

## **APPENDIX E**

**SECOND AMENDED AND RESTATED BYLAWS OF  
UPPER CONNECTICUT VALLEY HOSPITAL ASSOCIATION**

Pursuant to the provisions of N.H. RSA 292:6, Upper Connecticut Valley Hospital Association, a New Hampshire voluntary corporation located in Colebrook, New Hampshire (the "Corporation") hereby adopts these Second Amended and Restated Bylaws (the "Bylaws"), which restate, amend and supersede the bylaws of the Corporation, as previously in effect, in their entirety as described below:

**DEFINITIONS**

In addition to any capitalized terms used and otherwise defined in these Bylaws, the following capitalized terms have the following meanings:

- System Parent:** Means North Country Healthcare, Inc., the sole member of each of the Hospitals (defined below) and Affiliates (defined below).
- Hospital(s):** Means (individually or in the aggregate, as the case may be) each of Androscoggin Valley Hospital, Inc., a New Hampshire voluntary corporation located in Berlin, NH ("AVH"), the Corporation, and Weeks Medical Center, a New Hampshire voluntary corporation located in Lancaster, NH ("WMC"). The Hospitals are the original health care organizations that established North Country Healthcare, Inc.
- Affiliate(s):** Means (individually or in the aggregate, as the case may be) each of the Hospitals and North Country Home Health and Hospice Agency, Inc., a New Hampshire voluntary corporation located in Littleton, NH ("NCHHA") and any other health care organization that has the System Parent become its sole member, amends its organizational documents accordingly and becomes a party to a certain Management Services Agreement dated March 31, 2016.

**ARTICLE I**

**ORGANIZATION AND PURPOSE**

Section 1. Name and Principal Place of Business. The name of the Corporation shall be "Upper Connecticut Valley Hospital Association". The principal place of business of the Corporation shall be Colebrook, New Hampshire.

Section 2. Organization. The Corporation is organized as a nonprofit voluntary corporation under the provisions of the New Hampshire Revised Statutes Annotated, Chapter 292.

Section 3. Purposes. The Corporation is organized exclusively for charitable, educational, religious or scientific purposes, within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”) and the Corporation shall not carry on any other activities not permitted to be carried on by an organization exempt from Federal income tax under Section 501(c)(3) of the Code. The specific purposes of the Corporation shall be:

(a) To maintain an institution with permanent facilities that include inpatient beds and medical services, to provide diagnoses and treatment for patients and associated services, such as, but not limited to, skilled care, emergency care, extended care, outpatient care and other medically related services;

(b) To promote and carry on educational activities and scientific research related to rendering care to the sick and injured, or to the promotion of health as the Corporation Board may determine to be appropriate and in compliance with any State and Federal mandates;

(c) To participate in an integrated regional health care system among the Affiliates operated by the System Parent (the “System”);

(d) To cooperate in alignment of the missions, clinical services, and economic interests of the Affiliates;

(e) To engage in collaborative regional planning relating to the delivery of health care services in the generally-recognized service areas of one or more of the Affiliates (the “North Country”);

(f) To participate in a highly coordinated health care network developed by the System Parent that will improve the quality, increase the efficiencies and lower the costs of health care delivery in the communities served by the Affiliates;

(g) To participate in a clinical integration program developed by the System Parent to evaluate and modify provider practices and create a high degree of interdependence and cooperation to control costs and ensure quality;

(h) To enhance regional access for those served by the Affiliates; and

(i) To embrace a commitment to the North Country.

Section 4. Limitations. Notwithstanding any other provision of these Bylaws, the following limitations shall apply to the Corporation:

(a) No part of the net earnings of the Corporation shall inure to the benefit of any member, trustee, director, or officer of the Corporation, or any private individual (except that reasonable compensation may be paid for services rendered to or for the Corporation and payments or distributions may be made in furtherance of purposes set forth in Section 501(c)(3) of the Code), and no member, trustee, director, or officer of the Corporation, or any private

individual shall be entitled to share in the distribution of any of the corporate assets on dissolution of the Corporation.

(b) No substantial part of the activities of the Corporation shall be carrying on propaganda, or otherwise attempting to influence legislation, or participating in, or intervening in (including the publication or distribution of statements), any political campaign on behalf of any candidate for public office.

(c) The Corporation shall not carry on, or participate in, any activity not permitted to be carried on either,

- (i) by a corporation exempt from federal income tax under Section 501(c)(3) of the Code, or the corresponding section of any future federal tax code, or
- (ii) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Code, or the corresponding section of any future federal tax code, or
- (iii) by a private nonprofit corporation organized under the provisions of New Hampshire Revised Statutes Annotated, Chapter 292.

## ARTICLE II

### MEMBERSHIP

Section 1. System Parent as Sole Member. The sole member of the Corporation shall be North Country Healthcare, Inc., the System Parent. The Corporation shall have no capital stock.

Section 2. Voting and Participation. The System Parent shall participate exclusively through action by its board of directors.

Section 3. System Parent's Action Without Meeting. Any action permitted to be taken by the System Parent under the Articles of Agreement or these Bylaws may be taken without a meeting; provided that such action shall be taken by one or more written consents consistent with the requirements of the bylaws of the System Parent for such consent actions.

## ARTICLE III

### BOARD OF DIRECTORS

Section 1. Establishment of Board of Directors. Subject to the provisions of the Articles of Agreement and these Bylaws, the management and direction of the affairs of the Corporation shall be vested in a Board of Directors (the "Corporation Board") which shall have

the composition and be subject to nomination, election and appointment as provided in this Article III.

Section 2. Number. The Corporation Board shall consist of not less than eleven (11) nor more than seventeen (17) directors.

Section 3. Composition. The criteria for selection to serve as a director shall be based upon the identified needs of the Corporation Board. The Corporation Board should be representative of a cross section of the population served by the Corporation, both geographically and professionally. The Board must be comprised of at least five (5) persons who are not related by blood or marriage. The Chief Medical Officer, Chief of the Medical Staff and President of the Assembly of Overseers (or designee) shall be ex officio directors, with vote and shall be included within the total number of directors set forth in Section 2 above. In addition to the number of directors set forth in Section 2 above, the President of the Corporation and the Chief Executive Officer of the System Parent shall at all times be ex officio, non-voting members of the Corporation's Board.

Section 4. Term. The term for newly elected directors of the Corporation Board shall begin at the time of the Annual Meeting following their election. Elected directors of the Corporation Board shall serve for a term of three years and until their respective successors are elected and qualified. The terms of the directors shall be staggered so that approximately one-third of the directors shall be elected or re-elected each year at the annual meeting.

Section 5. Nomination and Elections.

(a) Nomination. The Governance Committee shall present to the Corporation Board at the annual meeting of the Corporation Board a slate of suggested nominees for election to the Corporation Board. In addition, the Governance Committee shall propose nominees to the Corporation Board for any vacancy on the Corporation Board created by the resignation or removal of the director.

(b) Approval and Election by Corporation Board. A nominee, having been nominated pursuant to Section 5(a), shall be subject to election by the Corporation Board at an annual meeting of the Corporation, or in the case of a replacement director, at an appropriate regular or special meeting of the Corporation Board called for at least such purpose. Directors shall be elected by a majority vote of the Corporation Board and majority vote of the System Parent board of directors.

Section 6. President of the Corporation. The President, subject to the overall direction and supervision of the Corporation Board and committees thereof, shall be in general charge of the affairs of the Corporation, and shall consult and advise with the Corporation Board and committees thereof on the business and the affairs of the Corporation. The President shall have the power to make and execute contracts and other instruments, including powers of attorney, on behalf of the Corporation and to delegate such power to others. The President shall report to the Corporation Board on all matters reserved to the Corporation Board, and shall report

to the Chief Executive Officer of the System Parent on all matters ceded to the System Parent. The President shall, unless otherwise expressly provided, be an ex officio member with vote of all committees and shall act as the duly authorized representative of the Corporation Board in all matters except those in which the Corporation Board has formally designated some other person or group to act. The duties of the President shall include, but not be limited to, those outlined in the current President job description. The same individual shall not hold the position of an Affiliate president and Chief Executive Officer of the System Parent, except for brief periods not to exceed six months, in order to provide coverage for a vacancy or other similar reasons.

Section 7. Term Limits. No director shall serve for more than four consecutive terms in addition to interim year appointments served prior to being elected to a full term; provided, however, that this limitation shall not apply to directors who are directors ex officio. After a lapse of one year, an individual may again serve as a director, subject again to the term limit provided herein.

Section 8. Resignation or Removal. A director may resign at any time by tendering his resignation in writing to the Chair or the President, which shall become effective upon receipt. Any director may be removed from office, with or without cause, upon a vote of two-thirds of the remaining directors of the Corporation Board at a special meeting that is called for at least the purpose of considering and acting on such removal. Resignation or removal as President of the Corporation, Chief Medical Officer, Chief of the Medical Staff and President of the Assembly of Overseers shall also constitute resignation or removal as a director. Resignation or removal as a director shall also constitute resignation or removal as an officer of the Corporation.

Section 9. Vacancy. Any vacancy in a director position of the Corporation Board due to death, resignation or removal of a director may be filled at any regular or special meeting of the Corporation Board called for at least the purpose of considering and acting on such election, and any vacancy must be filled no later than the annual meeting next following the occurrence of the vacancy. Any replacement director shall be nominated by action of the Governance Committee. The Corporation Board shall elect any replacement director by the affirmative vote of a majority of the remaining directors, even though those remaining may constitute less than a quorum of the Corporation Board. A director elected to fill a vacancy shall be elected to hold office for the remainder of the original director's term.

Section 10. Attendance. Directors shall be required to attend, in person or through approved participation means, at least 75 percent of all meetings of the Corporation Board during any calendar year. A director's failure to satisfy this attendance requirement shall be cause for removal of such director.

Section 11. Expenses. Directors and members of any committee of the Corporation Board shall be entitled to reimbursement for any reasonable expenses incurred in attending meetings of the Corporation Board and any committee thereof, except that a director who is an

officer or employee of the Corporation shall receive no compensation or fees for serving as a director or a committee member.

Section 12. Emeritus Directors. The Corporation Board may from time to time elect certain individuals to be Emeritus Directors on an honorary basis in recognition of meritorious or faithful service to the Corporation or in recognition of distinguished achievement, such individuals to serve until otherwise determined by the Board. Emeritus Directors may attend Corporation Board meetings on invitation of the Corporation Board but shall not vote or be counted towards a quorum, nor shall they have any other rights associated with Corporation Board membership. Emeritus Directors shall not be considered directors to determine the constitution of the Corporation Board as to its size or representation.

## ARTICLE IV

### MEETINGS AND ACTIONS OF THE CORPORATION BOARD OF DIRECTORS

Section 1. Annual Meetings. An annual meeting of the Corporation Board shall be held each year at such place, date and time as shall be designated from time to time by the Corporation Board. In the absence of a resolution adopted by the Corporation Board establishing such place, date and time, the annual meeting shall be held in New Hampshire, in January of each year at a location to be determined by the Chair of the Board. The Corporation Board shall communicate and cooperate with each other Affiliate and the System Parent in an effort to schedule the annual meeting of the Corporation Board at a time that does not conflict with annual or regular board of director meetings of the other Affiliates or the System Parent.

Section 2. Regular Meetings. Regular meetings of the Corporation Board shall be held at such times as the Corporation Board may determine from time to time; provided, however that regular meetings shall be held not less frequently than quarterly, and the annual meeting may be designated as one of such quarterly meetings. The Corporation Board shall communicate and cooperate with each other Affiliate and the System Parent in an effort to schedule regular meetings of the Corporation Board at times that do not conflict with regular board of director meetings of the other Affiliates or the System Parent.

Section 3. Special Meetings. Special meetings of the Corporation Board may be called by the Chair of the Board or by any four or more directors by written request to the Secretary.

Section 4. Notice of Meetings. The Chair of the Board or the Secretary shall give notice of all Annual and Regular meetings of the Corporation Board by mailing the notice at least five days before each meeting or by telephoning the directors, or sending notice to the directors by facsimile, by electronic mail or other electronic transmission, not later than three days before the meeting. The Chair of the Board or the Secretary shall give notice of all Special meetings of the Corporation Board at least twenty-four hours prior to the date of such Special Meeting in writing, by telephone, by facsimile, by electronic mail or by other electronic

transmission. The notice of any meeting shall state the time, date and place of the meeting, which shall be determined by the Chair of the Board, or, in absence of the Chair, by the Secretary, unless otherwise determined by the Corporation Board by action taken prior to the meeting.

Section 5. Quorum and Adjournment. A majority of the directors holding office shall constitute a quorum for the transaction of business. After a quorum has been established at a meeting of the Corporation Board, the subsequent withdrawal of directors from the meeting so as to reduce the number of directors present to fewer than the number required for a quorum shall not affect the validity of any action taken by the Corporation Board at the meeting or any adjournment thereof to the extent a quorum was present at the time such action was taken. A majority of the directors present, whether or not a quorum exists, may adjourn any meeting of the Corporation Board to another time and place. Notice of any such adjourned meeting shall be given to the directors who are not present at the time of adjournment.

Section 6. Presiding Officer at Meetings. At all meetings of the Corporation Board, the Chair of the Corporation Board shall preside and in the absence of the Chair, the Vice Chair of the Corporation Board shall preside. In the absence of, or in the case of a vacancy of both offices of, the Chair and Vice Chair, a chair selected by the Chair of the Corporation Board or, if he/she fails to do so, by the directors, shall preside.

Section 7. Voting and Actions on General and Major Matters.

(a) In General. Except as otherwise specifically required by New Hampshire law or by the Articles of Agreement or by these Bylaws, any action required to be taken at a meeting of the Corporation Board shall be authorized by a majority of the directors present at any meeting at which a quorum is present.

(b) Major Matters. Subject to the provisions of Section 7(c) below, the following actions shall be authorized only if the matter is initiated and authorized in accordance with the following paragraphs. For purposes of these paragraphs, a particular required vote (e.g., “majority” or “two-thirds”) refers to directors present at any meeting at which a quorum is present and “System Parent Board” shall mean the board of directors of the System Parent.

Major Organizational Matters.

(i) *Amendment of Corporation Articles or Bylaws.* Any action to amend the Articles of Agreement or Bylaws of this Corporation or any subsidiary or controlled organization of this Corporation may be initiated by action of either the Corporation Board or the System Parent Board, and shall be authorized by a majority vote of both the Corporation Board and the System Parent Board.

(ii) *Amendment of System Parent Articles or Bylaws.* Any action to amend the Articles of Agreement or Bylaws of the System Parent must be initiated by the System Parent Board, and shall be authorized by a two-thirds vote of each of: the System Parent Board;



the Corporation Board; and each of the boards of directors of the other Affiliates.

(iii) *Election of System Parent Directors.* Any action to elect a director of the System Parent Board shall be initiated by nomination in accordance with the nomination powers indicated in the table set forth in Section 5 of Article III of the bylaws governing the System Parent Board, and shall be authorized by a majority vote of the System Parent Board.

(iv) *Election of Corporation Directors.* Any action to elect a director of the Corporation Board shall be initiated by nomination of such Corporation Board and shall be authorized by a majority vote of each of the Corporation Board and the System Parent Board.

(v) *Dissolution of the Corporation.* Any action to effect a dissolution of this Corporation as a corporate entity shall be initiated by the Corporation Board and shall be authorized by a two-thirds vote of each of the Corporation Board and the System Parent Board.

(vi) *Formation or Dissolution of a Corporation Subsidiary or Controlled Organization.* Any action to form or to effect the dissolution of a subsidiary or controlled organization of this Corporation (including auxiliary and associated organizations) shall be initiated by the Corporation Board and shall be authorized by a two-thirds vote of each of the Corporation Board and the System Parent Board.

(vii) *Merger, Consolidation, Etc.* Any action to effect a merger, consolidation, combination or affiliation proposal that is similar in nature to the transactions contemplated by a certain Affiliation Agreement dated June 30, 2015 shall be initiated by either the Corporation Board or the System Parent Board, and shall be authorized by a two-thirds vote of each of the Corporation Board and the System Parent Board.

(viii) *Material Indebtedness or Lien.* Any action to create, incur or assume any indebtedness for money or any lien by the Corporation or a subsidiary or controlled organization of the Corporation shall be initiated by the Corporation Board or the System Parent Board, and shall be authorized by a majority vote of each of the Corporation Board and the System Parent Board, except that an action with respect to indebtedness or a lien shall be excluded from the restrictions of this subparagraph if the proposed action would not create an obligation of the Corporation that is in excess of three percent of the Corporation's net patient services revenues for the fiscal year immediately preceding such proposed action.

(ix) *Actions Regarding the Corporation's Assets.* Any action to purchase, sell, lease or transfer the Corporation's assets shall be initiated by the Corporation Board or the System Parent Board, and shall be authorized by a majority vote of each of the Corporation Board and the System Parent Board, except that an action with respect to assets shall be excluded from the restrictions of this subparagraph if the proposed action would not involve an asset or assets with a total fair market value that is in excess of three percent of the Corporation's net patient services revenues for the fiscal year immediately preceding such proposed action.

(x) *Appointment of the Corporation's President.* The System Parent's Chief Executive Officer shall manage the process of recruiting and presenting candidates for President to the Corporation Board. Any action to appoint a President must be initiated by the nomination of a candidate by the Corporation Board and shall be authorized by a majority vote of each of the Corporation Board and the System Parent Board.

(xi) *Removal of the Corporation's President.* The System Parent's Chief Executive Officer shall consult with, and conduct a due diligence performance review with, the Corporation Board to develop a basis for whether to recommend removal of the Corporation's President. Any action to remove the Corporation's President must be initiated by a recommendation of the System Parent's Chief Executive Officer and shall be authorized by a two-thirds vote of the System Parent Board.

(xii) *Financial and Investment Management Policies.* The System Parent's Chief Executive Officer shall manage the development of any proposal to adopt or modify any financial or investment management policy of the System Parent or of this Corporation, with the assistance of the Corporation's President. Any action to approve such an adoption or modification of a financial or investment management policy must be initiated by a recommendation of the System Parent's Chief Executive Officer, and shall be authorized by a majority vote of the System Parent Board and a majority vote of the Corporation Board. Any such action shall not include transferring the Corporation's ownership of its respective endowments and other restricted funds.

Major Operational Matters.

(xiii) *System Parent Annual Operating Budget.* The System Parent's Chief Executive Officer shall manage the development of the System Parent's annual operating budget with assistance of the Corporation's President and the presidents of the other Affiliates. Any action to approve the System Parent's annual operating budget must be initiated by a recommendation of the System Parent's Chief Executive Officer, and shall be authorized by a two-thirds vote of the System Parent Board and a majority vote of the Corporation Board and each of the Affiliate boards. If an action to approve the System Parent's annual operating budget is not authorized for any reason, then the total expenditures approved in the last operating budget to be authorized, adjusted to reflect a one percent reduction in such total amount, and the revenue contributions from each of this Corporation and the other Affiliates and other sources approved in the last operating budget to be authorized, shall automatically be established as the System Parent's annual operating budget and shall be deemed approved without further action of any person. In such a default case, the System Parent Board shall approve, with the advice of the System Parent's Chief Executive Officer, such line item spending amounts as it determines reasonable, subject to the reduced total expenditure amount.

(xiv) *System Parent Annual Capital Budget.* The System Parent's Chief Executive Officer shall manage the development of the System Parent's annual capital budget with assistance of the Corporation's President and the presidents of the other Affiliates. Any action to approve the System Parent's annual capital budget must be initiated by a

recommendation of the System Parent's Chief Executive Officer, and shall be authorized by a two-thirds vote of the System Parent Board and a majority vote of the Corporation Board and each of the Affiliate boards. If an action to approve the System Parent's annual capital budget is not authorized for any reason, then the total expenditures and revenue contributions from each of this Corporation and the other Affiliates and other sources approved in the last capital budget to be authorized, shall automatically be established as the System Parent's annual capital budget and shall be deemed approved without further action of any person. In such a default case, the System Parent Board shall approve, with the advice of the System Parent's Chief Executive Officer, such line item capital spending amounts as it determines reasonable.

(xv) *Corporation's Operating and Capital Budgets.* The System Parent's Chief Executive Officer shall, with the assistance of the Corporation's President, manage the development of the Corporation's annual operating and capital budget. Any action to approve the Corporation's annual operating or capital budget must be initiated by a recommendation of the System Parent's Chief Executive Officer, and shall be authorized by a two-thirds vote of the System Parent Board and a majority vote of the Corporation Board. If an action to approve the Corporation's annual operating or capital budget is not authorized for any reason, then the total expenditures and revenues approved in the last operating or capital budget to be authorized, shall automatically be established as the Corporation's annual operating or capital budget and shall be deemed approved without further action of any person. In such a default case, the Corporation Board shall approve, with the advice of the System Parent's Chief Executive Officer, such line item operating or capital spending amounts as it determines reasonable.

(xvi) *Deviation from Approved Corporation Capital Budget.* The System Parent's Chief Executive Officer shall, with the assistance of the Corporation's President, manage the development of any proposal to deviate from the Corporation's annual capital budget whenever the proposed deviation is greater than ten percent of the total expenditure amount of the approved annual capital budget. Any action to approve such a deviation from the Corporation's annual capital budget must be initiated by a recommendation of the System Parent's Chief Executive Officer, and shall be authorized by a two-thirds vote of the System Parent Board and a majority vote of the Corporation Board. Any other deviation from the Corporation's annual capital budget shall not be subject to the restrictions set forth in this subparagraph.

(xvii) *Adoption of Compensation and Benefit Programs.* The System Parent's Chief Executive Officer shall manage the development of any proposal to adopt or modify compensation or benefit programs of the System Parent, this Corporation or any other Affiliate, with the assistance of the Corporation's President and the presidents of the other Affiliates. Any action to approve such an adoption or modification of compensation or benefit programs must be initiated by a recommendation of the System Parent's Chief Executive Officer, and shall be authorized by a majority vote of the System Parent Board and a majority vote of the Corporation Board. For purposes of this subparagraph, minor adjustments in the compensation or bonuses or benefits of employees shall not be subject to the restrictions set forth in this subparagraph.

(xviii) *Approval of Information Technology Systems.* The System Parent's Chief Executive Officer shall manage the development of any information technology programs with the assistance of the Corporation's President and the presidents of the other Affiliates. Any action to approve such an information technology program must be initiated by a recommendation of the System Parent's Chief Executive Officer and shall be authorized by a majority vote of the System Parent Board and a majority vote of the Corporation Board. For purposes of this subparagraph, minor adjustments to information technology program or programs shall not be subject to the restrictions set forth in this subparagraph.

(xix) *Approval of Financial Accounting Systems and Auditors.* The System Parent's Chief Executive Officer shall manage the development of any financial accounting system or the engagement of independent auditors for the System Parent, the Corporation and the Affiliates, with the assistance of the Corporation's President and the presidents of the other Affiliates. Any action to approve such financial accounting systems or auditors must be initiated by a recommendation of the System Parent's Chief Executive Officer and shall be authorized by a majority vote of the System Parent Board and a majority vote of the Corporation Board.

(xx) *Addition, Elimination or Material Alteration of a Clinical Service Program.* The System Parent's Chief Executive Officer shall manage the development of any proposal to add or eliminate, or materially alter in a substantial way, a clinical service program of the Corporation, with the assistance of the Corporation's President and the presidents of the other Affiliates. Any action to approve such an addition, elimination or material alteration of a clinical service program must be initiated by a recommendation of the System Parent's Chief Executive Officer and shall be authorized by a majority vote of the System Parent Board and a majority vote of the Corporation Board.

(xxi) *Affiliation Committees to Address Integration and Operational Synergies.* The System Parent's Chief Executive Officer shall manage the development of recommendations with respect to the integration of the programs or operations of the Corporation and the Affiliates, with the assistance of the Corporation's President and the presidents of the other Affiliates. Any action to approve such an addition or elimination of an "affiliation synergy committee" must be initiated by a recommendation of the System Parent's Chief Executive Officer, and shall be authorized by a majority vote of the System Parent Board and a majority vote of the Corporation Board.

(c) Special Approval Power of the System Parent in the Case of Major Operational Matters. Notwithstanding the provisions of Paragraph 7(b) above, with respect to the Major Matters designated as "Major Operational Matters" (subparagraphs 7(b)(xiii) through 7(b)(xxi)), if any proposed action shall not be approved due to a negative vote by the Corporation Board or Affiliate boards (as the case may be as set forth in such subparagraphs), then the proposed action may be approved by a vote of at least 75 percent of directors of the System Parent Board at any meeting at which a quorum is present; provided that such a vote shall be effective only if it occurs within 90 days after the negative vote of the applicable Corporation Board or Affiliate board.

Section 8. Participation in Meetings; Action by Unanimous Consent. Members of the Corporation Board, or any committee thereof, may participate in a meeting of the Corporation Board or any committee thereof by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other and such participation shall constitute presence in person at such meeting. Action may be taken by the Corporation Board without a meeting if all members thereof consent thereto in writing, and the writing or writings are filed with the minutes of the proceedings of the Corporation Board. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form. Any such writing may be signed electronically pursuant to NH RSA 294-E.

## ARTICLE V

### COMMITTEES OF THE CORPORATION BOARD OF DIRECTORS

Section 1. Committees of the Board of Directors. The Corporation Board shall designate an Executive Committee, a Finance Committee, a Governance Committee and a Quality Committee, each of which shall have and may exercise the powers and authority of the Corporation Board to the extent provided for in these Bylaws or in the charters of each committee adopted by the Corporation Board in one or more resolutions. Any other committee of the Board shall be established only in conjunction with the System Parent consistent with Article IV, Section 7(b)(xxi). The Chair of the Corporation Board shall have the power and authority of a committee of the Corporation Board for purposes of taking any action which the Chair of the Board is authorized to take under the provisions of this Article.

Section 2. Election of Committee Members. The members of each committee shall be appointed by the Corporation Board Chair and shall serve until the annual meeting of the Corporation Board and until their successors are elected and qualified or until the members' earlier resignation or removal. The Corporation Board Chair may designate the Chair of each committee. Vacancies may be filled by the Corporation Board Chair at any meeting. The Chair of the Corporation Board may designate one or more directors to serve as an alternate member or members at any committee meeting to replace any absent or disqualified member, such alternate or alternates to serve for that committee meeting only, and the Chair of the Corporation Board may designate a committee member as acting chair of that committee, in the absence of the elected committee chair, to serve for that committee meeting only.

Section 3. Procedure/Quorum/Notice. The Committee Chair or a majority of any committee may call a meeting of that committee. A quorum of any committee shall consist of a majority of its members unless otherwise provided by resolution of the Corporation Board. The majority vote of a quorum shall be required for the transaction of business. The secretary of the committee, the chair, or his/her designee of the committee shall give notice of all meetings of the committee by mailing the notice to the members of the committee at least three days before each

meeting or by telephoning the members or sending the notice to members by facsimile, electronic mail or other electronic transmission, not later than one day before the meeting. The notice shall state the time, date and place of the meeting. Each committee shall fix its other rules of procedure. Action may be taken by any committee without a meeting if all members thereof consent thereto in writing or by electronic transmission, and the writing or writings or electronic transmission or transmissions are filed with the minutes of the proceedings of such committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

Section 4. Executive Committee. The Executive Committee shall consist of the officers of the Corporation Board and the President. The Executive Committee shall transact all regular business of the Corporation during the period between meetings of the Corporation Board, subject to limitations set forth in these Bylaws or any limitations otherwise imposed by the Corporation Board.

Section 5. Finance Committee. The Finance Committee shall consist of the Treasurer and three to five other members of the Corporation Board. The Finance Committee shall have general overview of all fiscal policies of the Corporation including operating budget and capital budget matters. The Finance Committee shall cause to be prepared an annual audit, which it shall submit to the Corporation Board at or prior to its last regular meeting before the annual meeting. Further duties of the Finance Committee shall include examination of monthly financial reports, review and recommendation to the Corporation Board of annual operating and capital budgets, supervising and properly managing all endowment and trust funds of the Corporation and managing financial strategy for the Corporation.

Section 6. Governance Committee. The Governance Committee shall consist of an equal number of representatives of the Assembly of Overseers and of the Corporation Board directors. The representatives of the Assembly serving on the Governance Committee will be selected by a process determined by the Assembly. The Governance Committee shall be responsible for reviewing, investigating, discussing and making recommendations to the Corporation Board on the board organization and functioning, these Bylaws, the Articles of Association of the Corporation, director education, nominations for directors and officers and strategic planning for the Corporation.

Section 7. Quality Committee. The Quality Committee shall consist of at least three members, such membership to include the President and the President of the Medical Staff. A director of the Corporation Board shall Chair the Quality Committee. The Quality Committee shall have the duty to oversee the Corporation's quality assurance and performance improvement programs and initiatives. The Quality Committee is also responsible for recommending quality and safety related policies and standards, recommendations to improve the overall patient experience, approving and monitoring key performance indicators, reviewing sentinel events and root cause analyses as appropriate, monitoring summary reports of quality and patient safety activities, reviewing corrective action plans in response to adverse events, overseeing

compliance with quality and safety accreditation standards and regularly reporting on quality, safety and patient experience to the Corporation Board.

Section 8. Assembly of Overseers. There shall be a committee of the Corporation Board known as the Assembly of Overseers of the Corporation (“Assembly”), which shall serve in an advisory capacity to the Corporation Board. The Assembly shall be governed by the Upper Connecticut Valley Hospital Assembly of Overseers Governing Rules (“Rules”). Such Rules shall be consistent with the mission, Articles of Association and Bylaws of the Corporation. The Assembly shall be composed of a group of not less than 12 and no more than 40 people interested in and in sympathy with the object for which the Corporation is organized. The President of the Assembly of Overseers or designee shall be an ex-officio director of the Corporation Board, with vote. The Assembly of Overseers shall meet at least annually on the same date and immediately preceding the Corporation’s Annual Meeting and shall be a self-perpetuating body. The Assembly of Overseers shall adopt a process for selection of its officers and its representatives to the Corporation’s Governance Committee. The election of officers is for the purpose of designating titles and functions only. Such officers will not be officers of the Corporation and shall have none of the legal rights and responsibilities of the officers of a legally-formed corporation or other legal entity.

## ARTICLE VI

### OFFICERS

Section 1. Officers of the Corporation. The officers of the Corporation shall be a Chair of the Corporation Board, a Vice Chair of the Corporation Board, a Treasurer, a Secretary and such other officers as the Corporation Board may, from time to time, determine.

Section 2. Election of Officers. At each annual meeting of the Corporation Board, the Corporation Board shall elect the officers from a slate of nominees presented by the Governance Committee. From time to time, the Corporation Board may elect other officers. The appointment of the President shall be governed by Article IV, Section 7(x).

Section 3. Tenure of Office; Removal. Each officer shall hold office until the next annual meeting of the Corporation Board and until the officer’s successor is elected and qualified or until the officer’s earlier resignation or removal. Each officer shall be subject to removal at any time, with or without cause, by the affirmative vote of a majority of the entire membership of Corporation Board, but such removal, other than for cause, shall be without prejudice to the contract rights, if any, of the person so removed. Notwithstanding the foregoing, the process for removal of the President shall be governed by Article IV, Section 7(xi).

Section 4. General Provisions. Election or appointment of an officer, employee or agent, shall not of itself create contract rights. The Corporation Board may authorize the Corporation to enter into an employment contract with any officer in accordance with applicable

law and regulation, but no such contract shall impair the right of the Corporation Board to remove any officer at any time in accordance with this Article VI.

Section 5. Term Limits. The same individual may not serve more than three consecutive one-year terms in the same office; provided, however, that the persons elected as President shall not be subject to this limitation.

Section 6. Duties and Powers of Officers. The duties of certain officers shall be as specified in this Section 6, as otherwise provided in these Bylaws, and as determined from time to time by the Corporation Board.

(a) *Chair of the Corporation Board*. The Chair of the Corporation Board shall preside at all meetings of the Corporation Board and shall exercise overall supervision of the Corporation Board.

(b) *Vice Chair*. In the absence of the Chair, the Vice Chair shall preside at all the meetings of the Corporation Board and otherwise assume the duties of the Chair.

(c) *Treasurer*. The Treasurer shall supervise the keeping of the accounts of the Corporation in books which shall be the property of the Corporation, shall oversee the annual audit process and shall cause to be prepared periodic statements of the financial condition of the Corporation and shall submit such statements to the Corporation Board.

(d) *Secretary*. The Secretary shall record the proceedings of the meetings of the Corporation Board showing the names of the persons present. The Secretary may give notice of all meetings of the Corporation Board and committees thereof as required by these Bylaws.

Section 7. Compensation and Initial Employment Agreements. The compensation (if any) of any officer shall be determined, fixed and approved by the Corporation Board.

## ARTICLE VII

### INDEMNIFICATION

Section 1. Indemnification. The Corporation shall, to the extent authorized by N.H. RSA 292:2, V-a, indemnify each director and/or officer of the Corporation against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him/her in connection with any proceeding to which he/she may be made a party, or in which he/she may become involved, by reason of the fact that he/she was or is a director or officer of this Corporation, to the extent that the Corporation Board deems reasonable and to the extent actually incurred by him/her in connection with the defense or reasonable settlement of any such proceeding, or any appeal therein, except in relation to matters to which it is finally adjudged in such proceeding or, in the case of a settled matter an independent evaluation determines, that the director or officer either:

(a) breached his/her fiduciary responsibility to the Corporation, or



(b) acted in a manner which was not in good faith, or failed to act in a manner which was in good faith, or which involved intentional misconduct or a knowing violation of law, or these Bylaws; or

(c) derived an improper personal benefit from the conduct in question as described in N.H. RSA 7:19.

Section 2. Procedure for Receiving Indemnification. To receive indemnification under this Bylaw, a director, officer, employee or agent of the Corporation shall submit to the Corporation a written request, including therein or therewith such documentation and information as is reasonably available to him/her and reasonably necessary to determine his/her entitlement to indemnification. Upon receipt by the Corporation of a written request for indemnification, a determination, if required by applicable law, with respect to a claimant's request shall be made: (1) by the Corporation Board by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, even though less than a quorum of the full Corporation Board; or (2) by a committee of such directors designated by majority vote of such directors, even though less than a quorum; or (3) if there are no such directors, or if such directors so direct, by independent legal counsel in a written opinion. The determination of a claimant's entitlement to indemnification shall be made within a reasonable time, and in any event within no more than 60 days, after receipt by the Corporation of a written request for indemnification, together with the supporting documentation required by this section. The burden of establishing that a claimant is not entitled to be indemnified under this Article or otherwise shall be on the Corporation.

Section 3. Payment of Expenses. Expenses incurred in defending a civil or criminal action, suit or proceeding shall be paid by the Corporation in advance of the final disposition of such action, suit or proceeding within 30 days after receipt by the Corporation of a statement requesting payment of such expenses. Such statement shall evidence the expenses incurred by the claimant and shall include an undertaking by or on behalf of the claimant to repay such expenses if it shall ultimately be determined, by final judicial decision from which there is no further right to appeal, that he/she is not entitled to be indemnified by the Corporation as authorized by this Article. The burden of establishing that a claimant is not entitled to payment of expenses under this Article or otherwise shall be on the Corporation. Any such payment shall not be deemed to be a loan or extension or arrangement of credit by or on behalf of the Corporation.

Section 4. Insurance. The Corporation shall purchase and continue in full force and effect an insurance policy providing directors and officers liability insurance.

Section 5. Effect of Amendment. Any amendment, repeal or modification of this Article shall not adversely affect any right or protection existing at the time of such amendment, repeal or modification in respect of any act or omission occurring prior to such amendment, repeal or modification.

Section 6. No Duplication of Payments. The Corporation's obligation, if any, to indemnify or pay expenses to any person under this Article shall be reduced to the extent such person has otherwise received payment (under any insurance policy, indemnity clause, bylaw, agreement, vote or otherwise).

## ARTICLE VIII

### FISCAL YEAR

The fiscal year of the Corporation shall begin on October 1st and end on September 30th each year.

## ARTICLE IX

### CONFLICT OF INTEREST POLICY

Section 1. Definitions. In this Article IX:

(a) "Director or officer" means a director or officer of the Corporation.

(b) "Financial interest" means an interest in a transaction exceeding \$500 in value for any officer or director on an annual aggregate basis. An "indirect" financial interest arises where the transaction involves a person or entity of which a director or officer or a member of the immediate family of a director or officer is a proprietor, partner, employee, or officer.

(c) "Pecuniary benefit transaction" means a transaction with the Corporation in which a director or officer of the Corporation has a financial interest, direct or indirect. However, the following shall not be considered a pecuniary benefit transaction:

(i) Reasonable compensation for services of employees of the Corporation, and expenses incurred in connection with official duties of a director or officer;

(ii) A benefit provided to a director or officer or member of the immediate family thereof if:

- (1) The benefits are provided or paid as part of programs, benefits, or payments to members of the general public; and
- (2) The Corporation has adopted written eligibility criteria for such benefit in accordance with its Bylaws or applicable laws; and
- (3) The director or family member meets all of the eligibility criteria for receiving such benefit;

(iii) A continuing transaction entered into by the Corporation, merely because a person with a financial interest therein subsequently becomes a director or officer of the Corporation.

Section 2. Service on Board. Directors and officers of the Corporation shall serve on the Corporation Board only for the charitable purposes of the organization. If such directors or officers are serving for any other expressed or intended reasons, they shall not serve on the Corporation Board.

Section 3. Pecuniary Benefit Transactions. A pecuniary benefit transaction shall be prohibited unless it is in the best interest of the Corporation and unless all of the following conditions are met:

(a) The transaction is for goods or services purchased or benefits provided in the ordinary course of the business of the Corporation, for the actual or reasonable value of the goods or services or for a discounted value, and the transaction is fair to the Corporation;

(b) The transaction receives affirmative votes from at least a two-thirds majority of all the disinterested members of Corporation Board, which majority shall also equal or exceed any quorum requirements specified in the Bylaws of the Corporation:

(i) After full and fair disclosure of the material facts of the transaction to the governing board and after notice and full discussion of the transaction by the Corporation Board;

(ii) Without participation, voting, or presence of any director or officer with a financial interest in the transaction or who has had a pecuniary benefit transaction with the Corporation in the same fiscal year, except as the Corporation Board may require to answer questions regarding the transaction; and

(iii) A record of the action on the matter is made and recorded in the minutes of the Corporation Board;

(c) The Corporation maintains a list disclosing each and every pecuniary benefit transaction, including the names of those to whom the benefit accrued and the amount of the benefit, and keeps such list available for inspection by members of the governing board and contributors to the Corporation. The list shall also be reported to the Director of Charitable Trusts each year as part of the Corporation's annual report required under N.H. RSA 7:28;

(d) If the transaction, or the aggregate of transactions with the same director or officer within one fiscal year, is in the amount of \$5,000 or more, the Corporation publishes notice thereof in a newspaper of general circulation in the community in which the Corporation's principal New Hampshire office is located, (or if throughout the state), and gives written notice to the director of charitable trusts, before consummating the transaction. At a minimum, such notice shall state that it is given in compliance with this section and shall include the name of the Corporation, the name of any director or officer receiving pecuniary benefit from the transaction, the nature of the transaction, and the specific dollar amount of the transaction.

Section 4. Reporting of Transactions. Every director or officer or member of the immediate family of such director or officer, who engages in a pecuniary benefit transaction with the Corporation shall provide copies of all contracts, payment records, vouchers, other financial records or other financial documents at the request of the director of charitable trusts in accordance with N.H. RSA 7:24. All documents so provided may be disclosed to the public for inspection and copying, subject to applicable confidentiality laws.

Section 5. Loans. The Corporation shall not lend money or property to its directors or officers. Any director or officer who assents to or participates in the making of any such loan shall be jointly and severally liable to the Corporation for the amount of such loan until it is repaid.

Section 6. Real Estate. The Corporation shall not sell, lease for a term of greater than five years, purchase, or convey any real estate or interest in real estate to or from an officer or director without the prior approval of the probate court after a finding that the sale, lease or conveyance is fair to the Corporation. However, this paragraph shall not apply to a bona fide gift of an interest in real estate to the Corporation by a director or officer of the Corporation.

Section 7. Voidable Transactions. A pecuniary benefit transaction undertaken in violation of this Article IX is voidable. The director of charitable trusts may investigate complaints regarding pecuniary benefit transactions and if, after an investigation pursuant to N.H. RSA 7:24, the director determines that a pecuniary benefit transaction is in violation of this Article IX, the director may institute appropriate proceedings under N.H. RSA 7:28-f to enforce these provisions.

Section 8. Declaratory Judgment. Any member of the Corporation Board shall have standing to petition, pursuant to N.H. RSA 491:22, for a declaratory judgment that one or more pecuniary benefit transactions of the Corporation are void.

Section 9. Other Transactions. The provisions of this Article IX shall not apply to transactions between the Corporation and its incorporators, members, or other contributors who are not also directors or officers of the Corporation, provided that such transactions are fair to the Corporation.

Section 10. Amendments to N.H. Law. This Article IX shall be deemed to incorporate any amendments made to N.H. RSA 7:19-a, or any successor statute.

## ARTICLE X

### AMENDMENTS TO BYLAWS

The Corporation Board shall have the power to make, amend and repeal the Bylaws of the Corporation, subject to the requirements of Section 7 of Article IV.

## ARTICLE XI

### AUXILIARY ORGANIZATIONS

Section 1. Establishment. Subject to Article IV, Section 7, the Corporation may establish an auxiliary organization. Any auxiliary or associated organizations that may be established pursuant to this Section shall be responsible and accountable to the Corporation Board for the discharge of those duties and responsibilities delegated to it by the Corporation Board from time to time. In establishing an auxiliary or associated organization, the Corporation Board shall initiate or approve bylaws, rules and regulations, delineate the purpose and function of the organization, and shall initiate or approve any and all subsequent amendments thereto, all of which shall not be inconsistent with these Bylaws or the standing rules of the Corporation Board. Auxiliary or associated organizations shall report to the Corporation Board in a manner established by the Corporation Board from time to time. All services and functions performed by auxiliary or associated organizations shall be subject to the overall supervision of the President of the Corporation. Nothing in this Section shall require the Corporation Board and System Parent Board to establish any auxiliary organizations and the Corporation Board and System Parent Board shall retain the power to change, restructure, reorganize or dissolve any such organization in accordance with the approval requirements of Article IV, Section 7.

## ARTICLE XII

### MEDICAL STAFF

Section 1. General. The Corporation Board shall organize the physicians, and appropriate other persons granted practice privileges in the Corporation, into a medical staff (the "Medical Staff") in accordance with these Bylaws and the North Country Healthcare, Inc. Medical Staff Bylaws adopted January 23, 2020, as amended from time to time (the "Medical Staff Bylaws"). Appointments to the Medical Staff shall be made in accordance with the Medical Staff Bylaws. The Medical Staff shall operate as an integral part of the Corporation and, through its committees and officers, shall be responsible and accountable to the Corporation and System Parent as provided in the Medical Staff Bylaws. Action taken against a Medical Staff member shall be in accordance with the Medical Staff Bylaws.

Section 2. Medical Staff Bylaws, Rule and Regulations and Credentialing Policy. The Medical Staff shall be governed by the Medical Staff Bylaws, the North Country Healthcare, Inc. Credentialing Policy and such other rules and regulations as may be adopted from time to time.

Section 3. Contract for Clinical Services.

(a) The President shall have authority from time to time to enter into contracts or employment relationships with individuals, partnerships or corporations for the performance of certain health care services, including those in medico-administrative positions. All individuals

functioning pursuant to such contracts or employment relationships, who would be subject to the provisions of the Medical Staff Bylaws, shall obtain and maintain Medical Staff appointment and/or clinical privileges, in accordance with the Medical Staff Bylaws.

(b) If a question arises concerning clinical competence that may affect such individual's Medical Staff appointment or clinical privileges during the term of the contract, that question shall be processed in the same manner as would pertain to any other Medical Staff appointee. If a modification of privileges or appointment occurs that is sufficient to prevent the individual from performing his contractual duties, the contract shall automatically terminate.

(c) Clinical privileges or Medical Staff appointments that are necessary to carry out the obligations of the contract or employment shall be valid only during the term of the contract. In the event that the contract or employment expires or is terminated, the clinical privileges and any Medical Staff appointment resulting from the contract or employment shall automatically expire at the time the contract or employment expires or terminates. This expiration of clinical privileges and Medical Staff appointment or the termination or expiration of the contract itself, shall not entitle the individual to any hearing or appeal, unless there is a specific provision to the contrary in the contract. In the event that only a portion of the individual's clinical privileges are covered by the contract or employment, only that portion shall be affected by the expiration or termination of the contract or employment.

(d) Specific contractual or employment terms shall in all cases be controlling in the event that they conflict with provisions of the Medical Staff Bylaws.

Section 4. Evaluating Professional Needs. From time to time the Corporation Board shall evaluate the number, age, admissions and activities of Medical Staff appointees in various specialty areas so that a proper number of individuals in each specialty is determined, maintained and revised as needed, in light of the professional personnel requirements of the Corporation.

Section 5. Malpractice Insurance Coverage.

(a) The Corporation Board shall require that all appointees of the Active, Consulting and Emeritus Staffs, all appointees of the Allied Health Professional Staff, and all applicants for appointment to the Medical Staff or Allied Health Professional Staff have and maintain malpractice insurance through a company approved by the State Insurance Department in the amount of at least \$1,000,000/\$3,000,000 at a level commensurate with services provided by the practitioner in the Corporation to cover claims or suits arising from alleged malpractice in the Corporation. If at any time an appointee's malpractice insurance coverage lapses, is terminated, or otherwise is not in effect, the appointee's clinical privileges shall be voluntarily relinquished as of that date until the matter is resolved and adequate malpractice insurance coverage is restored. Failure to restore adequate malpractice insurance coverage after three months from the relinquishment of privileges shall constitute a voluntary relinquishment of clinical privileges and resignation from the Medical Staff. Compliance with this policy shall be evidenced by filing with the President or designee a certificate of insurance from the carrier showing at least the minimum required as aforesaid.

(b) All appointees of the Medical Staff and all appointees of the Allied Health Professional Staff who have coverage that is written on a claims-made basis shall be required to procure tail coverage in like amounts whenever the appointee's claims-made coverage lapses, expires or terminates, for whatever reason. Such tail coverage shall cover the entire period in which clinical privileges were exercised at the Corporation when the claims-made policy was in effect. This requirement shall remain in effect and be applicable even after a practitioner is no longer appointed to the Medical Staff or Allied Health Professional Staff.

Section 6. Allied Health Professional Staff. The Medical Staff Bylaws shall govern the appointment, reappointment, clinical privileges and procedural rights for Allied Health Professionals.

These Second Amended and Restated Bylaws of the Corporation were adopted effective as of March 4, 2021, by the Board of Directors of the Corporation and the Board of Directors of North Country Healthcare, Inc., as evidenced by the signatures below.

**Odette Crawford**

Odette Crawford, Chairperson, Board of Directors  
Upper Connecticut Valley Hospital

**Jim Hamblin**

Jim Hamblin, Chairperson, Board of Directors  
North Country Healthcare, Inc.

Signature: Odette Crawford  
Odette Crawford (Mar 10, 2021 15:59 EST)

Email: odettethibeaultrealestate@gmail.com

Signature: Jim Hamblin  
Jim Hamblin (Mar 11, 2021 15:39 EST)

Email: hamblin94@myfairpoint.net