties of the Region II President also will be subject to the approval of a majority of the GOH Nominees.-

ARTICLE 6: MISCELLANEOUS-

Section 6.1 Gifts. The Board may accept on behalf of the Corporation and in accordance with all applicable compliance policies, any contribution, gift, bequest or devise for and consistent with the general purposes, or for and consistent with any specific purpose, of the Corporation.-

Section 6.2 Registered Office and Agent. The Corporation shall maintain a registered office within the State of New Hampshire as required by statute, at which it shall maintain a registered agent. The registered office may, but need not, be identical with the principal office, and the address of the registered office may be changed from time to time by the Board.-

Section 6.3 Conflicts of Interest. The Board shall adopt a Conflicts of Interest Policy applicable to the Trustees and Officers of the Corporation.-

Section 6.4 Fiscal Year; Accounting Election. The fiscal year of and method of accounting for the Corporation shall be as the Board shall at any time determine.-

Section 6.5 Seal. The Board shall provide a corporate seal for use by the Corporation.-

Section 6.6 Loans to Members of the Board and Officers Prohibited. No loans shall be made by the Corporation to any Member of the Board or any Officer. Any Members of the Board who vote for or assent to the making of a loan to a Member of the Board or Officer, and any Member of the Board or Officer participating in the making of such loan, shall be jointly and severally liable to the Corporation for the amount of such loan until the repayment thereof.-

Section 6.7 Indemnification of Members of the Board, Officers and Others. The Corporation shall indemnify and hold harmless any Member of the Board or Officer of the Corporation, or former Member of the Board or Officer, and may, at the discretion of the Board, indemnify any employee or agent of the Corporation (including the heirs, executors, administrators or estate of such person) from and against any and all claims and liabilities to which such person shall become subject by reason of his or her having heretofore or hereafter been a Member of the Board, Officer, employee or agent of the Corporation, or by reason of any action alleged to have been heretofore or hereafter taken or omitted by him or her as such Member of the Board, Officer, employee or agent to the full extent permitted under New Hampshire Revised Statutes Annotated 292 and sections 293-

A:8.51, 293-A:8.52, and 293-A:8.56 or any successor provisions of the laws of the State of New Hampshire, and shall reimburse such person for all legal and other expenses reasonably incurred by him or her in connection with any such claim or liability.

Section 6.8 Insurance. The Corporation shall be authorized to obtain and maintain insurance on behalf of its current and former Board Members, Officers, employees and agents against liability asserted against or incurred by them in such capacity or arising from their status as a Board Member, Officer, employee or agent, whether or not the Corporation would have power to indemnify such Board Member, Officer, employee or agent against the same liability under New Hampshire Revised Statutes Annotated 292 and sections 293-A:8.51, 293-A:8.52, and 293-A:8.56.-

Section 6.9 Additional Organizations. The Board may authorize the formation of such auxiliary, associated and affiliated organizations as would in the opinion of the Board assist in the fulfillment of the purposes of the Corporation. The organizational documents of any auxiliary, associated or affiliated organization so authorized shall be subject to the approval of the Board. Such organization shall be subject to these Bylaws and all authorizations, irrespective of their terms, shall be revocable at any time in the discretion of the Board.-

Section 6.10 Vote by Presiding Officer. The person acting as presiding officer at any Meeting held pursuant to these Bylaws shall, if a voting Member thereof, be entitled to vote on the same basis as if not acting as presiding officer.-

Section 6.11 Gender and Number. Whenever the context requires, the gender of all words used herein shall include the masculine, feminine and neuter, and the number of all words shall include the singular and plural thereof.-

Section 6.12 Articles and Other Headings. The Article and other headings contained in these Bylaws are for reference purposes only and shall not affect the meaning or interpretation of these Bylaws.-

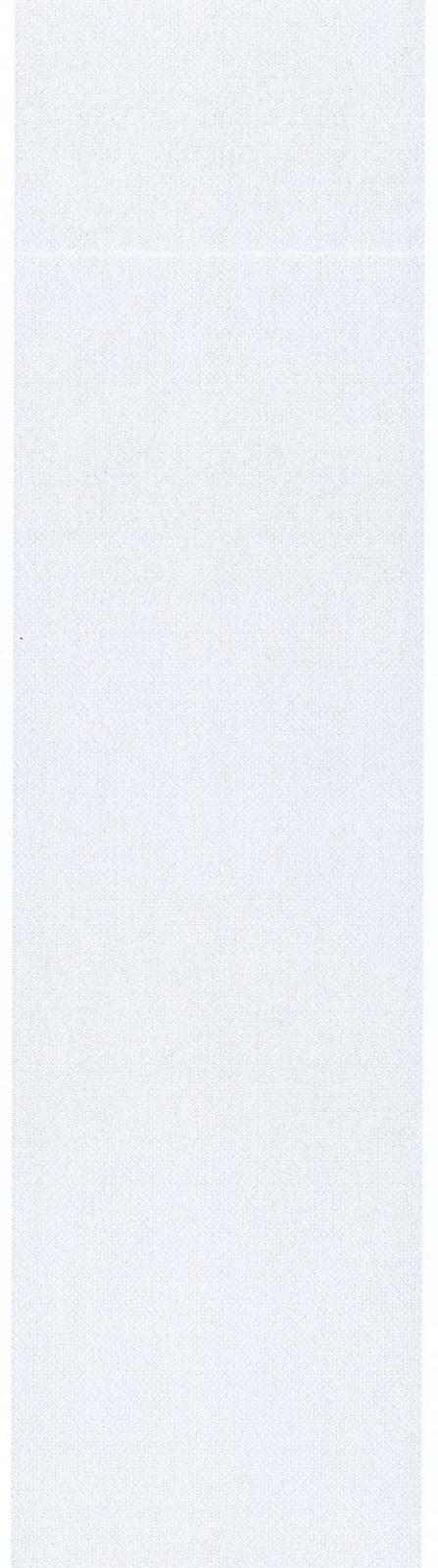
ARTICLE 7: AMENDMENTS TO BYLAWS-

These Bylaws may be amended by the affirmative vote of a Super-Majority of the Members of the Board as provided in Section 3.9 hereof; provided, however, that (i) notice of the intent to consider amendment of the Bylaws, together with a copy of the amendment to be considered, shall have been given to all Members of the Board then serving in office at least thirty (30) days prior to the meeting at which the amendment is proposed for adoption; and (ii) any amendment during the Combination Transition Period that alters the Regional management structure or powers of the Regional Presidents, or amends the name of the Corporation, must be approved by a majority of each of the D-HH Nominees and the GOH Nominees in addition to the Super-Majority requirements.-

I, ^(Del) Barbara X. Couch, hereby certify that I am the Secretary/Secretary Pro Tem of Dartmouth-Hitchcock Health GraniteOne (the "Corporation"), and that the foregoing document is a complete and accurate copy of the Bylaws of the Corporation as in effect on the date hereof.-

~~This 24th day of June, 2016-~~

This _____ day of _____, 2020



APPENDIX 6.2.1(c)

VOTE OF D-HH BOARD OF TRUSTEES

[PLACEHOLDER]

APPENDIX 6.2.3(a)-1

AMENDED HH ARTICLES OF CONSTITUTION (AFFIDAVIT OF AMENDMENT)

[ATTACHED]

State of New Hampshire

Recording fee: \$25.00
Use black print or type.

Form NP-3
RSA 292:7

AFFIDAVIT OF AMENDMENT
OF
HUGGINS HOSPITAL
A NEW HAMPSHIRE NONPROFIT CORPORATION

I, Jeremy S. Roberge, the undersigned, being the President and Chief Executive Officer (Note 1) of the above named New Hampshire nonprofit corporation, do hereby certify that a meeting was held for the purpose of amending the corporation's Articles of Constitution and the following amendment(s) were approved by a majority vote of the corporation's Trustee:

VOTED: To amend Article 8 of the Huggins Hospital Articles of Constitution by replacing it in its entirety with the new Article 8 set forth in the attached Attachment A.

A true record, attest: _____

Print or type name: Jeremy S. Roberge

Title: President and CEO

Date signed: _____, 2020

- Notes: 1. Clerk, secretary or other officer.
2. Enter either "Board of Directors" or "Trustees".

DISCLAIMER: All documents filed with the Corporation Division become public records and will be available for public inspection in either tangible or electronic form.

Mailing Address - Corporation Division, NH Dept. of State, 107 N Main St, Rm 204, Concord, NH 03301-4989

File a copy with Clerk of the town/city of the principal place of business.

ATTACHMENT A
To
AFFIDAVIT OF AMENDMENT:
Revised Articles of Constitution of Huggins Hospital

ARTICLE 8:
Sole Member; No Membership Certificates

Dartmouth-Hitchcock Health GraniteOne, a New Hampshire nonprofit corporation, is the sole member of the Corporation (“Member”). The Member will possess and may exercise the rights set forth in the Corporation’s Bylaws. The Member’s interest in the Corporation will not be reflected by the issuance of membership certificates, and the Corporation will have no capital stock.

Amended: _____, 2020

APPENDIX 6.2.3(a)-2

AMENDED MCH ARTICLES OF AGREEMENT (AFFIDAVIT OF AMENDMENT)

[ATTACHED]

**AFFIDAVIT OF AMENDMENT
OF
THE MONADNOCK COMMUNITY HOSPITAL**

A NEW HAMPSHIRE NONPROFIT CORPORATION

I, James M. Callahan, Esquire, the undersigned, being the Clerk of The Monadnock Community Hospital (“Corporation”), a New Hampshire nonprofit corporation, do hereby certify that a meeting of the Board of Trustees was held on September 25, 2019 for the purpose of amending the articles of agreement and the following amendments were approved by a majority vote of the Corporation’s Trustees for the purpose of amending the Articles of Agreement, as follows:

Article 2B of the Articles of Agreement shall be replaced in its entirety with Article 2B; Articles 1, 2, 2A, 3, 4, 5, 6 and 7 shall be included, all as set out hereafter.

I further certify that after such amendments, the Articles of Agreement shall read as follows:

ARTICLE 1.

The name of this corporation shall be The Monadnock Community Hospital (“Corporation”).

ARTICLE 2.

The object for which the Corporation is established is to organize and conduct a general hospital or other kindred charitable institutions such as an infirmary, asylum, retreat or sanitarium, with training schools and such other auxiliaries as may be found desirable.

ARTICLE 2A.

Upon the liquidation or dissolution of the corporation, after payment of all of the liabilities of the Corporation or due provision therefore, all of the assets of the Corporation shall be disposed of to one or more organizations exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code as the Board of Trustees shall determine.

ARTICLE 2B.

The sole Member of the Corporation shall be Dartmouth-Hitchcock Health GraniteOne, a New Hampshire voluntary corporation that is exempt from taxation under section 501(c)(3) of the Internal Revenue Code.

ARTICLE 3.

The place in which the business of this Corporation is to be carried on is at 452 Old Street Road, Peterborough, County of Hillsborough, and State of New Hampshire.

ARTICLE 4.

This Corporation is to have no capital stock but can acquire any property by gift or otherwise, transacting its business and holding its property solely for the charitable purposes of its organization and in conducting its business no profit is to in any manner result or accrue to any person by virtue of being a member of the Corporation.

ARTICLE 5.

The first meeting of the incorporators for organization shall be held in the rooms of the First National Bank, in said Peterborough, at four o'clock Friday afternoon, March 28th, 1919.

<u>Names</u>	<u>Post office Address</u>
Robert P. Bass	Peterborough, NH
James F. Brennan	Peterborough, NH
William H. Caldwell	Peterborough, NH
Margaret A. Clement	Peterborough, NH
John W. Derby	Peterborough, NH
Mrs. Elizabeth Cheney Kaufmann	Peterborough, NH
Frederick G. Livingston	Peterborough, NH
Maurice H. Nichols	Peterborough, NH
George D. Pushee	Peterborough, NH
Benjamin F. W. Russell	Weston, MA
Arthur H. Spaulding	Peterborough, NH

ARTICLE 6.

Pursuant to the provisions of NH RSA 292:2, V-a and to the fullest extent permitted under New Hampshire law, each director and officer shall be indemnified by the Corporation against personal liability to the Corporation for monetary damages for breach of fiduciary duty as a director or officer, or both, except with respect to: (1) any breach of the director's or officer's duty of loyalty to the Corporation; (2) acts or omissions which are not in good faith or which involve intentional misconduct or a knowing violation of the law; or (3) any transaction from which the director or officer derived any improper personal benefit.

ARTICLE 7.

The procedures and policies for the internal governance of the Corporation shall be as set forth in the Corporation's By-laws.

[Signature Page Follows]

A true record, attest: _____
James M. Callahan, Clerk

Date signed: _____, 2019

3/25/19

Amended 5/19/46

Amended 6/8/90

Amended 10/1/97

Amended for 2/1/2010

Amended 12/7/2016

Amended 9/25/2019

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APPENDIX 6.2.3(b)-1

AMENDED HH BYLAWS

[ATTACHED]

BYLAWS
OF
HUGGINS HOSPITAL WOLFEBORO, NEW HAMPSHIRE

CHARTERED IN 1907

ARTICLE I

Name

Sec. 1. The name by which this corporation shall be known shall be: Huggins Hospital. (Sometimes referred to in these Bylaws as the “Hospital.”)

Sec. 2. Throughout these Bylaws the use of the masculine gender "he" or "his," etc., shall also connote the feminine gender.

ARTICLE II

Objects of the Corporation

Sec. 1. To establish and maintain in the Town of Wolfeboro an institution with permanent facilities to provide medical diagnosis, treatment, nursing care, and associated services to sick, injured and disabled inpatients and outpatients.

Sec. 2. To change the character and scope of facilities and services offered in accord with a long-range master plan covering the growth and development of the institution in response to community health needs.

Sec. 3. To coordinate hospital facilities and services with associated services offered by others in the community, and to participate in the development of joint programs on a regional basis to assure the most effective, economical and efficient ways of providing services.

Sec. 4. To provide a standard of service of high quality as necessary to meet the requirements of Federal and State licensure of hospitals and the Medicare Conditions Of Participation for a Critical Access Hospital.

Sec. 5. To carry on educational activities related to hospital services and the promotion of general health in the community that in the opinion of the Board is appropriate in light of facilities, personnel, and funds that are or can be made available.

Sec. 6. To promote and carry on research related to hospital services and the promotion of general health in the community that in the opinion of the Board is appropriate in light of facilities, personnel, and funds that are or can be made available.

Sec. 7. To participate in ~~ana multi-hospital~~, integrated ~~health~~healthcare delivery system (“System”) operated by its sole member, ~~Dartmouth-Hitchcock Health GraniteOne-Health (the “System”)~~, pursuant to ~~the terms of an Affiliation~~ Combination Agreement between the Member and the Hospital, among others, dated as of ~~June 29, 2016 (the “Affiliation~~ September 30, 2019 (“Combination Agreement”).

Sec. 8. This corporation is organized exclusively for charitable, scientific, and educational purposes as a not-for-profit corporation, and its activities shall be conducted for the

aforesaid purposes in such a manner that no part of its net earnings shall inure to the benefit of any member, Trustee, officer, or individual.

Sec. 9. The corporation shall not substantially engage in carrying on propaganda or otherwise attempting to influence legislation.

Sec. 10. Upon dissolution of the corporation, and after payment of just debts and liabilities, all remaining assets shall be distributed to such organizations as the Trustees may vote and which enjoy an exempt status under Section 501 (c) (3) of the Internal Revenue Code of 1986, as amended, or successor provisions (the "Code").

Sec. 11. The corporation shall provide services to its patients without regard to race, religion, national origin, and to the extent of its financial ability, the economic status of its patients.

Sec. 12. The corporation shall not restrict the use of its facilities to a particular group of physicians, such as a group, partnership, or association of physicians, to the exclusion of all other qualified doctors.

ARTICLE III

Membership of the Corporation and its Reserved Powers

Sec. 1. The sole member of this corporation shall be Dartmouth-Hitchcock Health GraniteOne Health, a New Hampshire voluntary corporation exempt from taxation under Section 501(c)(3) of the Code ~~and a supporting organization under Section 509(a) of the Code~~ ~~(the "Member")~~.

Sec. 2. The Board ~~of the Member ("System Board")~~ will appoint to the ~~corporation's~~ Board ~~(of Trustees of the "Hospital ("Board"))~~ up to one-quarter ~~third~~ (1/4) of the ~~corporation's Appointed Trustees (defined in Article IV below)~~ members of the Board, pursuant to Article IV, Section 1(ac) below.

Sec. 3. The ~~Member~~ System Board will have the ~~following~~ powers of approval reserved to it ~~(the "set out on Exhibit A of these Bylaws ("Reserved Powers"), which are incorporated into these Bylaws. All powers, duties, and rights of the Board, its committees, and the Trustees set forth in these Bylaws are subject to the Reserved Powers are in the nature of ratification rights and may not be exercised by the Member to initiate or require actions by the Board of Trustees or the corporation. The following actions initiated by the Board of Trustees will require the Member's approval:~~

- a. ~~Adoption of the annual capital and operating budgets, provided that the expenditure of any of the cash reserves, board-designated reserves, surplus assets and other assets held by the corporation on the Affiliation Date (as defined in the Affiliation~~ the Combination Agreement) ~~and recorded on the corporation's~~

~~financial statements as unrestricted assets, as well as certain parcels of real estate not required for the operation of the corporation and identified on Schedule 3.9.3.1(b) of the Affiliation Agreement (the "Pre-Affiliation Assets") contemplated by such budgets and proposed in accordance with those powers reserved to the Board of Trustees under Article IV, will not be subject to the approval of the Member;~~

- ~~b. Approval of any strategic plans or material nonclinical programming and marketing plans, including material modifications thereof;~~
- ~~c. Authorization of debt incurred, assumed, or guaranteed by the corporation in excess of Five Hundred Thousand Dollars (\$500,000.00), other than as provided for in any approval annual capital or operating budget;~~
- ~~d. Authorization of any material acquisition, disposition, formation, organization or investment by the corporation or in any other corporation, partnership, limited liability company, other entity or joint venture, other than an acquisition funded with Pre-Affiliation Assets proposed in accordance with those powers reserved to the Board of Trustees under Article IV which acquisition will not be subject to the approval of the Member;~~
- ~~e. Authorization of the sale, disposition, mortgage, or encumbrance of any assets dedicated to the operations of the corporation involving assets of Five Hundred Thousand Dollars (\$500,000.00) or more, with the exception of real estate identified as part of the Pre-Affiliation Assets;~~
- ~~f. Authorization of the corporation to enter into any merger, consolidation or joint venture; or to sell or dispose of substantially all of the assets of the corporation or any of its respective subsidiaries; or to create or acquire any subsidiary organization;~~
- ~~g. Authorization of the corporation to institute any bankruptcy, insolvency or reorganization proceedings for itself or any subsidiary;~~
- ~~h. Authorization of a capital investment by the corporation or any of its subsidiaries in any individual entity or project in the form of cash or either tangible or intangible property in excess of Five Hundred Thousand Dollars (\$500,000.00), except as provided in any approved annual capital or operating budget or to the extent funded by donor restricted assets or the Pre-Affiliation Assets;~~
- ~~i. Authorization to develop, implement or terminate clinical programs and clinical procedures by the corporation or its subsidiaries;~~

~~The amendment of the Articles of Constitution or Bylaws of the corporation or its~~

~~subsidiaries to the extent that it would (a) impact. In the event of a conflict, the Reserved Powers; or (b) reasonably be expected to have a material strategic, competitive or financial impact on the System or any of its members; and and the Combination Agreement shall control.~~

~~j. The Board of Trustees' appointment or reappointment of the corporation's Chief Executive Officer and the determination of the Chief Executive Officer's compensation.~~

Sec. 4. All actions of the Member as the sole member of the corporation will be taken according to the Member's Articles of Agreement and Bylaws.

ARTICLE IV

Board of Trustees

Sec. 1. ~~The~~ Number and Qualification. ~~Subject to the Reserved Powers, the powers of the Hospital and the~~ management and control of the affairs of the ~~hospital~~Hospital shall be vested in the Board, which shall be comprised as follows:

- a. Number of Trustees. There shall be a ~~Board of~~ minimum of 8 and a maximum of 18 trustees on the Board, which number may be changed by the Board at any time by amending these Bylaws. This number of trustees shall include all Trustees composed of no less than eight (8) and not more than sixteen (16) (defined below in Article IV, Sec. 1(b)), including Ex Officio Trustees appointed by the Member and the Board as described below (the "
- b. Categories of Trustees. There shall be three (3) categories of trustees: Appointed Trustees". ~~Additionally,~~ Elected Trustees, and Ex Officio Trustees, all of whom shall have voting powers. Collectively, the Appointed Trustees, Elected Trustees and Ex Officio Trustees shall be referred to as "Trustees".
- c. Appointed Trustees. Up to one-third (1/3) of the Trustees on the Board shall be appointed by the System Board ("Appointed Trustees"), which shall select the Appointed Trustees in accordance with the criteria described in Exhibit B ("Trustee Criteria"), which is incorporated into these Bylaws.
- d. Ex Officio Trustees. The Board shall have two (2) Ex Officio Trustees ("Ex Officio Trustees"); the President of the hospital, Hospital and the President of the Medical Staff and the Chief Executive Officer of the Member or his or her designee shall serve as Trustees ex officio with vote.

Elected Trustee. ~~The Appointed Trustees will be determined as follows:~~

- a. ~~The Member will appoint one quarter (1/4) of the Appointed Trustees of the corporation, which appointees will include the Member's Chief Executive Officer or designee and may include one other member of senior management of the Member or of Catholic Medical Center.~~

- ~~e. The remaining three-quarters (3/4) members of the Appointed Board shall be the Elected Trustees will (“Elected Trustees”).~~
- ~~b. Election of Elected Trustees. The Elected Trustees shall be nominated and appointed to the System Board by the Board of Trustees after providing the Member in accordance with an opportunity to object to any the Trustee Criteria. Pursuant to the Reserved Powers, the System Board shall approve or disapprove of each nominee as described in paragraph (c) below.~~
- ~~e.f. The candidates appointed by the Member and by the Board will satisfy substantially the criteria set forth in the attached Exhibit A, which is made a part of these Bylaws, taken as a whole. The Member will have the right to object for Elected Trustee based solely on the Trustee Criteria. If the System Board objects to any appointee nominee who does not meet the qualifying criteria by providing Trustee Criteria, then the System Board of Trustees will provide the Board with a written objection identifying the criteria Trustee Criteria not satisfied. In the event of such objection, the Board of Trustees will substitute an appointee nominee that satisfies the criteria qualifications Trustee Criteria. When a nominee is approved, the System Board shall promptly elect the nominee to the Board.~~

Sec. 2. Full or part-time employees or other compensated personnel of the hospital, or the domestic partner, parent or child thereof shall be eligible for nomination by the Board, providing, however, that at no time shall such nominated and appointed employees, compensated personnel, domestic partner or parent or child thereof exceed a total of two (2) trustees or twenty-five percent (25%) of the Board, whichever is less. No such Appointed Trustee or other employee Trustee serving ex officio shall, as a Trustee, initiate, participate in nor vote upon the hiring or termination of employee and compensated personnel salaries, terms of employment and other pecuniary benefits. Nor shall such a Trustee be eligible to serve as chairperson or vice chair of the Board.

Sec. 3. Subject to the Reserved Powers, the Board shall have the power and authority to cause the corporation to do and perform all acts and things not inconsistent with the Legislation incorporating the Hospital, Articles of Constitution, ~~and these Bylaws,~~ and the Combination Agreement. In furtherance but not in limitation of the foregoing, the Board will:

- a. Adopt Hospital Corporate Bylaws, Medical Staff Bylaws and Rules and Regulations and approve any changes thereto.
- b. Appoint and elect committees to carry out its work.
- c. Annually approve the organization of the Medical Staff, and periodically approve the appointment and renewal of members of the Medical Staff, after considering the recommendations of the Medical Staff, and ensure that criteria for Staff appointment include verification of individual character, competence, training and experience.

- d. Establish a formal means of liaison with the Medical Staff.
- e. Delegate to the Medical Staff the responsibility for providing appropriate professional care to the ~~hospital's~~Hospital's patients.
- ~~a. Appoint a President of the hospital and specify the terms, conditions and total annual compensation of his employment.~~
- f. Provide a physical plant, equipped and staffed to furnish appropriate services for patients.
- g. Establish a formal means of liaison with the volunteer groups whose activities are related to the hospital's purposes.
- ~~i. Employh. Nominate an independent Certified Public Accountant to audit the funds of the ~~hospital.~~Hospital.~~
- ~~ji.~~ Appoint such other officials and prescribe their duties as may be deemed necessary.
- j. Ensure that the medical staff is accountable to the governing body for the quality of care provided to patients.
- k. Ensure that a contractor of services furnishes services that permit the hospital to comply with all applicable conditions Federal, State and local Municipal laws and the requirements of CAH Conditions of Participation.
- ~~ml.~~ Ensure that patients are admitted to the hospital on the recommendation and under the care of a licensed practitioner permitted by the State to admit patients to a hospital.

~~Sec. 4. The following powers are reserved exclusively to m. Elect the corporation's Board of Chair from among the Elected Trustees.~~

~~n. Develop and are not subject to implement a strategic plan (consistent with the System Strategic Plan) for meeting the identified health needs of the communities the Hospital serves and overseeing the delivery and safety of health care services at the Hospital and any of its related facilities.~~

~~o. Subject to the Reserved Powers; and the intent of donors, the Hospital will retain responsibility for determining whether and how much to appropriate from its donor-restricted funds for qualifying expenditures, consistent with the requirements of New Hampshire RSA 292-B:4, the Uniform Prudent Management of Institutional Funds Act.~~

~~a. The investmentp. Determine and expenditure of (i) assets subject to donor restrictions and recorded on the hospital's financial statements as restricted, whether held before or after the Affiliation Date, and (ii) Pre Affiliation Assets in accordance~~

~~with the terms of the Affiliation Agreement.~~

~~The determination and approval of implement~~ fundraising activities conducted by ~~the corporation~~Hospital in the ~~hospital's~~sits service area, and ~~the approval of to approve~~ any fundraising efforts proposed by the ~~Member~~System Board in the ~~hospital's~~Hospital's service area;

~~Termination of q.~~ Manage its exclusive rights with respect to the hospital ownership and use of its corporate name and any trade name it has registered or put into use in the marketplace.

s. ~~Although the power to hire, evaluate, compensate and terminate the President and chief executive officer (the "of the Hospital is reserved to the System Board acting through the System CEO"), however, or the designee or appointee of the System CEO, the Board and the Regional President (as defined in the Combination Agreement) will have the right to provide to the System CEO or designee an evaluation of the President of the Hospital prior to any compensation determination, and to recommend, prior to any proposed hiring or termination of the Hospital CEO, President of the Hospital Board of Trustees or the Member CEO (whoever recommends termination) will identify the performance failures and discuss appropriate correction plans., action to the System CEO or designee. If the System CEO or designee decides to hire or terminate the President of the Hospital CEO fails to fulfill the correction plan, then the hospital Board of when the Board has provided a contrary evaluation or recommendation, the System CEO or designee will consult with the System Board Chair before taking any action.~~

Sec. 3. Term of Office. The Ex Officio Trustees shall each serve for a term coextensive with the term of the position that entitles that person to serve as an Ex Officio Trustee. The term of all other Trustees can proceed with the termination of the Hospital CEO. If the hospital Board of Trustees and the System CEO cannot agree on an appropriate correction plan within forty five (45) days of the request for termination, then the hospital Board of Trustees can proceed with the termination of the CEO. The Hospital CEO shall not be terminated without a majority vote to terminate by the hospital Board of Trustees

~~The nomination and appointment of three quarters (3/ shall be 4) of the years; Appointed Trustees as described in Section 1 of this Article IV above.~~

~~Sec. 5. At the Annual Meeting up to five Trustees may be appointed for a term of four years and Elected Trustees shall be eligible to be appointed to serve for not more than three~~3 consecutive terms.

~~Trustees serving in December 2014 who will have reached nine consecutive years of service on or before January 30, 2016 nevertheless will be eligible for re-election for one additional term of four years. Any Appointed Trustee or Elected Trustee may become again eligible for appointment to be nominated and elected as a Trustee after a hiatus of not less than one year following ineligibility after twelve the end of that Trustee's third consecutive years of~~

service term.

~~An Appointed~~ Sec 4. Removal of Trustees. Subject to the Reserved Powers, any Elected Trustee may be removed from office at any time by an affirmative vote of not less than two-thirds of the other Trustees ~~then eligible to vote.~~

Sec. 5. Attendance. The Board believes that regular attendance by its members is necessary in order for the Trustees to properly exercise their responsibilities and duties. To this end, any Trustee who misses a majority of meetings in a calendar year, may, at the discretion of the Member if the absent Trustee is an Appointed Trustee or of the Board if the absent Trustee is an Elected Trustee, be deemed to have resigned from the Board and shall thereupon be duly notified by the Secretary. If the absent Trustee is an Ex Officio Trustee, then the Chair shall consult with the Board and the System Board with respect to appropriate recourse.

Sec. 6. Vacancies. If any vacancy among the ~~Appointed Trustees of the Board of~~ Trustees shall occur through any cause, the Member will appoint ~~for the unexpired term a~~ successor for the unexpired term if the vacancy is among the ~~Member's appointees, or the Board of Appointed~~ Trustees. If the vacancy is among the Elected Trustees, the Board will nominate ~~and appoint to the System Board a successor~~ for the unexpired term ~~a successor~~ (pursuant to the process in Section 1 (ef) above) ~~if the vacancy is among the Board of Trustees' appointees.~~

If the vacancy is one of the Ex Officio Trustees, then the vacancy shall be filled with the interim or successor individual holding the office reserved for such Ex Officio Trustee.

Sec. 7. Members of the Board who have served five or more years shall be eligible to become Honorary Trustees, when because of illness, business or other good and sufficient reasons they cannot continue to serve actively. Such action shall be initiated by the Governance Committee. Honorary Trustees shall be eligible to attend meetings of the Board, and enter discussions, but shall not be eligible to initiate any action or to vote.

Sec. 8. Up to five Associate Trustees may be elected annually at the Annual Meeting of the Trustees for a term of three years not to exceed a total of nine Associate Trustees serving at any one time. Associate Trustees may serve on committees as designated by the Chairman of the Board and may initiate discussions and vote when serving as members of such committees. Associate Trustees shall be subject to the disclosure and conflict of interest policies pertaining to other Trustees. Associate Trustees shall receive minutes of committees served on and may receive minutes of the Board. Associate Trustees may, but are not required to, attend regular meetings of the Board and participate in discussions but may not vote at those Board meeting. In general, it is expected that an Associate Trustee shall reflect a special interest in the Hospital commensurate with the experience and capability of individual so elected. Vacancies may be elected pursuant to the provisions of Sec. 4 hereof.

Sec. 9. There shall be six regular meetings; the last Thursday of January, the last Thursday of March, the last Thursday of May, the last Thursday of July, and the last Thursday of September, and the last Thursday of November. The regular Annual Meeting of

the Board shall be held on the last Thursday of January. Special meetings of the Board shall be held whenever called by the Chairman of the Board on his initiative or at the call of the Secretary upon written request of three of the Trustees.

Sec. 10. The Secretary shall cause to be prepared an agenda for each regular Trustee's meeting and send or email it with the notice of said meeting to each Trustee and the President of the Medical Staff at least ten days before the date of said meeting.

Sec. 11. Written notice of each special meeting shall be emailed or mailed at least seven days before the meeting, to each member of the Board. This notice shall state the purpose of the meeting and no business other than that stated in the notice shall be transacted at such special meeting. Any requirement for advance notice on matters to be acted upon, or other procedural requirements for a Board meeting or Executive Committee meeting may be waived by a recorded vote of unanimous consent by all Trustees.

Sec. 12. Ordinarily, voting will be done at Board and Committee meetings by Trustees personally present and after opportunity for adequate discussion and consideration. However, in the event of an emergency or time constraints not permitting an assembled meeting, voting may be conducted by electronic means such as email or facsimile provided that the specific issue or matter to be voted upon is fully set forth in such email, facsimile or similar communication and coupled with individual trustee's returned vote thereon. Such vote shall be conducted within two full business days following the day of message transmission. An affirmative vote by all of the Trustees eligible to vote of the Board or Committee involved, is required to take action thereunder. The Secretary shall cause the originals of all such electronic votes to be retained as part of the permanent records of the Board. A quorum for the transaction of business shall be nine Trustees, or 50% of Trustees, whichever is less. A special quorum for voting required by law upon financial matters of interested trustees shall consist of not less than nine Trustees having no statutorily disqualifying financial interest. Any vote to approve action that would result in the transfer and/or sale of more than 10% of the corporation's assets or other restructuring of the corporation requires an affirmative vote of at least 75% of Trustees eligible to vote, as well as the approval of the System Board under Reserved Powers.

Sec. 13. At all meetings the Chairman of the Board shall preside and the Secretary of the said Board shall act as Secretary of the meeting and cause to be kept a record of the proceedings.

Sec. 14. The Board believes that regular attendance by its members is necessary in order for the membership to properly exercise its responsibilities and duties. To this end, any active Appointed Trustee who misses a majority of meetings in a calendar year which he is required or expected to attend, may, at the discretion of the Member if the absent Trustee is among the Member's appointees or of the Board if the absent Trustee is among the Board' nominees, be deemed to have resigned from the Board and shall thereupon be duly notified by the Secretary.

Sec. 15. The chairman of the various standing committees of the Hospital shall report those committees' activities and recommendations as an agenda item at each regularly

scheduled meeting of the full Board.

Sec. 16. The Hospital corporation shall indemnify and hold harmless any trustee, officer, committee member, agent or employee including a voluntary and unpaid employee who was or is a party or is threatened to be made a party to any threatened, pending or completed claim, action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Hospital) by reason of any action alleged to have been taken, omitted or neglected by such person while serving as director, officer, committee member, employee or agent of the Hospital, or is or was serving at the request of the Hospital as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expense, including attorneys' fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with the claim, action, suit or proceedings if such person acted in good faith and in a manner such person reasonably believed to be, or not opposed to, the best interests of the Hospital, and, with respect to any criminal action or proceeding, had no reasonable cause to believe such conduct was unlawful.

This right of indemnification shall inure to the individual or the individual's estate providing, however, the person entitled to indemnification, to the extent practicable, shall give timely notice to the Hospital, which shall have the right to intervene and control the defense or negotiations of all such claims made against the individual, whether during the individual's term of service or otherwise.

Such indemnification, unless ordered by a court, shall be made by the Hospital in a specific case upon a determination that indemnification of the trustee, officer, committee member, employee or agent has met the applicable standard of conduct set forth above. This determination shall be made:

- a. Firstly, by the Board by majority vote of a quorum consisting of trustees who are not parties to the claim, action, suit or proceeding; or secondly and alternatively
- b. By independent legal counsel in a written opinion if such a quorum is not obtainable, or, even if obtainable, if a quorum of disinterested trustees so directs

Expenses, including attorneys' fees, incurred in investigating a claim or defending a civil or criminal action, suit or proceeding may be paid by the Hospital in advance of the final disposition of the claim, action, suit or proceeding upon receipt of an undertaking by or on behalf of the trustee, officer, committee member, employee or agent to repay such advances if it shall ultimately be determined that such person is not entitled to be indemnified by the corporation as authorized in this section.

To the extent that a trustee, officer, committee member, employee or agent of the Hospital has been successful on the merits or otherwise in defense of any action, suit or proceeding brought by the Hospital against him or her, he or she shall be indemnified against expenses, including attorneys' fees, actually and reasonably incurred by him or her in

connection therewith.

The provisions of this Section shall not extend to nor inure to the benefit of any insurer, by right of subrogation or otherwise.

Sec. 17. Each Trustee and officer shall complete a conflict of interest questionnaire upon assuming office and periodically update it as to any significant changes. A conflict of interest shall include any matter, financial or otherwise, in which a Trustee or officer, or a member of his or her immediate family, or an entity with which he or she is affiliated, has a direct or indirect involvement deemed presently or potentially adverse to the best interests of the Hospital.

Isolated instances, or transactions for goods or services for actual and reasonable costs in the ordinary course of business, shall not be disqualifying provided:

- a. The particular matter or transaction is fair to the Hospital, and
- b. The Trustee or officer has made a full disclosure to the governing board, and
- c. The governing board or executive committee, without participation, vote or presence of the particular Trustee or officer, approves the matter or transaction by a two-thirds vote.

ARTICLE V

Officers of the Corporation

Sec. 1. The officers of the corporation shall consist of a Chairman of the Board, Vice Chairman, Secretary, Treasurer, Assistant Treasurer, and the President. No person shall be qualified to hold office who is not a member of the Board. Additionally, there shall be such administrative officers as appropriate to hospital operations.

Sec. 2. All officers shall be elected at the Annual Meeting of the Board, except the President, and shall hold office until the next Annual Meeting or until their successors are duly elected and qualified. The President shall be appointed by the System Board of Trustees, approved by the Member under Article III Sec. 3(k), but subject to input from the Board as described in the Reserved Powers, and shall hold office at the pleasure of the System Board of Trustees but subject to the termination procedure described in Article IV, Section 3.9.3.4 of the Affiliation Agreement 1(c), above.

Sec. 3. Vacancies in any office may be filled by the Chairman of the Board for the balance of the unexpired term pending a meeting of the Board.

Sec. 4. The Chairman of the Board shall preside at all meetings of the Board and the Executive Committee. The Chairman will serve *ex officio* on all other Committees of the

Board with vote. He shall execute all contracts and agreements in excess of \$100,000 that have not been presented to the Trustees as part of the approved annual operating and capital budgets as well as deeds and other instruments authorized by the Board or Executive Committee. He shall appoint all chairmen of all committees unless the Bylaws otherwise provide and perform other duties as may from time to time be duly assigned to him and such duties as are usually associated with his office.

Sec. 5. The Vice Chairman shall perform all duties assigned by the Chairman of the Board and in the temporary absence of the Chairman of the Board he shall perform the duties of the Chairman of the Board. If the office of the Chairman of the Board becomes vacant or the Chairman of the Board is disabled, the Vice Chairman shall assume those duties until a successor Chairman of the Board is elected and qualified.

Sec. 6. The Secretary shall cause to be kept a record of the minutes of all the meetings and proceedings of the members of the corporation, the Board, and the Executive Committee and shall timely furnish copies of the same to each Trustee. He shall attend to the giving and service of all notices provided for by these Bylaws. He shall have custody of the seal of the corporation. He shall, in general, perform all such duties as are usually incident to the office of Secretary.

Sec. 7. The Treasurer shall be the official custodian of all funds and securities of the corporation, and shall cause the same to be deposited in such banks or other depositories as the Board may designate or approve. He shall in general perform all such duties as are usually incident to the office of the Treasurer. He may be required to give a bond in such sum and with such surety or sureties and in such form as shall be required by the Executive Committee, for the faithful performance of the duties of his office, the premium on such bond to be paid by the corporation. He shall submit a detailed statement of the financial transactions and condition of the corporation to the Trustees at each regular meeting of the Board and at such other times as may by them be requested.

Sec. 8. The Assistant Treasurer shall perform all duties assigned by the Chairman of the Board and in the temporary absence of the Treasurer he shall perform the duties of the Treasurer. If the office of the Treasurer becomes vacant or the Treasurer is disabled, the Assistant Treasurer shall assume those duties until a successor Treasurer is elected and qualified.

Sec. 9. The duties of the President shall be as described in ARTICLE VI. [The President shall serve at the pleasure of the System Board, pursuant to the Reserved Powers.](#)

Sec. 10. All checks of the corporation shall be signed by the Treasurer or by any other officer or person thereunto authorized by the Executive Committee provided checks on the operating funds for such purposes as may be authorized by the Executive Committee may be signed by the President.

Sec. 11. The limits of time the officers may serve are:

a. Chairman of the Board: three annual elected terms and may not be re-elected as

Chairman of the Board until an interim of three (3) years.

- b. Vice Chairman: four annual elected terms and may not be re-elected as Vice Chairman until an interim of two (2) years.
- c. Secretary: four annual elected terms and may not be re-elected as Secretary until an interim of two (2) years.
- d. Treasurer: three annual elected terms and may not be re-elected as Treasurer until an interim of two (2) years.
- e. Assistant Treasurer: four annual elected terms and may not be re-elected as Assistant Treasurer until an interim of two (2) years.
- f. ~~President: at the pleasure of the Board but subject to the termination procedure described in Section 3.9.3.4 of the Affiliation Agreement.~~

ARTICLE VI

President and Chief Executive Officer

~~Sec. 1. The President shall be employed under those terms and conditions approved by the Board of Trustees.~~ Sec. 1. The President is the Chief Executive Officer of the hospital representing the Board in the management of the hospital. He shall have the authority and responsibility to operate the hospital and all of its activities and departments, subject to federal and state regulations and any policies adopted by the Board and orders, which may be issued by the Executive Committee.

Sec. 2. The President shall be employed under the terms and conditions established by the System Board, acting through the System CEO or the designee of the System CEO, who will retain sole authority to hire, evaluate, compensate, and terminate the President, following consultation with the Chair and the Regional President (as defined in the Combination Agreement) and consideration of any evaluation or recommendation of the Board.

Sec. 3. The President shall act as the duly authorized representative of the Board in all matters in which the Board has not formally designated some other person or committee to so act. He shall be an officer of the corporation and shall serve as a voting member of the Board.

Sec. ~~45~~. The President shall attend all regular meetings of the Board, the monthly meetings of the Executive Committee, and such other meetings as the Board or any of its committees shall request him to attend.

Sec. ~~56~~. The President shall furnish to the Trustees at the annual meeting a detailed report reflecting the professional service and financial activities of the hospital, together with recommendations that to him may seem advisable.

Sec. 67. The President shall keep the Board and other key personnel informed of all changes and recommendations for the improved operation of the hospital made by other official agencies.

Sec. 78. The authority and duties of the President shall include the responsibility for:

- a. Development and submission to the Board for approval of a plan of organization of the hospital.
- b. Selection, employment, control and discharge of employees.
- c. Development and maintenance of personnel policies and practices for the hospital.
- d. Maintenance of physical properties in a good state of repair and operating condition.
- e. Development and maintenance of a Disaster Plan and its periodic testing.
- f. Supervision of business affairs to insure that funds are collected and expended to the best advantage.
- g. Preparation of an annual budget reflecting receipts and expenditures of the hospital.
- h. Serving as the liaison officer and channel of communications between the Board or any of its committees and the Medical Staff.
- i. Cooperating with the Medical Staff and with all concerned with the rendering of professional service to insure that high quality care is provided to patients.
- j. Performance of all other duties not specifically delegated that may be necessary in the best interest of the hospital.

ARTICLE VII

Committees

Sec. 1. The standing committees of the Board shall be elected or appointed annually.
They are:

- a. Executive Committee
- b. Finance and Budget Committee
- c. Planning and Facilities Committee
- d. Governance Committee

- e. Joint Conference Committee
- f. Quality Care and Service Excellence Committee
- g. Huggins Hospital Foundation Committee

Sec. 2. The Chairman of the committees shall be appointed by the Chairman of the Board.

Sec. 3. Ad hoc committees may be appointed by the Chairman of the Board from time to time as required. The Chairmen of these ad hoc committees shall be appointed by the Chairman of the Board.

Sec. 4. Executive Committee:

- a. The Executive Committee shall consist of nine members: the duly elected officers (Chairman of the Board, Vice Chairman, Secretary, Treasurer, and Assistant Treasurer); the President, who is appointed by the Board; the immediate past-Chairman of the Board; and two members-at-large to be elected by the Board. Members-at-large shall serve for a maximum of two (2) years and shall not be re-elected to the Executive Committee for an interim of two (2) years except as an officer.
- b. In the interim between meetings of the Board, the Executive Committee shall have and exercise full power and control in the management and operation of the hospital except as otherwise provided by these Bylaws. Any major change of procedure or major new policy matters or purchase or sale or encumbering of real estate in excess of \$300,000 shall be submitted to the Board for consideration and action before becoming effective. All actions of the Executive Committee may be changed or revoked by vote of the Board.
- c. The Executive Committee shall have authority to accept for and on behalf of the corporation, gifts under such terms and conditions as the Committee deems advisable.
- d. The Executive Committee shall be responsible for the application of the income and principal of the various charitable endowment and trust funds, provided, however, the terms and conditions of the various donated funds shall be strictly adhered to.
- e. The Executive Committee shall recommend to the Board the terms and conditions of employment of the President/Chief Executive Officer through the Executive Compensation Committee which consists of the Chairman of the Board, Past Chairman of the Board and current Vice Chairman of the Board and will then be submitted to the ~~Chairman of the System~~ Board for consideration and action ~~by the Board of Trustees~~ in accordance with the Reserved Powers.
- f. The Executive Committee shall submit a report as to the condition and operation of the hospital and of its own activities to the Trustees at each regular meeting of the

Board, and at such other times as said Board may request. These reports may be in the form of minutes of its meetings.

- g. The Executive Committee shall meet in those months when there is not a regular Board meeting at such time and place as shall be designated by the Chairman of the Board ~~of Trustees~~. Special meetings of the Executive Committee may be called at any other time by the Chairman of the Board or at the call of the Secretary upon the request of three members of the Committee.
- h. Four members shall constitute a quorum.
- i. When the full board is not in session, the Executive Committee shall act upon recommendations from the Medical Staff and Clinical Staff for initial and renewal appointments to the Medical and Clinical Staff. In acting upon such appointments, the Executive Committee shall follow the same procedure as for the full Board set forth in the following Article VII Medical Staff Bylaws, Sec. 2 Procedure for Appointment.

Sec. 5. **Finance and Budget Committee:** The Finance and Budget Committee shall consist of the Treasurer, who shall act as Chairman, the Assistant Treasurer, President, one other Trustee and one member of the Medical Staff to be annually appointed by the Chairman of the Board.

- ~~a. It shall devise ways and means of securing capital and operating funds for the support and development of the hospital.~~
- ~~b. The Finance and Budget Committee is responsible for overseeing the management of the Hospital's investment accounts, including operating, charitable, endowment and trust funds. The Finance and Budget Committee shall ensure the Hospital's various accounts are managed within the parameters specified in the Investment Policy Statement that has been adopted by the Board of Trustees with respect to each account, and shall have the authority to make all Investment decisions, except that it must obtain the approval of the Board of Trustees before:
 - ~~1. Amending an Investment Policy Statement that has been adopted by the Board of Trustees;~~
 - ~~2. Terminating the services of an investment manager; and engaging a new investment manager or replacing a manager who has been terminated.~~~~
- ~~c. The Finance and Budget Committee will present to the full Board of Trustees not later than its scheduled Fall meeting each year, its recommended annual operating and capital budgets for the ensuing fiscal year. The full Board of Trustees will consider and act upon such proposed operating and capital budgets.~~

- ~~a. The Finance and Budget Committee will review the capital outlay required to implement long-range development plans and will project possible sources of funds required to finance their implementation.~~
- a. No new Separate Hospital. Provided, however, no new separate and individual financial obligation exceeding \$100,000 a year (except for emergencies) incurred subsequent to approval of the annual operating and capital budgets, shall be entered into or become effective without first obtaining approval of the ~~full Board of Trustees.~~
- b. Subject to the Reserved Powers and the Combination Agreement, the Finance and Budget Committee is responsible for overseeing the management of the Hospital's investment accounts, including operating, charitable, endowment and trust funds. The Finance and Budget Committee shall ensure the Hospital's various accounts are managed within the parameters specified in the Investment Policy Statement that has been adopted by the Board with respect to each account and shall have the authority to make all Investment decisions, except that it must obtain the approval of the Board before:
 - 1. The auditor's Amending an Investment Policy Statement that has been adopted by the Board; or
 - 2. Terminating the services of an investment manager; and engaging a new investment manager or replacing a manager who has been terminated.
- c. The Finance and Budget Committee will present to the Board not later than the Board's scheduled Fall meeting each year, its recommended annual operating and capital budgets for the ensuing fiscal year for presentation to and approval by the System Board.
- d. The Finance and Budget Committee will review the capital outlay required to implement long-range development plans and will project possible sources of funds required to finance their implementation.
- ~~b.e.~~ The Auditor's annual reports, including reports to management, will be furnished to the individual trustees and the auditors shall make their corresponding oral reports to the assembled trustees at the next scheduled meeting of the full Board following the completion of the auditor's reports.
- e.f. The Finance and Budget Committee shall review annually the Hospital's insurance coverage and cost and coordinate with other relevant committees and agencies to recommend to the Trustees a program of loss control, risk management, appropriate coverage and insurance entitlements and performance.

Sec. 6. **Planning & Facilities Committee:** This Committee shall consist of at least six members, and at least one of these will be a member of the Executive Committee. Three

members shall be appointed from the Board by the Chairman of the Board, one of whom he shall designate as Chairman of said Committee. Two Medical Staff representatives will be elected by the Medical Staff. The President will serve as a member of the Committee and as its Secretary. Responsibilities of the Committee include:

- a. To assess the health and medical care needs of the hospital community through the Community Health Needs Assessment and plan and recommend an appropriate organizational and institutional response.
- b. To develop and maintain a long-range plan for the operations of Huggins Hospital with consideration of the fiscal implications of such plan. The plan will be reviewed annually.
- c. To oversee the general status of physical plant, equipment and grounds and making recommendations to the Trustees for appropriate renovations, replacement and expansion.
- d. The Planning and Facilities Committee will meet quarterly and at the call of the Chair.

Sec. 7. Governance Committee: This Committee shall consist of five Trustees to be appointed by the Chairman of the Board, one of whom will be appointed Chairman of said Committee. This Committee shall meet at least quarterly, and at other times at the call of the Chairman of said Committee. It shall:

- a. Consider and recommend appropriate undertakings in education, ethics and conflicts of interest policies.
- b. Review annually the Hospital bylaws, and make recommendations to the Board concerning revisions or amendments to the same. All proposed revisions and amendments to the bylaws shall be referred to this Committee for study and written recommendations to the Board.
- c. Research and present the names of nominees for ~~membership on the Board of~~ Elected Trustees at the Annual Meeting of the Board ~~of Trustees~~ or at any other time when a vacancy occurs.
- ~~d. Present for election at the Annual Meeting of the Board of Trustees the names of those recommended as honorary members or associate members of the Board of Trustees.~~
- e.d. Present at the January Meeting of the Board a slate of officers for the ensuing year.

Sec. 8. Joint Conference Committee: This Committee shall comprise a liaison group to discuss and make recommendations to the Board on Medical Staff, quality of patient care and administrative matters and be the official point of coordination between the Board, President,

and Medical Staff. It shall consist of the Chairman of the Board and three members appointed by the Chairman of the Board from the Quality and Service Excellence Committee, the President, the Medical Director, the head of the Clinical Staff and three members designated by the Medical Staff. The Chairman of the Committee shall be appointed by the Chairman of the Board.

- a. The Committee will meet quarterly on the second Wednesday, each March, June, September, and December unless the Committee Chairman designates other dates.
- b. In the interim between regular meetings, meetings will be called by the Chairman of said Committee at the request of any two members.

Sec. 9. Huggins Hospital Foundation Committee: This committee shall be primarily responsible for fund-raising to support the charitable purposes of Huggins Hospital, including all fund-raising activities, donations, gifts to support special projects that have been approved by the Trustees. The Committee shall consist of not less than four or more than ten members appointed by the Chairman of the Board from among Trustees, Associate Trustees and others of special interest.

- a. The Committee shall submit quarterly reports to the Board summarizing their activities.

Sec. 10. Quality Care and Service Excellence Committee: The committee shall consist of five (5) members, all of whom shall be Trustees, and shall meet at least quarterly. Members and the Chair of the Committee shall be appointed by the Chairman of the Board. The Committee Shall:

- a. Monitor Hospital policies to ensure that the expectations of patients are met or exceeded by both the quality of patient care and the excellence of the service they receive.
- b. Receive and consider all reports on the work of the Medical and Clinical staff and make such recommendations to the Board in respect thereto as the Committee considers to be in the best interests of the hospital and its patients.
- c. Annually review the policies and procedures in respect to credentialing the Medical and Clinical Staff.
- d. Receive and make recommendations to the Board respecting any communications, requests, or recommendations presented by the Medical and Clinical Staff through its duly authorized representatives.
- e. Designate one or more Committee members to serve as a Trustee representative on the hospital's Joint Medical Staff-Administration Quality Improvement Committee. Such member will report on the activities of the Quality Improvement Committee as a standing agenda item at each Committee meeting.

- f. Recommend to the Board the adoption of amendments to, or repeal of, bylaws, rules and regulations governing the Medical and Clinical Staff.

ARTICLE VIII

Medical Staff

Sec. 1. Organization.

- a. The Board shall organize the physicians, dentists, and allied health professionals who may be granted privileges in the hospital, into a staff under Medical Staff Bylaws approved by the Board.
- b. The Board shall, in the exercise of its discretion:
 - 1. Delegate to the Medical Staff the primary responsibility for providing appropriate professional care to the hospital's patients.
 - 2. Delegate to the Medical Staff the authority to initially evaluate the professional competence of staff members and applicants for staff privileges.
 - 3. When telemedicine services are furnished through an agreement with a distant-site hospital or telemedicine entity, the Board may choose to rely upon the credentialing and privileging decisions made by the governing body of the distant-site hospital or telemedicine entity regarding individual distant-site physicians or practitioners.
 - 4. Require the Medical Staff to make recommendations to the Board concerning initial staff appointments, re-appointments, and the assignment or curtailment of privileges.
- c. There shall be Bylaws, Rules and Regulations for the Medical Staff, setting forth its organization and government. The Medical Staff Bylaws and Rules Regulations relating to such organization and government shall be approved by the Board before they become effective.
- d. The Board may propose amendments to the Bylaws and Rules and Regulation of the Medical Staff.
 - 1. Within 60 days the Medical Staff must act on such proposals.
 - 2. If amendments proposed by the Board are not acceptable to the Medical Staff, alternative proposals may be offered by the Medical Staff within 60 days. The Board may then agree to the alternative proposal or offer a further alternative proposal of its own.

3. The Board may act unilaterally to amend the Medical Staff Bylaws, Rules and Regulations, in the event that: The Medical Staff fails to act within the above time limits; or the Medical Staff and the Board fail to agree after three alternatives have been offered and considered.
4. The Board shall consider recommendations of the Medical Staff and appoint to the Medical Staff physicians, dentists, and allied health professionals, who meet the general qualifications for membership or clinical privileges as set forth in Sec. 2 hereafter of these Bylaws and the Bylaws of the Medical Staff.

5. Physicians employed by the hospital:

- e. Physicians employed by the hospital in a purely administrative capacity with no clinical duties are subject to the regular personnel policies of the hospital and to their contract or other terms of employment, and need not be members of the Medical Staff.
- f. Physicians employed by the hospital, either full-time or part-time, whose duties are medico-administrative in nature and include Medical Staff clinical responsibilities or functions involving their professional capabilities as physicians, must be members of the Medical Staff, achieving this status by the same procedure provided for other Medical Staff members. Medical Staff membership may or may not be made contingent on continued employment.
- g. Termination of employment for reasons other than matters pertaining to professional competency may be effected by the President in accordance with applicable employee personnel policies.
- h. Any physician whose engagement by the hospital requires membership on the Medical Staff as described above shall not have his Medical Staff privileges terminated without the same due process provisions as must be provided for any other member of the Medical Staff, unless otherwise stated by contract.
- i. Each member of the Medical Staff shall have appropriate authority and responsibility for the care of his patients, subject to such limitations as are contained in these Bylaws and in the Bylaws, Rules and Regulations for the Medical Staff and subject, further, to any limitations attached to his appointment.
- j. The Medical Staff shall conduct a continuing review and appraisal of the quality of professional care rendered in the hospital, and shall report such activities and their results to the Board.

Sec. 2. Procedure for Appointment.

- a. All applicants for appointment to the Medical Staff shall be in writing and shall be presented in duplicate on prescribed form to the President of the hospital. They shall

contain full information concerning the applicant's education, licensure, practice, previous hospital experience, and any unfavorable history with regard to licensure or hospital privileges. The applicant will submit three references as to his professional qualifications and shall signify his agreement to abide by the Bylaws and Rules and Regulations of the Medical Staff, and the Bylaws of Huggins Hospital.

- b. The President shall refer one copy of each application to the Secretary of the Medical Staff and one to the Secretary of the Board.
- c. The Secretary of the Medical Staff shall present the application to the Medical staff at its first regular meeting thereafter, at which time it shall be referred to the Credentials Committee of the Medical Staff.
- d. The Credentials Committee shall investigate the reputation, qualifications, and standing of the applicant and shall submit a report of the findings at the next regular meeting of the Medical Staff, recommending that the application be accepted, deferred for a specified time period, or rejected.
- e. If the recommendation be that the application is acceptable and that the applicant be appointed to the Medical staff, the recommendation shall ordinarily be granted.
- f. The Board shall either accept the recommendation of the Medical Staff or shall refer the application back to the Secretary of the Medical Staff for further consideration and final recommendation.
- g. When applications are returned by the Board for further consideration, the Medical Staff shall again consider the application at the time provided by the Bylaws of the Medical Staff for its next regular meeting. The Secretary of the Medical Staff shall transmit to the Secretary of the Board the Medical Staff's final recommendation, together with reasons therefor. The Secretary of the Board shall present this final recommendation to the Board which shall vote to appoint or reject the applicant. If the final recommendation of the Medical Staff has not been received by the Secretary of the Board within ten days after the Medical Staff meeting, as provided above, the Board may take final action on the application without such recommendation.
- h. When final action has been taken by the Board, the Secretary of the Board shall so notify the President of the hospital, who shall transmit the decision to the applicant. If the applicant is accepted, the President shall secure his signature to the Bylaws, Rules and Regulations of the Medical Staff and the Bylaws of Huggins Hospital. If the applicant is rejected, he shall be given the right to hearing and to appellate review as provided in the Bylaws of the Medical Staff and in accord with Section 5 of this Article.

Sec. 3. Terms of Appointment and Re-appointment.

- a. The initial term of appointment to the Active Medical Staff shall be provisional for a

period of one year only, during which time the applicant's performance and clinical competence will be observed by the President of the Medical Staff and Chief of the Department/Service. After the one-year period of time is concluded and the individual has satisfied all the requirements for Staff eligibility, the applicant shall automatically become eligible for a two-year appointment. If, at the end of that time, the individual has not satisfied the requirements for Staff eligibility, his/her provisional status shall automatically terminate and the member shall be given written notice of said termination and of his/her entitlement to the procedural rights specified in the Medical Staff Bylaws.

- b. With the exception of initial appointments, all re-appointments to the Medical Staff shall be made by the Board for a term of two years renewable by the Board without formal reapplication. Prior to action of the Board the Staff shall submit its recommendations for re-appointment. Bi-annually the Staff will include delineations of privileges and additions, deletions or modification of previously approved delineations of privileges. In case of recommendations for curtailment of privileges or a failure to recommend any member to the staff, the Medical Staff shall state its reasons. The Board may at its own initiative refuse re-appointment to any member, but in such case, the reasons for such action shall be reported to the Medical Staff.
- c. Appointment to the Medical Staff shall confer on the appointee only such clinical privileges as have been granted by the Governing Body, in accordance with these Bylaws.

Sec. 54. Appeals - Right to Hearings and to Appellate Review.

- a. The Medical Staff Bylaws will include a mechanism for review, when requested by the practitioner, of decisions and recommendations concerning staff appointment and re-appointments, and the granting, curtailment, suspension, or revocation of clinical privileges. The final decision of the Board, after an appellate review by the Board, will be rendered within 60 days of the date the matter is referred to the Board.
- b. Whenever the Board does not concur in a Medical recommendation relative to appointment, re-appointment or clinical privileges, a review of the recommendation by a joint committee of three members of the Medical Staff and three members of the Board will be conducted before a final decision is reached by the Board. The Trustee members of such a review committee shall be appointed by the Executive Committee of the Board.

Sec. 65. The President of the Medical Staff shall be notified of, and attend, all meetings of the Board and its Executive Committee and shall be entitled to participate as a Trustee, ex officio with a vote at meetings. In his absence, the Vice President of the Medical Staff shall attend.

ARTICLE IX

Auxiliary

Sec.1. Groups auxiliary to Huggins Hospital may be organized as approved by the Board. The organization and bylaws of groups auxiliary to Huggins Hospital shall be subject to approval by the Board.

Sec. 2. Auxiliary groups may be established for the purposes of:

- a. Raising funds for Huggins Hospital;
- b. Volunteering services in, or on behalf of, Huggins Hospital.
- c. Otherwise promoting the comfort and welfare of Huggins Hospital patients.

Sec. 3. The heads of other auxiliary groups may be invited by the Chairman of the Board to attend regular meetings of the Board.

Sec. 4. Each auxiliary group will furnish a written annual report of its activities to the Board as at the close of each hospital fiscal year. Each group which raised funds for hospital benefit will also submit an annual financial statement at the close of its fiscal year.

ARTICLE X

Fiscal Year

Sec. 1. The fiscal year of the hospital shall be from October 1 to September 30.

ARTICLE XI

Seal

Sec. 1. The seal of the corporation shall be circular in forma, and shall have inscribed on its face the name of the corporation and the year of its incorporation.

ARTICLE XII

Amendment

~~Sec. 1.~~ Subject to the Reserved ~~Power of the Member described in Article III, Section 3(j) above~~ Powers, the Bylaws may be amended by a Majority vote of the Board at any regular meeting or at any special meeting called therefore; provided, however, that notice in writing of any proposed amendment shall be mailed or emailed to all Trustees ten days before the meeting at which said proposed amendment is to be voted.

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EXHIBIT A

Hospital Board of Trustee Criteria

EXHIBIT A:

“RESERVED POWERS”

POWERS RESERVED TO DARTMOUTH-HITCHCOCK HEALTH GRANITEONE

I. Rights of D-HH GO to approve or disapprove certain actions of the Board. Prior to becoming effective, each of the following actions initiated by the Hospital require the approval of the System Board or by a committee of the System Board which has received approval rights as delegated by the System Board:

- a. Nominees to Board. The System Board shall appoint up to one-third of the Trustees on the Board, each of whom must satisfy the Trustee Criteria set out on Appendix C of these Bylaws (“Trustee Criteria”) and shall promptly elect the remaining members of the Board from nominees submitted to it by the Board. The System Board may only object to a nominee submitted to it by the Board based on an inconsistency with the Trustee Criteria. In such event, the Board will identify a new nominee for System Board approval.
- b. Amendments to Articles of Agreement and Bylaws. Amendments to the Articles of Agreement or the Bylaws that would (i) impact the Reserved Powers set forth in this Appendix A or (ii) reasonably be expected to have any material strategic, competitive, or financial impact on the System.
- c. Operating and Capital Budget. The adoption and subsequent revision of the annual operating and capital budgets of the Hospital, including without limitation the establishment of reserves, and any vote to propose an action (other than Section I, (d) and (e) below) which may result in an unbudgeted expense or series of expenses equaling or exceeding an amount of Five Hundred Thousand Dollars (\$500,000.00).
- d. Indebtedness. The vote to incur any unbudgeted indebtedness or other borrowings (such as capital leases) that exceed the principal amount of Five Hundred Thousand Dollars (\$500,000.00).
- e. Disposition of Assets. Unless contemplated in an approved budget as provided in Section I, (c) above, the vote to sell, convey, assign, or lease, or grant a mortgage or other lien or encumbrance on, assets of the Hospital in excess of the amount Five Hundred Thousand Dollars (\$500,000.00) as measured by net book value.
- f. Auditing Firm. The appointment of a firm of independent public accountants to conduct an independent audit of the financial statements of the Hospital.
- g. Clinical Service or Programs. The decision to eliminate or add any health care service or program, change any licenses, or otherwise make a change to the operating character or critical access hospital designation of the Hospital.
- h. Academic and Research Matters. The adoption or material revision of any the Hospital policies relating to academic and research programs (except for student internship arrangements with training programs for nursing, physical, occupational and speech therapy, and other similar services), and any decision by the Board to enter into or terminate, as the case may be, an academic affiliation.

- i. Exercise of the Hospital Reserved Powers. Unless waived by the System Board in writing in its discretion, the proposed exercise of any reserved powers or rights that the Hospital holds over the Hospital subsidiary or other organization or other arrangement in which the Hospital has a controlling ownership interest.
- j. Strategic Plans. The adoption or material revision of any strategic initiative or plan by the Board.
- k. Key Strategic Relationships. The decision by the Board to establish (whether by contract, joint venture, or subsidiary entity), modify or terminate a “Key Strategic Relationship” defined as the ownership of defined as the ownership of, or contractual participation in, a network, system, affiliation, joint venture, alliance, proprietary health plan product (e.g. a so-called “narrow network”) or similar arrangement entered into with an organization that is not a member in the System on or after September 30, 2019.
- l. Merger/Change of Control; Divestiture. A decision of the Board to: (i) merge or consolidate the Hospital into another entity or otherwise conduct a change of control transaction; (ii) acquire substantially all of the assets of another entity; or (iii) sell or lease substantially all of the assets of the Hospital to any person or entity.
- m. Bankruptcy; Closure; Dissolution. Any decision by the Board to (i) commence bankruptcy or other insolvency proceedings, or (ii) close, liquidate and dissolve the Hospital and/or any of its respective affiliates.

II. Rights of D-HH GO to initiate or enforce actions by the Hospital. In addition to the rights described in Section I above, the System Board will have the following rights:

- a. Removal of Board Trustees. Following consultation with the Chair of the Board, the System Board may remove any Trustee of the Board if the System Board determines, in its reasonable good faith discretion that such removal is in the best interests of the System. In making the foregoing determination, the System Board will consider the impact of such removal on the Hospital and on the interests and representation of the communities it serves.
- b. Hospital President/CEO. Following consultation with the Chair and the Regional President, as well as the consideration of any evaluation or recommendation by the Board as described in the Bylaws of the Hospital, the System Board acting through the System CEO or the designee of the System CEO, will retain sole authority to hire, evaluate, compensate and terminate the President of the Hospital.
- c. Participation in System Strategies. To the extent applicable and determined by the System Board to be in the bests interest of the System, the Hospital will participate (and the System Board may mandate its participation) in System-wide strategies, programs, delivery networks, products (including risk-based reimbursement arrangements) and other similar initiatives consistent with the System strategic plan(s) and designed to further the establishment of an integrated and sustainable health delivery system.
- d. Participation in System Programs and Initiatives. As determined and directed by the System Board, the Hospital will participate in and fulfill the requirements of System-wide programs and initiatives designed to improve access, quality and/or costs of services

to patients including those of the Hospital. Any proposed consolidation first must be presented to the Member Leadership Council of the System for its feedback and recommendations, and then approved by the System CEO and the Regional President.¹ Such programs and initiatives may include but not be limited to group purchasing, information technology system integration, quality improvement measures, shared finance functions, and shared corporate services. The System Board will determine the locations from which such programs and services are provided. The System Board may assess all participating System members, including the Hospital, a fee or other reasonable charge for such programs or initiatives provided that such fee or other charge is assessed proportionately against all System members to whom such programs or initiatives are available.

- e. Changes in Clinical Services. The System Board may initiate changes in the clinical services provided by the Hospital if those changes are necessary to implement the System strategic plan and System-wide objectives, to further the clinical program development contemplated by the System, or to improve the financial position of the Hospital in connection with the System Board’s approval of the Hospital’s operating and capital budgets. Prior to the implementation of any clinical changes, D-HH GO will collaborate with the Hospital in evaluating the Hospital’s clinical programming as described in Section 5.3.3 of the Combination Agreement. The System Board also will evaluate the impact of the proposed change on: (i) the ability of the Hospital to meet the health needs of the communities in its service area; (ii) the ability of the Hospital to continue to qualify as a critical access hospital after the proposed change; (iii) the quality and efficiency with which the Hospital can deliver its health services; and (iv) the charitable purpose of the Hospital. The System Board also will give the Board an opportunity to address the proposed change and to provide any additional information, and will consider any input from the Board in good faith.
- f. Financial Performance and Allocation of System Resources and Expenses. The System Board will have the responsibility and power to ensure that the System and the Hospital observe sound financial practices as described below.
 - (i) Financial Principles. In managing the System’s financial resources, D-HH GO will observe, and may require the Hospital to observe as applicable, financial principles developed from time to time by D-HH GO (“System Financial Principles”).
 - (ii) Financial Monitoring and Improvement Planning. D-HH GO will monitor the ongoing financial performance of the System Members, and the Hospital will provide

¹ The Member Leadership Council is described in section 3.3.5 of the Combination Agreement, which tasks the System with creating a Member Leadership Council comprised of one or more senior management executives employed by each System Member, e.g., CEO, CFO, CMO, and/or one or more representatives of each System Member Board of Trustees, e.g., Board Chair, Vice Chair. The Member Leadership Council will be convened and led by the System CEO or the designee of the System CEO at regular intervals to be determined, but no less than quarterly, to review, discuss, and advise on System-wide management issues, including but not limited to strategic planning, integration progress, financial planning and budgeting, operations, clinical matters and governance. The Member Leadership Council will serve an advisory role to the System Board, whose Chair or designee will have a standing invitation to attend and participate in Member Leadership Council meetings. The System CEO or the designee of the System CEO will be responsible for ensuring that matters raised and discussed at the Member Leadership Council are communicated to the System Board.

such financial information as may be requested by D-HH GO. If the Hospital is unable to meet the System Financial Principles or has a material deviation from its approved operating budget, then D-HH GO may require the Hospital to meet with the D-HH GO Chief Financial Officer (“System CFO”) to discuss the Member’s financial performance and to develop a mutually-agreeable plan to improve the Member’s financial performance. The improvement plan may require the regular oversight of the System CFO or his/her designee or one or more consultants.

(iii) Reallocation of Member Assets by System. The System Board also will have the power and authority to require a reallocation of the Hospital’s assets or resources (excluding Endowment Funds) for one or more System purposes. If the System Board determines that a reallocation of assets or resources from the Hospital to D-HH GO for use elsewhere within the System (i) will further the System Strategic Plan, (ii) is the most appropriate way in which to fund the System need or program or initiative, (iii) will not materially impair the ability of the Hospital to continue to serve the health needs of the communities in its service area and meet its debt obligations, and (iv) is consistent with the System Financial Principles, then the System Board will notify the Board of the proposed re-allocation. The Board and the President of the Hospital then will have the opportunity to discuss the proposal with the System Board Chair, the System CEO and the Regional President, and to provide additional information or alternative recommendations. The input of the Board, the President of the Hospital and the Regional President then will be considered by the System Board before it approves the proposed reallocation. D-HH GO will not exercise its authority to reallocate assets or resources within the System, however, if it would cause (i) a default or breach of the Hospital’s covenants or obligations under bond documents and other financing documents, or (ii) a reduction, withdrawal, suspension or other materially adverse effect (a “Downgrading”) of the rating of a the Hospital’s outstanding bonds as determined in Section 1.3 of the D-HH GO Bylaws.

g. System Board Strategic Planning. The System Board will develop and implement a System-wide long-term strategic plan for achieving the System’s goals (“System Strategic Plan”), which will be designed to further the charitable mission of D-HH GO, support the charitable missions of the Hospital, address the ongoing changes in the delivery of and reimbursement for wellness and health care services, and implement and maximize the goals and synergies identified by the System. The System Strategic Plan will include, but not be limited to, clinical programming, services and procedures, quality standards and measures, operating and capital budgets, System-wide resource allocation and investment policies. The System Board also will regularly evaluate the System Strategic Plan and update or modify it from time to time to ensure that it continues to meet the goals and purposes of the System and the System’s Members.

h. Powers Enumerated in Other Sections of the Combination Agreement. The System Board may have other powers to initiate action required of the Hospital set forth in the Combination Agreement.

EXHIBIT B

HOSPITAL BOARD OF TRUSTEE CRITERIA

1. Employment or personal experience, and/or professional status that reflect a record of accomplishment or reveals expertise that will help the Board fulfill its duties.
2. Well regarded in the communities served by the Hospital, with a long-term, good reputation for high ethical standards.
3. Demonstrates an understanding of the Hospital's mission, as well as the mission, vision and principles of the System ~~as set forth in Section 1 and 2 of the Affiliation Agreement.~~
4. Demonstrates a strategic perspective, an awareness of the dynamics of the complex and ever-changing healthcare environment and the need to anticipate and capitalize on opportunities that enhance the vision and principles of the Hospital as well as the System ~~as set forth in Sections 1 and 2 of the Affiliation Agreement.~~
5. Service and experience with other non-profit or healthcare boards with a record of preparation, attendance, participation, interest and initiative.
6. Willing and enthusiastic promoter of the Hospital as well as the System.
- ~~7. Geographic residence or other connection to the area served by the Hospital.~~
- ~~8.7.~~ Connections with public and influential community organizations and stakeholders important to the Hospital.
- ~~9.8.~~ Willingness and availability to contribute time and energy to the Hospital's Board and its committees.
- ~~10. Respect for the missions and identity of each Hospital within the System.~~

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APPENDIX 6.2.3(b)-2

AMENDED MCH BYLAWS

[ATTACHED]

The Monadnock Community Hospital

Corporation ~~By-Laws~~ Bylaws

Adopted: December 21, 1987

Amended: November 18, 1988

May 25, 1989

November 3, 1989

November 15, 1989

November 30, 1992

July 27, 1993

March 6, 1996

October 29, 1996

October 1, 1997

March 31, 1998

November 28, 2000

November 26, 2002 (Amended)

January 28, 2003 (Amended)

November 20, 2003 (Amended)

April 27, 2004 (Amended)

May 25, 2004 (Amended)

April 19, 2007 (Amended)

January 27, 2009 (Amended)

Amended for an effective date of: February 1, 2010

March 29, 2011 (Amended)

January 31, 2012 (Amended)

October 25, 2012 (Amended)

November 26, 2013 (Amended)

February 25, 2015 (Amended)

March 30, 2016 (Amended)

June 29, 2016 (Amended)

December 7, 2016 (Amended and Restated)

December 30, 2016 (Amended and Restated)

December 5, 2018 (Amended and Restated)

BY-LAW September XX, 2019 (Amended and Restated)

BYLAWS OF THE MONADNOCK COMMUNITY HOSPITAL

PREAMBLE

The Monadnock Community Hospital, ~~(hereinafter called “ (“MCH”),”)~~ is a non-profit corporation organized under the laws of the State of New Hampshire.

The mission of MCH is to ~~provide~~ improve the health and ~~well-being~~ wellbeing of ~~our~~ the community:

~~served by~~ MCH is part of a hospital system through its single Member, GraniteOne Health pursuant to an Affiliation Agreement dated as of June 29, 2016 (the “Affiliation Agreement”).

Patients shall not be denied treatment on the basis of race, color, creed, national origin, source of payment, or on the basis of any other criteria not related to medical indications for admission. The ~~individual~~ patient’s dignity and right to privacy shall be maintained at all times.

MCH is part of a multi-hospital, integrated healthcare delivery system (“System”) through its single Member, Dartmouth-Hitchcock Health GraniteOne (“D-HH GO”), pursuant to a Combination Agreement dated as of September XX, 2019 (“Combination Agreement”).

It is the purpose of MCH and its appointed officers to uphold the aims and objectives for which this organization was founded and to fulfill its responsibilities in the manner ~~prescribed~~ directed by the Articles of Agreement and by these By-laws, and to Bylaws. To this end, the Board of ~~Trustees~~ MCH (“Board”) is designated as the governing body of MCH, subject to the oversight provided by the Board of Trustees of DHH-GO (“System Board”).

ARTICLE I: MEMBER AND RESERVED POWERS

Section 1. Designation of the Member. The sole Member of MCH shall be Dartmouth-Hitchcock Health GraniteOne Health, (“D-HH GO”), a New Hampshire voluntary corporation that is exempt from taxation under section 501(c)(3) of the Internal Revenue Code.

Section 2. Powers. ~~GraniteOne Health shall elect the elected members of MCH’s Board of Trustees who are nominated as set forth in Article II. GraniteOne Health shall also the Member, D-HH GO shall~~ have the powers reserved to it ~~(the “Reserved Powers”)~~ that are enumerated in Appendix A, ~~entitled Member’s~~ (“Reserved Powers,”) attached to these ~~By-Laws~~ Bylaws and incorporated by this reference. The Reserved Powers ~~shall be in~~ include the ~~nature of ratification rights, to approve and may not be exercised by the Member~~ disapprove certain Board actions, and the rights to initiate ~~or require and enforce certain Board actions by MCH.~~

Section 3. Action ~~Actions~~ of the Member. All actions of ~~the Member~~ D-HH GO taken as the Member of MCH shall be taken according to the ~~Member’s Articles~~ articles of ~~Agreement~~ agreement and ~~By-Laws~~ bylaws of D-HH GO.

ARTICLE II: BOARD OF TRUSTEES AND RETAINED POWERS

Section 1. Board Powers. ~~The Subject to the Reserved Powers, the~~ powers of MCH shall be vested in the Board ~~of Trustees whereby the Board, which~~ shall be responsible for the control and management of the property, programs, affairs, and funds of MCH ~~and shall~~ have the power and

authority to do and perform all acts and functions consistent with the Articles of Agreement, as amended from time to time, and these ~~By laws~~Bylaws, including ~~but not limited to~~, the appointment of officers of MCH, the recommendation to the System Board approval of annual operating budgets, the direction of fund-raising activities, consistent with the strategic plan approved by the System Board, the review ~~of~~and consideration of Board committee recommendations, and the general determination of MCH policy. MCH recognizes and affirms that ~~the~~ Board's powers are limited by ~~those powers reserved to GraniteOne, more specifically enumerated in Article I. The~~ Reserved Powers. Notwithstanding the foregoing, the following powers are ~~reserved~~retained exclusively ~~to~~by the Board of Trustees of MCH:

- a. ~~The investment and expenditure of any assets subject to donor restrictions or those recorded on MCH's Audited Financial Statements as "restricted" (the "Restricted Assets") held by MCH both before and after the Affiliation Date or the Pre-affiliation Assets held by MCH on the Affiliation Date as set out in the Affiliation Agreement (collectively the "MCH Endowment");~~

~~The determination and approval of~~

- a. Ex Officio Positions; Board Nominees. The Board retains the power to elect Elected Trustees (as defined below) and nominate Ex Officio Trustees (as defined below) (collectively "Board Nominees"). MCH will nominate such Board Nominees, comprising at least two-thirds (2/3) of the Trustees serving on the Board, subject to the Reserved Powers to approve or disapprove each Board Nominee.
- b. Board Chair. MCH retains the power to elect the Chair of the Board from among the Board Nominees.
- c. Input on Actions Pertaining to MCH President/CEO. Although the power to hire, evaluate, compensate and terminate the MCH President/CEO is reserved to the System Board acting through the System CEO or designee or appointee, the Board and the President of the Region of the System in which MCH is located ("Regional President") will have the right to provide to the System CEO or designee an evaluation of the MCH President/CEO prior to any compensation determination, and to recommend, prior to any proposed hiring or termination of the MCH President/CEO, action to the System CEO or designee. If the System CEO or designee decides to hire or terminate the MCH President/CEO when the Board has provided a contrary evaluation or recommendation, the System CEO or designee will consult with the System Board Chair before taking any action.
- d. Strategic Planning and Operational Oversight. Subject to the Reserved Powers, MCH will develop and implement a strategic plan for meeting the identified health needs of the communities it serves, developing a strategic plan (consistent with the System Strategic Plan) for meeting those needs, and overseeing the delivery and safety of health care services at its respective hospital and any related facilities.
- e. Donor-Restricted Funds. Subject to the Reserved Powers and the intent of donors, MCH will retain responsibility for determining whether and how much to appropriate from its donor-restricted funds for qualifying expenditures, consistent with the requirements of New Hampshire RSA 292-B:4, the Uniform Prudent Management of Institutional Funds Act.
- b.f. Fundraising. MCH will retain the authority to determine and implement fundraising activities conducted by MCH in ~~MCH's~~its service area, and ~~the approval of~~to approve any fundraising efforts proposed by ~~GraniteOne~~the System Board in MCH's service area.

- ~~e. Termination of MCH's CEO, however, prior to termination of the CEO, the Board of Trustees or GraniteOne's CEO (whomever recommends termination) must identify the performance failures and discuss appropriate correction plans. If the MCH CEO fails to fulfill the correction plan, then the Board of Trustees may proceed with the termination of the CEO. If the Board of Trustees and the GraniteOne CEO cannot agree on an appropriate correction plan within forty-five (45) days of the request for termination, then the Board of Trustees may proceed with the termination of the CEO. No MCH CEO shall be terminated without a majority vote to terminate by the Board of Trustees;~~
- ~~d. The appointment of three-quarters (3/4) of the members of the Board of Trustees. GraniteOne shall have the right to object to any appointee who does not meet the qualifying criteria by providing the Board of Trustees with a written objection identifying the criteria not satisfied. In the event of such objection, the Board of Trustees shall substitute an appointee that satisfies the criteria qualifications.~~

Section 2. Composition, Terms and Voting.

- ~~g. Elected Members. There shall be no fewer than nine (9) nor more than sixteen (16) elected members ("Intellectual Property. MCH will retain exclusive rights with respect to the ownership and use of its corporate name and any trade name it has registered or put into use in the marketplace.~~

Section 2. Board Composition, Terms and Voting. The Board shall be comprised of Appointed Trustees, Elected Trustees, and Ex Officio Trustees (collectively, "Trustees"). The Board, subject to the Reserved Powers, shall determine the number of Trustees. The standard term of office for all Trustees but the President/CEO of MCH and the President of MCH Medical Staff shall be three (3) years.

- ~~a. Appointed Trustees. The System Board will appoint up to one-third of the Board ("Appointed Trustees"), selecting the Appointed Trustees in accordance with the criteria described in Appendix C ("Trustee Criteria"). The balance of the Board will be comprised of Elected Trustees") of the Board of Trustees. Three-quarters of the and Ex Officio Trustees (as defined below). Successor Appointed Trustees shall be selected by the System Board in accordance with the Trustee Criteria.~~
- ~~a.b. Elected Trustees shall be. The Trustees nominated and elected to the Board by the sitting trustees, while one-quarter of the Trustees, subject to the Reserved Powers and in accordance with the Trustee Criteria, are hereinafter referred to as "Elected Trustees shall be nominated by GraniteOne." Elected Trustees shall serve from the date of election and shall continue to serve until a successor has been duly elected, or until he or she the Elected Trustee dies, resigns, is removed or becomes disqualified, whichever shall first occur. The term of office Successor Elected Trustees shall be three (3) years, elected upon receiving a majority vote of all then-sitting Trustees, subject to the Reserved Powers. No person who is a regular (full-time, or part-time) paid employee or spouse of an employee of Monadnock Community Hospital MCH may serve as an Elected Trustee.~~
- ~~b.c. Ex- Officio Trustees. There shall be four ex officio Members.— Trustees ("Ex-officio members with full voting privileges include Officio Trustees"). The Ex Officio Trustees shall be: the President/CEO of Monadnock Community Hospital, MCH; the President of the Monadnock Community Hospital MCH Medical Staff; and two (2) members of the active MCH Medical Staff and the CEO, each of GraniteOne, or his or her designee. The~~

~~CEO of GraniteOne shall be included in the one-quarter Elected Trustees nominated by GraniteOne. The Medical Staff members whom shall be nominated by the Medical Staff and elected by the Board of Trustees, subject to serve for a three (3) year term, such elections to be held on a staggered basis.~~ the Reserved Powers.

e.d. ~~Terms of Service.~~ Trustees may serve multiple terms; however, no Trustee with the exception of the President/CEO and President of MCH Medical Staff, may serve for more than three (3) consecutive terms. Any Trustee who creates a vacancy by death, resignation, removal, or disqualification, shall be replaced according to this Article II, Section 2. Successor Trustees shall hold office for the remainder of the term of the Trustee who created the vacancy.

e. Voting. All Trustees (including Appointed, Elected, and Ex Officio) shall have equal voting rights. Unless otherwise required by the Articles of Agreement, these Bylaws, or applicable law, any Board decision shall require a majority of affirmative votes of Trustees at any meeting with sufficient quorum.

Section 3. Geographic Representation. Elected Trustees of the Board shall be chosen to represent the various communities served by MCH and to reflect a broad range of skills and needs of the area.

Section 4. Vacancies. Vacancies ~~on the Board~~ of Elected Trustees occurring prior to the end of any Elected Trustee's term shall be elected by GraniteOne Health from nominations by either vote of the Board current Trustees at a meeting of the Board, for which notice has been given ~~of the nomination process or by GraniteOne Health if the vacancy is from the group of Elected Trustees nominated by GraniteOne Health.~~ Newto D-HH GO. The Board shall elect new Elected Trustees ~~shall be elected from those thus nominated as approved by the System Board consistent with the Reserved Powers.~~ Each Trustee may vote for as many nominees as there are vacancies. ~~Elected Trustees so elected shall hold office for the remainder of the term of the Elected Trustee who created the vacancy. The Board of Trustees~~ The Board shall have and may exercise all their powers notwithstanding the existence of one or more vacancies in their number.

Section 5. Resignation. A Trustee may resign by delivering his or her written resignation to the Chair or Clerk of MCH, or to a meeting of the Board. Such resignation shall be effective upon receipt (unless specified to be effective at some other time) and acceptance thereof shall not be necessary to make it effective unless it so states. In case any ~~elected~~Elected Trustee shall be absent from three (3) successive Board ~~of Trustees~~ meetings, unexcused by the presiding officer, such absence may be considered as offering an offer of his or her resignation ~~as a Trustee,~~ and ~~whenever~~when thereafter such resignation shall be accepted by vote of the Board ~~of Trustees,~~ Trusteeship, said Trustee trusteeship shall cease.

Section 6. Removal. ~~An~~ Elected ~~Trustee~~Trustees and Ex Officio Trustees may be removed at any time, with or without cause, by a two-thirds vote of the ~~entire~~ Board ~~of Trustees,~~ other than the Trustee in question. The System Board, following consultation with the Chair of the Board, may remove any Trustee, if the System Board determines, in its reasonable good faith discretion that such removal is in the best interests of the System. In making the foregoing determination, the System Board will consider the impact of such removal on MCH, and on the interests of the communities it serves.

Section 7. Conflicts of Interest. The Conflict of Interest Policy ~~with an effective date of May 2009~~ attached hereto as Appendix B, and any successor conflict of interest policy hereafter adopted, is incorporated herein by reference and made a part hereof.

Section 8. Board Performance. The Board will evaluate its own performance annually.

Section 9. Meetings.

- a. Annual Meeting. The annual meeting of the ~~MCH Board of Trustees~~ shall be held in the month of January of each year, immediately preceding the regular meeting, at a time and place as the Board may determine. At the annual meeting, the total number of Trustees shall be determined and Trustees shall be nominated to fill vacant positions, subject to the Reserved Powers.
- b. Regular Meetings. Regular meetings of the Board ~~of Trustees~~ shall be held as necessary, but not less than four (4) times per year. Unless otherwise ordered by the Chair, these regular meetings shall be held on such date ~~and at such~~, time, and place as may be designated in the ~~notice for the meeting~~ notice, which the Clerk shall provide to each Trustee reasonably in advance ~~thereof shall be communicated to each Trustee by the Clerk of such meeting.~~
- c. Special Meetings. Special meetings of the Board ~~of Trustees~~ may be called at any time by the Chair (or in the event of his or her absence or disability, by the Vice Chair) or any three (3) Trustees acting jointly, provided that written notice thereof, setting forth the date, time, place, and purpose is mailed to each Trustee, at least three (3) days prior to the meeting, or is delivered electronically to each Trustee at least twenty-four (24) hours prior to the meeting, in each instance at his or her address entered on the records of MCH. Special meetings without previous notice may be held at any time and place when all Trustees are present. Unless all Trustees are present, no business shall be transacted at a special meeting except that which is stated in the notice for the meeting.
- d. Waiver of Notice. Whenever notice of a meeting is required, such notice need not be given to any Trustee if a written waiver of notice, executed by him or her (or his or her attorney thereunto authorized) before or after the meeting is filed with the records of the meeting, or to any Trustee who attends the meeting without protesting the lack of notice to him or her prior thereto or at its commencement.
- e. Quorum. A quorum for a meeting of the Board ~~of Trustees~~ shall consist of a majority of the ~~Elected Trustees, and a majority of the Board, including ex-officio members~~ Trustees, but a lesser number may adjourn.
- f. Electronic Participation in Meetings. A Trustee may participate in a meeting by conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting by such means constitutes presence in person at the meeting.
- g. Actions by Written Consent. Any action approved in writing by all Trustees shall be valid, regardless of whether a meeting of the Trustees has taken place. The written approval may be given by each Trustee electronically or in any other written form. The Clerk shall file such approvals with the minutes of the proceedings of the Board ~~of Trustees.~~ Such approvals shall have the same effect as a unanimous vote of the Board ~~of Trustees for all purposes.~~

ARTICLE III: OFFICERS

Section 1.

- a. Officers. The officers of MCH will be Chair, Vice-Chair, Clerk, Treasurer and such other officers as the Board ~~of Trustees~~ may deem advisable.
- b. Election and Term. The Chair, Vice-Chair, Clerk and Treasurer shall be elected by the Trustees from their own number at the first regular meeting following the annual MCH meeting. The Chair and the Vice Chair shall hold office for one (1) two-year ~~term~~terms and until their successors are duly elected and qualified; ~~either may.~~ The Chair and Vice Chair may not serve be elected to not more than one (1) successive two (2) year term. Other officers shall hold office for the term of one (1) year and until their successors are duly elected and qualified. A majority of votes cast shall be necessary for election.
- c. Vacancies. Vacancies occurring among the officers may be filled by the Board ~~of Trustees~~.
- d. Removal. An officer may be removed at any time with or without cause, by vote of a majority of the Trustees.
- e. Resignation. An officer may resign by delivering his or her written resignation to the Chair or the Clerk or to a meeting of the Board ~~of Trustees~~. Such resignation shall be effective upon receipt (unless specified to be effective at some other time) and acceptance thereof shall not be necessary to make it effective unless it so states.
- f. Any Trustee elected as an officer during his or her regular term as a Trustee shall be exempt from the limit on terms a Trustee may serve for the term of any service as an elected officer.

ARTICLE IV: DUTIES OF OFFICERS

Section 1. Chair

- a. The Chair shall preside at all meetings of the Board ~~of Trustees~~, call special meetings of the Board ~~of Trustees~~, have general supervision over the affairs of MCH, report to the Board ~~of Trustees~~ from time to time on all matters of interest ~~coming within his or her notice~~ relating to the general welfare of MCH; and attend to such other duties as may be incidental to ~~his or her~~the office or assigned ~~to him~~ by the Board.
- b. The Chair shall develop or cause to be developed an ~~annual~~ agenda ~~to be presented at the first meeting following for~~ the annual meeting.
- c. The Chair or his/her appointed delegate, a Trustee, shall attend meetings of the Medical Staff.

Section 2. Vice-Chair

The Vice-Chair in the absence or disability of the Chair shall possess all the powers and perform all the duties of the Chair. The Vice-Chair shall be responsible for the coordination of Trustee education and monitor the compliance of the individual ~~Board members with regard to~~ the Trustees as to required continuing education. In addition, the Vice-Chair shall be responsible for over-seeing the orientation of all new Board members.

Section 3. Clerk

The Clerk shall be responsible for: keeping records for ~~annual and special meetings of MCH, and~~ all meetings of the Board ~~of Trustees~~; ~~read~~; reading the minutes thereof at ~~proper~~ subsequent meetings; ~~issue~~issuing calls for meetings; ~~notify officers~~notifying Trustees, Officers, and committee members of ~~the~~their election and appointment; ~~carry~~carrying on ~~the~~ correspondence on behalf of the Board ~~of Trustees~~ when so instructed; and ~~shall attend~~attending to such other duties as may be assigned ~~to him or her~~ by the Board.

Section 4. Treasurer

It shall be the duty and responsibility of the Treasurer to exercise general supervision of the financial affairs of MCH not specifically delegated to the Finance Committee, and to make recommendations pertaining thereto to the Board ~~of Trustees~~.

ARTICLE V: COMMITTEES

Section 1.

- a. Standing Committees of ~~the~~ Board. The committees of the Board ~~of Trustees~~ shall be standing and special. Standing committees shall be: an Executive Committee, a Finance Committee, an Audit Committee, a Planning Committee, a Board Governance and Development Committee, a Philanthropy Committee and a Quality Council. The Finance Committee shall oversee an Investment Committee.
- b. Appointment and Term of Committee Chairs. The Chairs of all Committees shall hold office for one (1) two-year term or until their successors are duly appointed and qualified; ~~or be appointed to not more than one (1) successive two (2) year term, with the exception of, but~~ the Treasurer, ~~who by virtue of the office unless the Board appoints a delegee, can~~ may serve as Chair of the Investment and Finance Committees during the Treasurer's three, three-year terms as a Trustee. The Chair of the Board shall appoint the Chair of each Committee, unless otherwise specified in the description of any Committee.
- c. Appointment and Term of Committee Members. Committee members shall be appointed according to each Committee's specific requirements. Starting January 1, 2004, each Committee member shall serve from the date appointed until the end of the term and a successor has been duly appointed, or until the member sooner, resigns, is removed, dies, or becomes disqualified. Committee members shall be appointed for terms of three (3) years, unless otherwise specified in the description of any Committee. Committee members may serve multiple terms; however, no member with the exception of the President/CEO and Chief Financial Officer, may serve for more than three consecutive full terms as a Committee member or ex-officio member or a combination thereof.
- d. Vacancies. Member vacancies may be temporarily filled by the Executive Committee of the Board ~~of Trustees~~.
- e. Removal. A member may be removed at any time with or without cause, by vote of a majority of the members of the Committee and approval of the Board ~~of Trustees~~.
- f. Resignation. A member of any Committee may resign by delivering his or her written resignation to the Chair of the Committee or to a meeting of the Board ~~of Trustees~~. Such resignation shall be effective upon receipt (unless specified to be effective at some other time) and acceptance thereof shall not be necessary to make it effective unless it so states.

- g. Special Committees. Special committees may be appointed by the Chair with the concurrence of the Board ~~of Trustees~~ from time to time as ~~the~~ Board deems necessary or desirable. All members of special committees shall serve for a period of one year or as determined is appropriate by the Board ~~of Trustees~~.
- h. Standing and special committees shall meet at the call of the committee chair or as directed by ~~the~~ Board and their meetings shall be governed by the provisions of Article II, Section 9 of these Bylaws.
- i. Minutes shall be recorded of all committee meetings.
- j. Quorums for the Compensation Committee, the Executive Committee and Governance Committee shall consist of a majority of the members.

Section 2. Executive Committee

- a. The Executive Committee shall consist of the: Chair, Vice Chair, Clerk, Treasurer, President/CEO, President of the Medical Staff, and two other members of the Board ~~of Trustees~~. The two shall be elected to one-year terms by the Board ~~of Trustees~~ at its first meeting after its election. The Chair of the Board ~~of Trustees~~ shall serve as the chair of the Committee.
- b. The Executive Committee shall have power to transact all regular business of MCH during the interim between the meetings of the Board ~~of Trustees~~ provided that any action taken shall not conflict with the policies and expressed wishes of the Board ~~of Trustees~~ or System Board, and that it shall refer all matters of major importance to the Board ~~of Trustees~~.
- c. The Executive Committee shall, at its option, appoint a special Compensation Committee, to be responsible for the annual performance review of the President/CEO and shall submit its salary recommendation for the ensuing year to the Board for approval. Alternatively, the Executive Committee can choose to perform this function itself.
- d. The Executive Committee shall meet at the call of the Chair or as directed by the Board ~~of Trustees~~.

Section 3. Finance Committee

- a. The Board ~~of Trustees~~ shall elect three (3) individuals to one-year terms on the Finance Committee. These individuals may be non-members of the Board who may serve on the Committee in preparation for a future position as a Board member. The Treasurer and MCH's Chief Financial Officer shall also each be a member of the Committee.
- b. The Finance Committee shall:
 1. Review the financial performance of MCH and any subsidiary;
 2. Review and recommend annual operating budgets and capital budgets to the Board of ~~Trustees of~~ MCH and any subsidiary and evaluate any significant deviations from the approved budgets;
 3. Review and recommend unbudgeted expenditures for major projects and equipment for MCH and any subsidiary;
 4. Review and recommend the purchase, sale, lease and/or mortgaging of any real property owned by MCH and any subsidiary;

5. Review the debt structure of MCH and any subsidiaries and make loan recommendations to the Board ~~of Trustees~~;
 6. Perform such other functions concerning the finances of MCH that ~~the~~ Board or the Executive Committee may, from time to time, assign.
 7. Oversee the performance of the Investment Committee.
 8. Report to the Board ~~of Trustees~~ the recommendations of the Investment Committee.
- c. Whenever three (3) members of this Committee join in writing on any action within the authority of the Committee, such action shall be binding, notwithstanding that the Committee may not be assembled at the time.

Section 4. Audit Committee

- a. The Audit Committee shall consist of three or more members elected by the Board ~~of Trustees.~~ Except as hereinafter provided, all members shall be elected members of the Board ~~of Trustees~~ and shall not accept any consulting, advisory or other compensatory fees from the Hospital or any affiliate of the Hospital except in the member's capacity as a member of the Board ~~of Trustees~~ or any Board Committee. At least one member of the Audit Committee, who may be, but need not necessarily be, a member of the Board ~~of Trustees~~, shall have expertise either by education, experience, or both, in preparing or auditing financial statements as well as experience with internal accounting controls and procedures for financial reporting. The Treasurer or a designee appointed by the Chair of Board ~~of Trustees~~ shall serve as the Chairman of the Committee. The Treasurer shall also be a member of the Committee.
- b. The Audit Committee shall:
 1. Review the audited financial statements and management letters associated with MCH and any subsidiary and report thereon to ~~the~~ Board.
 - ~~2. Select and establish compensation for an independent auditor.~~
 2. Approve/Recommend to the Board an independent auditor, who shall be subject to the approval or disapproval of the System Board, as described in the Reserved Powers.
 3. Establish appropriate compensation for the auditor.
 - ~~3.4. Authorize~~ all audit and non-audit service provided by the auditor.
 - ~~4.5. Resolve~~ all disagreements between the auditor and management.
 - ~~5.6. Establish, review and approve~~ procedures for treatment of complaints submitted by employees (including, either confidentially or anonymously) and others regarding questionable accounting, internal accounting controls, or auditing matters.
 - ~~6.7. Engage and compensate~~ independent counsel or other advisors as necessary.
 - ~~7.8. Oversee~~ ~~management's~~ management's obligation to provide reasonable assurance that MCH has controls and other procedures in place to assure accurate reporting.
 - ~~8.9. Report to the Board of Trustees.~~
- c. The quorum for any regular or special meeting of the Committee shall be three (3) members of the Committee.

Section 5. Investment Committee

- a. The Investment Committee shall consist of three (3) or more members appointed by the Finance Committee and approved by the Board ~~of Trustees.~~ At least one (1) member

shall also be an ~~elected member of the Board of Trustees~~. Elected Trustee. The Treasurer or a designee appointed by the Chair of ~~the Board of Trustees~~ shall serve as the Chairman of the Committee.

- b. The purpose of the Committee shall be to receive and have custody of all endowment funds, securities, and investments of MCH, with ~~full~~ power to invest, sell, assign, transfer, and deliver any stocks, bonds, mortgages, or other securities belonging to MCH and to authorize the execution of any documents necessary or incidental to that purpose, subject to the Reserved Powers, including those related to indebtedness and disposition of assets. The Committee may employ such agents and/or investment counsel as it may deem proper and necessary with the consent of the Board ~~of Trustees~~.
- c. The quorum for any regular or special meeting of the Committee shall be three (3) members of the Committee including either the duly appointed Chairman of the Committee or the elected member of the Board ~~of Trustees~~ then serving on the Committee.
- d. Report to the Board ~~of Trustees~~ through the Finance Committee.

Section 6. Planning Committee

- a. The Board ~~of Trustees~~ shall elect, at the first meeting after the annual meeting of MCH, seven (7) members, four (4) of whom shall be Trustees and three (3) of whom shall be individuals representing the medical staff, the community, and MCH), ~~to~~ to serve a one-year term with the Planning Committee. The Chair of the Board ~~of Trustees~~ shall select a member of the committee to serve as chair of the committee.
- b. The Planning Committee shall:
 1. Update ~~the Board's~~ Board's strategic plan as needed, subject to the approval of the System Board;
 2. Conduct a biennial review of ~~MCH's~~ MCH's mission statement;
 3. Evaluate new projects or proposals referred to it by the Board for subsequent adoption by the Board in the Strategic Plan.
 4. Oversee the preparation of ~~MCH's~~ MCH's Community Benefit Plan.
- c. The Committee may employ such agents as it may deem proper or necessary with the consent of the Board ~~of Trustees~~. The Committee shall meet not less frequently than once annually or at the call of the Chair.

Section 7. Quality Council

- a. The Board ~~of Trustees~~ provides oversight for the MCH Quality, Safety and Performance Improvement Program.
- b. Membership of the Quality Council consists of at least two (2) members of the Board ~~of Trustees~~ appointed annually by the Chair of ~~the~~ Board, at least two (2) members of the Active Medical Staff (one inpatient and one outpatient) appointed annually by the President of the Medical Staff, members of ~~MCH's~~ MCH's Executive Team, one (1) Department Manager and one (1) employee appointed annually by the President/CEO. The Council is chaired by a member of the Board ~~of Trustees~~ and appointed by the Chair of the Board ~~of Trustees~~. The Quality Council meets as often as necessary at the call of its Chair, but at least ten (10) times each year.
- c. The Council shall ensure that a program of care is formulated to meet each patient's ~~patient's~~ needs, and that such program is carried out by the personnel of MCH

and its Medical Staff.

- d. The Council shall be responsible for maintaining the Plan for Improving Organizational Performance and assuring its implementation by professional and clinical staff.
- e. The Council shall provide regular reports of its activities to the Board ~~of Trustees~~.
- f. All records and proceedings of this Council and its designees shall be confidential and privileged to the fullest extent allowed by New Hampshire law, including R.S.A. 151:13-a. Moreover, any persons who provide information to this committee shall be entitled to the full protection from liability provided by New Hampshire law.

Section 8. Board Governance and Development Committee

- a. ~~The~~ Board Governance and Development Committee shall consist of the following five (5) members: the Chair of the Board ~~of Trustees~~, the Vice-Chair of the Board ~~of Trustees~~, the immediate past Chair of the Board ~~of Trustees~~ (if that person is still a member of the Board ~~of Trustees~~, and if not, then a member of the Board ~~of Trustees~~ selected by the Chair), the President of the Medical Staff or a designee, and one other member of the Board ~~of Trustees~~ who shall be selected annually by the Chair of the Board ~~of Trustees~~. The Chair of the Board ~~of Trustees~~ shall serve as Chair of the Committee.
- b. The Committee shall be responsible for (i) presenting nominations to fill vacancies on the Board ~~of Trustees~~, and presenting nominations at the first regular meeting of the Trustees following the annual meeting, for Chair, Vice-Chair, Clerk and Treasurer; (ii) reviewing and formulating recommended changes to the Bylaws; (iii) developing and implementing education and orientation programs; and (iv) developing goals and objectives for self-evaluation of the Board ~~of Trustees~~.
- c. The committee shall meet not less than four (4) times during each calendar year.

Section 9. Philanthropy Committee

The Philanthropy Committee shall consist of one (1) or more members of the Board ~~of Trustees~~ and nine (9) or more members of the community served by MCH, all of whom shall be appointed by the Chair of ~~the~~ Board. The MCH development officer shall serve as an ex-officio member of the Committee. The Committee shall develop and oversee the MCH fundraising initiatives and events and promote MCH as a worthy recipient of charitable gifts and bequests. The Committee shall annually review MCH's use of donated funds to assure expenditures are consistent with the purposes of any gift and the needs of MCH.

ARTICLE VI: PRESIDENT/CEO

Section 1.

- a. The System Board of Trustees shall select ~~retains the sole authority to hire, evaluate, compensate, and employ a competent, experienced~~ terminate the President/CEO ~~who shall be its direct executive representative in management of~~ of MCH, ~~and whose qualifications and detailed responsibilities shall be as defined in writing by~~ following consultation with the Board ~~of Trustees~~ Chair and the Regional President, as well as the consideration of the recommendation from the Board. The President shall be the Chief Executive Officer of MCH and shall be given the necessary authority ~~and by the System Board and the Board, as the case may be, and shall be~~ held responsible for the administration of MCH in all its activities and departments, subject ~~only~~ to such policies as may be adopted ~~and such orders as may be issued by the Board of Trustees or by any of its committees to which it has delegated power for such action. He or she~~ the Board and the System Board. The President shall act as ~~the~~ "duly authorized representative" if the Board ~~of Trustees~~ has not

formally designated some other person for that specific purpose.

- b. The powers and duties of the President/CEO shall include:
1. ~~preparation~~Preparation and submission of an annual budget, showing expected receipts and expenditures, and of a strategic plan;
 2. ~~selection~~Selection, employment, control and discharge of employees of MCH and the development and maintenance of employee personnel policies and practices;
 3. ~~maintenance~~Maintenance of the physical properties of MCH in a good state of repair and operating condition;
 4. ~~supervision~~Supervision of the business affairs of MCH to insure that funds are collected and expended to the best advantage of MCH;
 5. ~~cooperation~~Cooperation with the Medical Staff and with all those concerned with the rendering of professional medical services;
 6. ~~preparation~~Preparation and presentation to ~~the~~ Board or an appropriate committee thereof of periodic reports reflecting the professional medical services and financial activities of MCH and preparation and submission of such special reports as may be, from time to time, required by ~~the~~ Board or its committees;
 7. ~~attendance~~Attendance at all meetings of ~~the~~ Board and its committees unless excused there from;
 8. ~~servicing~~Servicing as liaison officer and channel of communication for all official communications between ~~the~~ Board and its committees and the Medical Staff and the MCH administration;
 9. ~~execution~~Execution of all contracts and other legal documents on behalf of MCH, unless some other person is specifically designated by ~~the~~ Board or by law;
 10. ~~performance~~Performance of such other duties as may be assigned by ~~the~~ Board or its committees or as may be appropriate to the interests of MCH.
- c. When there is a vacancy in the position of President/CEO, the ~~person to fill the vacancy shall be selected by the Board of Trustees~~System Board shall select a successor President/CEO, following consultation with the Board Chair and the Regional President, as well as the consideration of the recommendation from the Board.
- d. The President/CEO is responsible for the implementation of all non-medical aspects of ~~MCH's~~MCH's operation, in line with policies established by the Board ~~of Trustees and the System Board~~, and is responsible for coordinating these functions with the patient care requirements of the Medical Staff.
- e. The President/CEO shall be reviewed at least annually by the Executive Committee, or at its option, the appointed Compensation Committee representing the Board ~~of Trustees.~~ The findings will be reported in writing accompanied by its recommendations to the Board ~~of Trustees, which shall then make a recommendation to the System Board.~~
- f. The President/CEO shall present a personal agenda to the Board ~~of Trustees~~ at the start of the fiscal year outlining the President/~~CEO's~~CEO's plans for the upcoming year.

ARTICLE VII: MEDICAL STAFF

Section 1. Membership

- a. The Medical Staff of MCH shall be composed of those persons who have met the qualifications established by the current Bylaws of the Medical Staff and whose membership has been approved by the Board ~~of Trustees~~. No applicant shall be denied Medical Staff membership and/or clinical privileges on the basis of sex, race, creed, color, or national origin or on the basis of any other criterion lacking professional justification.
- b. Members of the Medical Staff shall be appointed by the Board ~~of Trustees~~ upon written nomination from the Medical Staff, to serve until the next biennial appraisal date. It shall be the responsibility of the Medical Staff to evaluate the professional competence and to make appropriate recommendations to the Board ~~of Trustees~~ concerning Medical Staff appointments, re-appointments, and clinical privileges. Such evaluations shall include peer review of the clinical practice of each Medical Staff member, and shall ensure that each member observes all of the ethical principles of his or her profession. All recommendations to the Board ~~of Trustees~~ for Medical Staff appointment must include a clear delineation of clinical privileges. Privileges granted shall be commensurate with the current licensure, relevant training or experience, current competence, judgment, character, and ability to perform the privileges requested of the individual. A bi-annual appraisal of each member of the staff seeking reappointment shall be submitted to the Board ~~of Trustees~~, including consideration of his or her physical and mental capabilities, as well as re-determination of his or her clinical privileges.
- c. Each applicant for Medical Staff membership shall agree in writing to abide by the MCH Bylaws and the Medical Staff Bylaws and Rules and Regulations.
- d. Each member of the Medical Staff is required to have a minimum of \$1,000,000 per claim and \$3,000,000 in the aggregate per year professional liability insurance with a company licensed or approved by this state. Members will submit annually a certificate of insurance that verifies compliance with this requirement.
- e. The Medical Staff Bylaws shall provide for review and appeal procedures on decisions concerning membership and privileges, including the right to be heard when requested by the practitioner, and the Board ~~of Trustees~~ shall take action on any such matters within ninety (90) days.
- f. When the Board ~~of Trustees~~ does not concur with a Medical Staff recommendation relative to a Medical Staff appointment, reappointment, or termination of appointment, or the granting or curtailment of clinical privileges, there shall be a review of the recommendation by an ad hoc combined committee of the Medical Staff and Board ~~of Trustees~~ before the Board ~~of Trustees~~ renders a final decision.

Section 2. Organization

- a. The Medical Staff shall establish its own executive committee, which shall be responsible for general supervision of the staff, in consultation with the President/CEO.
- b. The Medical Staff shall, subject to Board ~~of Trustees~~ approval, adopt its own Bylaws, Rules and Regulations ~~bylaws, rules, regulations~~, and policies under which the Medical Staff ~~regulates~~ shall regulate itself. ~~The Bylaws~~ Such bylaws shall include provisions for (1) peer review of clinical practice; (2) continuing utilization review activities with

MCH; and (3) an established method for advising the Board of ~~Trustees of~~ recommendations ensuing from these activities. The Medical Staff shall review its ~~Bylaws~~ ~~bylaws~~ bi-annually. Neither the Medical Staff nor the Board ~~of Trustees~~ may unilaterally amend Medical Staff ~~Bylaws~~ ~~bylaws~~ or ~~Rules~~ ~~rules~~ and ~~Regulations~~ ~~regulations~~.

- c. Any procedural or policy changes passed by vote of the Medical Staff shall be published for and sent to all current and future Medical Staff members.

ARTICLE VIII: AUXILIARY

Section 1.

There may be a charitable organization working for the benefit of MCH, known as the Monadnock Community Hospital Auxiliary Association, or such other name as may be approved by the Board ~~of Trustees of MCH~~.

Section 2.

The Monadnock Community Hospital Auxiliary Association shall, subject to approval of the Board ~~of Trustees of MCH~~, adopt its own bylaws stating the policies under which the Auxiliary ~~regulates~~ ~~shall regulate~~ itself.

ARTICLE IX - COMMUNITY ADVISORY COMMITTEE.

Section 1. The purpose of the Community Advisory Committee is to facilitate communication among the ~~MCH~~ Board, any subsidiary, and the community. The Community Advisory Committee shall be initially comprised of those persons who were ~~Corporators~~ ~~incorporators~~ of MCH on September 30, 1997. The Chair of the Community Advisory shall be the immediate past Chair of the ~~MCH~~ Board, who, if not continuing as an elected member of the ~~MCH~~ Board, shall serve as an ex-officio member of the ~~MCH~~ Board, and the Vice-Chair shall be the representative of Monadnock Community Hospital Volunteers. Membership of the Community Advisory Committee shall henceforth consist of persons who reside in MCH's primary service area who meet such other membership criteria as are imposed from time to time by MCH or the Community Advisory Committee.

ARTICLE X: INDEMNIFICATION

Section 1. Undertaking to Indemnify

Any person made or threatened to be made a party to any action or proceeding, whether civil or criminal, by reason of the fact that he, his testator or intestate, is or was a Trustee, officer, employee or agent of MCH, or serves or served any other corporation or other entity or organization in any capacity at the request of MCH while he was a Trustee, officer, employee or agent of MCH, shall be and hereby is indemnified by MCH, if he acted in good faith and with a reasonable belief that his conduct was in the best interests of MCH.

Section 2 Scope

This indemnification shall be against all judgments, fines, amounts paid in settlements and reasonable expenses, including attorneys fees actually and necessarily incurred, as a result of any

such action or proceeding, or any appeal, to the fullest extent permitted and in the manner prescribed by the laws of the State of New Hampshire as they may be amended from time to time, or any other law or laws as may be applicable to the extent any other law is not inconsistent with the law of New Hampshire.

Section 3. Contractual Undertaking

The foregoing provision of this article shall be deemed to be a contract between MCH and each Trustee, officer, employee or agent of MCH serving in such a capacity at any time while this Article is in effect. Any repeal or modification of this Article shall not affect any rights or obligations existing at the time of such repeal or modification as it relates to any action or proceeding theretofore or thereafter brought or threatened based in whole or in part upon conduct occurring prior to the repeal or modification. However, the right of indemnification provided in this Article shall not be deemed exclusive of any other rights to which any Trustee, officer, employee or agent of MCH, may now be or hereafter become entitled apart from this Article.

ARTICLE XI: AMENDMENTS

These ~~By-laws~~Bylaws may be altered or amended at any meeting of the Trustees by a majority of the Trustees present and voting provided notice of the change is specified in the call for the meeting.

**Approved by the ~~MCH Board of Trustees to be effective on December 30,~~
~~2016~~ _____, 2019**

Attested to by:

Norman Makechnie, Esquire, Clerk, ~~MCH Board of Trustees~~

| [46480082536855_1](#)

APPENDIX A:

The POWERS RESERVED TO DARTMOUTH-HITCHCOCK HEALTH GRANITEONE

I. Rights of D-HH GO to approve or disapprove certain actions of the Board. Prior to becoming effective, each of the following actions initiated by MCH shall require GraniteOne Health's the approval:

Adoption of the annual capital and operating budgets, provided that the expenditure of any of the cash reserves, board-designated reserves, surplus assets and other assets held by MCH on the Affiliation Date and recorded on MCH's financial statements as unrestricted assets, as well as certain parcels of real estate not required for the operation of MCH (the "Pre-Affiliation Assets") contemplated by such budgets and proposed in accordance with those powers reserved to MCH under Article II, will not be subject to the the System Board or by a committee of the System Board which has received approval of GraniteOne; rights as delegated by the System Board:

- a. ~~Approval of any strategic plans or material nonclinical programming and marketing plans, including material modifications thereof;~~
- b. ~~Authorization of debt incurred, assumed, or guaranteed by the hospital in excess of Five Hundred Thousand Dollars (\$500,000.00), other than as provided for in any approval annual capital or operating budget;~~
- c. ~~Authorization of any material acquisition, disposition, formation, organization or investment by MCH of or in any other corporation, partnership, limited liability company, other entity or joint venture, other than an acquisition funded with Pre-Affiliation Assets proposed in accordance with those powers reserved to MCH under Article II will not be subject to the approval of GraniteOne;~~
- d. ~~Authorization of the sale, disposition, mortgage, or encumbrance of any assets dedicated to the operations of MCH involving assets of Five Hundred Thousand Dollars (\$500,000.00) or more, with the exception of real estate identified prior to the Affiliation;~~
- e. ~~Authorization of MCH to enter into any merger, consolidation or joint venture; or to sell or dispose of substantially all of the assets of MCH or any of its respective subsidiaries; or to create or acquire any subsidiary organization;~~
- f. ~~Authorization of MCH to institute any bankruptcy, insolvency or reorganization proceedings for itself or any subsidiary;~~
- g. ~~Authorization of a capital investment by MCH or any of its subsidiaries in any individual entity or project in the form of cash or either tangible or intangible property in excess of Five Hundred Thousand Dollars (\$500,000.00), except as provided in any approved annual capital or operating budget or to the extended funded by the Restricted Assets or the Pre-Affiliation Assets;~~
- h. ~~Authorization to develop, implement or terminate clinical programs and clinical procedures by MCH or its subsidiaries;~~
- a. The amendment of the Nominees to Boards; Size of Board. Nomination of individuals of up to one third of the Board, approval or disapproval of Board Nominees, and establishment of the total number of trustees to serve on the Board. If the System Board objects to any Board Nominee based on an inconsistency with the Trustee Criteria set out on Appendix C of these Bylaws, then the Board will identify a new nominee for System Board approval.

- b. Amendments to Articles of Agreement ~~or~~ and Bylaws of MCH or its subsidiaries. Amendments to the extent Articles of Agreement or the Bylaws that it would (a) impact the Reserved Powers; set forth in this Appendix A or (b) reasonably be expected to have any material strategic, competitive, or financial impact on the System or any of its members;
- i.c. Operating and Capital Budget. The adoption and subsequent revision of the annual operating and capital budgets of MCH, including without limitation the establishment of reserves, and any vote to propose an action (other than Section I, (d) and (e) below) which may result in an unbudgeted expense or series of expenses equaling or exceeding an amount of Five Hundred Thousand Dollars (\$500,000.00).
- d. Indebtedness. The vote to incur any unbudgeted indebtedness or other borrowings (such as capital leases) that exceed the principal amount of Five Hundred Thousand Dollars (\$500,000.00).
- e. Disposition of Assets. Unless contemplated in an approved budget as provided in Section I, (c) above, the vote to sell, convey, assign, or lease, or grant a mortgage or other lien or encumbrance on, assets of MCH in excess of the amount Five Hundred Thousand Dollars (\$500,000.00) as measured by net book value.
- f. Auditing Firm. The MCH Board of Trustees' appointment or reappointment of the MCH CEO of a firm of independent public accountants to conduct an independent audit of the financial statements of MCH.
- g. Clinical Service or Programs. The decision to eliminate or add any health care service or program, change any licenses, or otherwise make a change to the operating character or critical access hospital designation of MCH.
- h. Academic and ~~the~~ Research Matters. The adoption or material revision of any MCH policies relating to academic and research programs (except for student internship arrangements with training programs for nursing, physical, occupational and speech therapy, and other similar services), and any decision by the Board to enter into or terminate, as the case may be, an academic affiliation.
- i. Exercise of MCH Reserved Powers. Unless waived by the System Board in writing in its discretion, the proposed exercise of any reserved powers or rights that MCH holds over MCH subsidiary or other organization or other arrangement in which MCH has a controlling ownership interest.
- j. Strategic Plans. The adoption or material revision of any strategic initiative or plan by the Board.
- k. Key Strategic Relationships. The decision by the Board to establish (whether by contract, joint venture, or subsidiary entity), modify or terminate a "Key Strategic Relationship" defined as the ownership of defined as the ownership of, or contractual participation in, a network, system, affiliation, joint venture, alliance, proprietary health plan product (e.g. a so-called "narrow network") or similar arrangement entered into with an organization that is not a member in the System on or after [the date of the Combination Agreement].
- l. Merger/Change of Control; Divestiture. A decision of the Board to: (i) merge or consolidate MCH into another entity or otherwise conduct a change of control transaction; (ii) acquire substantially all of the assets of another entity; or (iii) sell or lease substantially all of the assets of MCH to any person or entity.

m. Bankruptcy; Closure; Dissolution. Any decision by the Board to (i) commence bankruptcy or other insolvency proceedings, or (ii) close, liquidate and dissolve MCH and/or any of its respective affiliates.

II. Rights of D-HH GO to initiate or enforce actions by MCH. In addition to the rights described in Section I above, the System Board will have the following rights:

j.—Removal of Board Trustees. Following consultation with the Chair of the Board, the System Board may remove any trustee of the Board if the System Board determines, in its reasonable good faith discretion that such removal is in the best interests of the System. In making the foregoing determination of the CEO's compensation.

- a. , the System Board will consider the impact of such removal on MCH and on the interests and representation of the communities it serves.
- b. MCH President/CEO. Following consultation with the Chair of the Board and the Regional President, as well as the consideration of any evaluation or recommendation by the Board as described in Article II, Section 1.c of these Bylaws, the System Board acting through the System CEO or his or her designee, will retain sole authority to hire, evaluate, compensate and terminate the President/CEO of MCH.
- c. Participation in System Strategies. To the extent applicable and determined by the System Board to be in the bests interest of the System, MCH will participate (and the System Board may mandate its participation) in System-wide strategies, programs, delivery networks, products (including risk-based reimbursement arrangements) and other similar initiatives consistent with the System strategic plan(s) and designed to further the establishment of an integrated and sustainable health delivery system.
- d. Participation in System Programs and Initiatives. As determined and directed by the System Board, MCH will participate in and fulfill the requirements of System-wide programs and initiatives designed to improve access, quality and/or costs of services to patients including those of MCH. Any proposed consolidation first must be presented to the Member Leadership Council of the System for its feedback and recommendations, and then approved by the System CEO and the Regional President.¹ Such programs and initiatives may include but not be limited to group purchasing, information technology system integration, quality improvement measures, shared finance functions, and shared corporate services. The System Board will determine the locations from which such programs and services are provided. The System Board may assess all participating System members, including MCH, a fee or other reasonable charge for such programs or initiatives provided that such fee or other charge is assessed proportionately against all System members to whom such programs or initiatives are available.
- e. Changes in Clinical Services. The System Board may initiate changes in the clinical services provided by MCH if those changes are necessary to implement the System strategic plan and System-wide objectives, to further the clinical program development contemplated by the System, or to improve the financial position of MCH in connection with the System Board's approval of MCH's operating and capital budgets. Prior to the implementation of any clinical changes, D-HH GO will collaborate with MCH in evaluating the MCH's clinical programming as described in Section 5.3.3 of the Combination Agreement. The System Board also will evaluate the impact of the proposed change on: (i) the ability of MCH to meet the health needs of the communities

¹ NTD: The Member Leadership Council is described in section 3.3.5 of the Combination Agreement (v10), which tasks the System with creating a Member Leadership Council comprised of one or more senior management executives employed by each System Member, e.g., CEO, CFO, CMO, and/or one or more representatives of each System Member Board of Trustees, e.g., Board Chair, Vice Chair. The Member Leadership Council will be convened and led by the System CEO or his or her designee at regular intervals to be determined, but no less than quarterly, to review, discuss, and advise on System-wide management issues, including but not limited to strategic planning, integration progress, financial planning and budgeting, operations, clinical matters and governance. The Member Leadership Council will serve an advisory role to the System Board, whose Chair or designee will have a standing invitation to attend and participate in Member Leadership Council meetings. The System CEO or his or her designee will be responsible for ensuring that matters raised and discussed at the Member Leadership Council are communicated to the System Board.

in its service area; (ii) the ability of MCH to continue to qualify as a critical access hospital after the proposed change; (iii) the quality and efficiency with which MCH can deliver its health services; and (iv) the charitable purpose of MCH. The System Board also will give the Board an opportunity to address the proposed change and to provide any additional information, and will consider any input from the Board in good faith.

f. Financial Performance and Allocation of System Resources and Expenses. The System Board will have the responsibility and power to ensure that the System and MCH observe sound financial practices as described below.

(i) *Financial Principles.* In managing the System’s financial resources, D-HH GO will observe, and may require MCH to observe as applicable, financial principles developed from time to time by D-HH GO (“System Financial Principles”).

(ii) *Financial Monitoring and Improvement Planning.* D-HH GO will monitor the ongoing financial performance of the System Members, and MCH will provide such financial information as may be requested by D-HH GO. If MCH is unable to meet the System Financial Principles or has a material deviation from its approved operating budget, then D-HH GO may require MCH to meet with the D-HH GO Chief Financial Officer (“System CFO”) to discuss the Member’s financial performance and to develop a mutually-agreeable plan to improve the Member’s financial performance. The improvement plan may require the regular oversight of the System CFO or his/her designee or one or more consultants.

(iii) *Reallocation of Member Assets by System.* The System Board also will have the power and authority to require a reallocation of MCH’s assets or resources (excluding Endowment Funds) for one or more System purposes. If the System Board determines that a reallocation of assets or resources from MCH to D-HH GO for use elsewhere within the System (i) will further the System Strategic Plan, (ii) is the most appropriate way in which to fund the System need or program or initiative, (iii) will not materially impair the ability of MCH to continue to serve the health needs of the communities in its service area and meet its debt obligations, and (iv) is consistent with the System Financial Principles, then the System Board will notify the Board of the proposed re-allocation. The Board and MCH’s CEO then will have the opportunity to discuss the proposal with the System Board Chair, the System CEO and the Regional President, and to provide additional information or alternative recommendations. The input of the Board, the MCH CEO and the Regional President then will be considered by the System Board before it approves the proposed reallocation. D-HH GO will not exercise its authority to reallocate assets or resources within the System, however, if it would cause (i) a default or breach of MCH’s covenants or obligations under bond documents and other financing documents, or (ii) a reduction, withdrawal, suspension or other materially adverse effect (a “Downgrading”) of the rating of a MCH’s outstanding bonds as determined in Section 1.3 of the D-HH GO Bylaws.

g. System Board Strategic Planning. The System Board will develop and implement a System-wide long-term strategic plan for achieving the System’s goals (“System Strategic Plan”), which will be designed to further the charitable mission of D-HH GO, support the charitable missions of MCH, address the ongoing changes in the delivery of and reimbursement for wellness and health care services, and implement and maximize the goals and synergies identified by the System. The System Strategic Plan will include, but not be limited to, clinical programming, services and procedures, quality standards and

measures, operating and capital budgets, System-wide resource allocation and investment policies. The System Board also will regularly evaluate the System Strategic Plan and update or modify it from time to time to ensure that it continues to meet the goals and purposes of the System and the System's Members.

h. Powers Enumerated in Other Sections of the Combination Agreement. The System Board may have other powers to initiate action required of MCH set forth in the Combination Agreement.

APPENDIX B: CONFLICT OF INTEREST POLICY

APPENDIX B: CONFLICT OF INTEREST POLICY

a.i. MONADNOCK COMMUNITY HOSPITAL

ADMINISTRATION

Reference: None

Distribution: Hospital-wide

Attachment: Disclosure Form, Attachment "A"

Page 1 of 6

Effective Date: 05/2009

Replaces: Policy 08/2005

Revised: 03/2015

CONFLICT OF INTEREST POLICY

POLICY: All Monadnock Community Hospital (~~the~~ ("Hospital") Trustees, officers, senior administrators, managers and other employees, independent contractors or individuals in a position to exercise substantial influence over the affairs of the Hospital (including members of its medical staff) shall protect the interests of MCH when contemplating entering into a transaction or arrangement that might benefit the private interest of any individual described above or that might result in special benefit being given to any private individual or group beyond the general benefits provided by the charitable operations of the Hospital. .

PROCEDURES:

I. GOVERNING PRINCIPLES.

A. Scope

The following statement of policy applies to each member of the Board of Trustees, to all members of committees with board-delegated powers, and to all Officers, Senior Administrators and Department Managers, of the Hospital and to any other person in a position to exercise substantial influence the affairs of the Hospital. It is intended to serve as a guideline for all persons employed by the Hospital or serving the Hospital in positions of significant responsibility.

B. Definitions

1. Organizational Managers, - All Hospital Trustees, officers, senior administrators, managers and other employees, independent contractors or individuals in a position to exercise substantial influence over the affairs of the Hospital (including members of its medical staff) and including all members of Hospital Committees with Board-delegated powers. A person shall be covered by this definition if he or she is in a position to exercise substantial influence over the affairs of the Hospital even though he or she has never exercised that influence.
2. Immediate Family Member - A person's person's Immediate Family Members include his or her husband, wife, natural or adoptive parent, child or sibling; stepparent, stepchild, stepbrother, or stepsister; father-in-law, mother-in-law; son-in-law, daughter-in-law, brother-in-law or sister-in-law; grandparent or grandchild and spouse of grandparent or grandchild.
3. Financial Interest - A financial interest exists if an Organizational Manager or his or her Immediate Family Member has, directly or indirectly, through business or investment:
 - a. An ownership or investment interest in any entity with which the Hospital has a transaction or arrangement;
 - b. A compensation arrangement with the Hospital or with any entity or individual with which the Hospital has a transaction or arrangement ("compensation" includes direct and indirect remuneration; and substantial gifts and/or favors);
 - c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Hospital is negotiating a transaction or arrangement.
4. Interested Persons - All Organizational Managers who have a Financial Interest in a Transaction with the Hospital.

II. GENERAL REQUIREMENTS -- DISCLOSURE, RECORDKEEPING AND RELATED MATTERS.

A. ~~A~~ Annual Review and Disclosure Requirements.

An effective Organizational Management group cannot consist of individuals entirely free from at least perceived conflicts of interest. Although such potential conflicts may be deemed inconsequential, it is everyone's everyone's responsibility to ensure that potential conflicts of interest are disclosed and appropriately addressed. Thus, the Board and the Administration shall require each Organizational Manager annually to:

1. Review this policy;
2. Disclose any existing Financial Interest;

3. Agree to disclose the existence and nature of any Financial Interest in any transaction contemplated by the Hospital, and

4. Acknowledge by his or her signature that he or she has read and understands this policy, is acting and, will continue to act in compliance with the letter and spirit of this policy, understands the applicability of this policy to committees and subcommittees with Board-delegated powers; and understands the general requirement that a tax-exempt organization must engage primarily in activities in furtherance of its tax exempt purposes.

B. Determination of Appropriateness of Disclosure.

In the event that an Organizational Manager is uncertain as to the appropriateness of listing in the disclosure form a particular relationship, the Corporate Compliance Officer, the Chair of the Board of Trustees and/or Chief Executive Officer should be consulted. They, in turn, may elect to consult with legal counsel, the Executive Committee, or the Board of Trustees, in executive session. Such information, including information provided on the disclosure form, shall be held in confidence except when, after consultation with the reporting Organizational Manager, the [Hospital'sHospital's](#) best interest would be served by disclosure.

The following interpretation is provided to help Organizational Managers determine whether a relationship should be disclosed:

1. Business Relationship - A relationship must be disclosed if:

- a. The Organizational Manager, or an Immediate Family Member of the Organizational Manager, directly engages in one or more transactions with the Hospital from which the Organizational Manager or an Immediate Family Member of the Organizational Manager receives annual aggregate benefits in excess of \$500; or
- b. The Organizational Manager, or an Immediate Family Member of the Organizational Manager is an owner, employee, officer or director of an entity which engages in one or more transactions with the Hospital from which the entity receives annual aggregate benefits in excess of \$500.

2. Substantial Benefit Arrangement.

An arrangement in which the Organizational Manager or an Immediate Family Member of the Organizational Manager has indirect dealings with a corporation or person that has a business relationship with the Hospital and the Organizational Manager or his or her Immediate Family Member receives benefits directly or indirectly in cash or property receipts from the corporation or person totaling \$10,000 or more per year must be disclosed.

3. Violations of the Conflict of Interest Policy

- a. If the governing board or committee has reasonable cause to believe an Organizational Manager has failed to disclose actual or possible conflicts of interest or Financial Interests, it shall inform the Organizational Manager of the basis for such belief and afford the Organizational Manager an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the Organizational Manager's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the Organizational Manager has failed to disclose an actual or possible conflict of interest or Financial Interest, it shall take appropriate disciplinary and corrective action.

C. Charitable Service.

Organizational Managers serve the public trust and have an obligation to fulfill their responsibilities in a manner consistent with this fact. All decisions of Organizational Managers are to be made solely in furtherance of the charitable purposes of the Hospital, and with the goal of promoting and advancing the [Hospital'sHospital's](#) integrity and charitable purposes.

D. Release of Transaction Records.

Every Organizational Manager agrees that, if he or she or an Immediate Family Member is an Interested Person to a transaction with the Hospital, and the Director of Charitable Trusts or an auditor for the Internal Revenue Service requests copies of contracts, payment records, vouchers, other financial records or documents, the Organizational Manager shall provide copies of such documents in response to such request. The Organizational Managers acknowledge their understanding that documents so provided may be disclosed to the public for inspection and copying, subject to confidentiality laws.

E. Periodic Reviews

To ensure that MCH operates in a manner consistent with charitable purposes and does not engage in activities

that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

1. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
2. Whether partnerships, joint ventures, and arrangements with management organizations conform to MCH's written policies, and are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or an excess benefit transaction.
3. When conducting the periodic reviews as provided in Section II, E, the Hospital may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of Trustees of its responsibility for ensuring periodic reviews are conducted.

III. PARTICULAR TRANSACTIONS.

A. Prohibited Financial Transactions.

1. Unfair Transactions. The Hospital may not engage in any business with an Organizational Manager which is not fair to the Hospital or which impairs its ability to perform its charitable mission.
2. Loans. The Hospital shall not lend money or property to any Hospital officer or Trustee. The Hospital may loan money to physicians only in accordance with recruitment efforts which are consistent with Internal Revenue Service requirements (including documentation of the loan in a promissory note reflecting a reasonable rate of interest, adequate security for the note and loan forgiveness, if any, upon continued service in the community for a period of at least three years, which time is specified at the time the loan is made).
3. Real Estate. The Hospital shall not sell, lease for a term greater than 5 years, purchase or convey any real estate or interest in real estate to or from a Hospital officer or Trustee unless the sale or lease is fair to the Hospital and has been approved by the Probate Court. However, the Hospital may accept a bona fide gift of real estate to the Hospital by an officer or Trustee or other Organizational Manager.

B. Transactions with Interested Persons.

1. Applicability. The Hospital will, at times, apply this policy when it enters into contracts or arrangements that involve an Interested Person, might create a Financial Interest or may otherwise result in a conflict of interest. Such transactions include, without limitation, the following: (a) agreements to acquire physician practices; (b) physician employment agreements, including physician recruitment efforts; or (c) consulting or management services agreements that would create a Financial Interest.
2. Disclosure of Financial Interest and Procedure for Determining whether Financial Interest creates Conflict of Interest. As provided in Section II.A.3 of this Policy, any Organizational Manager who is an Interested Person to a transaction or would have a Financial Interest in a proposed transaction must disclose the nature of his or her Financial Interest to the Board of Trustees. Upon learning that an Organizational Manager is or would be an Interested Person to a transaction, the Board shall determine whether the Financial Interest is of a nature that could influence the Interested Person or impair his or her ability to assess whether the transaction is in the best interest of the Hospital. If so, the Board shall find that the Interested Person has a conflict of interest. A Pecuniary Benefit Transaction, as defined in Section III. C. 1. below, shall constitute *a per se* conflict of interest.
3. Procedures for Addressing Conflicts of Interest. If a conflict of interest is found, contracts and arrangements benefiting an Interested Person shall be entered into by the Hospital only if the Board approves the arrangement subject to the conditions applicable to Pecuniary Benefit Transactions set forth in Section III.C.2, except publication.

C. Pecuniary Benefit Transactions - Transactions in which an Officer or Trustee, or an Immediate Family Member of an Officer or Trustee is an Interested Person.

1. Definition/Applicability. A Pecuniary Benefit Transaction is any transaction with the Hospital in which an officer or Trustee, or Immediate Family Member of an officer or Trustee has a Financial Interest (as defined herein in Section I.B.3.) However, Pecuniary Benefit Transaction shall not include:
 - a. Reasonable compensation for services of an executive director or expenses incurred in connection with official duties of officers or Trustees;
 - b. A benefit provided to an officer or Trustee or the Immediate Family of the officer or Trustee, if:

- 1) The benefits are part of the programs, benefits or payments to members of the general public;
 - 2) The Hospital has written eligibility criteria for such benefit in accordance with its bylaws and applicable rules; and
 - 3) The officer or Trustee or Immediate Family member meets all of the eligibility criteria for receiving such benefits.
- c. The transaction is continuing and was entered into before the person with the Financial Interest in it became an officer or Trustee.
 - d. Transactions in which the Financial Interest is limited to reasonable compensation for professional services of members of the ~~Hospital's~~Hospital's Medical Staff who also serve on the Board of Trustees of the Hospital, provided that no more than 25 percent of the members of the Board of Trustees receive compensation for professional services from the Hospital.
2. Rule. The Hospital may enter into Pecuniary Benefit Transactions only if it is in the best interests of the Hospital, and, in addition to the general requirements applicable to transactions with Interested Persons set forth in Section III.B.2., all of the following conditions are met:
- a. Fairness - The transaction is for goods or services purchased or benefits provided in the ordinary course of business of the Hospital, for the actual or reasonable value of the goods or services or for a discounted value, and the transaction is fair to the Hospital;
 - b. Notice to Board - The transaction is considered by the Board of Trustees at a meeting for which the call included notice of consideration of the transaction;
 - c. Approval by Super-majority - After full disclosure of all material facts of the transaction and discussion by the Board, the transaction receives the affirmative vote of at least two-thirds of all the disinterested members of the Board of Trustees, which majority also equals or exceeds the quorum requirement specified in the Hospital's bylaws; and the action is recorded in the minutes of a Board meeting;
 - d. Nonparticipation of Person(s) with Conflict – The person who has the Financial Interest in the transaction and any other Trustee or officer who has had a Pecuniary Benefit Transaction with the Hospital in the same fiscal year may not be present during the discussion of the transaction, participate in such discussion (except to respond to questions as the Board may require), or vote on the transaction.
 - e. Publication Requirement - If the transaction, or the aggregate of transactions with the same officer or Trustee in a given fiscal year equals or exceeds \$5,000 then, in addition to the forgoing procedures, the Hospital shall publish notice of the transaction in a newspaper of general circulation in Peterborough, New Hampshire, and give written notice to the Director of Charitable Trusts, before consummating the transaction. Such notice must state: (i) it is given to comply with NH RSA 7:19-a,, (ii) the name of the Hospital, (iii) the name of the officer or Trustee who will receive a benefit from the transaction, (iv) the nature of the transaction, and (v) the specific dollar amount of the transaction.

D. Committee Participation.

1. Physicians who receive compensation from the Hospital, directly or indirectly, cannot be members of any committee that is responsible for evaluation of compensation paid by the Hospital to any physician.
2. No member of a committee responsible for determining compensation levels for any medical care provider or other personnel may vote on a matter pertaining to his or her compensation.

IV. RECORD KEEPING.

A. List of Transactions.

1. General List. The Hospital shall maintain a list of: (1) all persons declaring a Financial Interest in any transaction; (2) the nature of the interest disclosed; (3) whether the Board determined it to constitute a conflict of interest; (4) the names of those persons present for discussions and votes on the transaction; (5) a summary of the contents of the discussion (including alternatives to the transaction); and (6) a record of the vote.
2. Pecuniary Benefit Transaction List. In addition to the list described in subparagraph 1 above (which shall include Pecuniary Benefit Transactions) the Hospital shall maintain a separate Pecuniary Benefit Transaction List, which shall include: (1) the names of those with the Financial Interest in the transaction;

and (2) the amount of benefit they accrued.

- a. Disclosure to Board of Trustees and Contributors - The Pecuniary Benefit Transaction List shall be made available for inspection by members of the Board of Trustees and contributors to the Hospital.
- b. Reporting to Division of Charitable Trusts - The Pecuniary Benefit Transaction List shall also be reported to the New Hampshire Division of Charitable Trusts annually.

B. Record of Basis for Decision

The basis for the Board of ~~Trustees~~Trustees' decision in any transaction involving an Interested Person must be documented in its Minutes. For example, if compensation is being established, the Minutes should include a review of the individual that establishes that the ~~individual's~~individual's compensation is reasonable in light of his or her performance and market data. The Minutes must also contain the names of the persons who disclosed or otherwise were found to have a Financial Interest in connection with an actual or possible conflict of interest, the nature of the Financial Interest, any action taken to determine whether a conflict of interest was present and the Board of Trustees' decision as to whether a conflict of interest in fact existed, the names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement and a record of any votes taken in connection with the proceedings.

Approved by: _____ Date _____
Cynthia K. McGuire, FACHE
President and CEO

Approved by: _____ Date _____
Chair of the Board of Trustees

Reviewed on/by: _____
MONADNOCK COMMUNITY HOSPITAL Page 1 of 1

Administration

Reference: None
Distribution: Hospital-wide
Attachment: Disclosure Form, Attachment "A"

Effective Date: 05/2009
Replaces: 08/2005
Revised: 03/2015

CONFLICT OF INTEREST POLICY

Appendix A: Disclosure Form for all Monadnock Community Hospital (the "Hospital") Trustees, officers, senior administrators, managers and other employees, independent contractors or individuals in a position to exercise substantial influence over the affairs of the Hospital (including members of its medical staff and all members of Hospital Committees with Board-delegated powers).

Please complete the following and return this form.

1. Are you aware of any relationship that you or an Immediate Family Member may have in any entity that may cause you to have a Financial Interest in a business relationship involving the Hospital? Yes ___ No ___

If yes, please list the relationship(s) and explain the details of your Financial Interest as thoroughly as possible, including an estimate of the total annual benefit you may receive as a result of the Financial Interest.

2. Did you or any Immediate Family Member receive, during the past 12 months, any gifts or loans from any source from which the Hospital buys goods or services or otherwise has significant business dealings? Yes ___ No ___

If yes, please list such loans or gifts, their source, and their approximate value

3. Do you agree to disclose the existence and nature of any Financial Interest in any transaction contemplated by the Hospital of which you may become aware during the next year? Yes ___ No ___

I certify that I have read and understand the Conflict of Interest Policy, that I am acting and will continue to act in compliance with the letter and spirit of this policy, that I understand the applicability of the policy to committees and subcommittees with board-delegated powers, and that I understand the general requirement that a tax-exempt organization must engage primarily in activities in furtherance of its tax-exempt purposes.

Name: _____

Date: _____

Signature: _____

Title: _____

APPENDIX C: TRUSTEE CRITERIA

DARTMOUTH-HITCHCOCK HEALTH GRANITEONE (D-HH GO)

Trustee Criteria for D-HH GO Appointees/Nominees to Board

1. Employment or personal experience, and/or professional status that reflect a record of accomplishment or reveals expertise that will help the Board fulfill its duties.
2. Well regarded in the communities served by Board, with a long-term, positive reputation for high ethical standards.
3. Demonstrates an understanding of MCH's mission including, as well as the mission, vision and principles of the System.
4. Demonstrates a strategic perspective, an awareness of the dynamics of the complex and ever-changing healthcare environment and the need to anticipate and capitalize on opportunities that enhance the vision and principles of MCH as well as the System.
5. Service and experience with other non-profit or healthcare boards with a record of preparation, attendance, participation, interest and initiative.
6. Willing and enthusiastic promoter of MCH as well as the System.
7. Connections with public and influential community organizations and stakeholders important to MCH.
8. Willingness and availability to contribute time and energy to the Board and its committees.

[NTD: set out in section 3.3.3 of the Combination Agreement]

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APPENDIX 6.2.4(a)-1

AMENDED CMC ARTICLES OF AGREEMENT (AFFIDAVIT OF AMENDMENT)

[ATTACHED]

State of New Hampshire

Recording fee: \$25.00
Use black print or type.

Form NP-3
RSA 292:7

AFFIDAVIT OF AMENDMENT OF CATHOLIC MEDICAL CENTER A NEW HAMPSHIRE NONPROFIT CORPORATION

I, _____, the undersigned, being the _____
(Note 1) of the above named New Hampshire nonprofit corporation, do hereby certify
that a meeting was held for the purpose of amending the articles of agreement and
following amendment(s) were approved by a majority vote of the corporation's Trustees.
(Note 2)

VOTED: To amend Articles V, VI, VII and VIII of the corporation's Articles of
Agreement by deleting it in its entirety and replacing it with the following:

ARTICLE V – MEMBERS

The members of CMC shall be CMC Healthcare System ("CMCHS") and
Dartmouth-Hitchcock Health GraniteOne ("D-HH GO").

ARTICLE VI – RESERVED POWERS OF CMCHS

CMCHS shall possess such reserved powers as are set forth in the CMC Bylaws,
as amended and restated from time to time. Such reserved powers may also require
approval by the Bishop as required by the CMC Bylaws and the Code of Canon Law
("Canon Law").

ARTICLE VI – RESERVED POWERS OF D-HH GO

D-HH GO shall possess such reserved powers as are set forth in the CMC
Bylaws, as amended and restated from time to time.

ARTICLE VIII – CONFLICT RESOLUTION

If there is a conflict between the exercise of the reserved powers of CMCHS and
D-HH GO reserved powers and the exercise of the Bishop's reserved powers, then the
decision of the Bishop shall govern the decision unless D-HH GO has objected to the
proposed action. For those actions which require the approval or ratification of both the
Bishop or CMCHS and D-HH GO and either or both of them has objected, then CMC

will revise its proposed action until it received the approval of both the Bishop or CMCHS and D-HH GO. Notwithstanding the foregoing, however, if there is a question related to the interpretation of Catholic moral teaching, the ERDs or Canon Law, then the decision and interpretation of the Bishop will govern.

A true record, attest: _____

Print or type name: _____

Title: _____

Date signed: _____

- Notes: 1. Clerk, secretary or other officer.
2. Enter either "Board of Directors" or "Trustees".

DISCLAIMER: All documents filed with the Corporation Division become public records and will be available for public inspection in either tangible or electronic form.

Mailing Address - Corporation Division, NH Dept. of State, 107 N Main St, Rm 204, Concord, NH 03301-4989

Physical Location – State House Annex, 3rd Floor, Rm 317, 25 Capital St, Concord, NH

File a copy with Clerk of the town/city of the principal place of business.

Form NP-3 (9/2015)

APPENDIX 6.2.4(a)-2

AMENDED AAS ARTICLES OF AGREEMENT (AFFIDAVIT OF AMENDMENT)

[ATTACHED]

State of New Hampshire

Recording fee: \$25.00
Use black print or type.

Form NP-3
RSA 292:7

AFFIDAVIT OF AMENDMENT OF ALLIANCE AMBULATORY SERVICES A NEW HAMPSHIRE NONPROFIT CORPORATION

I, _____, the undersigned, being the _____
(Note 1) of the above named New Hampshire nonprofit corporation, do hereby certify
that a meeting was held for the purpose of amending the articles of agreement and
following amendment(s) were approved by a majority vote of the corporation's Trustees.
(Note 2)

VOTED: To amend Articles III and IX of the corporation's Articles of Agreement by
deleting it in its entirety and replacing it with the following:

ARTICLE III – MEMBERS

The members of the Corporation shall be CMC Healthcare System ("CMCHS")
and Dartmouth-Hitchcock Health GraniteOne ("D-HH GO").

ARTICLE IX – RESERVED POWERS OF THE MEMBERS

CMCHS shall possess such reserved powers as are set forth in the Corporation's Bylaws, as amended and restated from time to time. Such reserved powers may also require approval by the Bishop as required by the Corporation's Bylaws and the Code of Canon Law ("Canon Law"). D-HH GO shall possess such reserved powers as are set forth in the CMC Bylaws, as amended and restated from time to time. If there is a conflict between the exercise of the reserved powers of CMCHS and D-HH GO reserved powers and the exercise of the Bishop's reserved powers, then the decision of the Bishop shall govern the decision unless D-HH GO has objected to the proposed action. For those actions which require the approval or ratification of both the Bishop or CMCHS and D-HH GO and either or both of them has objected, then the Corporation will revise its proposed action until it received the approval of both the Bishop or CMCHS and D-HH GO. Notwithstanding the foregoing, however, if there is a question related to the interpretation of Catholic moral teaching, the ERDs or Canon Law, then the decision and interpretation of the Bishop will govern.

A true record, attest: _____

Print or type name: _____

Title: _____

Date signed: _____

- Notes: 1. Clerk, secretary or other officer.
2. Enter either "Board of Directors" or "Trustees".

DISCLAIMER: All documents filed with the Corporation Division become public records and will be available for public inspection in either tangible or electronic form.

Mailing Address - Corporation Division, NH Dept. of State, 107 N Main St, Rm 204, Concord, NH 03301-4989

Physical Location – State House Annex, 3rd Floor, Rm 317, 25 Capital St, Concord, NH

File a copy with Clerk of the town/city of the principal place of business.

Form NP-3 (9/2015)

APPENDIX 6.2.4(a)-3

AMENDED AHS ARTICLES OF AGREEMENT (AFFIDAVIT OF AMENDMENT)

[ATTACHED]

State of New Hampshire

Recording fee: \$25.00
Use black print or type.

Form NP-3
RSA 292:7

AFFIDAVIT OF AMENDMENT OF ALLIANCE HEALTH SERVICES A NEW HAMPSHIRE NONPROFIT CORPORATION

I, _____, the undersigned, being the _____
(Note 1) of the above named New Hampshire nonprofit corporation, do hereby certify
that a meeting was held for the purpose of amending the articles of agreement and
following amendment(s) were approved by a majority vote of the corporation's Trustees.
(Note 2)

VOTED: To amend Articles III and VIII of the corporation's Articles of Agreement by
deleting it in its entirety and replacing it with the following:

ARTICLE III – MEMBERS

The members of the Corporation shall be CMC Healthcare System ("CMCHS")
and Dartmouth-Hitchcock Health GraniteOne ("D-HH GO").

ARTICLE VIII – RESERVED POWERS OF THE MEMBERS

CMCHS shall possess such reserved powers as are set forth in the Corporation's Bylaws, as amended and restated from time to time. Such reserved powers may also require approval by the Bishop as required by the Corporation's Bylaws and the Code of Canon Law ("Canon Law"). D-HH GO shall possess such reserved powers as are set forth in the CMC Bylaws, as amended and restated from time to time. If there is a conflict between the exercise of the reserved powers of CMCHS and D-HH GO reserved powers and the exercise of the Bishop's reserved powers, then the decision of the Bishop shall govern the decision unless D-HH GO has objected to the proposed action. For those actions which require the approval or ratification of both the Bishop or CMCHS and D-HH GO and either or both of them has objected, then the Corporation will revise its proposed action until it received the approval of both the Bishop or CMCHS and D-HH GO. Notwithstanding the foregoing, however, if there is a question related to the interpretation of Catholic moral teaching, the ERDs or Canon Law, then the decision and interpretation of the Bishop will govern.

A true record, attest: _____

Print or type name: _____

Title: _____

Date signed: _____

- Notes: 1. Clerk, secretary or other officer.
2. Enter either "Board of Directors" or "Trustees".

DISCLAIMER: All documents filed with the Corporation Division become public records and will be available for public inspection in either tangible or electronic form.

Mailing Address - Corporation Division, NH Dept. of State, 107 N Main St, Rm 204, Concord, NH 03301-4989

Physical Location – State House Annex, 3rd Floor, Rm 317, 25 Capital St, Concord, NH

File a copy with Clerk of the town/city of the principal place of business.

Form NP-3 (9/2015)

APPENDIX 6.2.4(a)-4

AMENDED CMCPA ARTICLES OF AGREEMENT (AFFIDAVIT OF AMENDMENT)

[ATTACHED]

State of New Hampshire

Recording fee: \$25.00
Use black print or type.

Form NP-3
RSA 292:7

AFFIDAVIT OF AMENDMENT
OF
CATHOLIC MEDICAL CENTER PHYSICIAN PRACTICE ASSOCIATES
A NEW HAMPSHIRE NONPROFIT CORPORATION

I, _____, the undersigned, being the _____
(Note 1) of the above named New Hampshire nonprofit corporation, do hereby certify
that a meeting was held for the purpose of amending the articles of agreement and
following amendment(s) were approved by a majority vote of the corporation's Trustees.
(Note 2)

VOTED: To amend Articles III and IX of the corporation's Articles of Agreement by
deleting it in its entirety and replacing it with the following:

ARTICLE III – MEMBERS

The members of the Corporation shall be CMC Healthcare System ("CMCHS")
and Dartmouth-Hitchcock Health GraniteOne ("D-HH GO").

ARTICLE IX – RESERVED POWERS OF THE MEMBERS

CMCHS shall possess such reserved powers as are set forth in the Corporation's Bylaws, as amended and restated from time to time. Such reserved powers may also require approval by the Bishop as required by the Corporation's Bylaws and the Code of Canon Law ("Canon Law"). D-HH GO shall possess such reserved powers as are set forth in the CMC Bylaws, as amended and restated from time to time. If there is a conflict between the exercise of the reserved powers of CMCHS and D-HH GO reserved powers and the exercise of the Bishop's reserved powers, then the decision of the Bishop shall govern the decision unless D-HH GO has objected to the proposed action. For those actions which require the approval or ratification of both the Bishop or CMCHS and D-HH GO and either or both of them has objected, then the Corporation will revise its proposed action until it received the approval of both the Bishop or CMCHS and D-HH GO. Notwithstanding the foregoing, however, if there is a question related to the interpretation of Catholic moral teaching, the ERDs or Canon Law, then the decision and interpretation of the Bishop will govern.

A true record, attest: _____

Print or type name: _____

Title: _____

Date signed: _____

- Notes: 1. Clerk, secretary or other officer.
2. Enter either "Board of Directors" or "Trustees".

DISCLAIMER: All documents filed with the Corporation Division become public records and will be available for public inspection in either tangible or electronic form.

Mailing Address - Corporation Division, NH Dept. of State, 107 N Main St, Rm 204, Concord, NH 03301-4989

Physical Location – State House Annex, 3rd Floor, Rm 317, 25 Capital St, Concord, NH

File a copy with Clerk of the town/city of the principal place of business.

Form NP-3 (9/2015)

APPENDIX 6.2.4(b)-1

AMENDED CMC BYLAWS

[ATTACHED]

**AMENDED AND RESTATED BY-LAWS
OF
CATHOLIC MEDICAL CENTER**

ARTICLE I

NAME, OFFICES AND PURPOSE

Section 1. Name. The name of the corporation whose Bylaws are set forth hereinafter is Catholic Medical Center (“CMC”).

Section 2. Principal Office. The principal office of CMC shall be set forth in the CMC Articles of Agreement, as may be amended from time to time.

Section 3. Purpose. The purposes for which CMC is established are set forth in the Articles of Agreement of CMC, as may be amended from time to time.

ARTICLE II

MEMBERS

The members of CMC shall be CMC Healthcare System-~~(“CMCHS”)~~, a New Hampshire voluntary corporation and public juridic person of diocesan right under the Code of Canon Law of the Roman Catholic Church (“Canon Law”) (“CMCHS”) and Dartmouth-Hitchcock Health GraniteOne Health, a New Hampshire voluntary corporation and coordinating organization of a multi-member, integrated healthcare system (the “System Member GraniteOne”) (CMCHS and the System Member shall be collectively referred to herein as the “Members”). The Members of CMC shall have all powers conferred on it by law, inclusive of Canon Law as such law pertains to CMCHS, these Bylaws and the Articles of Agreement, as each may be amended from time to time.

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ARTICLE III

BOARD OF TRUSTEES

Section 1. General Powers and Responsibilities. The property, affairs, business and funds of CMC shall be governed by the Board of Trustees, who shall exercise all of the powers of CMC not reserved to the Members or to the Roman Catholic Bishop of the Diocese of Manchester (the “Bishop”) and subject to the limitations by law, these Bylaws, the Articles of Agreement, as each may be amended and restated from time to time.

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Section 2. Reserved Powers of the Members. The Members will have the following powers of approval reserved to them (the “Reserved Powers”). ~~The Reserved Powers are in the~~

~~nature of ratification rights and may not be exercised by the Members to initiate or require actions by the Board of Trustees of CMC.~~

(a) The Reserved Powers Shared by the Members. Prior to becoming effective, each of the following actions of CMC must be approved by both the System Member or by a committee of the System Member and CMCHS or the Bishop, unless otherwise stated below. The following actions initiated by the Board of Trustees will require the Members' approval:

(i) Nominees to the CMC Board of Trustees; Size of the Board. The nomination by CMC of individuals to serve on its Board and the establishment by CMC of the total number of Trustees to serve on the Board. If either the System Member Board or CMCHS objects to any CMC Board nominee based on an inconsistency with the criteria described in Exhibit B, then the CMC Board will identify a new nominee for the Members approval. Subject to canonical requirements, the authorization of debt incurred, assumed or guaranteed by CMC in excess of Three Million Dollars (\$3,000,000.00), other than as provided for in any approved annual capital or operating budget;

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(ii) Amendments of Articles of Agreement and Bylaws. The approval by the CMC Board of any proposed amendment or repeal of the Articles of Agreement or Bylaws of CMC, which proposed amendment or repeal would (with respect to the System Member Board approval) (a) impact the powers reserved to the System Member Board; or (b) reasonably be expected to have any material strategic, competitive or financial impact on the System Board; or (c) with respect to the CMCHS approval, impact the powers reserved to CMCHS or the Bishop. Subject to canonical requirements, the authorization of the sale, disposition, mortgage, or encumbrance of any assets in excess of Three Million Dollars (\$3,000,000.00) dedicated to the operations of CMC;

(iii) Operating and Capital Budgets. The final adoption (and any subsequent revision) by the CMC Board of the annual operating and capital budgets, including, without limitation, the establishment by the CMC Board of financial reserves, and any vote by the CMC Board to propose an action which may result in an unbudgeted expense or series of expenses equaling or exceeding an amount of One Million Dollars (\$1,000,000.00). Authorization of CMC to enter into any merger, consolidation or joint venture; or to sell or dispose of substantially all of the assets of CMC and its subsidiaries; or to create or acquire any subsidiary organization;

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(iv) Indebtedness. The vote of the CMC Board to incur any unbudgeted indebtedness or other borrowings that exceed the principal amount of One Million Dollars (\$1,000,000.00). Subject to canonical requirements, the adoption of the annual capital and operating budgets, provided that the expenditure of any of the cash reserves, board-designated reserves, surplus assets and other assets held by CMC on the Affiliation (as defined in the Affiliation Agreement dated June 28, 2016 (the "Affiliation Agreement")) and recorded on the CMC's financial statements as unrestricted assets, as well as certain parcels of real estate not required for the operation of CMC and identified on Schedule 3.9.3.1 of the Affiliation Agreement (the "Pre-affiliation Assets") contemplated by such budgets and proposed in accordance with those powers reserved to the Board of Trustees under Article IV, will not be

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subject to the approval of GraniteOne but may remain subject to the approval of CMCHS if such expenditure is in excess of Three Million Dollars (\$3,000,000.00);

(v) Disposition of Assets. Unless contemplated by an approved budget, the vote of the CMC Board to sell, convey, assign, or lease, or grant a mortgage or other lien or encumbrance on, assets of CMC in excess of One Million Dollars (\$1,000,000.00), as measured by net book value. Subject to canonical requirements, the authorization of a capital investment in excess of Three Million Dollars (\$3,000,000.00) by CMC or any of its subsidiaries in any individual entity or project in the form of cash or either tangible or intangible property, except as provided in any approved annual capital or operating budget or to the extent funded by the Pre-affiliation Assets; and

(vi) Auditing Firm. The appointment by the CMC Board of a firm of independent public accountants to conduct an independent audit of the financial statements of CMC, which requires the approval of the System Member Board only. The CMC Board of Trustees' appointment or reappointment of the CMC President and Chief Executive Officer ("CEO") and the determination of the President and CEO's compensation.

(vii) Clinical Service or Programs. The decision of the CMC Board to eliminate or add any health care service or program, change any licenses, or otherwise make a change to the operating character of CMC which action requires only the approval of the System Member Board unless after receipt of prior written notice, CMCHS determines that the proposed action may impact the Catholic identity of, or adherence to Catholic moral teaching, the ERDs and Canon Law by CMC, in which case CMCHS's approval also will be required.

(viii) Academic and Research Matters. The adoption or material revision by the CMC Board of any policies of CMC relating to academic and research programs (except for student internship arrangements with training programs for nursing, physical, occupational therapy and speech/language pathology services, and other similar services), and any decision by the CMC Board to enter into or terminate an academic affiliation, which action requires the approval only of the System Member Board unless after receipt of prior written notice CMCHS determines that the proposed action may impact the Catholic identity of, or adherence to Catholic moral teaching, the ERDs and Canon Law by, CMC, in which case CMCHS' approval also will be required.

(ix) Exercise of CMC's Reserved Powers over any CMC Subsidiaries. Unless waived by the System Member in writing in its discretion, the proposed exercise by the CMC Board of any reserved power or rights that it holds over subsidiary or other organization or arrangement in which it has a controlling ownership interest.

(x) Strategic Plans. The adoption or material revision by the CMC Board of any strategic initiative or plan of CMC and/or its subsidiaries, respectively, which action requires the approval only of the System Member Board unless after receipt of prior written notice, CMCHS determines that the proposed action may impact the Catholic identity of, or adherence to Catholic moral teaching, the ERDs and Canon Law by CMC in which case CMCHS's approval also will be required.

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(xi) Key Strategic Relationships. A decision of the CMC Board to establish (whether by contract, joint venture or subsidiary entity), modify or terminate a “Key Strategic Relationship,” defined as the ownership of, or contractual participation in, a network, system, affiliation, joint venture, alliance, proprietary health plan product or similar arrangement entered into with an organization that is not a member in the system, which action requires the approval only of the System Member Board unless after receipt of prior written notice CMCHS determines that the proposed action may impact the Catholic identity of, or adherence to Catholic moral teaching, the ERDs and Canon Law by CMC in which case CMCHS’s approval also will be required.

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(xii) Merger/Change of Control; Divestiture. A decision of the CMC Board to (a) merge or consolidate CMC or any of its subsidiaries into another entity or otherwise conduct a change of control transaction; (b) acquire substantially all of the assets of another entity; or (c) sell or lease substantially all of the assets of CMC and/or any of its subsidiaries to any person or entity.

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(vi)(xiii) Bankruptcy; Closure; Dissolution. Any decision by the CMC Board to (a) commence bankruptcy or other insolvency proceedings, or (b) close, liquidate and dissolve CMC and/or any of its subsidiaries.

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(b) Reserved Powers of the System Member to Initiate Actions by CMC Exclusive to GraniteOne. Subject to the rights of CMCHS and the Bishop to assure compliance with Catholic moral teaching, the ERDs and Canon Law, the System Member will have the right to initiate the following actions to be taken or directed by CMC and/or its subsidiaries. The following actions initiated by the Board of Trustees of CMC will require only the approval of GraniteOne:

(i) Removal of CMC Board Trustee. Following consultation with the Chair of the CMC Board, the System Member Board may propose the removal of any trustee of the CMC Board if the System Member Board determines, in its reasonable good faith discretion, that such removal is in the best interests of the system. In making the foregoing determination, the System Member Board will consider the impact of such removal on CMC and on the interests and representation of the community served by CMC. Such action, however, must be approved by CMCHS under its reserved powers, which approval will not be withheld unless the proposed removal would jeopardize adherence by the CMC Board with Catholic moral teaching, the ERDs and Canon Law. Approval of any strategic plans or material nonclinical programming and marketing plans; including material modifications thereof; and

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(ii) CMC President and Chief Executive Officer. Following consultation with the Chair of the CMC Board, the System Member CEO and the applicable Regional President, the System Member Board will retain sole authority to evaluate and compensate the President and CEO of CMC. The System Member Board also may initiate the hiring or termination of the CMC President and CEO, which hiring or termination must be approved by CMCHS, which approval will not be withheld unless the proposed removal would jeopardize adherence to the CMC Board with Catholic moral teaching, the ERDs and Canon Law. Authorization to develop, implement or terminate clinical programs and clinical procedures shall be subject to approval by GraniteOne.

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(iii) Participation in System Strategies. To the extent applicable and determined by the System Member Board to be in the best interest of the System, CMC will participate in system-wide strategies, delivery networks, products (including risk-based reimbursement arrangements) and other similar initiatives consistent with the System strategic plan(s) and designed to further the establishment of a more fully integrated and sustainable health delivery system, with the understanding that the obligation of CMC to support or participate in System initiatives will not include any strategies or activities which violate Catholic moral teaching, the ERSDs or Canon Law.

(iv) Participation in System Programs and Initiatives. As determined and directed by the System Member Board, CMC will participate in, and fulfill the requirements of, System-wide programs and initiatives designed to improve access, quality and/or costs of services to patients including those of CMC with the understanding that the obligation of CMC to support or participate in System programs and initiatives will not include those which violate Catholic moral teaching, the ERDs or Canon Law. Such programs and initiatives may include but not be limited to group purchasing, information technology system integration, quality improvement measures, and shared corporate services. The System Member Board will determine the locations from which such nonclinical programs and services are provided. The System Member Board may assess a reasonable charge for such programs or initiatives provided that such charge is assessed proportionately against CMC and all members of the System to whom such programs or initiatives are available.

(v) Changes in Clinical Services. The System Member may initiate changes in the clinical services provided by CMC if those changes are necessary to implement the System strategic plan and System-wide objectives, to further the clinical program development at CMC contemplated by the strategic plan approved by the System Board or to improve the financial position of CMC in connection with the System Member Board's approval of the operating and capital budgets of CMC, provided such changes are consistent with Catholic moral teaching, the ERDs and Canon Law, CMC's values and do not result in the alienation of ecclesiastical goods. Prior to the implementation of any clinical changes, the System Member will collaborate with CMC in evaluating the clinical programming of CMC. The System Member Board also will evaluate the impact of the proposed change on: (a) the ability of CMC to meet the health needs of the communities in its service area; (b) the quality and efficiency with which CMC can deliver its health services; and (c) the charitable purpose of CMC. The System Member Board will also give the CMC Board an opportunity to address the proposed change and to provide any additional information, and will consider, in good faith, any input from the CMC Board. After completion of this evaluation process, CMC will implement the clinical changes required by the System Member Board in accordance with a mutually-agreed upon schedule.

(c) Reserved Powers Exclusive to CMCHS and the Bishop. The following actions initiated by the Board of Trustees of CMC will require only the approval of CMCHS and/or the Bishop, as applicable:

(i) Any change in the philosophy, objectives or purposes of CMC or its ethical religious standards;

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(ii) Any change in the name “Catholic Medical Center”, or the Catholic identity of, or compliance with Catholic moral teaching, the ERDs and Canon law. The appointment of each trustee to the CMC Board of Trustees;

(iii) The removal of any trustee from the CMC Board of Trustees; and

(iv) (ii) The dissolution or liquidation of CMC.

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(d) Reconciliation of Conflict in Exercise of the System Member and the CMCHS/Bishop’s Resolution of the Members’ Reserved Powers. If there is a conflict between the exercise of the Reserved Powers of the System Member’s Reserved Powers and the exercise of the Bishop’s Reserved Powers Members and the Bishop with respect to the Reserved Powers and their approval of CMC Board of Trustees decisions, then the decision of the Bishop shall govern the decision unless the System Member Board has objected to the proposed action with respect to CMC. For those actions which require the approval or ratification of both the Bishop or CMCHS and the System Member Board and either or both of them has objected, then CMC will revise its proposed action until it received the approval of both the Bishop or CMCHS and the System Member Board. Notwithstanding the foregoing, however, if there is a question related to the interpretation of Catholic moral teaching, the ERDs or Canon Law, then the decision and interpretation of the Bishop will govern.

Section 3. Powers Exclusive to the CMC Board of Trustees.

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(a) Ex Officio Positions; CMC Board Nominees. *Ex officio* positions on the CMC Board will be determined in accordance with these Bylaws. The CMC Board will nominate individual trustees who, together with the *ex officio* trustees, comprise at least two-thirds (2/3) of the trustees serving on the Boards, subject to the System Member Board Reserved Powers (and the Bishop’s Reserved Powers with respect to CMC) to approve each nominee.

(b) Board Chairperson. The Chairperson of the Board will be selected by the Board from among the trustees nominated by CMC and appointed by CMCHS and approved by the Bishop.

(c) Input on Actions Pertaining to the President and Chief Executive Officer. Although the power to hire, evaluate, compensate and terminate the President and Chief Executive Officer of CMC is reserved to the System Member Board acting through the System Member CEO or designee (subject to the right of CMCHS to approve the hiring or termination of the CMC CEO), the CMC Board and the applicable Regional President will have the right to provide to the System Member CEO or designee an evaluation of the CMC President and CEO prior to any compensation determination, and a recommendation prior to any proposed hiring or termination of the President and CEO of which the System Member CEO or designee will notify the System Member Board Chair.

If the System Member CEO or designee decides to hire or terminate the CMC President and CEO when the CMC Board has provided a contrary evaluation or recommendation, then the System Member CEO or designee will consult with the System Member Board Chair before taking any action.

(d) Strategic Planning and Operational Oversight. Subject to the Reserved Powers, the CMC Board ~~will~~retains primary responsibility for identifying the health needs of the communities it serves, developing a strategic plan for meeting those needs, and overseeing the delivery and safety of health care services at its respective hospital and any related facilities.

(e) Donor-Restricted Funds. Subject to the Reserved Powers and the intent of donors, the CMC Board ~~will~~retains responsibility for determining whether and how much to appropriate from its donor-restricted funds for qualifying expenditures, consistent with the requirements of New Hampshire RSA 292-B:4, the Uniform Prudent Management of Institutional Funds Act.

(f) Fundraising. The CMC Board ~~will~~retains the authority to determine and implement fundraising activities conducted by CMC in its respective service area, and to approve any fundraising efforts proposed by the System Member Board in the CMC's respective service area.

(g) Intellectual Property. The CMC Board retains exclusive rights with respect to the ownership and use of its corporate names and any trade names it has registered or put into use in the marketplace. CMC will maintain the name "Catholic Medical Center" for its main hospital campus in Manchester, New Hampshire and "New England Heart and Vascular Institute" and "NEHVI" for its heart center, and that any change in such names will be determined solely by the Boards of CMC, CMCHS and the Bishop.

Section 4. Number and Qualifications.

(a) Number and Categories of Trustees. The number of Trustees shall be a minimum of twelve (12) and a maximum of eighteen (18). There shall be three (3) categories of Trustees: *ex officio* Trustees, Medical Staff Trustees (defined as physicians who are credentialed at a CMC facility), ~~and~~community Trustees and system Trustees.

(i) *Ex officio* Trustees. The President and CEO, the President of the Medical Staff and the Bishop's Delegate for Healthcare will each serve as an *ex officio* member of the Board. Each *ex officio* Trustee shall serve so long as they hold their respective office or until a successor is appointed.

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(ii) Medical Staff Trustees. At least twenty-five percent (25%) of the Board of Trustees shall be comprised of the Medical Staff of CMC. *Ex officio* Trustees shall not be included in the twenty-five percent (25%) calculation, with the exception of the Medical Staff President. For the avoidance of doubt, Exhibit A to these Bylaws illustrates an example calculation of the twenty-five percent (25%) CMC Medical Staff calculation. The Medical Staff Trustees shall be nominated by the Medical Staff and their names shall be submitted to the Board Governance Committee and made subject to the review and approval procedures and protocols applicable to all nominated trustees.

~~(iii)~~ ~~(iii)~~ Community Trustees. The community Board positions shall be filled by community individuals qualified by knowledge, skills, community reputation and involvement, experience and willingness to contribute to the achievement of the charitable purposes of CMC.

~~(iv)~~ System Trustees. The system Board positions shall be filled by individuals that are consistent with the Trustee criteria set forth in Exhibit B to these Bylaws, which CMC and the Members have agreed are important factors in maintaining a strong and effective governing Board of CMC. The System Member will identify, present and nominate the system Board individuals to CMCHS and the Bishop for their appointment and approval.

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(b) Respect for CMC's Catholic Identity. Each Trustees will~~shall~~, in their capacity as a Trustee, attest on an annual basis that they will comply with and respect the Ethical and Religious Directives for Catholic Health Care Services (the "ERDs") and the teachings of the Roman Catholic Church. Their activities outside CMC shall not mislead or confuse the Christian faithful about the moral teachings of the Roman Catholic Church.

Section 4. Voting. Each Trustee, including *ex officio* Trustees, shall have the full right to vote and participate in the governance and affairs of CMC.

Section 5. Appointment and Election. Members of the Board of Trustees shall be appointed, ~~upon the recommendation of the Board, election~~ by CMCHS with such appointments subject to the and approval of the Bishop and the Reserved Powers of the Members as set forth in Article III, Section 2(a)(i) of these Bylaws. The CMC Board will have the power to nominate and present to CMCHS for appointment at least two-thirds (2/3rds) of the Trustees serving on the Board, inclusive of the ex officio, Medical Staff and community Trustees. The System Member Board will have the power to nominate and present to CMCHS and the Bishop for appointment and approval, the system Trustees which will comprise the remaining one-third (1/3rd) of the Board.

Section 6. Term. Each Trustee shall continue in office for a term of three (3) years and until reelected for another term or until his or her successor shall have been appointed and shall have been qualified, or until his or her death, resignation or removal in the manner hereinafter

provided. With the exception of the trustee who is appointed Chairperson in his or her last year of their second term, as set forth in Article VII, Section 2, Trustees shall not be able to serve more than three (3) consecutive complete terms, with a maximum length of service of nine (9) years. Upon completion of three (3) consecutive complete terms, a Trustee may not be appointed to serve as a Trustee until after a minimum of one (1) full year has passed during which the person has not served as a Trustee of CMC. *Ex officio* positions shall not be counted in calculating consecutive years of service and any time period of an individual appointed to fill a vacancy on the Board of Trustees prior to being duly elected to serve as a Trustee pursuant to these Bylaws, shall not be counted for the term limits set forth in this Article III, Section 6.

Section 7. Attendance. Each Trustee shall attend at least two-thirds (2/3) of the combined regular, special, annual and committee meetings of the Board, or he or she may be subject to removal from the Board.

Section 8. Resignations. Any Trustee of CMC may resign at any time by giving written notice to the Chairperson of the Board of Trustees or to the Secretary of CMC. Such resignation shall take effect at the time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 9. Removal of Trustees. Any Trustee may be removed, with or without cause, at any time, by a two thirds (2/3) vote of those present at a duly called meeting of the Board of Trustees of CMC, subject to the review and approval of ~~CMCHS as set forth in the Reserved Powers of CMCHS~~ the Member's Reserved Powers as set forth in Article III, Section 2(b)(i) of these Bylaws.

Section 10. Vacancies. Any vacancy in the Board of Trustees caused by death, resignation or removal shall be filled for the unexpired portion of the term in the manner prescribed in these Bylaws for appointment to the Board of Trustees.

Section 11. Compensation. Trustees shall serve without compensation, but may be reimbursed by CMC for actual expenses incurred in the performance of their duties; provided, however, those Trustees who are also employees of CMC may be compensated for their services as employees.

ARTICLE IV

MEETINGS OF THE BOARD OF TRUSTEES

Section 1. Regular Meetings. Regular meetings of the Board of Trustees shall be held at such places and at such times as the Board shall from time to time by resolution determine. Notice of regular meetings need not be given. A minimum of six (6) regular meetings shall be held per year.

Section 2. Annual Meetings. The Annual Meeting of CMC shall be held during the month of January on such date and at such hour as may be fixed by the Board of Trustees and stated in the notice of such meeting or on such other date and at such time as shall be stated in the notice of the meeting or otherwise specified by the Board. The Secretary shall serve personally, or by mail or e-mail, a written notice not less than ten (10) nor more than sixty (60) days before such meeting.

Section 3. Special Meetings: Notice. Special meetings of the Board of Trustees shall be held whenever called by the Chairperson or by the Secretary at the request of any three (3) Trustees at the time being in office. Written notice of each such meeting shall be given to each Trustee either by e-mail or regular mail addressed to such Trustee at his or her residence or usual place of business at least three (3) days before the day on which the meeting is to be held, or (ii) by facsimile, in person or by telephone. Every such notice shall state the time and place of the meeting, and shall state the agenda of items to be discussed at such meeting. No business other than that specified in the agenda contained in the notice for the meeting shall be transacted at any special meeting of the Board of Trustees, without the unanimous written consent of each of the Trustees. Notice of any meeting of the Board need not be given to any Trustee, however, if waived by him or her in writing or by facsimile, whether before or after such meeting be held, or if he or she shall be present at such meeting unless his or her attendance at the meeting is expressly for the purpose of objecting to the transaction of any business because the meeting is not lawfully convened; and any meeting of the Board shall be a legal meeting without any notice thereof having been given, if all of the Trustees shall be present thereat without objection that the meeting is not lawfully convened.

Section 4. Quorum Initially Present and Manner of Acting. A quorum of the Board of Trustees is a simple majority. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of trustees there from, provided, however, any action taken therein is approved by at least two-thirds (2/3rds) of the required quorum for such meeting. Less than a quorum may adjourn the meeting. At all meetings of the Board of Trustees, each Trustee present shall have one (1) vote. At all meetings of the Board of Trustees, all questions, and the manner of deciding which is not specifically regulated by statute, by the Bylaws, or by CMC's Articles of Agreement, shall be determined by the majority of the Trustees present at the meeting.

Section 5. Place of Meeting. The Board of Trustees may hold its meetings and have one (1) or more offices at such places within the State of New Hampshire as the Board from time to time may determine or, in the case of meetings, as shall be specified or fixed in the respective notices or waivers of notice thereof.

Section 6. Books and Records. The correct and complete books and records of account and minutes of the proceedings of the Board of Trustees shall be kept by the Recording Secretaryboard liaison of CMC in a manner approved by the Secretary of CMC.

Section 7. Executive Session. Upon the call of the Chairperson, the Board of Trustees shall meet in executive session without the presence of the employees of CMC or its affiliated entities, including employees who may be serving as Trustees, unless invited by the Chairperson

to remain during the Executive Session. Although Executive Session is to be used sparingly, the Board may conduct any lawful business of CMC during Executive Session.

Section 8. Trustees' Participation in Meeting by Telephone. A Trustee may participate in a meeting of the Board of Trustees by means of conference telephone or similar communication equipment enabling all Trustees participating in the meeting to hear one another. Participation in a meeting pursuant to this section shall constitute presence in person at such meeting.

Section 9. Unanimous Consent Action Without Meeting. If all the Trustees entitled to vote and then holding office severally or collectively consent in writing to any action taken or to be taken by CMC, then such action shall be valid as though it had been authorized at a meeting of the Board of Trustees. Email or other electronic transmissions intended to constitute the consent and signature of the sender and otherwise complying with NHRSA § 294-E will constitute a writing for the purpose of this Section 9. The Secretary shall file such consent with the minutes of the meetings of the Board of Trustees and shall have the same effect as a vote of the Board for all purposes.

Section 10. Confidentiality. The discussions, actions, minutes and records of the Board of Trustees and its committees are confidential and will not be disclosed to individuals or groups within or outside CMC or the Members, except as required or permitted by law or as determined by the Board of Trustees, Chairperson or President and CEO.

ARTICLE V

COMMITTEES OF BOARD OF TRUSTEES

Section 1. Creation of Committees. CMC shall have the following standing committees: Executive, Executive Compensation, Finance and Audit, Investment, Board Governance, Quality Management and Patient Experience, Ethics and Mission, and Compliance. Except as provided herein, the Chairperson of the Board of Trustees in consultation with the President and CEO, may designate the number and composition of each committee. Each committee member shall continue to serve on the committee at the pleasure of the Board of Trustees. The Board of Trustees shall have power at any time to change the members of any committee, and to discharge any committee.

Section 2. Powers. Each committee shall be subject to the authority of the Board of Trustees and shall report to the Board of Trustees as directed by the Board of Trustees. No committee shall have authority to act on its own behalf or on CMC's behalf without the prior written direction of the Board of Trustees. No committee shall have authority to bind CMC in any manner without the prior written approval of the Board of Trustees. No committee shall have the power to grant Medical Staff membership or delineated clinical privileges, approve by-laws or rules of the Medical Staff or take any other action reserved to the full Board of Trustees of CMC.

Section 3. Special Committees. Special committees may be established by the Chairperson of the Board of Trustees with the knowledge and approval of the Board of Trustees.

The Chairperson of the Board of Trustees may invite experts, consultants, and those with special skills and experience to serve on special committees even though such persons are not members of the Board of Trustees.

Section 4. Required Procedures For All Committees. Subject to the provisions of these Bylaws, each committee shall make its own rules of procedure and shall meet at such times and at such place or places as may be provided by such rules or by resolution of the committee. Only Board members may chair committees of the Board. Except as elsewhere indicated, committee chairs shall be appointed annually by the Chairperson. The Chairperson may also fill interim vacancies in committee chairs as needed. Committee chairs shall report to the Board of Trustees. The President and CEO of CMC or his or her designee shall serve as an *ex officio* member on all standing and special committees except where it is otherwise designated. All committees of the Board of Trustees will meet on a regular schedule to be established by the committee Chairperson; no further notice of regular meetings is required. Special committee meetings may be called by the committee chairperson at any time; written or telephonic notice of a special meeting shall be given at least twenty-four (24) hours in advance of the meeting. Written minutes shall be kept of all committee meetings and shall be a record of business introduced, transactions and reports made, conclusions reached and recommendations made by the committees. In addition, the minutes shall record each member present or not present. Committee chairs shall report committee activities at all regular meetings of the Board of Trustees of CMC. A quorum for all committee meetings shall be a majority of the members of the committee. Voting shall be finalized by majority vote at all committee meetings at which a quorum is present. All decisions and actions by all committees are subject to ratification by the Board of Trustees.

Section 5. Executive Committee.

(a) Composition. The Executive Committee shall be comprised of the following individuals: Chairperson of the Board, Vice Chairperson of the Board, Secretary, Treasurer, President and CEO, Bishop's Delegate for Healthcare, At-large member, and President of the CMC Medical Staff. The Chairperson of CMC shall be the *ex-officio* Chairperson of the Executive Committee.

(b) Responsibilities. The Executive Committee shall act with the full authority of the Board of Trustees for the transaction of business between meetings of the Board, subject to those powers reserved to the full Board of Trustees.

(c) Meetings. The Executive Committee shall meet as necessary to carry out responsibilities set forth above.

Section 6. Executive Compensation Committee.

(a) Composition. The Executive Compensation Committee shall be comprised of the following individuals: Chairperson of the Board, Vice Chairperson of the Board, Secretary, Treasurer, Bishop's Delegate for Healthcare and At-large members appointed by the Chairperson. The Executive Compensation Committee shall not include members of the Medical Staff of CMC.

(b) Responsibilities. The Executive Compensation Committee shall act with the full authority of the Board of Trustees for the approval of the reasonable compensation and benefits for the President and CEO and senior corporate officer executives on an annual basis, subject to the review and approval by the full Board of Trustees.

(c) Meetings. The Executive Compensation Committee shall meet as necessary to carry out the responsibilities set forth above.

Section 7. Finance and Audit Committee.

(a) Composition. The Chairperson of the Board of Trustees of CMC shall designate a minimum of three (3) members of the Board of Trustees of CMC as members of the Finance and Audit Committee and such other members who may or may not be members of the Board. The Treasurer of CMC shall be the *ex officio* Chairperson of the Finance and Audit Committee. The Chief Financial Officer of CMC shall not be a voting member of the Finance and Audit Committee.

(b) Responsibilities. The Finance and Audit Committee shall assist the Board of Trustees with the stewardship of the financial resources of CMC to assure short and long term fiscal integrity of CMC, including, but not limited to, corporate accounting and reporting practices, internal controls, audit, financial reports of CMC and policies related to financial affairs, to provide recommendations and advice concerning CMC's financial plans.

(c) Meetings. The Finance and Audit Committee shall meet at least quarterly.

Section 8. Investment Committee.

(a) Composition. The Chairperson of the Board of Trustees of CMC shall designate the members of the Investment Committee, at least two (2) members of which shall be members of the Board of Trustees and such other members who may or may not be members of the Board. One (1) of the trustees shall serve as the Chairperson of the Investment Committee. The Chief Financial Officer of CMC shall not be a voting member of the Investment Committee. The Investment Committee may consult financial advisors and investment professionals.

(b) Responsibilities. The Investment Committee shall assist the Board with the management and decision-making of invested funds.

(c) Meetings. The Investment Committee shall meet at least quarterly.

Section 9. Board Governance Committee.

(a) Composition. The Chairperson of the Board of Trustees of CMC shall designate the members of the Board Governance Committee which shall include the Bishop's Delegate for Healthcare.

(b) Responsibilities. The Board Governance Committee shall consider and nominate officers and members of the Board of Trustees of CMC and its subsidiaries and affiliates, including the filling of vacancies and overseeing the recruitment and orientation of new Board members, as well as the continuing development of board members; to periodically review the governing documents and proposed amendments to the governing documents of CMC and its subsidiaries and affiliates and to propose revisions to them as necessary; and to review proposed amendments to the Medical Staff Bylaws and Rules and Regulations for recommendation to the Board of Trustees of CMC or its subsidiaries or affiliates.

(c) Meetings. The Board Governance Committee shall meet as necessary to carry out its duties.

Section 10. Quality Management and Patient Experience Committee.

(a) Composition. The Quality Management and Patient Experience Committee shall be composed of at least six (6) members appointed by the Chairperson of the Board of Trustees, including: one (1) Trustee; two (2) administrative representatives; including one from nursing; and two (2) members of the Medical Staff. Other non-voting members of management will attend as required.

(b) Responsibilities. The Quality Management and Patient Experience Committee shall review and make recommendations to the Board of Trustees with respect to issues concerning the standard of care expected by CMC from its employees, agents, independent contractors, and Medical Staff as well as of a system of performance evaluation of all clinical and administrative staff; and shall review all litigation and claims related to nonfeasance or misfeasance by employees, agents or independent contractors of CMC.

(c) Meetings. The Quality Management and Patient Experience Committee shall meet at least quarterly.

Section 11. Ethics and Mission Committee.

(a) Composition. The Ethics and Mission Committee shall be composed of the Bishop's Delegate for Healthcare, CMC's President and CEO, one (1) other member of CMC's Board of Trustees, and other individuals appointed by the Chairperson of the Board of Trustees.

(b) Responsibilities. The Ethics and Mission Committee shall strengthen the Catholic identity of CMC and its affiliates through an integrated approach of ethics, theology, spirituality and leadership formation. The Committee shall guide and advise the President and CEO of CMC and the Trustee of the CMC Director of Catholic Identity in:

- (i) meeting the spiritual needs of patients;
- (ii) monitoring bioethical problems in the hospital;
- (iii) investigating the ethical implications of scientific advances;
- (iv) insure that all decisions and policies of CMC are in keeping with the ERDs and Catholic teaching;
- (v) act as an advisory group to the President and CEO on bioethical issues not covered in the ERDs;
- (vi) increase awareness, sensitivity and information relative to the ethical dimension of health care delivery;
- (vii) keep abreast of the theological issues raised by new technology, especially as it concerns birth and death;
- (viii) develop and recommend to the Board of Trustees, after consultation with scientists, medical experts, including medical staff of the hospital, lawyers, ethicists and moral theologians, certain policies relative to ethical and moral issues presented in the Hospital
- (ix) provide a forum for Trustees, Medical Staff, Administration, Nursing Service, ethicists and moral theologians to discuss advances in technology, treatment and changes in legislation and their impact on bioethical issues, and
- (x) serve in a consultative role to physicians, patients, their legal guardians or hospital staff persons who request a consultation concerning a medical decision having ethical implications in a nonbinding advisory capacity for patient care.

(c) Meetings. The Ethics and Mission Committee shall meet at least four (4) times per year.

Section 12. Compliance Committee.

(a) Composition. The Compliance Committee shall be composed of at least three (3) Board of Trustees, one of whom will serve as the Committee Chair, the ~~Corporation's~~ CMC Chief Financial Officer, and such other members who may or may not be members of the Board and appointed by the Chairperson of the Board. The Corporate Compliance Officer shall not be a voting member of the Committee.

(b) Responsibilities. The Compliance Committee shall review compliance issues and activities; determine the need for project teams to address risk areas; and to review, recommend and oversee the implementation of the corporate compliance plan and policies for CMC.

(c) Meetings. The Compliance Committee shall meet at least twice per year.

ARTICLE VI

THE MEDICAL STAFF

Section 1. General. The Medical Staff shall function in accordance with the Medical Staff Bylaws, Credentialing Policy, and Rules and Regulations of CMC, which shall govern all activities of the Medical Staff of CMC. The Board specifically reserves the authority to take any action that is appropriate with respect to any individual appointed to the Medical Staff or granted clinical privileges or the right to practice at CMC, regarding clinical incompetence, inappropriate behavior, or violations of the Medical Staff Bylaws, Credentialing Policy, or Rules and Regulations.

Section 2. Evaluating Professional Needs. From time to time, the Board shall evaluate the number, demographics, admissions, and activities of members of the Medical Staff in various health care areas so that an appropriate number of practitioners in each health care area is determined, maintained, and revised as needed, in light of the needs of the communities served by CMC.

Section 3. Peer Review Protection. All minutes, reports, recommendations, communications, and actions with respect to credentialing, peer review, quality assurance or related matters made or taken by the Board, or its committees, or by the Medical Staff, including any officer, department chairperson, section chief, or committee chairperson, or by any clinical department, section, or committee on behalf of CMC are deemed to be covered by the provisions of NHRSA § 151:13-a and/or the corresponding provisions of any subsequent federal or state statute providing protection to peer review, quality assurance, or related activities. Furthermore, the individuals, committees and/or panels charged with conducting investigations, or preparing findings, recommendations or reports, pursuant to these By-laws or the Medical Staff Bylaws, Credentialing Policy, Rules and Regulations, or other policies of the Medical Staff or Medical Center shall be considered to be acting on behalf of CMC and its Board when engaged in such activities and actions, and thus shall be deemed to be protected by the Health Care Quality Improvement Act of 1986 and under applicable New Hampshire law.

Section 4. Contracts. The President and CEO shall be authorized to execute contracts with physicians, groups of physicians or other health care providers for the performance of clinical services. To the extent that any such contract confers the exclusive right to perform specified services within CMC or any of its subsidiaries or affiliates, no other person may exercise clinical privileges to perform the specified services while the contract is in effect.

ARTICLE VII

OFFICERS OF THE BOARD OF TRUSTEES

Section 1. Number. The officers of the CMC Board of Trustees shall include a Chairperson of the Board, a Vice Chairperson, a Treasurer, a Secretary and such other officers as the Board of Trustees may from time to time deem appropriate. One (1) person may hold more than one (1) office and perform the duties of more than one (1) of said officers.

Section 2. Election, Term of Office and Qualifications. In order to enable a Chairperson to establish goals and lead the Board through policy decisions that can achieve those goals, the Chairperson shall be appointed by CMCHS for a term of two (2) years. A Chairperson who serves a two (2) year term shall be eligible for re-appointment of a second term. If the appointment to the office of Chairperson is made on the last year of a Trustee's third three (3) year term, then the Trustee shall serve one (1) additional year so that the Chairperson can serve the full two (2) year term of office. Except as otherwise provided herein, the remaining officers shall be appointed by CMCHS annually for a one (1) year term. Each officer shall hold office for such term or until the death, resignation, or removal of such officer in the manner hereinafter provided.

Section 3. Removal. Any officer may be removed, by a two-thirds (2/3) majority of the Board of Trustees and upon the approval of CMCHS, whenever the Board of Trustees believes that the best interests of CMC will be served by such action.

Section 4. Resignations. Any officer may resign at any time by giving written notice to the Chairperson of the Board of Trustees, to the President and CEO or to the Secretary. Such resignation shall take effect at the time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5. Vacancies. A vacancy in any office because of death, resignation, removal or any other cause shall be filled for the unexpired portion of the term in the manner prescribed in these Bylaws for election or appointment to such office.

Section 6. The Chairperson of the Board. The Chairperson of the Board shall be appointed by CMCHS with the approval of the Bishop. The Chairperson of the Board shall, if present, preside at all meetings of the Board of Trustees. The Chairperson of the Board shall, in general, perform all duties incident to the office of Chairperson of the Board, subject, however, to the direction and control of the Board of Trustees, and such other duties as from time to time may be assigned to him or to her by the Board of Trustees. Employees of CMC are ineligible to serve as the Chairperson of the Board.

Section 7. Vice Chairperson: The Vice Chairperson of the Board shall be appointed by CMCHS. The Vice Chairperson of the Board shall discharge all of the responsibilities of the Chairperson of the Board in the event that the Chairperson is unavailable or unable to discharge the responsibilities set forth herein.

Section 8. The Secretary. With the support of the office of the President and CEO, the Secretary will cause to be kept accurate records of all meetings of the Board of Trustees. The Secretary shall perform all other duties incident to the office of Secretary and such other duties as may, from time to time, be assigned to him or her by the Board of Trustees or by the President and CEO. In the absence of the Secretary from any meeting of the Board of Trustees, as the case may be, a Secretary pro tempore may be chosen. A recording secretary shall be appointed separately by the Chairperson.

Section 9. The Treasurer. The Treasurer generally oversees the integrity of CMC's financial affairs, funds and securities. The Treasurer, through a delegation of authority to the Chief Financial Officer, will cause to be kept accurate books of account of all corporate transactions, and will generally oversee the creation of an annual report reflecting the financial condition of CMC and the result of its annual operation and such other reports as the Board may request. The Treasurer shall perform all other the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him or her by the Board of Trustees or by the Chairperson.

Section 10. Compensation. Board officers shall receive no compensation for attendance at regular or special meetings or for services rendered to CMC, but may be reimbursed for actual expenses incurred in attending regular or special meetings or incidental to services performed for CMC.

ARTICLE VIII

CORPORATE OFFICERS

Section 1. Number. The corporate officers of the Corporation shall include a President and CEO and may include one (1) or more Vice Presidents and such other corporate officers as the Board of Trustees may from time to time deem appropriate.

Section 2. The President and CEO. The President and CEO shall be the chief executive and administrative officer of CMC and CMCHS who shall be nominated by the Board of Trustees, ~~elected~~ appointed by CMCHS and approved by the Bishop. The President and CEO shall have general and active supervision and direction over the day-to-day business and affairs of CMC and over its several officers, subject, however, to the direction and control of the Board of Trustees. The President and CEO shall sign or countersign all certificates, contracts and other instruments of CMC as authorized by the Board of Trustees, and shall perform all such other duties as from time to time may be assigned to him or her by the Board of Trustees. The responsibilities of the President and CEO and further terms and conditions related to the exercise of such office may be set forth in such an employment agreement as is authorized by the Board of Trustees. The President and CEO shall meet with and advise the Board of Trustees, the Executive Committee, and all other committees. He or she shall be responsible for the systematic preservation of all minutes and records of the CMC.

Section 3. The Vice Presidents. Each Vice President shall be hired by the President and CEO of CMC, at his or her sole discretion. Each Vice President shall have such powers and perform such duties as the President and CEO may from time to time prescribe. At the request of the President and CEO, or in case of the President and CEO's inability or express delegation of authority to act, any Vice President may act in the President and CEO's place, and when so acting shall have all the powers and be subject to all of the restrictions of the President and CEO.

ARTICLE IX

POWER TO BORROW AND EXECUTE INSTRUMENTS

Section 1. Execution of Contracts. The Board of Trustees shall be updated at least annually by the President and CEO of the material contracts of CMC and shall describe CMC's contract management. All contracts and agreements authorized by the Board of Trustees shall be signed by the President and CEO of CMC. The President and CEO has the express authority to delegate the authority to sign contracts and agreements to the Executive Vice President and Chief Financial Officer and the Executive Vice President and Chief Operating Officer. All checks, drafts, notes, bonds, bills of exchange and orders for the payment of money shall, unless otherwise directed by the Board of Trustees, or unless otherwise required by law, be signed by any one of the following officers: President and CEO, Executive Vice President and Chief Financial Officer, Executive Vice President and Chief Operating Officer and the Senior Vice President for Provider Network and Integration. The Board of Trustees may, however, authorize any two (2) of said officers to sign checks, drafts and orders for the payment of money in excess of specified amounts, and may designate officers and employees of CMC other than those named above, or different combinations of such officers and employees, who may, in the name of CMC, execute checks, drafts, and orders for the payment of money on its behalf.

Section 2. Loans. No loans shall be contracted on behalf of CMC and no negotiable paper shall be signed in its name unless authorized by resolution of the Board of Trustees and approved by the Members as required by their respective Reserved Powers and canonical requirements. When authorized by the Board of Trustees, any officer may effect loans and advances at any time for CMC from any bank, trust company or other institution, or from any firm, corporation or individual, and for such loans and advances may make, execute and deliver promissory notes, bonds or other certificates or evidences of indebtedness of CMC and, when authorized so to do, may pledge, hypothecate or transfer any securities or other property of CMC as security for any such loans or advances. Such authority may be general or confined to specific instances. Notwithstanding the foregoing or anything herein to the contrary, under no circumstances is CMC to make any loans of money or property to any Trustees or officers of CMC.

ARTICLE X

CONFLICT OF INTEREST

Section 1. Pecuniary Benefit Transactions. Any possible conflict of interest on the part of any Trustee or officer or employee, or a member of the immediate family of any such person, of CMC shall be disclosed in writing to CMC's Board of Trustees. The possible conflict of interest shall be made of record through complete and full written disclosure to the Board of Trustees when such individual has an interest that involves a specific issue before the Board of Trustees. At least annually, each Trustee will be advised of this policy and shall sign a statement acknowledging an understanding of an agreement to the Conflict of Interest Policy as set forth in this Article X. The Board of Trustees will comply with all requirements of New Hampshire law, including NHRSA § 7:19-a, concerning conflicts of interest related to non-profit entities and such New Hampshire requirements are incorporated into and made a part of this Article X. For the purposes of these By-Laws, a "Disinterested Trustee" is a Trustee who does not have a

financial interest in the transaction under consideration and has not been involved in a different transaction subject to this Article within the same fiscal year. Under no circumstances is CMC to make any loans of money or property to any Trustees or officers of CMC. CMC shall not sell, lease for a term of greater than five (5) years, purchase or convey any real estate or interest in real estate to or from a Trustee or officer without the prior approval of the probate court after a finding that the sale or lease is fair to CMC.

Section 2. Transactions with Former Trustees or Officers. Transactions between former trustees or officers of CMC and CMC or its affiliated entities are prohibited for two (2) consecutive years after the end of the former trustee or officer's term, unless the Board of Trustees voluntarily go through the Conflict of Interest process set forth in Section 1 of this Article X and compliance with the standards of NHRSA § 7:19-a.

ARTICLE XI

FISCAL YEAR

The fiscal year of CMC shall be fixed by the Board of Trustees.

ARTICLE XII

SELF-EVALUATION

The Board of Trustees shall conduct a self-evaluation at least once every two (2) years. The evaluation shall give each member of the Board an opportunity to express his or her individual judgment as to the performance of the Board in its principal responsibilities during the preceding year. Members of the Board of Trustees who are within the first year of their term shall not be required to participate in the self-evaluation.

ARTICLE XIII

WAIVER OF NOTICE

Whenever any notice is required to be given to the Members or any Trustee by these Bylaws or the Articles of Agreement or the laws of the State of New Hampshire, a waiver of the notice in writing, signed by the person or persons entitled to the notice, whether before or after the time stated therein, shall be deemed equivalent to giving the notice.

ARTICLE XIV

AMENDMENT OF BYLAWS

The power to alter, amend or repeal these Bylaws or to adopt new Bylaws shall be vested in the Board of Trustees, who may make any such alteration, amendment, repeal or adoption by a two-thirds (2/3) majority vote at any meeting or special meeting of the Board of Trustees called for such purpose, provided that notice of the proposed change is given in the notice of the meeting, and that such change shall be subject to the Reserved Powers approval of the Members and the Bishop, where applicable. The Board of Trustees shall review these Bylaws at least annually.

ARTICLE XV

LIMITED LIABILITY TO CMC

Each Trustee and officer shall be indemnified by CMC against personal liability to CMC for monetary damages for breach of fiduciary duty as a trustee or officer, or both, except with respect to: (1) any breach of the trustee's or officer's duty of loyalty to CMC; (2) acts or omissions which are not in good faith or which involve intentional misconduct or a knowing violation of the law; or (3) any transaction from which the trustee or officer derived any improper personal benefit.

ARTICLE XVI

INDEMNIFICATION AND INSURANCE AGAINST THIRD PARTY CLAIMS

Section 1. Indemnification. CMC shall to the fullest extent now or hereafter permitted by law, indemnify its Trustees, officers, and committee members and their respective heirs, administrators and executors (the "Indemnitee"), against any and all third party claims, suits, proceedings, judgments and assessments ("Proceeding"), and reasonable costs and expenses, including reasonable attorney's fees (the "Expenses"), incurred or imposed upon them in connection with any third party Proceeding to which they may be a party or with which they shall be threatened by reason of their being or having been a Trustee, officer or committee member of CMC. The Indemnitee shall have the obligation and burden to provide CMC and its insurer timely notice of any Proceeding or potential Proceeding that could implicate the indemnification obligations of this Article XVI and such information as is reasonably necessary for CMC and insurer to assess such Proceeding or potential Proceeding. CMC shall have the right, but not the duty, to assume the defense of the Indemnitee in any such Proceeding. In the event that CMC does not assume the defense, CMC's liability for indemnification in the event of a proposed settlement shall be conditioned upon CMC's written approval of the settlement. The right of indemnification shall not be deemed exclusive of any other rights to which the Indemnitee may otherwise be entitled as a matter of law. CMC's obligation to indemnify the Indemnitee shall be reduced to the extent that the Indemnitee has otherwise received payment (under any insurance policy, other contractual indemnity clause, bylaw, agreement, resolution or otherwise). The right of indemnification shall not cover those matters which are the result of: (1) any breach of the Trustee's, officer's or committee member's duty of loyalty to CMC; (2) acts or omissions which are not in good faith or which involve intentional misconduct or a knowing violation of the law; or (3) any transaction from which the trustee, officer or committee member derived any improper personal benefit.

Section 2. Advancement of Expenses. Notwithstanding any other provision in this Article XVI, CMC may advance the Expenses, incurred by or on behalf of the Indemnitee in connection with any Proceedings, by reason of their being or having been a Trustee, officer or committee member of CMC within sixty (60) days after the receipt by CMC of a statement or statements from the Indemnitee requesting such advance or advances from time to time, whether prior to or after final disposition of the Proceeding. Such statement or statements shall be supported by reasonable documentary evidence of the Expenses incurred by the Indemnitee and shall include or be preceded by a written statement by or on behalf the Indemnitee that the Indemnitee has a good faith belief that the standard of conduct permitting indemnification has been met or that the Proceeding involves conduct for which indemnification would be permissible by New Hampshire law or these Bylaws. In addition, such written statement furnished by the Indemnitee shall include a commitment to repay any of the Expenses advanced if it is ultimately determined that the Indemnitee is not entitled to be indemnified against the Expenses. Any advances and undertakings to repay pursuant to this Section 2 shall be unsecured and interest free. CMC's obligation to advance the Expenses to the Indemnitee shall be reduced to the extent that the Indemnitee has otherwise received payment or payment has been made to or for the Indemnitee's benefit (under any insurance policy, other contractual indemnity clause, bylaw, agreement, resolution or otherwise).

Section 3. Insurance. CMC shall have the authority to purchase and maintain insurance on behalf of any person who is a Trustee, officer and committee member and to indemnify CMC for any obligation which CMC occurs as a result of its indemnification of its Trustees, officers, and committee members and their respective heirs, administrators and executors pursuant to this Article XVI.

ARTICLE XVII

CHARITABLE NATURE AND TAX EXEMPT STATUS OF CORPORATION

These Bylaws shall at all times be so construed and limited as to enable CMC to qualify and to continue qualifying as a voluntary corporation incorporated and existing under New Hampshire law and as a recognized Section 501(c)(3) tax-exempt charitable organization organized and operated for any purpose for which an organization may be exempt under Section 501(c)(3) of the Code. No person, firm or corporation shall ever receive any dividend or profit from the undertaking of CMC. No substantial part of the activities of CMC shall include the carrying on of propaganda or otherwise attempting to influence legislation, and CMC shall not participate or intervene (including by the publication or distribution of statements) in any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of these Bylaws, CMC shall not conduct any activities not permitted to be conducted by a corporation exempt from taxation under Section 501(c)(3) of the Code, or by a corporation, the contributions to which are deductible by a contributor under Section 170(c)(2) of the Code. No part of the net earnings of CMC shall inure to the personal benefit of any Trustee, individual or entity. In the event of the complete termination or complete dissolution of CMC, in any manner or for any reason whatsoever, its remaining assets, if any, shall be disposed of as set forth in CMC's Articles of Agreement.

ARTICLE XVIII

AUXILIARY OR VOLUNTARY BOARDS

Auxiliary or voluntary groups to CMC may be organized as approved by the Board of Trustees. Auxiliary or voluntary groups may be established for the purpose of: (a) raising funds for CMC; (b) volunteering services in, or on behalf of, CMC; and (c) otherwise promoting the comfort and welfare of CMC's patients. Each auxiliary or voluntary group shall furnish a written annual report of its activities to the Board of Trustees at the close of CMC's fiscal year. Each group which raises funds for the benefit of CMC shall also submit an annual financial statement at the close of its fiscal year. Such auxiliary or voluntary groups shall have the authority, subject to the review and approval of CMC's Board of Trustees, to draft and adopt Bylaws.

ATTEST:

I, the undersigned Secretary of CMC, hereby attest that the foregoing is a true, complete and accurate set of the Revised Bylaws of CMC as adopted on June 28, 2001; amended on October 30, 2003, November 17, 2005, December 21, 2006, June 25, 2009, March 28, 2013, September 26, 2013, March 30, 2017, October 26, 2017, November 29, 2018, June 27, 2019, August 29, 2019 and [_____].

_____, Secretary
Matthew Kfoury

EXHIBIT A

Article III, Section 3(ii) Example 25% Calculation of CMC Medical Staff
Representation on the Board of Trustees

Board of Trustees

18 Trustees

Exclusion of *Ex Officio* Trustees¹:

- (1) President and CEO
 - (1) Bishop's Delegate for Healthcare
-

16 Trustees/4 = 4.0 Medical Staff Trustees

There will be 4 Medical Staff Trustees in addition
to the Medical Staff President.

¹ The President of the CMC Medical Staff is not excluded from the calculation.

EXHIBIT B

Trustee Criteria for System Board Appointees/Nominees and Member Board Nominees

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1. Employment or personal experience, and/or professional status, that reflect a record of accomplishment or reveals expertise that will help the Member Board fulfill its duties.
2. Possesses a long-term, positive reputation for high ethical standards.
3. Demonstrates an understanding of the Member's mission including, in the case of a nominee to the CMC Board of Trustees, the Catholic moral teachings, the ERDs and Canon Law, as well as the mission, vision and principles of the System.²
4. Demonstrates a strategic perspective, an awareness of the dynamics of the complex and ever-changing healthcare environment and the need to anticipate and capitalize on opportunities that enhance the vision and principles of the Member as well as the System.
5. Service and experience with other non-profit or healthcare boards with a record of preparation, attendance, participation, interest and initiative.
6. Willing and enthusiastic promoter of the Member as well as the System.
7. Connections with public and influential community organizations and stakeholders important to Member.
8. Willingness and availability to contribute time and energy to the Members Board and its committees.

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² Pursuant to Article III, Section 3(b) of the Amended and Restated Bylaws of CMC, Trustees shall attest on an annual basis, in their capacity as a Trustee of CMC, that they will comply with and respect the ERDs and the moral teachings of the Catholic Church and that their activities outside of CMC shall not mislead or confuse the Christian faithful about the moral teachings of the Catholic Church.

APPENDIX 6.2.4(b)-2

AMENDED AAS BYLAWS

[ATTACHED]

**AMENDED AND RESTATED
BY-LAWS
OF
ALLIANCE AMBULATORY SERVICES**

ARTICLE I

NAME, OFFICES AND PURPOSE

Section 1. Name. The name of the corporation whose By-Laws are set forth hereinafter is Alliance Ambulatory Services (~~the~~ "AAS").

Section 2. Principal Office. The principal office of AAS shall be located on the premises of 100 McGregor Street, Manchester, New Hampshire 03102, or such other place as may be determined from time to time by the Board of Trustees.

Section 3. Purpose. The purposes for which AAS is established are set forth in the Articles of Agreement of AAS, as may be amended and restated from time to time

~~(a) — To facilitate health care programs to further (i) the quality and accessibility of health care services, particularly in the Greater Manchester community, and throughout the State of New Hampshire; (ii) the efficiency of utilization of health care facilities and services, particularly in the Greater Manchester community and throughout the State of New Hampshire; and (iii) the reasonable containment of the cost of health care to the public.~~

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~~(b) — To own an interest in entities which promote and generate health care for a broad cross section of the Greater Manchester, New Hampshire community in general.~~

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~~(c) — To own an interest in entities which facilitate and promote the functions of, help carry out the purposes of, and uphold the activities of health care and community service facilities with regard to programs for the effective delivery of a continuum of health care services to persons other than hospital inpatients.~~

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~~(d) — To receive and accept public and private gifts, grants, loans and other funds in furtherance of the purposes of AAS, and generally to do and perform such other acts and to exercise such other powers as may be authorized or permitted under the laws of the State of New Hampshire to promote and attain the foregoing purposes.~~

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~~(e) — AAS shall at all times be organized and operated exclusively for charitable, scientific or educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), or of any corresponding provision of subsequent Federal law.~~

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(f) — The AAS, as an agency of the Roman Catholic Church, shall comply and act within the scope and in a manner consistent with the *Ethical and Religious Directives for Catholic Health Care Services*, which is promulgated and revised from time to time by the National Conference of Catholic Bishops, and interpreted by the Roman Catholic Bishop of Manchester (the "Bishop").

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(g) — To engage, subject to the provisions of Article VIII below, in any lawful act or activity for which incorporation may be organized under RSA Chapter 292.

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ARTICLE II

MEMBERS

Section 1. Sole Member.—The Members of the AAS shall be CMC Healthcare System ("CMCHS"), a New Hampshire voluntary corporation and public juridic person of diocesan right under the Code of Canon Law of the Roman Catholic Church ("Canon Law") ("CMCHS") and Dartmouth-Hitchcock Health GraniteOne Health, a New Hampshire voluntary corporation and coordinating organization of a multi-member, integrated healthcare system (the "System Member GraniteOne") (CMCHS and the System Member shall be collectively referred to herein as the "Members"). The Members of CMC shall have all powers conferred on it by law, inclusive of Canon Law as such law pertains to CMCHS, these Bylaws and the Articles of Agreement, as each may be amended from time to time.

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Section 2. Financial Statements and Strategic Planning Reports Shall be Furnished to the Members.

(a) — AAS shall furnish the Members with quarterly financial statements, which may be consolidated or combined statements of AAS and one (1) or more of its subsidiaries, as appropriate, that include a balance sheet as of the end of the month and an income statement for that month. If financial statements are prepared for AAS on the basis of generally accepted accounting principles, then the above-referenced monthly financial statements also must be prepared on that basis.

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(b) — AAS shall furnish the Board of Trustees of the Members with strategic planning reports as they become available.

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ARTICLE III

BOARD OF TRUSTEES

Section 1. General Powers. The property, affairs and business of AAS shall be ~~controlled and managed~~governed by the Board of Trustees, who shall exercise all of the powers of AAS, ~~except those powers not~~ reserved to the Members or to the Roman Catholic Bishop of the Diocese of Manchester (the "Bishop") and subject to the limitations by law, these Bylaws, the Articles of Agreement, as each may be amended from time to time. ~~The Board of Trustees is responsible for establishing policy and providing for the management and planning of AAS. It shall serve as the judicial organ for review, appraisal and ultimate appeal within AAS. It shall assure that the facilities, personnel, equipment, supplies, money and management are available to the extent required for fully accredited status in every area where such standards have been established. It shall, at all times, take adequate measures to protect the safety of all employees, staff and all others using its services and facilities.~~

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~~Without limiting the generality of the foregoing, and subject to the Sole Member's reserved powers, the Board of Trustees shall have the power to determine all policies of AAS with regard to the conduct of the business of AAS.~~

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The Board of Trustees may from time to time delegate particular responsibilities to Committees of AAS in accordance with Article IV of these By-Laws, or to specified officers of AAS, as it shall deem advisable.

~~The Board of Trustees may adopt such rules and regulations for the conduct of its meetings and the management of AAS not inconsistent with these By-Laws, AAS's Articles of Agreement, or the laws of the State of New Hampshire as they may deem proper.~~

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Section 2. Reserved Powers of the Members. The Members will have the following powers of approval reserved to them (the "Reserved Powers"). ~~The Reserved Powers are in the nature of ratification rights and may not be exercised by the Members to initiate or require actions by the Board of Trustees of CMC.~~

(a) **The Reserved Powers Shared by the Members.** ~~Prior to becoming effective, each of the following actions of AAS must be approved by both the System Member or by a committee of the System Member and CMCHS or the Bishop, unless otherwise stated below. The following actions initiated by the Board of Trustees will require the Members' approval:~~

(i) Nominees to the AAS Board of Trustees; Size of the Board. The nomination by CMC of individuals to serve on its Board and the establishment by AAS of the total number of Trustees to serve on the Board. If either the System Member Board or CMCHS objects to any AAS Board nominee based on an inconsistency with the criteria described in Exhibit A, then the AAS Board will identify a new nominee for the Members approval. ~~Subject to canonical requirements, the authorization of debt incurred, assumed or guaranteed by CMC in~~

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~~excess of Three Million Dollars (\$3,000,000.00), other than as provided for in any approved annual capital or operating budget;~~

~~(ii) Amendments of Articles of Agreement and Bylaws. The approval by the AAS Board of any proposed amendment or repeal of the Articles of Agreement or Bylaws of AAS, which proposed amendment or repeal would (with respect to the System Member Board approval) (a) impact the powers reserved to the System Member Board; or (b) reasonably be expected to have any material strategic, competitive or financial impact on the System Boardsystem; or (c) with respect to the CMCHS approval, impact the powers reserved to CMCHS or the Bishop. Subject to canonical requirements, the authorization of the sale, disposition, mortgage, or encumbrance of any assets in excess of Three Million Dollars (\$3,000,000.00) dedicated to the operations of CMC;~~

~~(iii) Operating and Capital Budgets. The final adoption (and any subsequent revision) by the AAS Board of the annual operating and capital budgets, including, without limitation, the establishment by the AAS Board of financial reserves, and any vote by the AAS Board to propose an action which may result in an unbudgeted expense or series of expenses equaling or exceeding an amount of One Million Two Hundred Fifty Thousand Dollars (\$2501,000,000.00). Authorization of CMC to enter into any merger, consolidation or joint venture; or to sell or dispose of substantially all of the assets of CMC and its subsidiaries; or to create or acquire any subsidiary organization;~~

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~~(iv) Indebtedness. The vote of the AAS Board to incur any unbudgeted indebtedness or other borrowings that exceed the principal amount of Two Hundred Fifty Thousand Dollars (\$250,000.00). Subject to canonical requirements, the adoption of the annual capital and operating budgets, provided that the expenditure of any of the cash reserves, board-designated reserves, surplus assets and other assets held by CMC on the Affiliation (as defined in the Affiliation Agreement dated June 28, 2016 (the "Affiliation Agreement")) and recorded on the CMC's financial statements as unrestricted assets, as well as certain parcels of real estate not required for the operation of CMC and identified on Schedule 3.9.3.1 of the Affiliation Agreement (the "Pre-affiliation Assets") contemplated by such budgets and proposed in accordance with those powers reserved to the Board of Trustees under Article IV, will not be subject to the approval of GraniteOne but may remain subject to the approval of CMCHS if such expenditure is in excess of Three Million Dollars (\$3,000,000.00);~~

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~~(v) Disposition of Assets. Unless contemplated by an approved budget, the vote of the AAS Board to sell, convey, assign, or lease, or grant a mortgage or other lien or encumbrance on, assets of AAS in excess of One Million Two Hundred Fifty Thousand Dollars (\$2501,000,000.00), as measured by net book value. Subject to canonical requirements, the authorization of a capital investment in excess of Three Million Dollars (\$3,000,000.00) by CMC or any of its subsidiaries in any individual entity or project in the form of cash or either tangible or intangible property, except as provided in any approved annual capital or operating budget or to the extent funded by the Pre-affiliation Assets; and~~

(vi) Auditing Firm. The appointment by the AAS Board of a firm of independent public accountants to conduct an independent audit of the financial statements of AAS, which requires the approval of the System Member Board only. ~~The CMC Board of Trustees' appointment or reappointment of the CMC President and Chief Executive Officer ("CEO") and the determination of the President and CEO's compensation.~~

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(vii) Clinical Service or Programs. The decision of the AAS Board to eliminate or add any health care service or program, change any licenses, or otherwise make a change to the operating character of AAS which action requires only the approval of the System Member Board unless after receipt of prior written notice, CMCHS determines that the proposed action may impact the Catholic identity of, or adherence to Catholic moral teaching, the ERDs and Canon Law by AAS, in which case CMCHS's approval also will be required.

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(viii) Academic and Research Matters. The adoption or material revision by the AAS Board of any policies of AAS relating to academic and research programs (except for student internship arrangements with training programs for nursing, physical, occupational therapy and speech/language pathology services, and other similar services), and any decision by the AAS Board to enter into or terminate an academic affiliation, which action requires the approval only of the System Member Board unless after receipt of prior written notice CMCHS determines that the proposed action may impact the Catholic identity of, or adherence to Catholic moral teaching, the ERDs and Canon Law by AAS, in which case CMCHS' approval also will be required.

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(ix) Exercise of AAS's Reserved Powers over any AAS Subsidiaries. Unless waived by the System Member in writing in its discretion, the proposed exercise by the AAS Board of any reserved power or rights that it holds over subsidiary or other organization or arrangement in which it has a controlling ownership interest.

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(x) Strategic Plans. The adoption or material revision by the AAS Board of any strategic initiative or plan of AAS and/or its subsidiaries, respectively, which action requires the approval only of the System Member Board unless after receipt of prior written notice, CMCHS determines that the proposed action may impact the Catholic identity of, or adherence to Catholic moral teaching, the ERDs and Canon Law by AAS in which case CMCHS's approval also will be required.

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(xi) Key Strategic Relationships. A decision of the AAS Board to establish (whether by contract, joint venture or subsidiary entity), modify or terminate a "Key Strategic Relationship," defined as the ownership of, or contractual participation in, a network, system, affiliation, joint venture, alliance, proprietary health plan product or similar arrangement entered into with an organization that is not a member in the system, which action requires the approval only of the System Member Board unless after receipt of prior written notice CMCHS determines that the proposed action may impact the Catholic identity of, or adherence to Catholic moral teaching, the ERDs and Canon Law by AAS in which case CMCHS's approval also will be required.

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(xii) Merger/Change of Control; Divestiture. A decision of the AAS Board to (a) merge or consolidate CMC or any of its subsidiaries into another entity or otherwise conduct a change of control transaction; (b) acquire substantially all of the assets of another entity; or (c) sell or lease substantially all of the assets of AAS and/or any of its subsidiaries to any person or entity.

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(xiii) Bankruptcy; Closure; Dissolution. Any decision by the AAS Board to (a) commence bankruptcy or other insolvency proceedings, or (b) close, liquidate and dissolve AAS and/or any of its subsidiaries.

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(b) Reserved Powers of the System Member to Initiate Actions by AAS Exclusive to GraniteOne. Subject to the rights of CMCHS and the Bishop to assure compliance with Catholic moral teaching, the ERDs and Canon Law, the System Member will have the right to initiate the following actions to be taken or directed by AAS and/or its subsidiaries. The following actions initiated by the Board of Trustees of CMC will require only the approval of GraniteOne:

(i) Removal of AAS Board Trustee. Following consultation with the Chair of the AAS Board, the System Member Board may propose the removal of any trustee of the AAS Board if the System Member Board determines, in its reasonable good faith discretion, that such removal is in the best interests of the system. In making the foregoing determination, the System Member Board will consider the impact of such removal on AAS and on the interests and representation of the community served by AAS. Such action, however, must be approved by CMCHS under its reserved powers, which approval will not be withheld unless the proposed removal would jeopardize adherence by the AAS Board with Catholic moral teaching, the ERDs and Canon Law. Approval of any strategic plans or material nonclinical programming and marketing plans; including material modifications thereof; and

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(ii) AAS President and Chief Executive Officer. Following consultation with the Chair of the AAS Board, the System Member CEO and the applicable Regional President, the System Member Board will retain sole authority to evaluate and compensate the President and CEO of AAS. The System Member Board also may initiate the hiring or termination of the AAS President and CEO, which hiring or termination must be approved by CMCHS, which approval will not be withheld unless the proposed removal would jeopardize adherence to the AAS Board with Catholic moral teaching, the ERDs and Canon Law. Authorization to develop, implement or terminate clinical programs and clinical procedures shall be subject to approval by GraniteOne.

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(iii) Participation in System Strategies. To the extent applicable and determined by the System Member Board to be in the best interest of the System, AAS will participate in system-wide strategies, delivery networks, products (including risk-based reimbursement arrangements) and other similar initiatives consistent with the System strategic plan(s) and designed to further the establishment of a more fully integrated and sustainable health delivery system, with the understanding that the obligation of AAS to support or

participate in System initiatives will not include any strategies or activities which violate Catholic moral teaching, the ERDs or Canon Law.

(iv) Participation in System Programs and Initiatives. As determined and directed by the System Member Board, AAS will participate in, and fulfill the requirements of, System-wide programs and initiatives designed to improve access, quality and/or costs of services to patients including those of AAS with the understanding that the obligation of AAS to support or participate in System programs and initiatives will not include those which violate Catholic moral teaching, the ERDs or Canon Law. Such programs and initiatives may include but not be limited to group purchasing, information technology system integration, quality improvement measures, and shared corporate services. The System Member Board will determine the locations from which such nonclinical programs and services are provided. The System Member Board may assess a reasonable charge for such programs or initiatives provided that such charge is assessed proportionately against AAS and all members of the System to whom such programs or initiatives are available.

(v) Changes in Clinical Services. The System Member may initiate changes in the clinical services provided by AAS if those changes are necessary to implement the System strategic plan and System-wide objectives, to further the clinical program development at AAS contemplated by the strategic plan approved by the System Board or to improve the financial position of AAS in connection with the System Member Board's approval of the operating and capital budgets of CMC, provided such changes are consistent with Catholic moral teaching, the ERDs and Canon Law, AAS's values and do not result in the alienation of ecclesiastical goods. Prior to the implementation of any clinical changes, the System Member will collaborate with AAS in evaluating the clinical programming of AAS. The System Member Board also will evaluate the impact of the proposed change on: (a) the ability of AAS to meet the health needs of the communities in its service area; (b) the quality and efficiency with which AAS can deliver its health services; and (c) the charitable purpose of AAS. The System Member Board will also give the AAS Board an opportunity to address the proposed change and to provide any additional information, and will consider, in good faith, any input from the AAS Board. After completion of this evaluation process, AAS will implement the clinical changes required by the System Member Board in accordance with a mutually-agreed upon schedule.

(c) Reserved Powers Exclusive to CMCHS and the Bishop. The following actions initiated by the Board of Trustees of AAS will require only the approval of CMCHS and/or the Bishop, as applicable:

(i) Any change in the philosophy, objectives or purposes of AAS or its ethical religious standards;

(ii) Any change in the name "Alliance Ambulatory Services", or the Catholic identity of, or compliance with Catholic moral teaching, the ERDs and Canon law, The appointment of each trustee to the CMC Board of Trustees;

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(iii) ~~The removal of any trustee from the CMC Board of Trustees; and~~

~~(iv)(ii) The dissolution or liquidation of CMC.~~

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(d) Reconciliation of Conflict in Exercise of the System Member and the CMCHS/Bishop's Reserved Powers. If there is a conflict between the exercise of the Reserved Powers of the System Member's Reserved Powers and the exercise of the Bishop's Reserved Powers, ~~Members and the Bishop with respect to the Reserved Powers and their approval of CMC Board of Trustees decisions,~~ then the decision of the Bishop shall govern the decision unless the System Member Board has objected to the proposed action with respect to CMC. For those actions which require the approval or ratification of both the Bishop or CMCHS and the System Member Board and either or both of them has objected, then AAS will revise its proposed action until it received the approval of both the Bishop or CMCHS and the System Member Board. Notwithstanding the foregoing, however, if there is a question related to the interpretation of Catholic moral teaching, the ERDs or Canon Law, then the decision and interpretation of the Bishop will govern.

Section 3. Powers Exclusive to the AAS Board of Trustees.

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(a) Ex Officio Positions; CMC Board Nominees. *Ex officio* positions on the AAS Board will be determined in accordance with these Bylaws. The AAS-CMC Board will nominate individual trustees who, together with the *ex officio* trustees, comprise at least two-thirds (2/3) of the trustees serving on the Boards, subject to the System Member Board Reserved Powers (and the Bishop's Reserved Powers with respect to AAS) to approve each nominee.

(b) Board Chairperson. The Chairperson of the Board will be selected by the Board from among the trustees nominated by AAS-CMC and appointed by CMCHS and approved by the Bishop.

(c) Input on Actions Pertaining to the President and Chief Executive Officer. Although the power to hire, evaluate, compensate and terminate the President and Chief Executive Officer of AAS is reserved to the System Member Board acting through the System Member CEO or designee (subject to the right of CMCHS to approve the hiring or termination of the AAS CEO), the AAS Board and the applicable Regional President will have the right to provide to the System Member CEO or designee an evaluation of the AAS President and CEO prior to any compensation determination, and a recommendation prior to any proposed hiring or termination of the President and CEO of which the System Member CEO or designee will notify the System Member Board Chair. If the System Member CEO or designee decides to hire or terminate the AAS President and CEO when the CMC Board has provided a contrary evaluation or recommendation,

then the System Member CEO or designee will consult with the System Member Board Chair before taking any action.

(d) *Strategic Planning and Operational Oversight.* Subject to the Reserved Powers, the AAS Board ~~will~~ retains primary responsibility for identifying the health needs of the communities it serves, developing a strategic plan for meeting those needs, and overseeing the delivery and safety of health care services at its respective hospital and any related facilities.

(e) *Donor-Restricted Funds.* Subject to the Reserved Powers and the intent of donors, the AAS Board ~~will~~ retains responsibility for determining whether and how much to appropriate from its donor-restricted funds for qualifying expenditures, consistent with the requirements of New Hampshire RSA 292-B:4, the Uniform Prudent Management of Institutional Funds Act.

(f) *Fundraising.* The AAS Board ~~will~~ retains the authority to determine and implement fundraising activities conducted by AAS in its respective service area, and to approve any fundraising efforts proposed by the System Member Board in the AAS's respective service area.

(g) *Intellectual Property.* The AAS Board retains exclusive rights with respect to the ownership and use of its corporate names and any trade names it has registered or put into use in the marketplace. AAS will maintain the name "Alliance Ambulatory Services" and that any change in such name will be determined solely by the Boards of AAS, CMCHS and the Bishop.

Section 43. Number and Qualifications. The number of Trustees of the Board of Trustees of AAS shall be a minimum of five (5) and a maximum of twenty (20). There shall at all times be a minimum of at least five (5) Trustees who are not of the same immediate family or related by blood or marriage. ~~The number of Trustees may be increased or diminished by action of a majority of the Board of Trustees at any regular or special meeting at which a quorum of Trustees is present, except that no such action shall be effective to remove any Trustee then in office.~~

Section 45. Voting. Each Trustee shall have the full right to vote and participate in the management and affairs of AAS.

Section 56. Appointment. Members of the Board of Trustees shall be appointed, ~~upon the recommendation of the Board,~~ election by CMCHS with such appointments subject to the and approval of the Bishop and the Reserved Powers of the Members as set forth in Article III, Section 2(a)(i) of these Bylaws. ~~The CMC Board will have the power to nominate and present to~~

CMCHS for appointment at least two-thirds (2/3rds) of the Trustees serving on the Board, inclusive of the ex officio, Medical Staff and community Trustees. The System Board will have the power to nominate and present to CMCHS and the Bishop for appointment and approval, the system Trustees which will comprise the remaining one-third (1/3rd) of the Board.

Section 7. Respect for CMC's Catholic Identity. Each Trustee will, in their capacity as a Trustee, attest on an annual basis that they will comply with and respect the Ethical and Religious Directives for Catholic Health Care Services (the "ERDs") and the teachings of the Roman Catholic Church. Their activities outside CMC shall not mislead or confuse the Christian faithful about the moral teachings of the Roman Catholic Church.

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Section 68. Term of Office. Each Trustee shall continue in office for a term of three (3) years and until reelected for another term until his or her successor shall have been appointed and shall have been qualified, or until his or her death, resignation or removal in the manner provided herein. Trustees shall not be able to serve more than ~~three two (23)~~ consecutive complete terms, with a maximum length of service of ~~nine eight (89)~~ years except for *ex officio* members if an individual was appointed to fill a vacancy on the Board of Trustees prior to being duly elected to serve as a Trustee pursuant to these By-Laws.

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Section 79. Quorum and Manner of Acting. A quorum of the Trustees shall be required to transact any business. A majority of the total number of Trustees then holding office shall constitute a quorum for the transaction of business at any meeting except where otherwise provided by statute, AAS's Articles of Agreement or these By-Laws. Less than a quorum may adjourn the meeting. At all meetings of the Board of Trustees, each Trustee present shall have one (1) vote. At all meetings of the Board of Trustees, all questions, the manner of deciding which is not specifically regulated by statute, by these By-Laws or by AAS's Articles of Agreement, shall be determined by a majority of the Trustees present at the meeting.

Section 810. Place of Meeting. The Board of Trustees may hold its meetings and have one or more offices at such places within the State of New Hampshire as the Board from time to time may determine or, in the case of meetings, as shall be specified or fixed in the respective notices or waivers of notice thereof.

Section 119. Books and Records. The correct and complete books and records of account and minutes of the proceedings of the Board of Trustees shall be kept by the board liaison of management of AAS in a manner approved by the Secretary of AAS.

Section 102. Regular Meetings. Regular meetings of the Board of Trustees shall be held at such places and at such times as the Board shall from time to time by resolution determine. Notice of regular meetings need not be given.

Section 143. Special Meetings; Notice. Special meetings of the Board of Trustees shall be held whenever called by the Chair, or by the Secretary at the request of any three (3) Trustees at the time being in office. Written notice of each such meeting shall be given to each Trustee

either (i) by mail addressed to such Trustee at his or her residence or usual place of business at least five (5) days before the day on which the meeting is to be held, or (ii) by facsimile, in person or by telephone, not later than forty-eight (48) hours prior to the time of such meeting. Every such notice shall state the time and place of the meeting, and shall state the agenda of items to be discussed at such meeting. No business other than that specified in the agenda contained in the notice for the meeting shall be transacted at any special meeting of the Board of Trustees, without the unanimous written consent of each of the Trustees. Notice of any meeting of the Board need not be given to any Trustee, however, if waived by him or her in writing or by facsimile, whether before or after such meeting be held, or if he or she shall be present at such meeting unless his or her attendance at the meeting is expressly for the purpose of objecting to the transaction of any business because the meeting is not lawfully convened; and any meeting of the Board shall be a legal meeting without any notice thereof having been given, if all of the Trustees shall be present thereat without objection that the meeting is not lawfully convened.

Section 124. Executive Session. Upon the call of the Chair of the Board of Trustees, the Board of Trustees shall meet in executive session. Such meeting shall be a special meeting of the Board and as such shall be called and held in accordance with Section 120 of this Article. The Board may conduct any lawful business of AAS at such meeting.

Section 135. Attendance. Trustees who miss three consecutive meetings of the Board or are not present for at least seventy-five percent (75%) of regular or special Board meetings in a calendar year shall be considered to have resigned from the Board and the Board may, in its discretion, choose to accept or decline to accept the resignation. Attendance records shall be maintained by the Recording Secretary of the Board. When the attendance record of a Trustee indicates that if the Trustee is absent from one more Board meeting, the Trustee will be unable to fulfill the attendance requirement, then the Recording Secretary shall so inform the Chair. The Chair will then inform the Trustee that absence from one more Board meeting, in that calendar year, will be considered as a submission of resignation by that Trustee from the Board.

A Trustee not attending at least sixty percent (60%) of committee meetings in a calendar year shall be considered to have resigned from that committee and from the Board and the Board may, in its discretion, choose to accept or decline to accept the resignation. Attendance records shall be maintained by the Recording Secretary of the Committee. When the attendance record of a Trustee indicates that if the Trustee is absent from one or more committee meeting, the Trustee will be unable to fulfill the 60% attendance requirement, then the Recording Secretary shall so inform the Chair of the Committee. The Chair of the Committee shall then inform the Chair of the Board. The Chair of the Board will inform the Trustee that absence from one more committee meeting in that calendar year will be considered as a submission of resignation by that Trustee from that Committee and the Board.

Section 146. Resignations. Any Trustee of AAS may resign at any time by giving written notice to the Chair of the Board of Trustees or to the Secretary of AAS. Such resignation shall take effect at the time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 157. Removal of Trustees. Any Trustee may be removed, with or without cause, at any time, by a two thirds (2/3) vote of those present at a duly called meeting of the Board of Trustees of CMC, subject to the review and approval of ~~CMCHS as set forth in the Reserved Powers of CMCHS~~ the Member's Reserved Powers as set forth in Article III, Section 2(b)(i) of these Bylaws.

Section 168. Vacancies. Any vacancy in the Board of Trustees caused by death, resignation or removal shall be filled for the unexpired portion of the term in the manner prescribed in these By-Laws for appointment to the Board of Trustees.

Section 179. Compensation. Trustees shall not receive any compensation for attendance at regular or special meetings or for services rendered to AAS, but may be reimbursed for actual expenses incurred incidental to services performed for AAS.

Section 1820. Trustees' Participation in Meeting By Telephone. A Trustee may participate in a meeting of the Board of Trustees by means of conference telephone or similar communication equipment enabling all Trustees participating in the meeting to hear one another. Participation in a meeting pursuant to this section shall constitute presence in person at such meeting.

Section 2119. Trustees' Action Without Meeting. If all the Trustees entitled to vote and then holding office severally or collectively consent in writing to any action taken or to be taken by AAS, then such action shall be valid as though it had been authorized at a meeting of the Board of Trustees. The Secretary shall file such consent or consents with the minutes of the meetings of the Board of Trustees. Email or other electronic transmissions intended to constitute the consent and signature of the sender and otherwise complying with NHRSA § 294-E will constitute a writing for the purpose of this Section 21.

Section 22. Confidentiality. The discussions, actions, minutes and records of the Board of Trustees and its committees are confidential and will not be disclosed to individuals or groups within or outside CMC PPA or the Members, except as required or permitted by law or as determined by the Board of Trustees, Chairperson or President and CEO.

ARTICLE IV

COMMITTEES OF BOARD OF TRUSTEES

Section 1. Designation; Vacancies. Except as otherwise provided herein, the Chairperson of the Board of Trustees may designate such number of persons, including Trustees and non-Trustees, as he or she may from time to time determine, to constitute a committee for a specified purpose, each committee member of which, shall continue to be a member thereof at the pleasure of the Chairperson of the Board of Trustees. The Board of Trustees shall have power at any time to change the members of any committee, to fill vacancies, and to discharge any committee.

Section 2. Powers. Each committee appointed by the Board of Trustees shall be subject to the Board of Trustees and report to the Board of Trustees as directed by the Board of Trustees. No committee shall have authority to act on its own behalf or on AAS's behalf without the prior written direction of the Board of Trustees. No committee shall have authority to bind AAS in any manner without the prior written approval of the Board of Trustees.

Section 3. Procedure; Meetings; Quorum. Each committee shall make its own rules of procedure and shall meet at such times and at such place or places as may be provided by such rules or by resolution of the committee. A majority of the whole number of the members of each committee shall constitute a quorum at any meeting thereof, and the act of a majority of those present at a meeting at which a quorum is present shall be the act of the committee. The Board of Trustees shall have power at any time to change the members of any committee, to fill vacancies, and to discharge the committee.

Section 4. Compensation. Trustees serving on the committees of the Board of Trustees shall not receive any compensation for their services as members of such committees, but may be reimbursed for actual expenses incurred incidental to services performed for AAS.

Section 5. Committee Chairs. Only Trustees who are also members of the Board of Trustees of the Sole Member may serve as the Chair of a committee of the Board of Trustees of AAS. Except as indicated elsewhere, committee Chairs shall be appointed annually by the Chair of the AAS's Board. The Chair of the Board may also appoint interim committee Chairs in the event that a vacancy arises between annual meetings.

ARTICLE V

OFFICERS OF THE BOARD OF TRUSTEES

Section 1. Number. The officers of AAS shall include the Chair of the Board, the Vice Chairperson, the President, the Vice President, the Treasurer and the Secretary who shall be the registered agent and such other officers as the Board of Trustees may from time to time deem

appropriate. One person may hold the offices and perform the duties of more than one of said officers.

Section 2. Election, Term of Office, Qualifications and Nominations. The officers shall be ~~appointed~~ elected by CMCHS for a term of one (1) year. ~~the Board of Trustees for such terms as the Board of Trustees deems fit in its discretion.~~ Each officer shall hold office for such term ~~as provided in Article III, Section 5,~~ or until the death, resignation, or removal of such officer in the manner hereinafter provided. Each officer must be a trustee or officer of Catholic Medical Center ~~the Sole Member.~~ Nominations for such officers must be submitted to CMCHS ~~and recommended to the Sole Member~~ by the Governance Nomination ~~Committee~~ of the Board of Trustees of Catholic Medical Center ~~the Sole Member.~~

Section 3. Removal. Any officer may be removed, by a two-thirds (2/3) majority of the Board of Trustees, whenever the Board of Trustees believes that the best interests of the AAS will be served by such action.

Section 4. Resignations. Any officer may resign at any time by giving written notice to the Chair of the Board of Trustees, to the President or to the Secretary. Such resignation shall take effect at the time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5. Vacancies. A vacancy in any office because of death, resignation, removal or any other cause shall be filled for the unexpired portion of the term in the manner prescribed in these By-Laws for election or appointment to such office.

Section 6. The Chairperson of the Board. The Chairperson of the Board shall be ~~elected~~ appointed by CMCHS from among the Trustees and shall be a member of the Catholic Medical Center's Sole Member's Board of Trustees. The Chairperson of the Board shall, if present, preside at all meetings of the Board of Trustees. Except where by law the signature of the President and CEO is required, the Chairperson of the Board shall possess the same power as the President to sign all certificates, contracts and other instruments of AAS which may be authorized by the Board of Trustees. The Chairperson of the Board shall, in general, perform all duties incident to the office of Chairperson of the Board, subject, however, to the direction and control of the Board of Trustees, and such other duties as from time to time may be assigned to him or her by the Board of Trustees. Employees of AAS are ineligible to serve as the Chairperson of the Board.

Section 7. The Vice Chairperson of the Board. The Vice Chairperson of the Board shall be ~~appointed~~ elected by CMCHS from among the Trustees and shall be a member of the Sole Member's Board of Trustees. The Vice Chairperson of the Board shall discharge all of the responsibilities of the Chairperson of the Board in the event that the Chairperson is unavailable or unable to discharge the responsibilities set forth herein.

~~Section 8. **The President.** The President shall be the President of the Sole Member; provided, however, that in the event that the Sole Member wishes to appoint a different individual as President of AAS, then such individual must be interviewed by and must report on a regular basis to the President of the Sole Member. The President shall be the chief executive and administrative officer of AAS and shall have general and active supervision and direction over the day-to-day business and affairs of AAS and over its several officers, subject, however, to the direction and control of the Board of Trustees. The President shall have the authority to name and to delegate such executive powers and management responsibilities to an executive officer so named by the President who will report and be directly responsible to the President. The President shall have the authority to sign or countersign all certificates, contracts and other instruments of AAS as authorized by the Board of Trustees, and shall perform all such other duties as from time to time may be assigned to him or her by the Board of Trustees. The responsibilities of the President and further terms and conditions related to the exercise of such office may be set forth in such an Employment Agreement as is authorized by the Board of Trustees.~~

~~Section 9. **The Vice President.** The Vice President shall have such powers and perform such duties as the Board of Trustees may from time to time prescribe. At the request of the President or the Board of Trustees the Vice President may act in the President's place, and when so acting shall have all the powers and be subject to all the restrictions of the President.~~

~~Section 810. **The Secretary.** The Secretary shall keep or cause to be kept in books provided for the purpose the minutes of the meetings of the Board of Trustees; shall see that all notices are duly given in accordance with the provisions of these By-Laws and as required by law; and in general, shall perform all duties incident to the office of Secretary and such other duties as may, from time to time, be assigned to him or her by the Board of Trustees or by the President.~~

~~Section 914. **The Treasurer.** The Treasurer shall be the financial officer of AAS; shall have charge and custody of, and be responsible for, all funds of AAS, and deposit all such funds in the name of AAS in such banks, trust companies or other depositories as shall be selected by the Board of Trustees; shall receive, and give receipts for, moneys due and payable to AAS from any source whatsoever; and in general, shall perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him or her by the Board of Trustees or by the President.~~

ARTICLE VI

CORPORATE OFFICERS

Section 1. Number. The corporate officers of AAS shall include a President and CEO and may include one (1) or more Vice Presidents and such other corporate officers as the Board of Trustees may from time to time deem appropriate.

Section 2. The President and CEO. The CMC President and CEO shall be the chief executive and administrative officer of AAS who shall be nominated by the Board of Trustees, appointed by CMCHS and approved by the Bishop. The President and CEO shall have general and active supervision and direction over the day-to-day business and affairs of AAS and over its officers, subject, however, to the direction and control of the Board of Trustees. The President and CEO shall sign or countersign all certificates, contracts and other instruments of AAS as authorized by the Board of Trustees, and shall perform all such other duties as from time to time may be assigned to him or her by the Board of Trustees. The responsibilities of the President and CEO and further terms and conditions related to the exercise of such office may be set forth in such an employment agreement as is authorized by the Board of Trustees. The President and CEO shall meet with and advise the Board of Trustees, the Executive Committee, and all other committees. He or she shall be responsible for the systematic preservation of all minutes and records of the AAS.

Section 3. The Vice Presidents. Each Vice President shall be hired by the President and CEO of CMC, at his or her sole discretion. Each Vice President shall have such powers and perform such duties as the President and CEO may from time to time prescribe. At the request of the President and CEO, or in case of the President and CEO's inability or express delegation of authority to act, any Vice President may act in the President and CEO's place, and when so acting shall have all the powers and be subject to all of the restrictions of the President and CEO.

ARTICLE VII

CONTRACTS, CHECKS, NOTES, ETC.

Section 1. Execution of Contracts. All contracts and agreements authorized by the Board of Trustees, and all checks, drafts, notes, bonds, bills of exchange and orders for the payment of money shall, unless otherwise directed by the Board of Trustees, or unless otherwise required by law, be signed by any one of the following officers: Chair of the Board of Trustees, President, Chief Financial Officer, Chief Operating Officer, Treasurer, Secretary or Executive Vice President. The Board of Trustees may, however, authorize any two of said officers to sign checks, drafts and orders for the payment of money in excess of specified amounts, and may designate officers and employees of AAS other than those named above, or different combinations of such officers and employees, who may, in the name of AAS, execute checks, drafts, and orders for the payment of money on its behalf.

Section 2. Loans. No loans shall be contracted on behalf of AAS and no negotiable paper shall be signed in its name unless authorized by resolution of the Board of Trustees. When authorized by the Board of Trustees, any officer may effect loans and advances at any time for AAS from any bank, trust company or other institution, or from any firm, AAS or individual, and for such loans and advances may make, execute and deliver promissory notes, bonds or other certificates or evidences of indebtedness of AAS and, when authorized so to do, may pledge, hypothecate or transfer any securities or other property of AAS as security for any such loans or

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advances. Such authority may be general or confined to specific instances, provided, however, that any transaction in the amount of \$100,000 or greater must have the prior review and approval of the Sole Member's Board of Trustees before it can be consummated. Notwithstanding the foregoing or anything herein to the contrary, under no circumstances is the AAS to make any loans of money or property to any Trustees or officers of AAS.

ARTICLE VIII

CONFLICT OF INTEREST

Any possible conflict of interest on the part of any Trustee or officer or employee, or a member of the immediate family of any such person, of AAS shall be disclosed in writing to AAS's Board of Trustees. The possible conflict of interest shall be made of record through complete and full written disclosure to the Board of Trustees when such individual has an interest that involves a specific issue before the Board of Trustees.

A transaction involving a Trustee or officer, or a member of the immediate family of any such person, shall be prohibited unless it is in the best interests of AAS, the transaction is for goods or services in the ordinary course of business of the AAS for the actual or reasonable value (or a discounted value) of the goods or services, the transaction is fair to the AAS and the appropriate actions as set forth herein are taken. When the transaction involving a trustee or officer, or a member of the immediate family of any such person, exceeds Five Hundred Dollars (\$500.00) but is less than Five Thousand Dollars (\$5,000.00) in a fiscal year, the transaction must be approved by affirmative votes (and those affirmative votes must equal or exceed any quorum requirement specified herein) from at least two-thirds (2/3) of the Disinterested Trustees (as hereinafter defined) without the participation, voting or presence of any trustee or officer with a financial interest in the transaction or a Trustee or officer who has had a pecuniary benefit transaction with the AAS in the same fiscal year. When the transaction involving a Trustee or officer, or a member of the immediate family of any such person, is in an amount equal to or greater than Five Thousand Dollars (\$5,000) in a fiscal year, then: (i) the two-thirds vote of the Disinterested Trustees set forth in the preceding sentence is required; and (ii) the AAS must publish notice of the transaction in a newspaper of general circulation in the community in which the AAS's principal office is located, Manchester, or a newspaper of general circulation throughout the State of New Hampshire prior to consummation of the transaction; and (iii) the AAS must provide written notice of the transaction to the Office of the Director of Charitable Trusts within the Office of the New Hampshire Attorney General prior to consummation of the transaction. The minutes of the meeting in which a transaction is discussed pursuant to this Article VII shall reflect that a disclosure was made, the abstention from voting and the actual vote itself.

Every new Trustee will be advised of this policy upon assuming the position of Trustee and shall sign a statement acknowledging an understanding of and agreement to the Conflict of Interest Policy as set forth in this Article VII. The Board of Trustees will comply with all requirements of New Hampshire law concerning conflicts of interest related to non-profit entities

and such New Hampshire requirements are incorporated into and made a part of this Article VII. For the purposes of these By-Laws, a “Disinterested Trustee” is a Trustee who does not have a financial interest in the transaction under consideration and has not been involved in a different transaction subject to this Article VII within the same fiscal year.

Under no circumstances is AAS to make any loans of money or property to any Trustees or officers of AAS. AAS shall not sell, lease for a term of greater than five (5) years, purchase or convey any real estate or interest in real estate to or from a Trustee or officer without the prior approval of the probate court after a finding that the sale or lease is fair to AAS.

ARTICLE IXVIII

FISCAL YEAR

The fiscal year of AAS shall be fixed by the Board of Trustees and will correspond to the fiscal year of CMCHS~~the Sole Member~~.

ARTICLE IX

WAIVER OF NOTICE

Whenever any notice is required to be given to the ~~Sole Members~~ or any Trustee by these By-Laws or the Articles of Agreement or the laws of the State of New Hampshire, a waiver of the notice in writing, signed by the person or persons entitled to the notice, whether before or after the time stated therein, shall be deemed equivalent to giving the notice.

ARTICLE XI

AMENDMENT OF BY-LAWS

The power to alter, amend or repeal these Bylaws or to adopt new Bylaws shall be vested in the Board of Trustees, who may make any such alteration, amendment, repeal or adoption by a two-thirds (2/3) majority vote at any meeting or special meeting of the Board of Trustees called for such purpose, provided that notice of the proposed change is given in the notice of the meeting, and that such change shall be subject to the Reserved Powers approval of the Members and the Bishop, where applicable. The Board of Trustees shall review these Bylaws at least annually.

~~The power to alter, amend or repeal these By-Laws or to adopt new By-Laws, shall be vested in the Board of Trustees upon the approval of such alteration, amendment or repeal by the Sole Member.~~

ARTICLE XII

LIMITED LIABILITY TO AAS

Each Trustee and officer shall be indemnified by AAS against personal liability to AAS for monetary damages for breach of fiduciary duty as a trustee or officer, or both, except with respect to: (1) any breach of the trustee's or officer's duty of loyalty to AAS; (2) acts or omissions which are not in good faith or which involve intentional misconduct or a knowing violation of the law; or (3) any transaction from which the trustee or officer derived any improper personal benefit.

ARTICLE XIII

INDEMNIFICATION AND INSURANCE AGAINST THIRD PARTY CLAIMS

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Section 1. Indemnification. AAS shall to the fullest extent now or hereafter permitted by law, indemnify its Trustees, officers, and committee members and their respective heirs, administrators and executors (the "Indemnitee"), against any and all third party claims, suits, proceedings, judgments and assessments ("Proceeding"), and reasonable costs and expenses, including reasonable attorney's fees (the "Expenses"), incurred or imposed upon them in connection with any third party Proceeding to which they may be a party or with which they shall be threatened by reason of their being or having been a Trustee, officer or committee member of AAS. The Indemnitee shall have the obligation and burden to provide AAS and its insurer timely notice of any Proceeding or potential Proceeding that could implicate the indemnification obligations of this Article XIII and such information as is reasonably necessary for AAS and insurer to assess such Proceeding or potential Proceeding. AAS shall have the right, but not the duty, to assume the defense of the Indemnitee in any such Proceeding. In the event that AAS does not assume the defense, AAS's liability for indemnification in the event of a proposed settlement shall be conditioned upon AAS's written approval of the settlement. The right of indemnification shall not be deemed exclusive of any other rights to which the Indemnitee may otherwise be entitled as a matter of law. AAS's obligation to indemnify the Indemnitee shall be reduced to the extent that the Indemnitee has otherwise received payment (under any insurance policy, other contractual indemnity clause, bylaw, agreement, resolution or otherwise). The right of indemnification shall not cover those matters which are the result of: (1) any breach of the Trustee's, officer's or committee member's duty of loyalty to AAS; (2) acts or omissions which are not in good faith or which involve intentional misconduct or a knowing violation of the law; or (3) any transaction from which the trustee, officer or committee member derived any improper personal benefit.

Section 2. Advancement of Expenses. Notwithstanding any other provision in this Article XIII, AAS may advance the Expenses, incurred by or on behalf of the Indemnitee in connection with any Proceedings, by reason of their being or having been a Trustee, officer or committee member of AAS within sixty (60) days after the receipt by AAS of a statement or statements from the Indemnitee requesting such advance or advances from time to time, whether prior to or after final disposition of the Proceeding. Such statement or statements shall be supported by reasonable documentary evidence of the Expenses incurred by the Indemnitee and shall include or be preceded by a written statement by or on behalf the Indemnitee that the

Indemnitee has a good faith belief that the standard of conduct permitting indemnification has been met or that the Proceeding involves conduct for which indemnification would be permissible by New Hampshire law or these Bylaws. In addition, such written statement furnished by the Indemnitee shall include a commitment to repay any of the Expenses advanced if it is ultimately determined that the Indemnitee is not entitled to be indemnified against the Expenses. Any advances and undertakings to repay pursuant to this Section 2 shall be unsecured and interest free. AAS's obligation to advance the Expenses to the Indemnitee shall be reduced to the extent that the Indemnitee has otherwise received payment or payment has been made to or for the Indemnitee's benefit (under any insurance policy, other contractual indemnity clause, bylaw, agreement, resolution or otherwise).

Section 3. Insurance. AAS shall have the authority to purchase and maintain insurance on behalf of any person who is a Trustee, officer and committee member and to indemnify AAS for any obligation which AAS occurs as a result of its indemnification of its Trustees, officers, and committee members and their respective heirs, administrators and executors pursuant to this Article XIII.

The Trustees and Officers of AAS shall not be personally liable to AAS or its Sole Member for monetary damages for any breach or alleged breach of fiduciary duty as a Trustee or Officer, or both, except with respect to:

1. Any breach of the Trustee's or Officer's duty of loyalty to AAS or its Sole Member;
2. Acts or omissions which are not in good faith or which involve intentional misconduct or a knowing violation of the law; or
3. Any transaction from which the Trustee or Officer derived any improper personal benefit.

ARTICLE XIV

TAX EXEMPT STATUS

These Bylaws shall at all times be so construed and limited as to enable AAS to qualify and to continue qualifying as a voluntary corporation incorporated and existing under New Hampshire law and as a recognized Section 501(c)(3) tax-exempt charitable organization organized and operated for any purpose for which an organization may be exempt under Section 501(c)(3) of the Code. No person, firm or corporation shall ever receive any dividend or profit from the undertaking of AAS. No substantial part of the activities of AAS shall include the carrying on of propaganda or otherwise attempting to influence legislation, and AAS shall not participate or intervene (including by the publication or distribution of statements) in any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of these Bylaws, AAS shall not conduct any activities not permitted to be conducted by

a corporation exempt from taxation under Section 501(c)(3) of the Code, or by a corporation, the contributions to which are deductible by a contributor under Section 170(c)(2) of the Code. No part of the net earnings of AAS shall inure to the personal benefit of any Trustee, individual or entity. In the event of the complete termination or complete dissolution of AAS, in any manlier or for any reason whatsoever, its remaining assets, if any, shall be disposed of as set forth in AAS's Articles of Agreement.

~~These By-laws of AAS shall at all times be so construed and limited as to enable AAS to qualify and to continue qualifying as a voluntary charitable corporation duly organized and existing pursuant to the provisions of Chapter 292 of the Revised Statutes Annotated of the State of New Hampshire, as amended, and as a tax exempt charitable organization organized and operated for any purpose for which an organization may be exempt pursuant to the provisions of Section 501(e)(3) of the Internal Revenue Code of 1986, as amended.~~

ATTEST:

I, the undersigned Secretary of AAS, hereby attest that the foregoing is a true, complete and accurate set of the Revised By-Laws of AAS, as adopted on May 23, 2002; revised December 21, 2006 and _____, 2019.

_____, Secretary

EXHIBIT A

Trustee Criteria for System Board Appointees/Nominees and Member Board Nominees

1. Employment or personal experience, and/or professional status, that reflect a record of accomplishment or reveals expertise that will help the Member Board fulfill its duties.
2. Possesses a long-term, positive reputation for high ethical standards.
3. Demonstrates an understanding of the Member's mission including, in the case of a nominee to the CMC Board of Trustees, the Catholic moral teachings, the ERDs and Canon Law, as well as the mission, vision and principles of the System. 1
4. Demonstrates a strategic perspective, an awareness of the dynamics of the complex and ever-changing healthcare environment and the need to anticipate and capitalize on opportunities that enhance the vision and principles of the Member as well as the System.
5. Service and experience with other non-profit or healthcare boards with a record of preparation, attendance, participation, interest and initiative.
6. Willing and enthusiastic promoter of the Member as well as the System.
7. Connections with public and influential community organizations and stakeholders important to Member.
8. Willingness and availability to contribute time and energy to the Members Board and its committees.

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1 Pursuant to Article III, Section 7 of the Amended and Restated Bylaws of AAS, Trustees shall attest on an annual basis, in their capacity as a Trustee of AAS, that they will comply with and respect the ERDs and the moral teachings of the Catholic Church and that their activities outside of AAS shall not mislead or confuse the Christian faithful about the moral teachings of the Catholic Church.

APPENDIX 6.2.4(b)-3

AMENDED AHS BYLAWS

[ATTACHED]

~~Adopted: September 28, 2006~~

~~Revised: December 21, 2006~~

May 31, 2009

AMENDED AND RESTATED
BY-LAWS OF
ALLIANCE HEALTH SERVICES

ARTICLE I

NAME, OFFICES AND PURPOSE

Section 1. Name. The name of the corporation whose By-Laws are set forth hereinafter is Alliance Health Services (the "~~Corporation~~AHS").

Section 2. Principal Office. The principal office of ~~the Corporation~~AHS shall be located on the premises of 100 McGregor Street, Manchester, New Hampshire 03102, or such other place as may be determined from time to time by the Board of ~~Directors~~Trustees.

Section 3. Purpose. The purposes for which ~~this Corporation~~AHS is established are set forth in the Articles of Agreement of AHS, as may be amended and restated from time to time.

~~(a) — To facilitate health care programs to further (i) the quality and accessibility of health care services, particularly in the Greater Manchester community, and throughout the State of New Hampshire; (ii) the efficiency of utilization of health care facilities and services, particularly in the Greater Manchester community and throughout the State of New Hampshire; and (iii) the reasonable containment of the cost of health care to the public.~~

~~(b) — To promote and generate health care for a broad cross section of the Greater Manchester, New Hampshire community in general and to own interests in entities which accomplish such purposes.~~

~~(c) — To facilitate and promote the functions of, help carry out the purposes of, and uphold the activities of health care and community service facilities with regard to programs for the effective delivery of a continuum of health care services to persons other than hospital inpatients and to own interests in entities which accomplish such purposes.~~

~~(d) — To receive and accept public and private gifts, grants, loans and other funds in furtherance of the purposes of AHS, and generally to do and perform such other acts and to exercise such other powers as may be authorized or permitted under the laws of the State of New Hampshire to promote and attain the foregoing purposes.~~

~~(e) — The Corporation~~AHS shall at all times be organized and operated exclusively for

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charitable, scientific or educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), or of any corresponding provision of subsequent Federal law.

(f) — The Corporation AHS, as an agency of the Roman Catholic Church, shall comply and act within the scope and in a manner consistent with the Ethical and Religious Directives for Catholic Health Care Services, which is promulgated and revised from time to time by the National Conference of Catholic Bishops, and interpreted by the Roman Catholic Bishop of Manchester (the "Bishop").

(g) — To engage, subject to the provisions of Article VIII of the Articles of Agreement in any lawful act or activity for which a corporation may be organized under RSA Chapter 292.

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ARTICLE II

MEMBERS

Section 1. Sole Member. — ~~The Sole Member~~Members of the Corporation AHS shall be CMC Healthcare System, a New Hampshire voluntary corporation and public juridic person of diocesan right under the Code of Canon Law of the Roman Catholic Church ("Canon Law") ("CMCHS") and Dartmouth-Hitchcock Health GraniteOne, a New Hampshire voluntary corporation and coordinating organization of a multi-member, integrated healthcare system (the "System Member") (CMCHS and the System Member shall be collectively referred to herein as the "Members"). The Members of AHS shall have all powers conferred on it by law, inclusive of Canon Law as such law pertains to CMCHS, these Bylaws and the Articles of Agreement, as each may be amended and restated from time to time, ~~of Manchester, New Hampshire.~~

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Section 2. Financial Statements and Strategic Planning Reports Shall be Furnished to the Member.

(a) — ~~The Corporation shall furnish the Board of Directors of Catholic Medical Center with quarterly financial statements, which may be consolidated or combined statements of the Corporation and one (1) or more of its subsidiaries, as appropriate, that include a balance sheet and an income statement. If financial statements are prepared for the Corporation on the basis of generally accepted accounting principles, then the above-referenced financial statements also must be prepared on that basis.~~

(b) — ~~The Corporation shall furnish the Board of Directors of Catholic Medical Center with strategic planning reports as they become available.~~

ARTICLE III

BOARD OF ~~DIRECTOR~~TRUSTEES

Section 1. General Powers. The property, affairs and business of ~~the Corporation~~AHS shall be ~~controlled and managed~~governed by the Board of ~~Directors~~Trustees, who ~~may~~shall exercise all of the powers of ~~the Corporation~~AHS, except those powers reserved to the Members or to the Roman Catholic Bishop of the Diocese of Manchester (the "Bishop") and subject to the limitations by law, these Bylaws, the Articles of Agreement, as each may be amended and restated from time to time.

Section 2. Reserved Powers of the Members. The Members will have the following powers of approval reserved to them (the "Reserved Powers").

(a) The Reserved Powers Shared by the Members. Prior to becoming effective, each of the following actions of AHS must be approved by both the System Member or by a committee of the System Member and CMCHS or the Bishop, unless otherwise stated below:

(i) Nominees to the AHS Board of Trustees; Size of the Board. The nomination by AHS of individuals to serve on its Board and the establishment by AHS of the total number of Trustees to serve on the Board. If either the System Member Board or CMCHS objects to any AHS Board nominee based on an inconsistency with the criteria described in Exhibit A, then the AHS Board will identify a new nominee for the Members' approval.

(ii) Amendments of Articles of Agreement and Bylaws. The approval by the AHS Board of any proposed amendment or repeal of the Articles of Agreement or Bylaws of AHS, which proposed amendment or repeal would (with respect to the System Member Board approval) (a) impact the powers reserved to the System Member Board; or (b) reasonably be expected to have any material strategic, competitive or financial impact on the System Board or to the system's strategic plans as set forth by the System Board; or (c) with respect to the CMCHS approval, impact the powers reserved to CMCHS or the Bishop.

(iii) Operating and Capital Budgets. The final adoption (and any subsequent revision) by the AHS Board of the annual operating and capital budgets, including, without limitation, the establishment by the AHS Board of financial reserves, and any vote by the AHS Board to propose an action which may result in an unbudgeted expense or series of expenses equaling or exceeding an amount of Two Hundred Fifty Thousand Dollars (\$250,000.00).

(iv) Indebtedness. The vote of the AHS Board to incur any unbudgeted indebtedness or other borrowings that exceed the principal amount of Two Hundred Fifty Thousand Dollars (\$250,000.00).

(v) Disposition of Assets. Unless contemplated by an approved budget, the vote of the AHS Board to sell, convey, assign, or lease, or grant a mortgage or other lien or

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encumbrance on, assets of AHS in excess of Two Hundred Fifty Thousand Dollars (\$250,000.00), as measured by net book value.

(vi) Auditing Firm. The appointment by the AHS Board of a firm of independent public accountants to conduct an independent audit of the financial statements of AHS, which requires the approval of the System Member Board only.

(vii) Clinical Service or Programs. The decision of the AHS Board to eliminate or add any health care service or program, change any licenses, or otherwise make a change to the operating character of AHS which action requires only the approval of the System Member Board unless after receipt of prior written notice, CMCHS determines that the proposed action may impact the Catholic identity of, or adherence to Catholic moral teaching, the ERDs and Canon Law by AHS, in which case CMCHS's approval also will be required.

(viii) Academic and Research Matters. The adoption or material revision by the AHS Board of any policies of AHS relating to academic and research programs (except for student internship arrangements with training programs for nursing, physical, occupational therapy and speech/language pathology services, and other similar services), and any decision by the AHS Board to enter into or terminate an academic affiliation, which action requires the approval only of the System Member Board unless after receipt of prior written notice CMCHS determines that the proposed action may impact the Catholic identity of, or adherence to Catholic moral teaching, the ERDs and Canon Law by, AHS, in which case CMCHS' approval also will be required.

(ix) Exercise of AHS's Reserved Powers over any AHS Subsidiary. Unless waived by the System Member in writing in its discretion, the proposed exercise by the AHS Board of any reserved power or rights that it holds over a subsidiary or other organization or arrangement in which it has a controlling ownership interest.

(x) Strategic Plans. The adoption or material revision by the AHS Board of any strategic initiative or plan of AHS and/or its subsidiaries, respectively, which action requires the approval only of the System Member Board unless after receipt of prior written notice, CMCHS determines that the proposed action may impact the Catholic identity of, or adherence to Catholic moral teaching, the ERDs and Canon Law by AHS in which case CMCHS's approval also will be required.

(xi) Key Strategic Relationships. A decision of the AHS Board to establish (whether by contract, joint venture or subsidiary entity), modify or terminate a "Key Strategic Relationship," defined as the ownership of, or contractual participation in, a network, system, affiliation, joint venture, alliance, proprietary health plan product or similar arrangement entered into with an organization that is not a member in the system, which action requires the approval only of the System Member Board unless after receipt of prior written notice CMCHS determines that the proposed action may impact the Catholic identity of, or adherence to

Catholic moral teaching, the ERDs and Canon Law by AHS in which case CMCHS's approval also will be required.

(xii) Merger/Change of Control; Divestiture. A decision of the AHS Board to (a) merge or consolidate AHS or any of its subsidiaries into another entity or otherwise conduct a change of control transaction; (b) acquire substantially all of the assets of another entity; or (c) sell or lease substantially all of the assets of AHS and/or any of its subsidiaries to any person or entity.

(xiii) Bankruptcy; Closure; Dissolution. Any decision by the AHS Board to (a) commence bankruptcy or other insolvency proceedings, or (b) close, liquidate and dissolve AHS and/or any of its subsidiaries.

(b) Reserved Powers of the System Member to Initiate Actions by AHS. Subject to the rights of CMCHS and the Bishop to assure compliance with Catholic moral teaching, the ERDs and Canon Law, the System Member will have the right to initiate the following actions to be taken or directed by AHS and/or its subsidiaries:

(i) Removal of AHS Board Trustee. Following consultation with the Chairperson of the AHS Board, the System Member Board may propose the removal of any trustee of the AHS Board if the System Member Board determines, in its reasonable good faith discretion, that such removal is in the best interests of the system. In making the foregoing determination, the System Member Board will consider the impact of such removal on AHS and on the interests and representation of the community served by AHS. Such action, however, must be approved by CMCHS under its reserved powers, which approval will not be unreasonably withheld unless the proposed removal would jeopardize adherence by the AHS Board with Catholic moral teaching, the ERDs and Canon Law.

(ii) AHS President and Chief Executive Officer. Following consultation with the Chairperson of the AHS Board, the System Member CEO and the applicable Regional President, the System Member Board will retain sole authority to evaluate and compensate the President and CEO of AHS. The System Member Board also may initiate the hiring or termination of the AHS President and CEO, which hiring or termination must be approved by CMCHS, which approval will not be unreasonably withheld unless the proposed removal would jeopardize adherence to the AHS Board with Catholic moral teaching, the ERDs and Canon Law.

(iii) Participation in System Strategies. To the extent applicable and determined by the System Member Board to be in the best interest of the System, AHS will participate in system-wide strategies, delivery networks, products (including risk-based reimbursement arrangements) and other similar initiatives consistent with the System strategic plan(s) and designed to further the establishment of a more fully integrated and sustainable health delivery system, with the understanding that the obligation of AHS to support or participate in System initiatives will not include any strategies or activities which violate Catholic moral teaching, the ERDs or Canon Law.

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(iv) Participation in System Programs and Initiatives. As determined and directed by the System Member Board, AHS will participate in, and fulfill the requirements of, System-wide programs and initiatives designed to improve access, quality and/or costs of services to patients including those of AHS with the understanding that the obligation of AHS to support or participate in System programs and initiatives will not include those which violate Catholic moral teaching, the ERDs or Canon Law. Such programs and initiatives may include but not be limited to group purchasing, information technology system integration, quality improvement measures, and shared corporate services. The System Member Board will determine the locations from which such nonclinical programs and services are provided. The System Member Board may assess a reasonable charge for such programs or initiatives provided that such charge is assessed proportionately against AHS and all members of the System to whom such programs or initiatives are available.

(v) Changes in Clinical Services. The System Member may initiate changes in the clinical services provided by AHS if those changes are necessary to implement the System strategic plan and System-wide objectives, to further the clinical program development at AHS contemplated by the strategic plan approved by the System Board or to improve the financial position of AHS in connection with the System Member Board's approval of the operating and capital budgets of AHS, provided such changes are consistent with Catholic moral teaching, the ERDs and Canon Law, AHS's values and do not result in the alienation of ecclesiastical goods. Prior to the implementation of any clinical changes, the System Member will collaborate with AHS in evaluating the clinical programming of AHS. The System Member Board also will evaluate the impact of the proposed change on: (a) the ability of AHS to meet the health needs of the communities in its service area; (b) the quality and efficiency with which AHS can deliver its health services; and (c) the charitable purpose of AHS. The System Member Board will also give the AHS Board an opportunity to address the proposed change and to provide any additional information, and will consider, in good faith, any input from the AHS Board. After completion of this evaluation process, AHS will implement the clinical changes required by the System Member Board in accordance with a mutually-agreed upon schedule.

(c) Reserved Powers Exclusive to CMCHS and the Bishop. The following actions initiated by the Board of Trustees of AHS will require only the approval of CMCHS and/or the Bishop, as applicable:

(i) Any change in the philosophy, objectives or purposes of AHS or its ethical religious standards;

(ii) Any change in the name "Alliance Health Services", or the Catholic identity of, or compliance with Catholic moral teaching, the ERDs and Canon law.

(d) Reconciliation of Conflict in Exercise of the System Member and the CMCHS/Bishop's Reserved Powers. If there is a conflict between the exercise of the Reserved Powers of the System Member's Reserved Powers and the exercise of the Bishop's Reserved

Powers, then the decision of the Bishop shall govern the decision unless the System Member Board has objected to the proposed action. For those actions which require the approval or ratification of both the Bishop or CMCHS and the System Member Board and either or both of them has objected, then the AHS Board will revise its proposed action until it received the approval of both the Bishop or CMCHS and the System Member Board. Notwithstanding the foregoing, however, if there is a question related to the interpretation of Catholic moral teaching, the ERDs or Canon Law, then the decision and interpretation of the Bishop will govern.

Section 3. Powers Exclusive to the AHS Board of Trustees.

(a) *Ex Officio Positions; AHS Board Nominees.* Ex officio positions on the AHS Board will be determined in accordance with these Bylaws. The AHS Board will nominate individual trustees who, together with the ex officio trustees, comprise at least two-thirds (2/3) of the trustees serving on the Boards, subject to the System Member Board Reserved Powers (and the Bishop's Reserved Powers with respect to AHS) to approve each nominee.

(b) *Board Chairperson.* The Chairperson of the Board will be selected by the Board from among the trustees nominated by AHS and appointed by CMCHS and approved by the Bishop.

(c) *Input on Actions Pertaining to the President and Chief Executive Officer.* Although the power to hire, evaluate, compensate and terminate the President and Chief Executive Officer of AHS is reserved to the System Member Board acting through the System Member CEO or designee (subject to the right of CMCHS to approve the hiring or termination of the AHS CEO), the AHS Board and the applicable Regional President will have the right to provide to the System Member CEO or designee an evaluation of the AHS President and CEO prior to any compensation determination, and a recommendation prior to any proposed hiring or termination of the President and CEO of which the System Member CEO or designee will notify the System Member Board Chair. If the System Member CEO or designee decides to hire or terminate the AHS President and CEO when the AHS Board has provided a contrary evaluation or recommendation, then the System Member CEO or designee will consult with the System Member Board Chair before taking any action.

(d) *Strategic Planning and Operational Oversight.* Subject to the Reserved Powers, the AHS Board retains primary responsibility for identifying the health needs of the communities it serves, developing a strategic plan for meeting those needs, and overseeing the delivery and safety of health care services at its respective hospital and any related facilities.

(e) Donor-Restricted Funds. Subject to the Reserved Powers and the intent of donors, the AHS Board retains responsibility for determining whether and how much to appropriate from its donor-restricted funds for qualifying expenditures, consistent with the requirements of New Hampshire RSA 292-B:4, the Uniform Prudent Management of Institutional Funds Act.

(f) Fundraising. The AHS Board retains the authority to determine and implement fundraising activities conducted by AHS in its respective service area, and to approve any fundraising efforts proposed by the System Member Board in the AHS's respective service area.

(g) Intellectual Property. The AHS Board retains exclusive rights with respect to the ownership and use of its corporate names and any trade names it has registered or put into use in the marketplace. AHS will maintain the name "Alliance Health Services" for its main hospital campus in Manchester, New Hampshire and that any change in such names will be determined solely by the Boards of AHS, CMCHS and the Bishop.

~~to CMC Healthcare System by Article VIII of the Corporation's Articles of Agreement or by these By-Laws. The Board of Directors is responsible for establishing policy and providing for the management and planning of the Corporation. It shall serve as the judicial organ for review, appraisal and ultimate appeal within the Corporation. It shall assure that the facilities, personnel, equipment, supplies, money and management are available to the extent required for fully accredited status in every area where such standards have been established. It shall, at all times, take adequate measures to protect the safety of all employees, staff and all others using its services and facilities.~~

~~Without limiting the generality of the foregoing, and subject to the Sole Member's reserved powers, the Board of Directors shall have the power to determine all policies of the Corporation with regard to the conduct of the business of the Corporation.~~

~~The Board of Directors may from time to time delegate particular responsibilities to Committees of the Corporation in accordance with Article IV of these By-Laws, or to specified officers of the Corporation, as it shall deem advisable.~~

~~The Board of Directors may adopt such rules and regulations for the conduct of its meetings and the management of the Corporation not inconsistent with these By-Laws, the Corporation's Articles of Agreement, or the laws of the State of New Hampshire as they may deem proper.~~

Section 24. Number and Qualifications. The number of ~~Directors~~Trustees of the Board of ~~Directors~~Trustees of ~~the Corporation~~AHS shall be a minimum of five (5) and a

maximum of twenty (20). There shall at all times be a minimum of at least five (5) ~~Directors~~Trustees who are not of the same immediate family or related by blood or marriage. The number of ~~Directors~~Trustees may be increased or diminished by action of a majority of the Board of ~~Directors~~Trustees at any regular or special meeting at which a quorum of ~~Directors~~Trustees is present, except that no such action shall be effective to remove any ~~Director~~Trustee then in office.

Section 35. Voting. Each ~~Director~~Trustee shall have the full right to vote and participate in the management and affairs of ~~the Corporation~~AHS.

Section 46. Appointment. ~~The Trustees of AHS's Board of Trustees shall be appointed by CMCHS with such appointments subject to the approval of the Bishop and the Reserved Powers of the Members as set forth in Article III, Section 2(a)(i) of these Bylaws. The AHS Board will have the power to nominate and present to CMCHS for appointment at least two-thirds (2/3rds) of the Trustees serving on the Board. Inclusive in the AHS appointments will be the President and CEO of CMC who shall serve as an *ex officio* member of the Board and shall serve so long as he or she holds the respective office or until a successor is appointed. The System Member Board will have the power to nominate and present to CMCHS and the Bishop for appointment and approval, the system Trustees which will comprise the remaining one-third (1/3rd) of the Board. The System Board nominees shall be filled by individuals that are consistent with the Trustee criteria set forth in Exhibit A to these Bylaws, which AHS and the Members have agreed are important factors in maintaining a strong and effective governing Board of AHS. Due consideration shall be given to appointing one or more physicians as members of the Board.~~

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Section 7. Respect for AHS's Catholic Identity. Each Trustee will, in their capacity as a Trustee, attest on an annual basis that they will comply with and respect the Ethical and Religious Directives for Catholic Health Care Services (the "ERDs") and the teachings of the Roman Catholic Church. Their activities outside AHS shall not mislead or confuse the Christian faithful about the moral teachings of the Roman Catholic Church. ~~The Directors of the Corporation's Board of Directors shall be appointed by the Sole Member. A majority of the Directors on the Board of Directors shall be members of the Board of Directors of the Sole Member or persons who hold a position as an officer of the Sole Member. Due consideration shall be given to appointing one or more physicians as members of the Board.~~

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Section 58. Term of Office. Each ~~Director~~Trustee shall continue in office for a term of three ~~(3)~~ years and until reelected for another term until his or her successor shall have been appointed and shall have been qualified, or until his or her death, resignation or removal in the manner provided herein. ~~Directors~~Trustees shall not be able to serve more than ~~two-three (32)~~ consecutive complete terms, with a maximum length of service of ~~eight-nine (89)~~ years except for *ex officio* members if an individual was appointed to fill a vacancy on the Board of ~~Directors~~Trustees prior to being duly elected to serve as a ~~Director~~Trustee pursuant to these By-Laws.

Section 69. Quorum and Manner of Acting. A quorum of the ~~Directors~~Trustees shall be required to transact any business. A majority of the total number of ~~Directors~~Trustees then holding office shall constitute a quorum for the transaction of business at any meeting except where otherwise provided by statute, ~~the Corporation~~AHS's Articles of Agreement or these By-Laws. Less than a quorum may adjourn the meeting. At all meetings of the Board of ~~Directors~~Trustees, each ~~Director~~Trustee present shall have one (1) vote. At all meetings of the Board of ~~Directors~~Trustees, all questions, the manner of deciding which is not specifically regulated by statute, by these By-Laws or by ~~the Corporation~~AHS's Articles of Agreement, shall be determined by a majority of the ~~Directors~~Trustees present at the meeting.

Section 710. Place of Meeting. The Board of ~~Directors~~Trustees may hold its meetings and have one or more offices at such places within the State of New Hampshire as the Board from time to time may determine or, in the case of meetings, as shall be specified or fixed in the respective notices or waivers of notice thereof.

Section 811. Books and Records. The correct and complete books and records of account and minutes of the proceedings of the Board of ~~Directors~~Trustees shall be kept by ~~management~~the board liaison of ~~the Corporation~~AHS in a manner approved by the Secretary of ~~the Corporation~~AHS.

Section 912. Regular Meetings. Regular meetings of the Board of ~~Directors~~Trustees shall be held at such places and at such times as the Board shall from time to time by resolution determine. Notice of regular meetings need not be given.

Section 1013. Special Meetings; Notice. Special meetings of the Board of ~~Directors~~Trustees shall be held whenever called by the Chair, or by the Secretary at the request of any three (3) ~~Directors~~Trustees at the time being in office. Written notice of each such meeting shall be given to each ~~Director~~Trustee either (i) by mail addressed to such ~~Director~~Trustee at his or her residence or usual place of business at least five (5) days before the day on which the meeting is to be held, or (ii) by facsimile, in person or by telephone, not later than forty-eight (48) hours prior to the time of such meeting. Every such notice shall state the time and place of the meeting, and shall state the agenda of items to be discussed at such meeting. No business other than that specified in the agenda contained in the notice for the meeting shall be transacted at any special meeting of the Board of ~~Directors~~Trustees, without the unanimous written consent of each of the ~~Directors~~Trustees. Notice of any meeting of the Board need not be given to any ~~Director~~Trustee, however, if waived by him or her in writing or by facsimile, whether before or after such meeting be held, or if he or she shall be present at such meeting unless his or her attendance at the meeting is expressly for the purpose of objecting to the transaction of any business because the meeting is not lawfully convened; and any meeting of the Board shall be a legal meeting without any notice thereof having been given, if all of the ~~Directors~~Trustees shall be present thereat without objection that the meeting is not lawfully convened.

Section 1114. Executive Session. Upon the call of the Chair of the Board of

~~DirectorsTrustees~~, the Board of ~~DirectorsTrustees~~ shall meet in executive session. Such meeting shall be a special meeting of the Board and as such shall be called and held in accordance with Section ~~40-13~~ of this Article. The Board may conduct any lawful business of ~~the CorporationAHS~~ at such meeting.

Section 1215. Attendance. ~~DirectorsTrustees~~ who miss three consecutive meetings of the Board or are not present for at least seventy-five percent (75%) of regular or special Board meetings in a calendar year shall be considered to have resigned from the Board and the Board may, in its discretion, choose to accept or decline to accept the resignation. Attendance records shall be maintained by the Recording Secretary of the Board. When the attendance record of a ~~DirectorTrustee~~ indicates that if the ~~DirectorTrustee~~ is absent from one more Board meeting, the ~~DirectorTrustee~~ will be unable to fulfill the attendance requirement, then the Recording Secretary shall so inform the Chair. The Chair will then inform the ~~DirectorTrustee~~ that absence from one more Board meeting, in that calendar year, will be considered as a submission of resignation by that ~~DirectorTrustee~~ from the Board.

A ~~DirectorTrustee~~ not attending at least sixty percent (60%) of committee meetings in a calendar year shall be considered to have resigned from that committee and from the Board and the Board may, in its discretion, choose to accept or decline to accept the resignation. Attendance records shall be maintained by the Recording Secretary of the Committee. When the attendance record of a ~~DirectorTrustee~~ indicates that if the ~~DirectorTrustee~~ is absent from one or more committee meeting, the ~~DirectorTrustee~~ will be unable to fulfill the 60% attendance requirement, then the Recording Secretary shall so inform the Chair of the Committee. The Chair of the Committee shall then inform the Chair of the Board. The Chair of the Board will inform the ~~DirectorTrustee~~ that absence from one more committee meeting in that calendar year will be considered as a submission of resignation by that ~~DirectorTrustee~~ from that Committee and the Board.

Section 1316. Resignations. Any ~~DirectorTrustee~~ of ~~the CorporationAHS~~ may resign at any time by giving written notice to the Chair of the Board of ~~DirectorsTrustees~~ or to the Secretary of ~~the CorporationAHS~~. Such resignation shall take effect at the time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 1417. Removal of ~~DirectorsTrustees~~. Any ~~DirectorTrustee~~ may be removed, with or without cause, at any time, by a majority-two-thirds (2/3rds) vote of the those present at a duly called meeting of the Board of ~~DirectorsTrustees~~ of AHS, subject to the review and approval of the Member's Reserved Powers as set forth in Article III, Section 2(b)(i) of these Bylaws, and the written approval of the Sole Member, at a duly called meeting of the Board of ~~Directors~~ of the Corporation, or by the Sole Member. The Sole Member may remove a ~~Director~~ at any time, with or without cause.

Section 1518. Vacancies. Any vacancy in the Board of ~~DirectorsTrustees~~ caused by death, resignation or removal shall be filled for the unexpired portion of the term in the manner

prescribed in these By-Laws for appointment to the Board of DirectorsTrustees.

Section 1619. Compensation. DirectorsTrustees shall not receive any compensation for attendance at regular or special meetings or for services rendered to the CorporationAHS, but may be reimbursed for actual expenses incurred incidental to services performed for the CorporationAHS.

Section 1720. DirectorsTrustees' Participation in Meeting By Telephone. A DirectorTrustee may participate in a meeting of the Board of DirectorsTrustees by means of conference telephone or similar communication equipment enabling all DirectorsTrustees participating in the meeting to hear one another. Participation in a meeting pursuant to this section shall constitute presence in person at such meeting.

Section 1821. DirectorsTrustees' Action Without Meeting. If all the DirectorsTrustees entitled to vote and then holding office severally or collectively consent in writing to any action taken or to be taken by the CorporationAHS, then such action shall be valid as though it had been authorized at a meeting of the Board of DirectorsTrustees. Email or other electronic transmissions intended to constitute the consent and signature of the sender and otherwise complying with NH RSA § 294-E will constitute a writing for the purpose of this Section 21. The Secretary shall file such consent or consents with the minutes of the meetings of the Board of DirectorsTrustees.

Section 22. Confidentiality. The discussions, actions, minutes and records of the Board of Trustees and its committees are confidential and will not be disclosed to individuals or groups within or outside of AHS or the Members, except as required or permitted by law or as determined by the Board of Trustees, Chairperson or President and CEO.

ARTICLE IV

COMMITTEES OF BOARD OF DIRECTORSTRUSTEES

Section 1. Designation; Vacancies. Except as otherwise provided herein, the Chairperson of the Board of DirectorsTrustees may designate such number of persons, including DirectorsTrustees and non-DirectorsTrustees, as he or she may from time to time determine, to constitute a committee for a specified purpose, each committee member of which, shall continue to be a member thereof at the pleasure of the Chairperson of the Board of DirectorsTrustees. The Board of DirectorsTrustees shall have power at any time to change the members of any committee, to fill vacancies, and to discharge any committee.

Section 2. Powers. Each committee appointed by the Board of DirectorsTrustees shall be subject to the Board of DirectorsTrustees and report to the Board of DirectorsTrustees as directed by the Board of DirectorsTrustees. No committee shall have authority to act on its own behalf or on the CorporationAHS's behalf without the prior written direction of the Board of

~~DirectorsTrustees~~. No committee shall have authority to bind ~~the CorporationAHS~~ in any manner without the prior written approval of the Board of ~~DirectorsTrustees~~.

Section 3. Procedure; Meetings; Quorum. Each committee shall make its own rules of procedure and shall meet at such times and at such place or places as may be provided by such rules or by resolution of the committee. A majority of the whole number of the members of each committee shall constitute a quorum at any meeting thereof, and the act of a majority of those present at a meeting at which a quorum is present shall be the act of the committee. The Board of ~~DirectorsTrustees~~ shall have power at any time to change the members of any committee, to fill vacancies, and to discharge the committee.

Section 4. Compensation. ~~DirectorsTrustees~~ serving on the committees of the Board of ~~DirectorsTrustees~~ shall not receive any compensation for their services as members of such committees, but may be reimbursed for actual expenses incurred incidental to services performed for ~~the CorporationAHS~~.

Section 5. Committee Chairs. Only ~~DirectorsTrustees~~ who are also members of the Board of ~~DirectorsTrustees~~ of the Sole Member may serve as the Chair of a committee of the Board of ~~DirectorsTrustees~~ of ~~the CorporationAHS~~. Except as indicated elsewhere, committee Chairs shall be appointed annually by the Chair of the Alliance Health Services Board. The Chair of the Board may also appoint interim committee Chairs in the event that a vacancy arises between annual meetings.

ARTICLE V

OFFICERS OF THE BOARD OF TRUSTEES

Section 1. Number. The officers of ~~the CorporationAHS~~ shall include the Chairperson of the Board, the Vice Chair, the President, the Vice President, the Treasurer and the Secretary who shall be the registered agent and such other officers as the Board of ~~DirectorsTrustees~~ may from time to time deem appropriate. One person may hold the offices and perform the duties of more than one of said officers.

Section 2. Election, Term of Office, Qualifications and Nominations. The officers shall be ~~elected by the Board of Directors for such terms as the Board of Directors deems fit in its discretion. Each officer shall hold office for such term as provided in Article III, Section 5, or until the death, resignation, or removal of such officer. appointed by CMCHS for a term of one (1) year. Each officer shall hold office for such term or until the death, resignation, or removal of such officer in the manner hereinafter provided.~~ Each officer must be a ~~directorTrustee~~ or officer of Catholic Medical Center. Nominations for such officers must be submitted to and recommended to ~~the Sole MembeCMCHS~~r by the ~~Nomination-Governance~~ Committee of the Board of ~~DirectorsTrustees~~ of Catholic Medical Center.

Section 3. Removal. Any officer may be removed, by a two-thirds (2/3) majority of the

Board of ~~DirectorsTrustees~~, whenever the Board of ~~DirectorsTrustees~~ believes that the best interests of ~~the CorporationAHS~~ will be served by such action.

Section 4. Resignations. Any officer may resign at any time by giving written notice to the Chair of the Board of ~~DirectorsTrustees~~, to the President or to the Secretary. Such resignation shall take effect at the time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5. Vacancies. A vacancy in any office because of death, resignation, removal or any other cause shall be filled for the unexpired portion of the term in the manner prescribed in these By-Laws for election or appointment to such office.

Section 6. The Chairperson of the Board. The Chairperson of the Board shall be elected from among the ~~DirectorsTrustees~~ and shall be a member of the CMC Board of ~~DirectorsTrustees~~. The Chairperson of the Board shall, if present, preside at all meetings of the Board of ~~DirectorsTrustees~~. Except where by law the signature of the President ~~and CEO~~ is required, the Chairperson of the Board shall possess the same power as the President to sign all certificates, contracts and other instruments of ~~the CorporationAHS~~ which may be authorized by the Board of ~~DirectorsTrustees~~. The Chairperson of the Board shall, in general, perform all duties incident to the office of Chairperson of the Board, subject, however, to the direction and control of the Board of ~~DirectorsTrustees~~, and such other duties as from time to time may be assigned to him or her by the Board of ~~DirectorsTrustees~~. Employees of ~~the CorporationAHS~~ are ineligible to serve as the Chairperson of the Board.

Section 7. The Vice Chairperson of the Board. The Vice Chairperson of the Board shall be ~~elected-appointed by CMCHS~~ from among the ~~DirectorsTrustees~~ and shall be a member of the ~~CMC-Catholic Medical Center's~~ Board of ~~DirectorsTrustees~~. The Vice Chairperson of the Board shall discharge all of the responsibilities of the Chairperson of the Board in the event that the Chairperson is unavailable or unable to discharge the responsibilities set forth herein.

~~**Section 8. The President.** The President shall be the President of Catholic Medical Center; provided, however, that in the event that the Sole Member wishes to appoint a different individual as President of the Corporation, then such individual must be interviewed by and must report on a regular basis to the President of Catholic Medical Center. The President shall be the chief executive and administrative officer of the Corporation and shall have general and active supervision and direction over the day-to-day business and affairs of the Corporation and over its several officers, subject, however, to the direction and control of the Board of Directors. The President shall have the authority to name and to delegate such executive powers and management responsibilities to an executive officer so named by the President who will report and be directly responsible to the President. The President shall have the authority to sign or countersign all certificates, contracts and other instruments of the Corporation as authorized by the Board of Directors, and shall perform all such other duties as from time to time may be assigned to him or her by the Board of Directors. The responsibilities of the President and further terms and conditions related to the exercise of such office may be set forth in such an~~

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~~Employment Agreement as is authorized by the Board of Directors.~~

Section 98. The Secretary. The Secretary shall keep or cause to be kept in books provided for the purpose the minutes of the meetings of the Board of ~~Directors~~Trustees; shall see that all notices are duly given in accordance with the provisions of these By-Laws and as required by law; and in general, shall perform all duties incident to the office of Secretary and such other duties as may, from time to time, be assigned to him or her by the Board of ~~Directors~~Trustees or by the President.

Section 109. The Treasurer. The Treasurer shall be the financial officer of ~~the Corporation~~AHS; shall have charge and custody of, and be responsible for, all funds of ~~the Corporation~~AHS, and deposit all such funds in the name of ~~the Corporation~~AHS in such banks, trust companies or other depositories as shall be selected by the Board of ~~Directors~~Trustees; shall receive, and give receipts for, moneys due and payable to ~~the Corporation~~AHS from any source whatsoever; and in general, shall perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him or her by the Board of ~~Directors~~Trustees or by the President.

ARTICLE VI

CORPORATE OFFICERS

Section 1. Number. The corporate officers of AHS shall include a President and CEO and may include one (1) or more Vice Presidents and such other corporate officers as the Board of Trustees may from time to time deem appropriate.

Section 2. The President and CEO. The CMC President and CEO shall be the chief executive and administrative officer of AHS who shall be nominated by the Board of Trustees, appointed by CMCHS and approved by the Bishop. The President and CEO shall have general and active supervision and direction over the day-to-day business and affairs of AHS and over its officers, subject, however, to the direction and control of the Board of Trustees. The President and CEO shall sign or countersign all certificates, contracts and other instruments of AHS as authorized by the Board of Trustees, and shall perform all such other duties as from time to time may be assigned to him or her by the Board of Trustees. The responsibilities of the President and CEO and further terms and conditions related to the exercise of such office may be set forth in such an employment agreement as is authorized by the Board of Trustees. The President and CEO shall meet with and advise the Board of Trustees, the Executive Committee, and all other committees. He or she shall be responsible for the systematic preservation of all minutes and records of the AHS.

Section 3. The Vice Presidents. Each Vice President shall be hired by the President and CEO of CMC, at his or her sole discretion. Each Vice President shall have such powers and perform such duties as the President and CEO may from time to time prescribe. At the request of the President and CEO, or in case of the President and CEO's inability or express delegation

of authority to act, any Vice President may act in the President and CEO's place, and when so acting shall have all the powers and be subject to all of the restrictions of the President and CEO.

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ARTICLE VII

CONTRACTS, CHECKS, NOTES, ETC.

Section 1. Execution of Contracts. All contracts and agreements authorized by the Board of ~~Directors~~Trustees, and all checks, drafts, notes, bonds, bills of exchange and orders for the payment of money shall, unless otherwise directed by the Board of ~~Directors~~Trustees, or unless otherwise required by law, be signed by any one of the following officers: Chair of the Board of ~~Directors~~Trustees, President, Chief Financial Officer, Chief Operating Officer, Treasurer, Secretary or Executive Vice President. The Board of ~~Directors~~Trustees may, however, authorize any two of said officers to sign checks, drafts and orders for the payment of money in excess of specified amounts, and may designate officers and employees of ~~the Corporation~~AHS other than those named above, or different combinations of such officers and employees, who may, in the name of ~~the Corporation~~AHS, execute checks, drafts, and orders for the payment of money on its behalf.

Section 2. Loans. No loans shall be contracted on behalf of ~~the Corporation~~AHS and no negotiable paper shall be signed in its name unless authorized by resolution of the Board of ~~Directors~~Trustees. When authorized by the Board of ~~Directors~~Trustees, any officer may effect loans and advances at any time for ~~the Corporation~~AHS from any bank, trust company or other institution, or from any firm, corporation or individual, and for such loans and advances may make, execute and deliver promissory notes, bonds or other certificates or evidences of indebtedness of ~~the Corporation~~AHS and, when authorized so to do, may pledge, hypothecate or transfer any securities or other property of ~~the Corporation~~AHS as security for any such loans or advances. Such authority may be general or confined to specific instances, provided, however, that any transaction in the amount of \$1,000,000 (one million) or greater must have the prior review and approval of the CMC Board of ~~Directors~~Trustees before it can be consummated. Notwithstanding the foregoing or anything herein to the contrary, under no circumstances is ~~the Corporation~~AHS to make any loans of money or property to any ~~Directors~~Trustees or officers of ~~the Corporation~~AHS.

ARTICLE VIII

CONFLICT OF INTEREST POLICY

Any possible conflict of interest on the part of any ~~Director~~Trustee or officer or employee, or a member of the immediate family of any such person, of ~~the Corporation~~AHS shall be disclosed in writing to ~~the Corporation~~AHS's Board of ~~Directors~~Trustees. The possible conflict of interest shall be made of record through complete and full written disclosure to the Board of ~~Directors~~Trustees when such individual has an interest that involves a specific issue

before the Board of ~~Directors~~Trustees.

A transaction in which a ~~Director~~Trustee or officer, or a member of the immediate family of any such person, has a financial interest, whether direct or indirect, shall be prohibited unless it is in the best interests of ~~the Corporation~~AHS, the transaction is for goods or services in the ordinary course of business of ~~the Corporation~~AHS for the actual or reasonable value (or a discounted value) of the goods or services, the transaction is fair to ~~the Corporation~~AHS and the appropriate actions as set forth herein are taken. When the transaction involving a ~~Director~~Trustee or officer, or a member of the immediate family of any such person, exceeds Five Hundred Dollars (\$500.00) but is less than Five Thousand Dollars (\$5,000.00) in a fiscal year, the transaction must be approved by affirmative votes (and those affirmative votes must equal or exceed any quorum requirement specified herein) from at least two-thirds (2/3) of the Disinterested ~~Directors~~Trustees (as hereinafter defined) after full and fair disclosure of the material facts of the transaction and after notice and full discussion of the transaction by the Board of ~~Directors~~Trustees without the participation, voting or presence of any ~~Director~~Trustee or officer with a financial interest in the transaction or a ~~Director~~Trustee or officer who has had a pecuniary benefit transaction with ~~the Corporation~~AHS in the same fiscal year. When the transaction involving a ~~Director~~Trustee or officer, or a member of the immediate family of any such person, is in an amount equal to or greater than Five Thousand Dollars (\$5,000) in a fiscal year, then: (i) the two-thirds vote of the Disinterested ~~Directors~~Trustees set forth in the preceding sentence is required; and (ii) ~~the Corporation~~AHS must publish notice of the transaction in a newspaper of general circulation in the community in which ~~the Corporation~~AHS's principal office is located, Manchester, or a newspaper of general circulation throughout the State of New Hampshire prior to consummation of the transaction; and (iii) ~~the Corporation~~AHS must provide written notice of the transaction to the Office of the ~~Director~~Director of Charitable Trusts within the Office of the New Hampshire Attorney General prior to consummation of the transaction. The minutes of the meeting in which a transaction is discussed pursuant to this Article VII shall reflect that a disclosure was made, the abstention from voting and the actual vote itself.

Every new ~~Director~~Trustee will be advised of this policy upon assuming the position of ~~Director~~Trustee and shall sign a statement acknowledging an understanding of and agreement to the Conflict of Interest Policy as set forth in this Article VII. The Board of ~~Directors~~Trustees will comply with all requirements of New Hampshire law concerning conflicts of interest related to non-profit entities and such New Hampshire requirements are incorporated into and made a part of this Article VII. For the purposes of these By-Laws, a "Disinterested ~~Director~~Trustee" is a ~~Director~~Trustee who does not have a financial interest in the transaction under consideration and has not been involved in a different transaction subject to this Article VII within the same fiscal year.

Under no circumstances is ~~the Corporation~~AHS to make any loans of money or property to any ~~Directors~~Trustees or officers of ~~the Corporation~~AHS. ~~The Corporation~~AHS shall not sell, lease for a term of greater than five (5) years, purchase or convey any real estate or interest in real estate to or from a ~~Director~~Trustee or officer without the prior approval of the probate court after a finding that the sale or lease is fair to ~~the Corporation~~AHS.

ARTICLE VIII

FISCAL YEAR

The fiscal year of ~~the Corporation~~AHS shall be fixed by the Board of ~~Directors~~Trustees and will correspond to the fiscal year of ~~the Sole Member~~CMCHS.

ARTICLE IX

WAIVER OF NOTICE

Whenever any notice is required to be given to the ~~Sole-Member~~s or any ~~Director~~Trustee by these By-Laws or the Articles of Agreement or the laws of the State of New Hampshire, a waiver of the notice in writing, signed by the person or persons entitled to the notice, whether before or after the time stated therein, shall be deemed equivalent to giving the notice.

ARTICLE XI

AMENDMENT OF BY-LAWS

~~The power to alter, amend or repeal these Bylaws or to adopt new Bylaws shall be vested in the Board of Trustees, who may make any such alteration, amendment, repeal or adoption by a two-thirds (2/3) majority vote at any meeting or special meeting of the Board of Trustees called for such purpose, provided that notice of the proposed change is given in the notice of the meeting, and that such change shall be subject to the Reserved Powers approval of the Members and the Bishop, where applicable. The Board of Trustees shall review these Bylaws at least annually.~~

~~The power to alter, amend or repeal these By-Laws or to adopt new By-Laws, shall be vested in the Board of Directors upon the approval of such alteration, amendment or repeal by the Sole Member.~~

ARTICLE XII

LIMITED LIABILITY TO AHS

~~Each Trustee and officer shall be indemnified by AHS against personal liability to AHS for monetary damages for breach of fiduciary duty as a trustee or officer, or both, except with respect to: (1) any breach of the trustee's or officer's duty of loyalty to AHS; (2) acts or omissions which are not in good faith or which involve intentional misconduct or a knowing violation of the law; or (3) any transaction from which the trustee or officer derived any improper personal benefit.~~

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ARTICLE XIII

INDEMNIFICATION AND INSURANCE AGAINST THIRD PARTY CLAIMS

Section 1. Indemnification. AHS shall to the fullest extent now or hereafter permitted by law, indemnify its Trustees, officers, and committee members and their respective heirs, administrators and executors (the "Indemnitee"), against any and all third party claims, suits, proceedings, judgments and assessments ("Proceeding"), and reasonable costs and expenses, including reasonable attorney's fees (the "Expenses"), incurred or imposed upon them in connection with any third party Proceeding to which they may be a party or with which they shall be threatened by reason of their being or having been a Trustee, officer or committee member of AHS. The Indemnitee shall have the obligation and burden to provide AHS and its insurer timely notice of any Proceeding or potential Proceeding that could implicate the indemnification obligations of this Article XIII and such information as is reasonably necessary for AHS and insurer to assess such Proceeding or potential Proceeding. AHS shall have the right, but not the duty, to assume the defense of the Indemnitee in any such Proceeding. In the event that AHS does not assume the defense, AHS's liability for indemnification in the event of a proposed settlement shall be conditioned upon AHS's written approval of the settlement. The right of indemnification shall not be deemed exclusive of any other rights to which the Indemnitee may otherwise be entitled as a matter of law. AHS's obligation to indemnify the Indemnitee shall be reduced to the extent that the Indemnitee has otherwise received payment (under any insurance policy, other contractual indemnity clause, bylaw, agreement, resolution or otherwise). The right of indemnification shall not cover those matters which are the result of: (1) any breach of the Trustee's, officer's or committee member's duty of loyalty to AHS; (2) acts or omissions which are not in good faith or which involve intentional misconduct or a knowing violation of the law; or (3) any transaction from which the trustee, officer or committee member derived any improper personal benefit.

Section 2. Advancement of Expenses. Notwithstanding any other provision in this Article XIII, AHS may advance the Expenses, incurred by or on behalf of the Indemnitee in connection with any Proceedings, by reason of their being or having been a Trustee, officer or committee member of AHS within sixty (60) days after the receipt by AHS of a statement or statements from the Indemnitee requesting such advance or advances from time to time, whether prior to or after final disposition of the Proceeding. Such statement or statements shall be supported by reasonable documentary evidence of the Expenses incurred by the Indemnitee and shall include or be preceded by a written statement by or on behalf the Indemnitee that the Indemnitee has a good faith belief that the standard of conduct permitting indemnification has been met or that the Proceeding involves conduct for which indemnification would be permissible by New Hampshire law or these Bylaws. In addition, such written statement furnished by the Indemnitee shall include a commitment to repay any of the Expenses advanced if it is ultimately determined that the Indemnitee is not entitled to be indemnified against the Expenses. Any advances and undertakings to repay pursuant to this Section 2 shall be unsecured and interest free. AHS's obligation to advance the Expenses to the Indemnitee shall be reduced

to the extent that the Indemnitee has otherwise received payment or payment has been made to or for the Indemnitee's benefit (under any insurance policy, other contractual indemnity clause, bylaw, agreement, resolution or otherwise).

Section 3. Insurance. AHS shall have the authority to purchase and maintain insurance on behalf of any person who is a Trustee, officer and committee member and to indemnify AHS for any obligation which AHS occurs as a result of its indemnification of its Trustees, officers, and committee members and their respective heirs, administrators and executors pursuant to this Article XIII.

The Directors and Officers of the Corporation shall not be personally liable to the Corporation or its Sole Member for monetary damages for any breach or alleged breach of fiduciary duty as a Director or Officer, or both, except with respect to:

1. Any breach of the Director's or Officer's duty of loyalty to the Corporation or its Sole Member;
2. Acts or omissions which are not in good faith or which involve intentional misconduct or a knowing violation of the law; or
3. Any transaction from which the Director or Officer derived any improper personal benefit.

ARTICLE XXXIV

TAX EXEMPT STATUS

These Bylaws shall at all times be so construed and limited as to enable AHS to qualify and to continue qualifying as a voluntary corporation incorporated and existing under New Hampshire law and as a recognized Section 501(c)(3) tax-exempt charitable organization organized and operated for any purpose for which an organization may be exempt under Section 501(c)(3) of the Code. No person, firm or corporation shall ever receive any dividend or profit from the undertaking of AHS. No substantial part of the activities of AHS shall include the carrying on of propaganda or otherwise attempting to influence legislation, and AHS shall not participate or intervene (including by the publication or distribution of statements) in any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of these Bylaws, AHS shall not conduct any activities not permitted to be conducted by a corporation exempt from taxation under Section 501(c)(3) of the Code, or by a corporation, the contributions to which are deductible by a contributor under Section 170(c)(2) of the Code. No part of the net earnings of AHS shall inure to the personal benefit of any Trustee, individual or entity. In the event of the complete termination or complete dissolution of AHS, in any manner or for any reason whatsoever, its remaining assets, if any, shall be disposed of as set forth in AHS's Articles of Agreement.

These By-laws of the Corporation shall at all times be so construed and limited as to enable the Corporation to qualify and to continue qualifying as a voluntary charitable corporation

~~duly organized and existing pursuant to the provisions of Chapter 292 of the Revised Statutes Annotated of the State of New Hampshire, as amended, and as a tax exempt charitable organization organized and operated for any purpose for which an organization may be exempt pursuant to the provisions of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended.~~

ATTEST:

I, the undersigned Secretary of ~~the CorporationAHS~~, hereby attest that the foregoing is a true, complete and accurate set of the By-Laws of ~~the CorporationAHS~~ as adopted on September 28, 2006; revised December 21, 2006; May 31, 2007; and _____, ~~2019~~.

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Secretary

Ronald J. Rioux,

EXHIBIT A

Trustee Criteria for System Board Appointees/Nominees and Member Board Nominees

1. Employment or personal experience, and/or professional status, that reflect a record of accomplishment or reveals expertise that will help the Member Board fulfill its duties.
2. Possesses a long-term, positive reputation for high ethical standards.
3. Demonstrates an understanding of the Member's mission including, in the case of a nominee to the AHS Board of Trustees, the Catholic moral teachings, the ERDs and Canon Law, as well as the mission, vision and principles of the System. 1
4. Demonstrates a strategic perspective, an awareness of the dynamics of the complex and ever-changing healthcare environment and the need to anticipate and capitalize on opportunities that enhance the vision and principles of the Member as well as the System.
5. Service and experience with other non-profit or healthcare boards with a record of preparation, attendance, participation, interest and initiative.
6. Willing and enthusiastic promoter of the Member as well as the System.
7. Connections with public and influential community organizations and stakeholders important to Member.
8. Willingness and availability to contribute time and energy to the Members Board and its committees.

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1 Pursuant to Article III, Sections 2(a)(i) and 6 of these Amended and Restated Bylaws of AHS, the Trustees shall attest on an annual basis, in their capacity as a Trustee of AHS, that they will comply with and respect the ERDs and the moral teachings of the Catholic Church and that their activities outside of AHS shall not mislead or confuse the Christian faithful about the moral teachings of the Catholic Church.

APPENDIX 6.2.4(b)-4

AMENDED CMCPPA BYLAWS

[ATTACHED]

Adopted on April 25, 2002
Revised on December 21, 2006
Revised on _____, 2009

AMENDED AND RESTATED
BY-LAWS
OF
CATHOLIC MEDICAL CENTER
PHYSICIAN PRACTICE ASSOCIATES

ARTICLE I

NAME, OFFICES AND PURPOSE

Section 1. Name. The name of the corporation whose By-Laws are set forth hereinafter is Catholic Medical Center Physician Practice Associates (the "~~Corporation~~ CMC PPA").

Section 2. Principal Office. The principal office of ~~the Corporation~~ CMC PPA shall be located on the premises of 100 McGregor Street, Manchester, New Hampshire 03102, or such other place as may be determined from time to time by the Board of ~~Directors~~ Trustees.

Section 3. Purpose. The purposes for which CMC PPA is established are set forth in the Articles of Agreement of CMC PPA, as may be amended and restated from time to time object for which the Corporation CMC PPA is established is:

(a) — To coordinate the provision of physician and hospital care to persons resident in the service area of Catholic Medical Center and to improve the quality, accessibility and cost-effectiveness of such care.

(b) — To initiate, develop and carry out other programs for the benefit of, to perform the functions of or to carry out the purposes of Catholic Medical Center and other tax exempt, publicly supported health care providers of which Catholic Medical Center is the Sole Member.

(c) — To engage, subject to the provisions of Article 3 of the Corporation CMC PPA's Articles of Agreement, in any lawful act or activity for which a corporation may be organized under RSA Chapter 292.

ARTICLE II

MEMBERS

~~Section 1. Sole Member. The Sole Member of the Corporation CMC PPA shall be CMC Healthcare System of Manchester, New Hampshire (the "Sole Member").~~ The members of CMC shall be CMC Healthcare System ("CMCHS"), a New Hampshire voluntary corporation

and public juridic person of diocesan right under the Code of Canon Law of the Roman Catholic Church (“Canon Law”) (“CMCHS”) and Dartmouth-Hitchcock Health GraniteOne Health, a New Hampshire voluntary corporation and coordinating organization of a multi-member, integrated healthcare system (the “System Member GraniteOne”) (CMCHS and the System Member shall be collectively referred to herein as the “Members”). The Members of CMC PPA shall have all powers conferred on it by law, inclusive of Canon Law as such law pertains to CMCHS, these Bylaws and the Articles of Agreement, as each may be amended from time to time.

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Section 2. Financial Statements and Strategic Planning Reports Shall be Furnished to the Member.

(a) — The Corporation CMC PPA shall furnish the Sole Member with quarterly financial statements, which may be consolidated or combined statements of the Corporation CMC PPA and one (1) or more of its subsidiaries, as appropriate, that include a balance sheet and an income statement. If financial statements are prepared for the Corporation CMC PPA on the basis of generally accepted accounting principles, then the above-referenced financial statements also must be prepared on that basis.

(b) — The Corporation CMC PPA shall furnish the Sole Member with strategic planning reports as they become available.

ARTICLE III

BOARD OF DIRECTORSTRUSTEES

Section 1. General Powers. The property, affairs and business of the Corporation CMC PPA shall be governed controlled and managed by the Board of Directors Trustees, who may exercise all of the powers of the Corporation CMC PPA, except those powers reserved to the Sole Members or to the Roman Catholic Bishop of the Diocese of Manchester (the “Bishop”) and subject to by Article IX of the Corporation CMC PPA’s the limitations by law, these Bylaws and the Articles of Agreement, as each may be amended and restated from time to time or by these By-Laws. The Board of Directors Trustees is responsible for establishing policy and providing for the management and planning of the Corporation CMC PPA. It shall serve as the judicial organ for review, appraisal and ultimate appeal within the Corporation CMC PPA. It shall assure that the facilities, personnel, equipment, supplies, money and management are available to the extent required for fully accredited status in every area where such standards have been established. It shall, at all times, take adequate measures to protect the safety of all employees, staff and all others using its services and facilities.

Without limiting the generality of the foregoing, and subject to the Sole Member’s reserved powers, the Board of Directors Trustees shall have the power to determine all policies of

the Corporation CMC PPA with regard to the conduct of the business of the Corporation CMC PPA.

The Board of Directors Trustees may from time to time delegate particular responsibilities to Committees of the Corporation CMC PPA in accordance with Article IV of these By-Laws, or to specified officers of the Corporation CMC PPA, as it shall deem advisable.

The Board of Directors Trustees may adopt such rules and regulations for the conduct of its meetings and the management of the Corporation CMC PPA not inconsistent with these By-Laws, the Corporation CMC PPA's Articles of Agreement, or the laws of the State of New Hampshire as they may deem proper.

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Section 2. Reserved Powers of the Members. The Members will have the following powers of approval reserved to them (the "Reserved Powers"). The Reserved Powers are in the nature of ratification rights and may not be exercised by the Members to initiate or require actions by the Board of Trustees of CMC.

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(a) The Reserved Powers Shared by the Members. Prior to becoming effective, each of the following actions of CMC PPA must be approved by both the System Member or by a committee of the System Member and CMCHS or the Bishop, unless otherwise stated below. The following actions initiated by the Board of Trustees will require the Members' approval:

(i) Nominees to the CMC PPA Board of Trustees; Size of the Board. The nomination by CMC PPA of individuals to serve on its Board and the establishment by CMC PPA of the total number of Trustees to serve on the Board. If either the System Member Board or CMCHS objects to any CMC PPA Board nominee based on an inconsistency with the criteria described in Exhibit BA, then the CMC PPA Board will identify a new nominee for the Members approval. Subject to canonical requirements, the authorization of debt incurred, assumed or guaranteed by CMC in excess of Three Million Dollars (\$3,000,000.00), other than as provided for in any approved annual capital or operating budget;

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(ii) Amendments of Articles of Agreement and Bylaws. The approval by the CMC PPA Board of any proposed amendment or repeal of the Articles of Agreement or Bylaws of CMC PPA, which proposed amendment or repeal would (with respect to the System Member Board approval) (a) impact the powers reserved to the System Member Board; or (b) reasonably be expected to have any material strategic, competitive or financial impact on the System Board system; or (c) with respect to the CMCHS approval, impact the powers reserved to CMCHS or the Bishop. Subject to canonical requirements, the authorization of the sale, disposition, mortgage, or encumbrance of any assets in excess of Three Million Dollars (\$3,000,000.00) dedicated to the operations of CMC;

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(iii) Operating and Capital Budgets. The final adoption (and any subsequent revision) by the CMC PPA Board of the annual operating and capital budgets, including, without limitation, the establishment by the CMC PPA Board of financial reserves, and any vote

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by the CMC PPA Board to propose an action which may result in an unbudgeted expense or series of expenses equaling or exceeding an amount of One Million Dollars (\$1,000,000.00). Authorization of CMC to enter into any merger, consolidation or joint venture; or to sell or dispose of substantially all of the assets of CMC and its subsidiaries; or to create or acquire any subsidiary organization;

(iv) Indebtedness. The vote of the CMC PPA Board to incur any unbudgeted indebtedness or other borrowings that exceed the principal amount of One Million Dollars (\$1,000,000.00). Subject to canonical requirements, the adoption of the annual capital and operating budgets, provided that the expenditure of any of the cash reserves, board-designated reserves, surplus assets and other assets held by CMC on the Affiliation (as defined in the Affiliation Agreement dated June 28, 2016 (the "Affiliation Agreement")) and recorded on the CMC's financial statements as unrestricted assets, as well as certain parcels of real estate not required for the operation of CMC and identified on Schedule 3.9.3.1 of the Affiliation Agreement (the "Pre-affiliation Assets") contemplated by such budgets and proposed in accordance with those powers reserved to the Board of Trustees under Article IV, will not be subject to the approval of GraniteOne but may remain subject to the approval of CMCHS if such expenditure is in excess of Three Million Dollars (\$3,000,000.00);

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(v) Disposition of Assets. Unless contemplated by an approved budget, the vote of the CMC Board to sell, convey, assign, or lease, or grant a mortgage or other lien or encumbrance on, assets of CMC PPA in excess of One Million Dollars (\$1,000,000.00), as measured by net book value. Subject to canonical requirements, the authorization of a capital investment in excess of Three Million Dollars (\$3,000,000.00) by CMC or any of its subsidiaries in any individual entity or project in the form of cash or either tangible or intangible property, except as provided in any approved annual capital or operating budget or to the extent funded by the Pre-affiliation Assets; and

(vi) Auditing Firm. The appointment by the CMC PPA Board of a firm of independent public accountants to conduct an independent audit of the financial statements of CMC PPA, which requires the approval of the System Member Board only. The CMC Board of Trustees' appointment or reappointment of the CMC President and Chief Executive Officer ("CEO") and the determination of the President and CEO's compensation;

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(vii) Clinical Service or Programs. The decision of the CMC PPA Board to eliminate or add any health care service or program, change any licenses, or otherwise make a change to the operating character of CMC PPA which action requires only the approval of the System Member Board unless after receipt of prior written notice, CMCHS determines that the proposed action may impact the Catholic identity of, or adherence to Catholic moral teaching, the ERDs and Canon Law by CMC PPA, in which case CMCHS's approval also will be required.

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(viii) Academic and Research Matters. The adoption or material revision by the CMC PPA Board of any policies of CMC PPA relating to academic and research programs

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(except for student internship arrangements with training programs for nursing, physical, occupational therapy and speech/language pathology services, and other similar services), and any decision by the CMC PPA Board to enter into or terminate an academic affiliation, which action requires the approval only of the System Member Board unless after receipt of prior written notice CMCHS determines that the proposed action may impact the Catholic identity of, or adherence to Catholic moral teaching, the ERDs and Canon Law by, CMC PPA, in which case CMCHS' approval also will be required.

(ix) Exercise of CMC PPA's Reserved Powers over any CMC PPA Subsidiaries. Unless waived by the System Member in writing in its discretion, the proposed exercise by the CMC PPA Board of any reserved power or rights that it holds over subsidiary or other organization or arrangement in which it has a controlling ownership interest.

(x) Strategic Plans. The adoption or material revision by the CMC PPA Board of any strategic initiative or plan of CMC PPA and/or its subsidiaries, respectively, which action requires the approval only of the System Member Board unless after receipt of prior written notice, CMCHS determines that the proposed action may impact the Catholic identity of, or adherence to Catholic moral teaching, the ERDs and Canon Law by CMC PPA in which case CMCHS's approval also will be required.

(xi) Key Strategic Relationships. A decision of the CMC PPA Board to establish (whether by contract, joint venture or subsidiary entity), modify or terminate a "Key Strategic Relationship," defined as the ownership of, or contractual participation in, a network, system, affiliation, joint venture, alliance, proprietary health plan product or similar arrangement entered into with an organization that is not a member in the system, which action requires the approval only of the System Member Board unless after receipt of prior written notice CMCHS determines that the proposed action may impact the Catholic identity of, or adherence to Catholic moral teaching, the ERDs and Canon Law by CMC PPA in which case CMCHS's approval also will be required.

(xii) Merger/Change of Control; Divestiture. A decision of the CMC PPA Board to (a) merge or consolidate CMC PPA or any of its subsidiaries into another entity or otherwise conduct a change of control transaction; (b) acquire substantially all of the assets of another entity; or (c) sell or lease substantially all of the assets of CMC PPA and/or any of its subsidiaries to any person or entity.

(xiii) Bankruptcy; Closure; Dissolution. Any decision by the CMC PPA Board to (a) commence bankruptcy or other insolvency proceedings, or (b) close, liquidate and dissolve CMC PPA and/or any of its subsidiaries.

(b) Reserved Powers of the System Member to Initiate Actions by CMC PPA Exclusive to GraniteOne. Subject to the rights of CMCHS and the Bishop to assure compliance with Catholic moral teaching, the ERDs and Canon Law, the System Member will have the right to initiate the following actions to be taken or directed by CMC PPA and/or its subsidiaries:The

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following actions initiated by the Board of Trustees of CMC will require only the approval of GraniteOne:

(i) Removal of CMC PPA Board Trustee. Following consultation with the Chair of the CMC PPA Board, the System Member Board may propose the removal of any trustee of the CMC PPA Board if the System Member Board determines, in its reasonable good faith discretion, that such removal is in the best interests of the system. In making the foregoing determination, the System Member Board will consider the impact of such removal on CMC PPA and on the interests and representation of the community served by CMC PPA. Such action, however, must be approved by CMCHS under its reserved powers, which approval will not be withheld unless the proposed removal would jeopardize adherence by the CMC PPA Board with Catholic moral teaching, the ERDs and Canon Law. Approval of any strategic plans or material nonclinical programming and marketing plans, including material modifications thereof, and

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(ii) CMC President and Chief Executive Officer. Following consultation with the Chair of the CMC PPA Board, the System Member CEO and the applicable Regional President, the System Member Board will retain sole authority to evaluate and compensate the President and CEO of CMC PPA. The System Member Board also may initiate the hiring or termination of the CMC President and CEO, which hiring or termination must be approved by CMCHS, which approval will not be withheld unless the proposed removal would jeopardize adherence to the CMC PPA Board with Catholic moral teaching, the ERDs and Canon Law. Authorization to develop, implement or terminate clinical programs and clinical procedures shall be subject to approval by GraniteOne.

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(iii) Participation in System Strategies. To the extent applicable and determined by the System Member Board to be in the best interest of the System, CMC PPA will participate in system-wide strategies, delivery networks, products (including risk-based reimbursement arrangements) and other similar initiatives consistent with the System strategic plan(s) and designed to further the establishment of a more fully integrated and sustainable health delivery system, with the understanding that the obligation of CMC PPA to support or participate in System initiatives will not include any strategies or activities which violate Catholic moral teaching, the ERSDs or Canon Law.

(iv) Participation in System Programs and Initiatives. As determined and directed by the System Member Board, CMC PPA will participate in, and fulfill the requirements of, System-wide programs and initiatives designed to improve access, quality and/or costs of services to patients including those of CMC PPA with the understanding that the obligation of CMC PPA to support or participate in System programs and initiatives will not include those which violate Catholic moral teaching, the ERDs or Canon Law. Such programs and initiatives may include but not be limited to group purchasing, information technology system integration, quality improvement measures, and shared corporate services. The System Member Board will determine the locations from which such nonclinical programs and services are provided. The System Member Board may assess a reasonable charge for such programs or initiatives provided

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that such charge is assessed proportionately against CMC PPA and all members of the System to whom such programs or initiatives are available.

(v) Changes in Clinical Services. The System Member may initiate changes in the clinical services provided by CMC PPA if those changes are necessary to implement the System strategic plan and System-wide objectives, to further the clinical program development at CMC PPA contemplated by the strategic plan approved by the System Board or to improve the financial position of CMC PPA in connection with the System Member Board's approval of the operating and capital budgets of CMC PPA, provided such changes are consistent with Catholic moral teaching, the ERDs and Canon Law, CMC PPA's values and do not result in the alienation of ecclesiastical goods. Prior to the implementation of any clinical changes, the System Member will collaborate with CMC PPA in evaluating the clinical programming of CMC PPA. The System Member Board also will evaluate the impact of the proposed change on: (a) the ability of CMC to meet the health needs of the communities in its service area; (b) the quality and efficiency with which CMC PPA can deliver its health services; and (c) the charitable purpose of CMC PPA. The System Member Board will also give the CMC PPA Board an opportunity to address the proposed change and to provide any additional information, and will consider, in good faith, any input from the CMC PPA Board. After completion of this evaluation process, CMC PPA will implement the clinical changes required by the System Member Board in accordance with a mutually-agreed upon schedule.

(c) Reserved Powers Exclusive to CMCHS and the Bishop. The following actions initiated by the Board of Trustees of CMC PPA will require only the approval of CMCHS and/or the Bishop, as applicable:

(i) Any change in the philosophy, objectives or purposes of CMC PPA or its ethical religious standards;

~~Any change in the name "Catholic Medical Center", or the Catholic identity of, or compliance with Catholic moral teaching, the ERDs and Canon law. The appointment of each trustee to the CMC Board of Trustees;~~

~~The removal of any trustee from the CMC Board of Trustees; and~~

~~(ii) The dissolution or liquidation of CMC.~~

(d) Reconciliation of Conflict in Exercise of the System Member and the CMCHS/Bishop's Resolution of the Members' Reserved Powers. If there is a conflict between the exercise of the Reserved Powers of the System Member's Reserved Powers and the exercise of the Bishop's Reserved Powers Members and the Bishop with respect to the Reserved Powers and their approval of CMC Board of Trustees decisions, then the decision of the Bishop shall govern the decision unless the System Member Board has objected to the proposed action with respect to CMC. For those actions which require the approval or ratification of both the Bishop or CMCHS and the System Member Board and either or both of them has objected, then CMC

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PPA will revise its proposed action until it received the approval of both the Bishop or CMCHS and the System Member Board. Notwithstanding the foregoing, however, if there is a question related to the interpretation of Catholic moral teaching, the ERDs or Canon Law, then the decision and interpretation of the Bishop will govern.

Section 3. Powers Exclusive to the CMC PPA Board of Trustees.

(a) *Ex Officio Positions; CMC PPA Board Nominees.* Ex officio positions on the CMC PPA Board will be determined in accordance with these Bylaws. The CMC PPA Board will nominate individual trustees who, together with the *ex officio* trustees, comprise at least two-thirds (2/3) of the trustees serving on the Boards, subject to the System Member Board Reserved Powers (and the Bishop's Reserved Powers with respect to CMC PPA) to approve each nominee.

(b) *Board Chairperson.* The Chairperson of the Board will be selected by the Board from among the trustees nominated by CMC PPA and appointed by CMCHS and approved by the Bishop.

(c) *Input on Actions Pertaining to the President and Chief Executive Officer.* Although the power to hire, evaluate, compensate and terminate the President and Chief Executive Officer of CMC PPA is reserved to the System Member Board acting through the System Member CEO or designee (subject to the right of CMCHS to approve the hiring or termination of the CMC PPA CEO), the CMC PPA Board and the applicable Regional President will have the right to provide to the System Member CEO or designee an evaluation of the CMC PPA President and CEO prior to any compensation determination, and a recommendation prior to any proposed hiring or termination of the President and CEO of which the System Member CEO or designee will notify the System Member Board Chair. If the System Member CEO or designee decides to hire or terminate the CMC PPA President and CEO when the CMC PPA Board has provided a contrary evaluation or recommendation, then the System Member CEO or designee will consult with the System Member Board Chair before taking any action.

(d) *Strategic Planning and Operational Oversight.* Subject to the Reserved Powers, the CMC PPA Board will retain primary responsibility for identifying the health needs of the communities it serves, developing a strategic plan for meeting those needs, and overseeing the delivery and safety of health care services at its respective hospital and any related facilities.

(e) *Donor-Restricted Funds.* Subject to the Reserved Powers and the intent of

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donors, the CMC PPA Board will retain responsibility for determining whether and how much to appropriate from its donor-restricted funds for qualifying expenditures, consistent with the requirements of New Hampshire RSA 292-B:4, the Uniform Prudent Management of Institutional Funds Act.

(f) *Fundraising.* The CMC PPA Board will retain the authority to determine and implement fundraising activities conducted by CMC PPA in its respective service area, and to approve any fundraising efforts proposed by the System Member Board in the CMC PPA's respective service area.

(g) *Intellectual Property.* The CMC PPA Board retains exclusive rights with respect to the ownership and use of its corporate names and any trade names it has registered or put into use in the marketplace. CMC PPA will maintain the name "Catholic Medical Center Physician Practice Associates" and that any change in such names will be determined solely by the Boards of CMC PPA, CMCHS and the Bishop.

Section 24. Number and Qualifications. The number of ~~Directors~~Trustees of the Board of ~~Directors~~Trustees of ~~the Corporation~~CMC PPA shall be a minimum of five (5) and a maximum of twenty (20). There shall at all times be a minimum of at least five (5) ~~Directors~~Trustees who are not of the same immediate family or related by blood or marriage. ~~The number of Directors~~Trustees may be increased or diminished by action of a majority of the Board of ~~Directors~~Trustees at any regular or special meeting at which a quorum of ~~Directors~~Trustees is present, except that no such action shall be effective to remove any ~~Director~~Trustee then in office.

Section 35. Voting. Each ~~Director~~Trustee shall have the full right to vote and participate in the management and affairs of ~~the Corporation~~CMC PPA.

Section 46. Appointment. The ~~Directors~~Trustees of ~~the Corporation~~CMC PPA's Board of ~~Directors~~Trustees shall be appointed by the ~~Sole Member~~CMCHS with such appointments subject to the approval of the Bishop and the Reserved Powers of the Members as set forth in Article III, Section 2(a)(i) of these Bylaws. The CMC Board will have the power to nominate and present to CMCHS for appointment at least two-thirds (2/3rds) of the Trustees serving on the Board. Inclusive in the CMC PPA appointments will be the President and CEO of CMC who shall serve as an *ex officio* member of the Board and shall serve so long as he or she holds the respective office or until a successor is appointed. The System Member Board will have the power to nominate and present to CMCHS and the Bishop for appointment and approval, the system Trustees which will comprise the remaining one-third (1/3rd) of the Board. A majority of the ~~Directors~~Trustees on the Board of ~~Directors~~Trustees shall be members of the Board of ~~Directors~~Trustees of the Sole Member or persons who hold a position as an officer of the Sole Member. The System Board nominees shall be filled by individuals that are consistent with the Trustee criteria set forth in Exhibit A to these Bylaws, which CMC PPA and the Members have

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agreed are important factors in maintaining a strong and effective governing Board of CMC PPA. Due consideration shall be given to appointing one or more physicians as members of the Board.

Section 57. Respect for CMC's Catholic Identity. Each Trustee will, in their capacity as a Trustee, attest on an annual basis that they will comply with and respect the Ethical and Religious Directives for Catholic Health Care Services (the "ERDs") and the teachings of the Roman Catholic Church. Their activities outside CMC shall not mislead or confuse the Christian faithful about the moral teachings of the Roman Catholic Church.

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Section 8. Term of Office. Each ~~Director~~Trustee shall continue in office for a term of three (3) years and until reelected for another term until his or her successor shall have been appointed and shall have been qualified, or until his or her death, resignation or removal in the manner provided herein. ~~Directors~~Trustees shall not be able to serve more than ~~three wo~~(23) consecutive complete terms, with a maximum length of service of ~~nine eight~~(89) years except for *ex officio* members if an individual was appointed to fill a vacancy on the Board of ~~Directors~~Trustees prior to being duly elected to serve as a ~~Director~~Trustee pursuant to these By-Laws.

Section 68. Quorum and Manner of Acting. A quorum of the ~~Directors~~Trustees shall be required to transact any business. A majority of the total number of ~~Directors~~Trustees then holding office shall constitute a quorum for the transaction of business at any meeting except where otherwise provided by statute, ~~the Corporation~~CMC PPA's Articles of Agreement or these By-Laws. Less than a quorum may adjourn the meeting. At all meetings of the Board of ~~Directors~~Trustees, each ~~Director~~Trustee present shall have one (1) vote. At all meetings of the Board of ~~Directors~~Trustees, all questions, the manner of deciding which is not specifically regulated by statute, by these By-Laws or by ~~the Corporation~~CMC PPA's Articles of Agreement, shall be determined by a majority of the ~~Directors~~Trustees present at the meeting.

Section 79. Place of Meeting. The Board of ~~Directors~~Trustees may hold its meetings and have one or more offices at such places within the State of New Hampshire as the Board from time to time may determine or, in the case of meetings, as shall be specified or fixed in the respective notices or waivers of notice thereof.

Section 108. Books and Records. The correct and complete books and records of account and minutes of the proceedings of the Board of ~~Directors~~Trustees shall be kept by the board liaison management of ~~the Corporation~~CMC PPA in a manner approved by the Secretary of ~~the Corporation~~CMC PPA.

Section 119. Regular Meetings. Regular meetings of the Board of ~~Directors~~Trustees shall be held at such places and at such times as the Board shall from time to time by resolution determine. Notice of regular meetings need not be given.

Section 120. Special Meetings; Notice. Special meetings of the Board of

~~Directors~~Trustees shall be held whenever called by the Chair, or by the Secretary at the request of any three (3) ~~Directors~~Trustees at the time being in office. Written notice of each such meeting shall be given to each ~~Director~~Trustee either (i) by mail addressed to such ~~Director~~Trustee at his or her residence or usual place of business at least five (5) days before the day on which the meeting is to be held, or (ii) by facsimile, in person or by telephone, not later than forty-eight (48) hours prior to the time of such meeting. Every such notice shall state the time and place of the meeting, and shall state the agenda of items to be discussed at such meeting. No business other than that specified in the agenda contained in the notice for the meeting shall be transacted at any special meeting of the Board of ~~Directors~~Trustees, without the unanimous written consent of each of the ~~Directors~~Trustees. Notice of any meeting of the Board need not be given to any ~~Director~~Trustee, however, if waived by him or her in writing or by facsimile, whether before or after such meeting be held, or if he or she shall be present at such meeting unless his or her attendance at the meeting is expressly for the purpose of objecting to the transaction of any business because the meeting is not lawfully convened; and any meeting of the Board shall be a legal meeting without any notice thereof having been given, if all of the ~~Directors~~Trustees shall be present thereat without objection that the meeting is not lawfully convened.

Section 131. Executive Session. Upon the call of the Chair of the Board of ~~Directors~~Trustees, the Board of ~~Directors~~Trustees shall meet in executive session. Such meeting shall be a special meeting of the Board and as such shall be called and held in accordance with Section 120 of this Article. The Board may conduct any lawful business of ~~the Corporation~~CMC PPA at such meeting.

Section 142. Attendance. ~~Directors~~Trustees who miss three consecutive meetings of the Board or are not present for at least seventy-five percent (75%) of regular or special Board meetings in a calendar year shall be considered to have resigned from the Board and the Board may, in its discretion, choose to accept or decline to accept the resignation. Attendance records shall be maintained by the Recording Secretary of the Board. When the attendance record of a ~~Director~~Trustee indicates that if the ~~Director~~Trustee is absent from one more Board meeting, the ~~Director~~Trustee will be unable to fulfill the attendance requirement, then the Recording Secretary shall so inform the Chair. The Chair will then inform the ~~Director~~Trustee that absence from one more Board meeting, in that calendar year, will be considered as a submission of resignation by that ~~Director~~Trustee from the Board.

A ~~Director~~Trustee not attending at least sixty percent (60%) of committee meetings in a calendar year shall be considered to have resigned from that committee and from the Board and the Board may, in its discretion, choose to accept or decline to accept the resignation. Attendance records shall be maintained by the Recording Secretary of the Committee. When the attendance record of a ~~Director~~Trustee indicates that if the ~~Director~~Trustee is absent from one or more committee meeting, the ~~Director~~Trustee will be unable to fulfill the 60% attendance requirement, then the Recording Secretary shall so inform the Chair of the Committee. The Chair of the Committee shall then inform the Chair of the Board. The Chair of the Board will inform the ~~Director~~Trustee that absence from one more committee meeting in that calendar year

will be considered as a submission of resignation by that ~~Director~~Trustee from that Committee and the Board.

Section 153. Resignations. Any ~~Director~~Trustee of ~~the Corporation~~CMC PPA may resign at any time by giving written notice to the Chair of the Board of ~~Directors~~Trustees or to the Secretary of ~~the Corporation~~CMC PPA. Such resignation shall take effect at the time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 164. Removal of ~~Directors~~Trustees. Any ~~Director~~Trustee may be removed, with or without cause, at any time, by a two-thirds (2/3) majority-vote of those present at a duly called meeting of the Board of Trustees of CMC PPA, subject to the review and approval of the Member's Reserved Powers as set forth in Article III, Section 2(b)(i) of these Bylaws ~~Directors~~Trustees and the written approval of the Sole Member, at a duly called meeting of the Board of Directors~~Trustees of the Corporation~~CMC PPA, or by the Sole Member. The Sole Member may remove a Director~~Trustee at any time, with or without cause.~~

Section 17.5. Vacancies. Any vacancy in the Board of ~~Directors~~Trustees caused by death, resignation or removal shall be filled for the unexpired portion of the term in the manner prescribed in these By-Laws for appointment to the Board of ~~Directors~~Trustees.

Section 1618. Compensation. ~~Directors~~Trustees shall not receive any compensation for attendance at regular or special meetings or for services rendered to ~~the Corporation~~CMC PPA, but may be reimbursed for actual expenses incurred incidental to services performed for ~~the Corporation~~CMC PPA.

Section 1719. ~~Directors~~Trustees' Participation in Meeting By Telephone. A ~~Director~~Trustee may participate in a meeting of the Board of ~~Directors~~Trustees by means of conference telephone or similar communication equipment enabling all ~~Directors~~Trustees participating in the meeting to hear one another. Participation in a meeting pursuant to this section shall constitute presence in person at such meeting.

Section 1820. ~~Directors~~Trustees' Action Without Meeting. If all the ~~Directors~~Trustees entitled to vote and then holding office severally or collectively consent in writing to any action taken or to be taken by ~~the Corporation~~CMC PPA, then such action shall be valid as though it had been authorized at a meeting of the Board of ~~Directors~~Trustees. Email or other electronic transmissions intended to constitute the consent and signature of the sender and otherwise complying with NHRSA § 294-E will constitute a writing for the purpose of this Section 20. The Secretary shall file such consent or consents with the minutes of the meetings of the Board of ~~Directors~~Trustees.

Section 21. Confidentiality. The discussions, actions, minutes and records of the Board of Trustees and its committees are confidential and will not be disclosed to individuals or groups within or outside CMC PPA or the Members, except as required or permitted by law or as

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determined by the Board of Trustees, Chairperson or President and CEO.

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ARTICLE IV

COMMITTEES OF BOARD OF DIRECTORSTRUSTEES

Section 1. Designation; Vacancies. Except as otherwise provided herein, the Chairperson of the Board of DirectorsTrustees may designate such number of persons, including DirectorsTrustees and non-DirectorsTrustees, as he or she may from time to time determine, to constitute a committee for a specified purpose, each committee member of which, shall continue to be a member thereof at the pleasure of the Chairperson of the Board of DirectorsTrustees. The Board of DirectorsTrustees shall have power at any time to change the members of any committee, to fill vacancies, and to discharge any committee.

Section 2. Powers. Each committee appointed by the Board of DirectorsTrustees shall be subject to the Board of DirectorsTrustees and report to the Board of DirectorsTrustees as directed by the Board of DirectorsTrustees. No committee shall have authority to act on its own behalf or on the CorporationCMC PPA's behalf without the prior written direction of the Board of DirectorsTrustees. No committee shall have authority to bind the CorporationCMC PPA in any manner without the prior written approval of the Board of DirectorsTrustees.

Section 3. Procedure; Meetings; Quorum. Each committee shall make its own rules of procedure and shall meet at such times and at such place or places as may be provided by such rules or by resolution of the committee. A majority of the whole number of the members of each committee shall constitute a quorum at any meeting thereof, and the act of a majority of those present at a meeting at which a quorum is present shall be the act of the committee. The Board of DirectorsTrustees shall have power at any time to change the members of any committee, to fill vacancies, and to discharge the committee.

Section 4. Compensation. DirectorsTrustees serving on the committees of the Board of DirectorsTrustees shall not receive any compensation for their services as members of such committees, but may be reimbursed for actual expenses incurred incidental to services performed for the CorporationCMC PPA.

Section 5. Committee Chairs. Only DirectorsTrustees who are also members of the Board of DirectorsTrustees of the Sole Member may serve as the Chair of a committee of the Board of DirectorsTrustees of the CorporationCMC PPA. Except as indicated elsewhere, committee Chairs shall be appointed annually by the Chair of the Catholic Medical Center Physician Practice Associates Board. The Chair of the Board may also appoint interim committee Chairs in the event that a vacancy arises between annual meetings.

ARTICLE V

OFFICERS OF THE BOARD OF TRUSTEES

Section 1. Number. The officers of ~~the Corporation~~CMC PPA shall include the Chairperson of the Board, the Vice Chair, the President, the Vice President, the Treasurer and the Secretary who shall be the registered agent and such other officers as the Board of ~~Directors~~Trustees may from time to time deem appropriate. One person may hold the offices and perform the duties of more than one of said officers.

Section 2. Election, Term of Office, Qualifications and Nominations. The officers shall be ~~appointed by CMCHS for a term of one (1) year, elected by the Board of~~ ~~Directors~~Trustees for such terms as the Board of ~~Directors~~Trustees deems fit in its discretion. ~~Each officer shall hold office for such term as provided in Article III, Section 5, Each officer shall hold office for such term or until the death, resignation, or removal of such officer in the manner hereinafter provided, or until the death, resignation, or removal of such officer.~~ Each officer must be a ~~director~~Trustee or officer of Catholic Medical Center. Nominations for such officers must be submitted to and recommended to ~~CMCHS~~the Sole Member by the ~~Governance~~ ~~Nomination~~ Committee of the Board of ~~Directors~~Trustees of the ~~Catholic Medical Center~~Sole Member.

Section 3. Removal. Any officer may be removed, by a two-thirds (2/3) majority of the Board of ~~Directors~~Trustees, whenever the Board of ~~Directors~~Trustees believes that the best interests of ~~the Corporation~~CMC PPA will be served by such action.

Section 4. Resignations. Any officer may resign at any time by giving written notice to the Chair of the Board of ~~Directors~~Trustees, to the President or to the Secretary. Such resignation shall take effect at the time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5. Vacancies. A vacancy in any office because of death, resignation, removal or any other cause shall be filled for the unexpired portion of the term in the manner prescribed in these By-Laws for election or appointment to such office.

Section 6. The Chairperson of the Board. The Chairperson of the Board shall be ~~elected~~appointed by CMCHS from among the ~~Directors~~Trustees and shall be a member of the ~~Catholic Medical Center~~Sole Member's Board of ~~Directors~~Trustees. The Chairperson of the Board shall, if present, preside at all meetings of the Board of ~~Directors~~Trustees. Except where by law the signature of the President and CEO is required, the Chairperson of the Board shall possess the same power as the President to sign all certificates, contracts and other instruments of ~~the Corporation~~CMC PPA which may be authorized by the Board of ~~Directors~~Trustees. The Chairperson of the Board shall, in general, perform all duties incident to the office of Chairperson of the Board, subject, however, to the direction and control of the Board of ~~Directors~~Trustees, and such other duties as from time to time may be assigned to him or her by the Board of ~~Directors~~Trustees. Employees of ~~the Corporation~~CMC PPA are ineligible to serve as the Chairperson of the Board.

Section 7. The Vice Chairperson of the Board. The Vice Chairperson of the Board shall be appointed ~~elected~~ by CMCHS from among the ~~Directors~~ Trustees and shall be a member of the ~~Catholic Medical Center~~ Sole Member's Board of ~~Directors~~ Trustees. The Vice Chairperson of the Board shall discharge all of the responsibilities of the Chairperson of the Board in the event that the Chairperson is unavailable or unable to discharge the responsibilities set forth herein.

Section 8. The President. ~~The President shall be the Sole Member; provided, however, that in the event that the Sole Member wishes to appoint a different individual as President of the Corporation CMC PPA, then such individual must be interviewed by and must report on a regular basis to the President of the Sole Member. The President shall be the chief executive and administrative officer of the Corporation CMC PPA and shall have general and active supervision and direction over the day-to-day business and affairs of the Corporation CMC PPA and over its several officers, subject, however, to the direction and control of the Board of Directors Trustees. The President shall have the authority to name and to delegate such executive powers and management responsibilities to an executive officer so named by the President who will report and be directly responsible to the President. The President shall have the authority to sign or countersign all certificates, contracts and other instruments of the Corporation CMC PPA as authorized by the Board of Directors Trustees, and shall perform all such other duties as from time to time may be assigned to him or her by the Board of Directors Trustees. The responsibilities of the President and further terms and conditions related to the exercise of such office may be set forth in such an Employment Agreement as is authorized by the Board of Directors Trustees.~~

Section 9. The Vice President. ~~The Vice President shall have such powers and perform such duties as the Board of Directors Trustees may from time to time prescribe. At the request of the President or the Board of Directors Trustees the Vice President may act in the President's place, and when so acting shall have all the powers and be subject to all the restrictions of the President.~~

Section 10. The Secretary. The Secretary shall keep or cause to be kept in books provided for the purpose the minutes of the meetings of the Board of ~~Directors~~ Trustees; shall see that all notices are duly given in accordance with the provisions of these By-Laws and as required by law; and in general, shall perform all duties incident to the office of Secretary and such other duties as may, from time to time, be assigned to him or her by the Board of ~~Directors~~ Trustees or by the President.

Section 11. The Treasurer. The Treasurer shall be the financial officer of ~~the Corporation CMC PPA~~; shall have charge and custody of, and be responsible for, all funds of ~~the Corporation CMC PPA~~, and deposit all such funds in the name of ~~the Corporation CMC PPA~~ in such banks, trust companies or other depositories as shall be selected by the Board of ~~Directors~~ Trustees; shall receive, and give receipts for, moneys due and payable to ~~the Corporation CMC PPA~~ from any source whatsoever; and in general, shall perform all the duties

incident to the office of Treasurer and such other duties as from time to time may be assigned to him or her by the Board of ~~Directors~~Trustees or by the President.

ARTICLE VI

CORPORATE OFFICERS

Section 1. Number. The corporate officers of CMC PPA shall include a President and CEO and may include one (1) or more Vice Presidents and such other corporate officers as the Board of Trustees may from time to time deem appropriate.

Section 2. The President and CEO. The CMC President and CEO shall be the chief executive and administrative officer of CMC PPA who shall be nominated by the Board of Trustees, appointed by CMCHS and approved by the Bishop. The President and CEO shall have general and active supervision and direction over the day-to-day business and affairs of CMC PPA and over its officers, subject, however, to the direction and control of the Board of Trustees. The President and CEO shall sign or countersign all certificates, contracts and other instruments of CMC PPA as authorized by the Board of Trustees, and shall perform all such other duties as from time to time may be assigned to him or her by the Board of Trustees. The responsibilities of the President and CEO and further terms and conditions related to the exercise of such office may be set forth in such an employment agreement as is authorized by the Board of Trustees. The President and CEO shall meet with and advise the Board of Trustees, the Executive Committee, and all other committees. He or she shall be responsible for the systematic preservation of all minutes and records of the CMC PPA.

Section 3. The Vice Presidents. Each Vice President shall be hired by the President and CEO of CMC, at his or her sole discretion. Each Vice President shall have such powers and perform such duties as the President and CEO may from time to time prescribe. At the request of the President and CEO, or in case of the President and CEO's inability or express delegation of authority to act, any Vice President may act in the President and CEO's place, and when so acting shall have all the powers and be subject to all of the restrictions of the President and CEO,

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ARTICLE VII

CONTRACTS, CHECKS, NOTES, ETC.

Section 1. Execution of Contracts. All contracts and agreements authorized by the Board of ~~Directors~~Trustees, and all checks, drafts, notes, bonds, bills of exchange and orders for the payment of money shall, unless otherwise directed by the Board of ~~Directors~~Trustees, or unless otherwise required by law, be signed by any one of the following officers: Chair of the Board of ~~Directors~~Trustees, President, Chief Financial Officer, Chief Operating Officer, Treasurer, Secretary or Executive Vice President. The Board of ~~Directors~~Trustees may, however, authorize any two of said officers to sign checks, drafts and orders for the payment of money in excess of specified amounts, and may designate officers and employees of ~~the~~

~~CorporationCMC PPA~~ other than those named above, or different combinations of such officers and employees, who may, in the name of ~~the CorporationCMC PPA~~, execute checks, drafts, and orders for the payment of money on its behalf.

Section 2. Loans. No loans shall be contracted on behalf of ~~the CorporationCMC PPA~~ and no negotiable paper shall be signed in its name unless authorized by resolution of the Board of ~~DirectorsTrustees~~. When authorized by the Board of ~~DirectorsTrustees~~, any officer may effect loans and advances at any time for ~~the CorporationCMC PPA~~ from any bank, trust company or other institution, or from any firm, corporation or individual, and for such loans and advances may make, execute and deliver promissory notes, bonds or other certificates or evidences of indebtedness of ~~the CorporationCMC PPA~~ and, when authorized so to do, may pledge, hypothecate or transfer any securities or other property of ~~the CorporationCMC PPA~~ as security for any such loans or advances. Such authority may be general or confined to specific instances, provided, however, that any transaction in the amount of \$100,000 or greater must have the prior review and approval of the Sole Member's Board of ~~DirectorsTrustees~~ before it can be consummated. Notwithstanding the foregoing or anything herein to the contrary, under no circumstances is ~~the CorporationCMC PPA~~ to make any loans of money or property to any ~~DirectorsTrustees~~ or officers of ~~the CorporationCMC PPA~~.

ARTICLE VIII

CONFLICT OF INTEREST POLICY

Any possible conflict of interest on the part of any ~~DirectorTrustee~~ or officer or employee, or a member of the immediate family of any such person, of ~~the CorporationCMC PPA~~ shall be disclosed in writing to ~~the CorporationCMC PPA~~'s Board of ~~DirectorsTrustees~~. The possible conflict of interest shall be made of record through complete and full written disclosure to the Board of ~~DirectorsTrustees~~ when such individual has an interest that involves a specific issue before the Board of ~~DirectorsTrustees~~.

A transaction in which a ~~DirectorTrustee~~ or officer, or a member of the immediate family of any such person, has a financial interest, whether direct or indirect, shall be prohibited unless it is in the best interests of ~~the CorporationCMC PPA~~, the transaction is for goods or services in the ordinary course of business of ~~the CorporationCMC PPA~~ for the actual or reasonable value (or a discounted value) of the goods or services, the transaction is fair to ~~the CorporationCMC PPA~~ and the appropriate actions as set forth herein are taken. When the transaction involving a ~~DirectorTrustee~~ or officer, or a member of the immediate family of any such person, exceeds Five Hundred Dollars (\$500.00) but is less than Five Thousand Dollars (\$5,000.00) in a fiscal year, the transaction must be approved by affirmative votes (and those affirmative votes must equal or exceed any quorum requirement specified herein) from at least two-thirds (2/3) of the Disinterested ~~DirectorsTrustees~~ (as hereinafter defined) after full and fair disclosure of the material facts of the transaction and after notice and full discussion of the transaction by the Board of ~~DirectorsTrustees~~ without the participation, voting or presence of any ~~DirectorTrustee~~ or officer with a financial interest in the transaction or a ~~DirectorTrustee~~ or officer who has had a

pecuniary benefit transaction with ~~the Corporation~~CMC PPA in the same fiscal year. When the transaction involving a ~~Director~~Trustee or officer, or a member of the immediate family of any such person, is in an amount equal to or greater than Five Thousand Dollars (\$5,000) in a fiscal year, then: (i) the two-thirds vote of the Disinterested ~~Directors~~Trustees set forth in the preceding sentence is required; and (ii) ~~the Corporation~~CMC PPA must publish notice of the transaction in a newspaper of general circulation in the community in which ~~the Corporation~~CMC PPA's principal office is located, Manchester, or a newspaper of general circulation throughout the State of New Hampshire prior to consummation of the transaction; and (iii) ~~the Corporation~~CMC PPA must provide written notice of the transaction to the Office of the ~~Director~~Director of Charitable Trusts within the Office of the New Hampshire Attorney General prior to consummation of the transaction. The minutes of the meeting in which a transaction is discussed pursuant to this Article VI shall reflect that a disclosure was made, the abstention from voting and the actual vote itself.

Every new ~~Director~~Trustee will be advised of this policy upon assuming the position of ~~Director~~Trustee and shall sign a statement acknowledging an understanding of and agreement to the Conflict of Interest Policy as set forth in this Article VI. The Board of ~~Directors~~Trustees will comply with all requirements of New Hampshire law concerning conflicts of interest related to non-profit entities and such New Hampshire requirements are incorporated into and made a part of this Article VI. For the purposes of these By-Laws, a "Disinterested ~~Director~~Trustee" is a ~~Director~~Trustee who does not have a financial interest in the transaction under consideration and has not been involved in a different transaction subject to this Article VI within the same fiscal year.

Under no circumstances is ~~the Corporation~~CMC PPA to make any loans of money or property to any ~~Directors~~Trustees or officers of ~~the Corporation~~CMC PPA. ~~The Corporation~~CMC PPA shall not sell, lease for a term of greater than five (5) years, purchase or convey any real estate or interest in real estate to or from a ~~Director~~Trustee or officer without the prior approval of the probate court after a finding that the sale or lease is fair to ~~the Corporation~~CMC PPA.

ARTICLE ~~VHIX~~

FISCAL YEAR

The fiscal year of ~~the Corporation~~CMC PPA shall be fixed by the Board of ~~Directors~~Trustees and will correspond to the fiscal year of ~~the Sole Member~~CMCHS.

ARTICLE IX

WAIVER OF NOTICE

Whenever any notice is required to be given to the ~~Sole-Members~~ or any ~~Director~~Trustee by these By-Laws or the Articles of Agreement or the laws of the State of New Hampshire, a waiver of the notice in writing, signed by the person or persons entitled to the notice, whether before or after the time stated therein, shall be deemed equivalent to giving the notice.

ARTICLE XI

AMENDMENT OF BY-LAWS

The power to alter, amend or repeal these Bylaws or to adopt new Bylaws shall be vested in the Board of Trustees, who may make any such alteration, amendment, repeal or adoption by a two-thirds (2/3) majority vote at any meeting or special meeting of the Board of Trustees called for such purpose, provided that notice of the proposed change is given in the notice of the meeting, and that such change shall be subject to the Reserved Powers approval of the Members and the Bishop, where applicable. The Board of Trustees shall review these Bylaws at least annually.

~~The power to alter, amend or repeal these By-Laws or to adopt new By-Laws, shall be vested in the Board of Directors~~Trustees upon the approval of such alteration, amendment or repeal by the ~~Sole Member~~.

ARTICLE XII

LIMITED LIABILITY TO CMC PPA

Each Trustee and officer shall be indemnified by CMC PPA against personal liability to CMC PPA for monetary damages for breach of fiduciary duty as a trustee or officer, or both, except with respect to: (1) any breach of the trustee's or officer's duty of loyalty to CMC PPA; (2) acts or omissions which are not in good faith or which involve intentional misconduct or a knowing violation of the law; or (3) any transaction from which the trustee or officer derived any improper personal benefit.

ARTICLE XIII

INDEMNIFICATION AND INSURANCE AGAINST THIRD PARTY CLAIMS

~~The Directors~~Trustees and ~~Officers of the Corporation~~CMC PPA shall not be personally liable to the ~~Corporation~~CMC PPA or its ~~Sole Member~~ for monetary damages for any breach or alleged breach of fiduciary duty as a ~~Director~~Trustee or ~~Officer~~, or both, except with respect to:

1. ~~Any breach of the Director/Trustee's or Officer's duty of loyalty to the Corporation/CMC PPA or its Sole Member;~~
2. ~~Acts or omissions which are not in good faith or which involve intentional misconduct or a knowing violation of the law; or~~
3. ~~Any transaction from which the Director/Trustee or Officer derived any improper personal benefit.~~

Section 1. Indemnification. CMC PPA shall to the fullest extent now or hereafter permitted by law, indemnify its Trustees, officers, and committee members and their respective heirs, administrators and executors (the "Indemnitee"), against any and all third party claims, suits, proceedings, judgments and assessments ("Proceeding"), and reasonable costs and expenses, including reasonable attorney's fees (the "Expenses"), incurred or imposed upon them in connection with any third party Proceeding to which they may be a party or with which they shall be threatened by reason of their being or having been a Trustee, officer or committee member of CMC PPA. The Indemnitee shall have the obligation and burden to provide CMC PPA and its insurer timely notice of any Proceeding or potential Proceeding that could implicate the indemnification obligations of this Article XIII and such information as is reasonably necessary for CMC PPA and insurer to assess such Proceeding or potential Proceeding. CMC PPA shall have the right, but not the duty, to assume the defense of the Indemnitee in any such Proceeding. In the event that CMC PPA does not assume the defense, CMC PPA's liability for indemnification in the event of a proposed settlement shall be conditioned upon CMC PPA's written approval of the settlement. The right of indemnification shall not be deemed exclusive of any other rights to which the Indemnitee may otherwise be entitled as a matter of law. CMC PPA's obligation to indemnify the Indemnitee shall be reduced to the extent that the Indemnitee has otherwise received payment (under any insurance policy, other contractual indemnity clause, bylaw, agreement, resolution or otherwise). The right of indemnification shall not cover those matters which are the result of: (1) any breach of the Trustee's, officer's or committee member's duty of loyalty to CMC PPA; (2) acts or omissions which are not in good faith or which involve intentional misconduct or a knowing violation of the law; or (3) any transaction from which the trustee, officer or committee member derived any improper personal benefit.

Section 2. Advancement of Expenses. Notwithstanding any other provision in this Article XIII, CMC PPA may advance the Expenses, incurred by or on behalf of the Indemnitee in connection with any Proceedings, by reason of their being or having been a Trustee, officer or committee member of CMC PPA within sixty (60) days after the receipt by CMC PPA of a statement or statements from the Indemnitee requesting such advance or advances from time to time, whether prior to or after final disposition of the Proceeding. Such statement or statements shall be supported by reasonable documentary evidence of the Expenses incurred by the Indemnitee and shall include or be preceded by a written statement by or on behalf the Indemnitee that the Indemnitee has a good faith belief that the standard of conduct permitting indemnification has been met or that the Proceeding involves conduct for which indemnification would be permissible by New Hampshire law or these Bylaws. In addition, such written statement furnished by the Indemnitee shall include a commitment to repay any of the Expenses

advanced if it is ultimately determined that the Indemnitee is not entitled to be indemnified against the Expenses. Any advances and undertakings to repay pursuant to this Section 2 shall be unsecured and interest free. CMC PPA's obligation to advance the Expenses to the Indemnitee shall be reduced to the extent that the Indemnitee has otherwise received payment or payment has been made to or for the Indemnitee's benefit (under any insurance policy, other contractual indemnity clause, bylaw, agreement, resolution or otherwise).

Section 3. Insurance. CMC PPA shall have the authority to purchase and maintain insurance on behalf of any person who is a Trustee, officer and committee member and to indemnify CMC PPA for any obligation which CMC PPA occurs as a result of its indemnification of its Trustees, officers, and committee members and their respective heirs, administrators and executors pursuant to this Article XIII.

ARTICLE XIV

TAX EXEMPT STATUS

These Bylaws shall at all times be so construed and limited as to enable CMC PPA to qualify and to continue qualifying as a voluntary corporation incorporated and existing under New Hampshire law and as a recognized Section 501(c)(3) tax-exempt charitable organization organized and operated for any purpose for which an organization may be exempt under Section 501(c)(3) of the Code. No person, firm or corporation shall ever receive any dividend or profit from the undertaking of CMC PPA. No substantial part of the activities of CMC PPA shall include the carrying on of propaganda or otherwise attempting to influence legislation, and CMC PPA shall not participate or intervene (including by the publication or distribution of statements) in any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of these Bylaws, CMC PPA shall not conduct any activities not permitted to be conducted by a corporation exempt from taxation under Section 501(c)(3) of the Code, or by a corporation, the contributions to which are deductible by a contributor under Section 170(c)(2) of the Code. No part of the net earnings of CMC PPA shall inure to the personal benefit of any Trustee, individual or entity. In the event of the complete termination or complete dissolution of CMC PPA, in any manlier or for any reason whatsoever, its remaining assets, if any, shall be disposed of as set forth in CMC PPA's Articles of Agreement.

~~These By-laws of the Corporation CMC PPA shall at all times be so construed and limited as to enable the Corporation CMC PPA to qualify and to continue qualifying as a voluntary charitable corporation duly organized and existing pursuant to the provisions of Chapter 292 of the Revised Statutes Annotated of the State of New Hampshire, as amended, and as a tax-exempt charitable organization organized and operated for any purpose for which an organization may be exempt pursuant to the provisions of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended.~~

ATTEST:

I, the undersigned Secretary of the CMC PPA, hereby attest that the foregoing is a true, complete and accurate set of the By-Laws, as adopted on April 25, 2002; revised December 21, 2006 and _____, 2019.

_____, Secretary

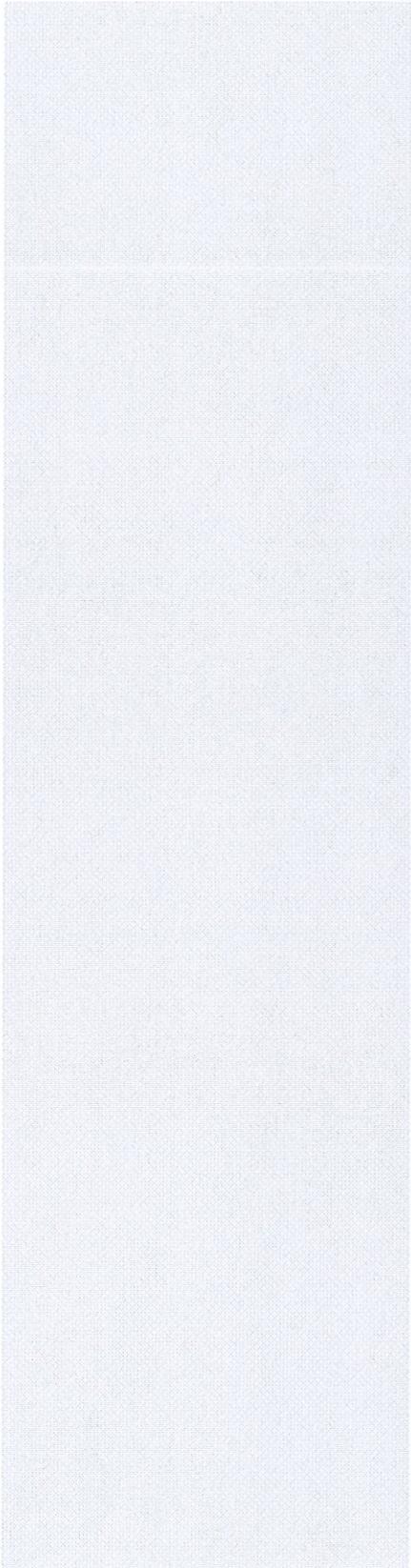


EXHIBIT A

Trustee Criteria for System Board Appointees/Nominees and Member Board Nominees

1. Employment or personal experience, and/or professional status, that reflect a record of accomplishment or reveals expertise that will help the Member Board fulfill its duties.
2. Possesses a long-term, positive reputation for high ethical standards.
3. Demonstrates an understanding of the Member's mission including, in the case of a nominee to the CMC PPA Board of Trustees, the Catholic moral teachings, the ERDs and Canon Law, as well as the mission, vision and principles of the System. 1
4. Demonstrates a strategic perspective, an awareness of the dynamics of the complex and ever-changing healthcare environment and the need to anticipate and capitalize on opportunities that enhance the vision and principles of the Member as well as the System.
5. Service and experience with other non-profit or healthcare boards with a record of preparation, attendance, participation, interest and initiative.
6. Willing and enthusiastic promoter of the Member as well as the System.
7. Connections with public and influential community organizations and stakeholders important to Member.
8. Willingness and availability to contribute time and energy to the Members Board and its committees.

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1 Pursuant to Article III, Section 3(b)7 of the Amended and Restated Bylaws of CMC PPA, Trustees shall attest on an annual basis, in their capacity as a Trustee of CMC PPA, that they will comply with and respect the ERDs and the moral teachings of the Catholic Church and that their activities outside of CMC PPA shall not mislead or confuse the Christian faithful about the moral teachings of the Catholic Church.