

**NOTICE TO THE NEW HAMPSHIRE DIRECTOR OF CHARITABLE TRUSTS
PURSUANT TO NEW HAMPSHIRE RSA 7:19-b**

Re: Central New Hampshire VNA & Hospice

This Notice and its appendices (the “*Notice*”) are submitted to the New Hampshire Attorney General, Director of Charitable Trusts (the “*Charitable Trusts Director*”) pursuant to New Hampshire RSA 7:19-b (the “*Change of Control Statute*”) by **Central New Hampshire VNA & Hospice**, a New Hampshire voluntary corporation (“*Central VNA*”). This Notice is being submitted in connection with the proposed merger transaction described in Section III below (the “*Transaction*”). In support of this Notice, the Parties respectfully provide the following information:

I. THE PARTIES

A. CENTRAL NEW HAMPSHIRE VNA & HOSPICE

Central New Hampshire VNA & Hospice (“*Central VNA*”) was formed in 1975 as a New Hampshire voluntary corporation under New Hampshire RSA 292. It is exempt from federal income taxation as a charitable organization described under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “*Internal Revenue Code*”). The current Articles of Agreement and Bylaws of Central VNA are attached as Appendix A and Appendix B, respectively.

Originally named “Lakes Region Community Health Agency, Inc.,” Central VNA was the successor of a merger with Hospice-Laconia Area, Inc. in 1992 and renamed at that time as “Community Health & Hospice, Inc.” Community Health & Hospice, Inc. was based in Laconia, New Hampshire and provided home health services to the citizens of Laconia and surrounding communities. In 2010, it was the successor of a merger with Visiting Nurse Association – Hospice of Southern Carroll County and Vicinity, Inc. (“*Southern Carroll County VNA*”) and renamed “Central New Hampshire VNA & Hospice.” Southern Carroll County VNA was founded in 1918 and incorporated in 1946 as “Visiting Nurse Association of Wolfeboro and Vicinity, Inc.,” and it was the successor of a merger with Hospice of Southern Carroll County in 1993. From its principal location in Wolfeboro, Southern Carroll County VNA served most of the communities in southern Carroll County. See <https://www.centralvna.org/about-homecare-and-hospice/history/> for a further description of the history of Central VNA.

Central VNA presently operates from two primary locations, Laconia and Wolfeboro, New Hampshire and serves approximately 43 communities on both sides of Lake Winnepesaukee. See <https://www.centralvna.org/service-area/> . Central VNA is a licensed Medicare and Medicaid certified home health and hospice agency providing a range of services and programs, including home care, hospice, palliative care, pediatric and maternal child health services, and wellness programming. The most recent audited financial statements of Central VNA, and its Form 990 for the year ending March 31, 2019, are attached as Appendix C-1 and Appendix C-2, respectively.

B. CONCORD REGIONAL VISITING NURSE ASSOCIATION, INC.

Concord Regional Visiting Nurse Association, Inc. ("*Concord VNA*" and together with Central VNA sometimes referred to collectively as the "*Parties*"), initially named "Concord District Nursing Association," was formed in 1899 as a voluntary corporation under New Hampshire RSA 292. It is exempt from federal income taxation as a charitable organization described under Section 501(c)(3) of the Internal Revenue Code. The current Articles of Agreement and Bylaws of Concord VNA are attached as Appendix D and Appendix E, respectively.

Concord VNA is the largest home health provider in the State of New Hampshire, serving 44 municipalities in the Capital Region and recently began serving residents of Laconia and Sanbornton. It operates the Hospice House, the state's first hospice facility opened in 1994, and provides a range of personalized services and programs including home care, hospice, palliative care, personal home services, pediatric and maternal child health services, and wellness programming. The most recent audited financial statements of Concord VNA, and its Form 990 for the year ending September 30, 2019, are attached as Appendix F-1 and Appendix F-2, respectively.

II. BACKGROUND AND IMPERATIVES FOR THE TRANSACTION

Central VNA faces a rapidly changing and uncertain environment as the health care industry in which it operates continues to experience significant consolidation, competition from out-of-state and for-profit providers, and a fundamental shift in reimbursement models from fee-for-service to value-based and wellness oriented. The total cost of care approach imposed by federal payment policy and most private payers is driving larger providers, particularly hospitals, to create both vertical and horizontal integration arrangements to broaden patient population and better manage the full

continuum of care. As a result, hospitals have incentive to seek post-acute care relationships that cover both the full clinical spectrum of post-acute care and a broader geographic service area. This dynamic is embodied by the NH Cares accountable care organization, of which both Concord Hospital and Concord VNA are a part, and represents a challenge to smaller home health agencies with limited service areas and patient population.

Central VNA also faces internal challenges common to most home health agencies. Like Concord VNA, over 75% of Central VNA's services are reimbursed by the federal Medicare and Medicaid programs, which utilize rates that often do not cover the escalating cost of delivering home health and hospice services. In 2020 these programs commenced a significant payment reform initiative which imposed greater uncertainty and economic challenges on Central VNA. Central VNA also is challenged by an aging workforce and shortage of nurses, the mainstay of home health providers. Given the relative rural nature and small size of the State, Central VNA also encounters significant hurdles in recruiting and retaining necessary personnel.

Both Central VNA and Concord VNA are impacted by the shifts in patient service in the Lakes Region and Capital Region. As a result of challenges currently faced by LRGHealthcare, more patients from the Lakes Region are seeking acute care at Concord Hospital. Given its existing relationship with Concord VNA, both of which are affiliates of the Capital Region Health Care, Concord Hospital is turning to Concord VNA to provide post-acute care to those patients returning to the Lakes Region. As a result, Concord VNA is facing the challenge of establishing an infrastructure in the Lakes Region to support these referrals, and Central VNA is facing the potential of a diminishment in its patient population.

In response to these challenges, the Central VNA Board of Trustees evaluated its long-term strategies and began exploratory discussions with Concord VNA, with which Central VNA has had a long-standing collaborative relationship. Given the compatibility of their charitable missions, the adjacency of their service areas, their shared interests in addressing the dynamics caused by LRGHealthcare's challenges, and their compatible cultures, the Parties agreed that their missions could be furthered and better sustained if they combined their organizations. Through the proposed combination, the Parties expect that they will: (i) achieve efficiencies that will make them more sustainable and improve access by their patients to quality health care; (ii) share best practices and establish integrated clinical care to improve the quality and extent of the health care

services they offer to their broad service area; (iii) better position the organizations to integrate into a health industry focused on total care; and (iv) enhance their ability to attract and retain talented health care providers and managers. Essentially, through the proposed Transaction, Central VNA seeks to combine with Concord VNA to establish a more sustainable and evolved organization that can continue to provide mission-based, charitable home health and hospice care services that have been vital to New Hampshire since the organizations' founding over 100 years ago.

III. SUMMARY OF THE TRANSACTION

Attached as Appendix G is the Merger Agreement between Central VNA and Concord VNA dated as of July 1, 2020 (the "*Merger Agreement*"). The material terms of the Merger Agreement and the proposed Transaction (sometimes referred to as the "*Merger*") are summarized below.

A. MERGER; INTEGRATION.

Central VNA will merge into Concord VNA on the effective date of the Merger (the "*Merger Date*") as outlined in the form of Plan of Merger attached as Appendix H. Simultaneously, Concord VNA will amend its Articles of Agreement and Bylaws to incorporate certain of the Merger Agreement provisions (following such amendments, the "*Combined Entity*"). The Merger Agreement and its principles will continue to guide the Combined Entity Board of Trustees for a period of twenty-four (24) months following the Merger Date (the "*Integration Period*"). The Parties envision that their respective missions, resources, leadership, clinical practices, administrative policies, and staff will become fully-integrated under the Combined Entity as of the Merger Date.

B. CHARITABLE MISSIONS AND GOVERNANCE.

1. Charitable Missions. The charitable missions of the Parties are compatible, and their respective Boards of Trustees have determined that the Merger is in furtherance of such missions. The Trustee Workgroup will propose for approval by the Board of Trustees of both Parties before the Merger Date an amendment to the Articles of Agreement of the Combined Entity which includes an integrated charitable mission statement which is not inconsistent with the existing charitable mission of each Party.

2. Governance. To ensure that the Combined Entity Board of Trustees

adequately reflects the Parties' intent to form an integrated organization that respects each Party's heritage and identity, and to provide each Party with meaningful representation, the initial Combined Entity Board following the Merger Date will consist of fourteen (14) individuals nominated by Concord VNA and seven (7) individuals nominated by Central VNA. The Combined Entity Chief Executive Officer will serve on the Combined Entity Board *ex officio*, without voting rights. These Trustees will serve on the Combined Entity Board throughout the two-year Integration Period; thereafter, their terms will be staggered and they or their successors will be nominated by a Nominating Committee of the Combined Board and elected by the Combined Board. The initial officers of the Combined Entity will be nominated by a workgroup comprised of trustees from each of Central VNA and Concord VNA (the "*Trustee Workgroup*") and will serve for a term of two (2) years. At least one officer will be a trustee nominated by Central VNA, and the existing Chairs of the board of trustees of each of Central VNA and Concord VNA will serve *ex officio* as voting members of the Combined Entity Board's Executive Committee during the Integration Period.

The Combined Entity Bylaws will require that the following decisions of the Combined Board be approved by an affirmative vote of three-fourths (3/4) of the Combined Entity Trustees entitled to vote ("*supermajority vote*"):

- i. *Capital Expenditures; Debt.* Any unbudgeted capital expenditure or incurrence of debt, either in a singular instance or in a series of related transactions, in excess of \$100,000;
- ii. *Material Change in Clinical Services/Programs.* Except for actions necessitated by regulatory requirements, the material expansion or contraction of any clinical services or programs of the Combined Entity;
- iii. *Principal Office Relocation or Closure; Geographic Change in Service Area.* The relocation or closure of any principal office or any existing principal clinical facility of either Party, or the expansion or contraction of the current service areas of Central VNA and Concord VNA, respectively;
- iv. *Corporate Reorganization.* The merger or reorganization of the Combined Entity with another organization, or the substitution or elimination of the existing sole corporate member of the Combined Entity;

v. *Dissolution.* The dissolution or other cessation of operations of the Combined Entity; and

vi. *Amendment to Governing Documents.* Any amendment to the Articles of Agreement or Bylaws of the Combined Entity which modifies or removes these supermajority voting provisions.

To help further the vision described above, the following decisions of the Combined Entity Board will require a supermajority vote but only during the two-year Integration Period:

i. *Hiring/Termination of CEO.* The hiring, evaluation, compensation and/or termination of the Combined Entity's Chief Executive Officer;

ii. *Budgets.* The approval of operating and capital budgets for the Combined Entity and its related operations and any proposed deviations in excess of \$100,000 from such budgets; and

iii. *Endowment and Investment Policies.* A material change in the endowment spending policy or investment policy of the Combined Entity.

C. NO MONETARY CONSIDERATION.

There is no payment or other financial consideration being exchanged in connection with the Transaction.

D. CHARITABLE ASSETS; MANAGEMENT.

1. Charitable Assets. Although the assets and liabilities of Central VNA will be combined with those of Concord VNA as a result of the Merger, Section 3.1.2 of the Merger Agreement requires that any board-designated or operating reserves of either Party on the Merger Date remain dedicated for use only in the communities served by the respective Party that accumulated the reserves prior to the Merger Date. This section of the Merger Agreement also mandates that all donor restrictions existing prior to the Merger Date be honored and observed by the Combined Entity Board of Trustees.

2. Executive Management. The Board of Trustees of the Combined Entity will be responsible for appointing, supervising, evaluating and compensating a Chief

Executive Officer ("CEO") who will be professionally qualified to manage the work of the Combined Entity. The Merger Agreement states that the initial CEO of the Combined Entity following the Merger Date will be the current Concord VNA Chief Executive Officer, Beth Slepian. The Merger Agreement also states that the current Central VNA Chief Executive Officer, Lisa Dupuis, will serve as the Chief Operating Officer of the Combined Entity. The Merger Agreement also directs Ms. Slepian and Ms. Dupuis to develop an integration plan for the remaining senior leadership of the Combined Entity and to seek input from the Trustee Workgroup prior to the Merger Date.

E. CONTINUED PLANNING; CONDITIONS TO CLOSING; MERGER EFFECTIVE DATE.

1. Trustee Workgroup. The Merger Agreement retains the Trustee Workgroup until the Merger Date to assist the Parties in consummating the Merger and planning for their integration into the Combined Entity. Specifically, the Trustee Workgroup will perform the following for submission to, and approval by, the Board of Trustees of each Party prior to the Merger Date: (i) development of the proposed amendments to the Concord VNA Articles of Agreement and Bylaws, including the combined mission statement; (ii) assignment of staggered terms following the Integration Period and the nomination of the initial officers of the Combined Entity; and (iii) input to senior management regarding any proposed new name of the Combined Entity.

2. Conditions to Closing. The proposed Merger is conditioned upon the following:

(a) *Regulatory Approvals*. The Merger must be approved by the New Hampshire Director of Charitable Trusts under New Hampshire RSA 7:19-b, and be reviewed by the New Hampshire Attorney General, Consumer Protection and Antitrust Division.

(b) *Remaining Due Diligence*. The completion by each Party, and receipt of satisfactory results, of any updated due diligence into various operational, legal, financial, tax, administrative, political and other issues and matters occurring between the Effective Date of the Merger Agreement and the Merger Date which may impact the successful consummation of the Merger.

(c) *Additional Board Votes.* To the extent that any material modifications are required to the Merger Agreement or any of the documents attached as exhibits as a result of the regulatory review and/or public hearings under New Hampshire RSA 7:19-b, then such modifications must be approved and the Merger Agreement ratified by the respective boards of Central VNA and Concord VNA.

3. Merger Effective Date. The Merger will become effective upon the filing of the Certificate of Merger with the New Hampshire Secretary of State, which filing will occur within thirty (30) days of the date on which all of the conditions precedent to the Merger have been satisfied, or such other date as may be agreed upon by the Parties. The Parties seek to complete the Transaction by December 31, 2020.

IV. FULFILLMENT OF FIDUCIARY AND STATUTORY DUTIES

A. FURTHERANCE OF THE CHARITABLE MISSION

1. Charitable Mission Supported and Furthered. A primary fiduciary role of the Central VNA Board of Trustees is to ensure that the proposed Transaction furthers the organization's charitable mission. The Central VNA Board's due diligence revealed that Concord VNA has a very similar and compatible mission with that of Central VNA. In the Merger Agreement, both parties acknowledge their mutual goal of furthering their charitable missions through the Combined Entity and make it a guiding principle in their ongoing relationship. See Appendix G, Merger Agreement Sections 1.1 and 2.3, respectively. As noted above, and as required by Section 3.2 of the Merger Agreement, the Trustee Workgroup has convened to prepare a combined, unified mission statement which will perpetuate and further the mission of Central VNA as well as that of Concord VNA. The Merger Agreement also directs the Combined Entity to "utilize its combined assets and resources in furtherance of the combined mission of the Parties" following the Merger. See Appendix G, Merger Agreement Section 3.1.2.

The Central VNA Board of Trustees, together with Concord VNA, jointly engaged the services of health care consultant, Helms & Company, Inc. ("*Helms*") to evaluate the benefits of the proposed Transaction to the Parties and to the communities they serve. A copy of the Helms report, entitled "CRVNA & CNHVNA Affiliation Community Impact Assessment" and dated June 23, 2020 (the "*Helms Report*"), is attached as Appendix I. The Helms Report reveals that the proposed Transaction will be in the best interest of Central VNA (while also serving the best interest of Concord VNA) by creating, among

other benefits, greater organizational stability to allow it (as part of the Combined Entity) to meet future community needs and “weather changes like Medicare payment reform.” See Appendix I, Helms Report at page 4. This stability is projected to result from administrative, clinical and operational efficiencies, improved staff recruitment and retention, clinical improvements (described in paragraph 2 below) and an integrated medical record. The Helms Report concludes by noting that the Combined Entity will maintain the voice of the communities it serves in its governance model, and will be better able to compete with the growth of for-profit home health care providers. See Appendix I, Helms Report.

2. Meeting Community Needs; Improving Access to Quality and Efficient Physical and Mental Health Care Services. In determining that the proposed Transaction is in the best interest of Central VNA, the Central VNA Board of Trustees also concluded that the Transaction and establishment of the Combined Entity will be in the best interest of the communities that it serves. Central VNA participates in the community needs assessments led by LRGHealthcare (greater Laconia region) and Huggins Hospital (greater Wolfeboro area). A copy of the most recent LRGHealthcare community needs assessment is attached as Appendix J, and a copy of the most recent Huggins Hospital community needs assessment is attached as Appendix K. Each of these assessments reflect the need in Central VNA’s service area for access to primary and family health care, transportation, substance misuse and mental health services, obesity assistance, assistance with care coordination, community health education and healthcare and support for seniors (“healthy aging”). These assessments also identified strategies to address these needs, which strategies include expanding community education, expanding rehabilitation services, increasing community health education programming, participating in Medicaid 1115 Waiver networks, and developing relationships across the continuum of care.

Under the heading “Clinical Service Stability and Improvement,” the Helms Report identifies myriad ways in which the Transaction will benefit the communities served by Central VNA and meet the needs identified in the assessments. Through the proposed Transaction, Concord VNA’s greater depth of resources and expertise in specialty services such as wound care, home infusion care and special pediatric care will be shared with and made available to the Central VNA service area. Concord VNA’s expertise and experience also will boost Central VNA’s recent palliative care initiative, and enhance behavioral health services in Central VNA’s service area by bringing additional resources, a more compelling application for grant funding, and the use of the

OASIS assessment on all home health care patients to identify behavioral health issues that may have been overlooked by acute care providers. See Exhibit I, Helms Report at pages 7-9. The proposed combination of the two organizations also will expand the community health education resources and community programming currently offered by Concord VNA into the Belknap and southern Carroll County regions served by Central VNA. The Helms Report also notes that the integration of care provided by Central VNA and Concord VNA will address the needs of both organizations to serve efficiently and effectively the post-acute needs of Lakes Region patients who are migrating to Concord for acute care. This section of the Helms Report concludes by noting that the proposed Transaction will position the Combined Entity well to become part of any future accountable care organization or similar integrated delivery network initiative (beyond the Medicaid Section 1115 Waiver IDNs) in the Lakes Region. See Appendix I, Helms Report at page 10.

The Central VNA Board of Trustees also ensured that the Transaction will be in the best interest of the communities in its service area by negotiating certain provisions of the Merger Agreement. Section 2.1 establishes the guiding principle that the “healthcare needs of the communities served by the Parties are paramount, and the Combined Entity will be designed and operated to best address the needs of the residents of the communities being served.” Section 1.3 of the Merger Agreement requires the Combined Entity to “continue the current Healthcare Services and programs of both Parties following the Merger.” Section 3.1.5 of the Merger Agreement requires the Combined Entity to “endeavor to maintain at least three principal places of business, one in the Capital Region area and the other two in the Lakes Region area, so that the communities in the Parties’ existing service areas will continue to be served by the Combined Entity.” These requirements are reinforced by the governance structure of the Combined Entity, which requires a three-fourths (3/4) supermajority vote of the Combined Entity Board of Trustees to make any material changes in clinical programming or to relocate or close an existing principal office. See Appendix G, Merger Agreement Sections 3.8.2 and 3.8.3, respectively.

B. STEWARDSHIP OF CHARITABLE ASSETS

Another primary fiduciary role of the Central VNA Board of Trustees is to serve as good stewards of Central VNA’s charitable assets. The Central VNA Trustees fulfilled this role by negotiating provisions of the Merger Agreement that protect its charitable

assets, and by conducting due diligence through an expert consultant's analysis of the projected balance sheet of the Combined Entity.

1. Dedication of Charitable Assets to Mission. As noted above, the Merger Agreement requires that any board-established or operating reserves existing on the Merger Date be dedicated exclusively for the benefit of the communities in the service area of the Party that accumulated those reserves before the Merger, and that the combined assets and resources of the Combined Entity be used in furtherance of the combined mission of the Parties. See Appendix G, Section 3.1.2. These requirements also will be stated and perpetuated in the amended governance documents of the Combined Entity.

2. Endowment Funds Retained. Section 3.1.2 requires the Combined Entity Board of Trustees to honor all existing donor-restrictions on the charitable assets of Central VNA, which obligation will be stated and perpetuated in the amended governance documents of the Combined Entity. An accounting of the current donor-restricted funds held by Central VNA is attached as Appendix L. Central VNA negotiated additional protections by requiring that any changes to the endowment spending policy of the Combined Entity during the Integration Period be approved by a supermajority vote of the Combined Entity Board of Trustees. See Appendix G, Merger Agreement Section 3.9.3.

3. Combined Entity Financials. The Parties jointly engaged the expert consultant, Simone Healthcare Consultants ("*Simione*"), to prepare 3-year proforma financial projections for the Combined Entity. A copy of the Simone projections is attached as Appendix M (the "Combined Entity Financial Projections"). Despite the conservative assumptions, the Combined Entity Financial Projections demonstrate a positive operating margin following the one-time investment in an integrated electronic medical record platform. As noted by the Helms Report in the section entitled "Financial Stability and Cost Structure Improvement," the proposed Transaction should allow Central VNA and Concord VNA to better withstand future federal reimbursement cuts by more efficiently deploying (but not reducing) clinical staff and by reducing administrative overhead and spreading it over a broader patient base. See Exhibit I, Helms Report at page 11. These efficiencies are detailed on pages 12 and 13 of the Helms Report. See Exhibit I.

C. DUTY OF CARE: DUE DILIGENCE

1. Engagement of Consultants. To assist it in fulfilling its fiduciary roles, the Central VNA Board of Trustees engaged and considered the advice of the following experts.

(a) *Helms & Company, Inc.; Kevin C. Stone, Senior Consultant.* Helms has provided management services to many home health and hospice agencies in Vermont and New Hampshire. Mr. Stone was an advisor to the merger of Community Health & Hospice and the VNA of Southern Carroll County and Vicinity and has led many home health agencies through strategic planning efforts. For over 15 years Mr. Stone managed a consortium of 6 home health and hospice agencies that worked collectively to enhance education for the home health workforce, benchmark costs and identify opportunities for cost savings, and support relationships with third party payers. In 2014 Mr. Stone received the Granite State Home Health Association Public Policy Award. The Parties jointly engaged Mr. Stone to evaluate the potential benefits and community impact of the proposed Transaction.

(b) *Simione Healthcare Consultants.* Simione is a national healthcare consulting firm based in Connecticut. When it was formed over fifty years ago, it was the only consulting firm to focus entirely on the provision of health care at home. Simione provides cost, risk and efficiency analysis related to home health care operations and transactions, as well as advice regarding operations, finance, compliance and risk, sales, cost reporting and information technology. The Parties jointly engaged Simione to assess the financial costs and projected financial implications of the proposed Transaction, to provide integration advice regarding the organizational and operational structure of the Combined Entity, and to develop a work plan for integrating the two organizations if the proposed Transaction is approved.

(c) *Hinckley Allen & Snyder, PLLC; Mark S. McCue, Esq., Partner.* The regional law firm of Hinckley Allen, with a team led by partner Mark S. McCue, has served as outside general counsel to Central VNA for many years. Attorney McCue has practiced corporate law for thirty-five years, and focuses on governance, corporate and transactional matters for nonprofit clients in the health care and senior living industries, including the merger of Community Health & Hospice and the VNA of Southern Carroll County and Vicinity in 2010. Attorney McCue advised the Central VNA Board of Trustees regarding the legality of the Transaction, due diligence, charitable asset

protection, fiduciary obligations of the Central VNA Board of Trustees, and compliance with regulatory processes. He also negotiated the Merger Agreement and all related governance documentation on behalf of Central VNA.

(d) *Montagne Communications*. The Parties jointly engaged Montagne Communications of Manchester, New Hampshire to plan, advertise, implement and facilitate the listening session described in paragraph 2 below and to assist them with public communications regarding the proposed Transaction.

2. Notification and Input of Communities Served. As required by New Hampshire RSA 7:19-b(II)(g), Central VNA communicated to the public the proposed Transaction and its terms, together with an analysis of how it will benefit the communities in Central VNA's service area -- and its Board of Trustees considered any feedback -- as follows. Upon their execution of a non-binding letter of intent on March 4, 2020 (the "*Letter of Intent*"), the Parties established a web site dedicated to the proposed Transaction: www.vnaforthefuturenh.com (the "*Transaction Web Site*"), and inserted a link to the dedicated web site on each of their organization's home page. On March 19, 2020, the Parties issued a joint press release announcing the Letter of Intent and ongoing negotiations and due diligence. A copy of the press release is attached as Appendix N. Central VNA also contacted personally a number of key stakeholders about the proposed Transaction, including staff, donors, community partners, community leaders and peer organizations. The Parties subsequently posted to the Transaction Web Site the Letter of Intent, a summary of the Transaction terms (attached as Appendix O), and the Helms Report which analyzed how the Transaction would improve access to quality physical and mental health care in the Central VNA service area.

On May 27, 2020, the Parties issued another joint press release announcing a virtual public listening session to describe and discuss the proposed Transaction. A copy of the press release is attached as Appendix P. Because the Governor of New Hampshire had declared a state of emergency in connection with the coronavirus pandemic and issued related emergency orders which required citizens to stay at home and not to congregate, the Parties elected to conduct a listing session using the Zoom webinar platform. They engaged Montagne Communications to design and implement the all-virtual listening session which was held via Zoom on June 3, 2020 from 4:30-6:00 p.m. In addition to the press release and announcements on the Parties' web sites and on the Transaction Web Site, the Parties placed print advertisements in the Concord Monitor, Laconia Daily Sun and Salmon Press Weeklies. One week before the session, Montagne

also created social media posts advertising the session with links to the registration page on the Transaction Web Site and the Parties personally invited key stakeholders by email. 146 individuals pre-registered for the listening session and 131 attended. The session was facilitated by Montagne, and the Board Chairs and Chief Executive Officers of the Parties presented the details of the proposed Transaction and its benefits and answered audience questions. A copy of the (i) listening session presentation slides, (ii) session summary, and (iii) question, answer and comment transcript are attached as Appendices Q-1, Q-2 and Q-3, respectively.

In preparation for its deliberations regarding the Merger Agreement on July 1, 2020 and for those Trustees unable to attend the listening session, the Central VNA Board of Trustees received a link to the Transaction Web Site and its posting of a complete video recording of the listening session as well as the transcript of listening session questions, answers and comments. During its deliberations, the Central VNA Board of Trustees discussed the public feedback received from the listening session and from posts to the Transaction Web Site, and concluded that the proposed Merger Agreement adequately addressed the public input.

3. Decision-Making Process. The Central VNA Board of Trustees exercised its fiduciary duty of due care in identifying and evaluating Concord VNA as an affiliation partner, in negotiating the terms of the Merger Agreement, and in considering the advice of experts it engaged to assist the Board in connection with the proposed Transaction. Before entering into the Letter of Intent, trustees, the Board Chairs and the Chief Executive Officers of both Parties formed the Trustee Workgroup to evaluate a potential affiliation. The Parties engaged Helms to facilitate meetings of the Trustee Workgroup, which were held on November 21, 2019, December 17, 2019 and February 5, 2020 and included an assessment of the advantages and disadvantages of an affiliation, potential affiliation structures, essential programs and services of each organization, and compatibility of culture. Based on these meetings, the Trustee Workgroup recommended that the Parties enter into a non-binding letter of intent to conduct due diligence into each other and on the structure and benefits of an affiliation.

The Central Chief Executive Officer, Lisa Dupuis, presented the Trustee Workgroup findings and recommendations to the Central VNA Board of Trustees at its February 20, 2020 meeting. A copy of the presentation slides is attached as Appendix R. Attorney McCue was present to discuss the due diligence and affiliation process. The Central VNA Board voted to enter into the Letter of Intent, a copy of which is attached as

Appendix S. Hinckley Allen and Central VNA senior management then conducted due diligence on Concord VNA while evaluating possible affiliation structures. A copy of the due diligence request list submitted to Concord VNA is attached as Appendix T. Subsequently, Attorney McCue presented an assessment of affiliation structures to the Central VNA Board of Trustees at its April 22, 2020 meeting, and the consensus of the Board was to pursue a merger in which the entities modify the governance documents of the surviving entity to reflect the combination of both organizations. A copy of Attorney McCue's presentation slides is attached as Appendix U. Attorney McCue and Ms. Dupuis then commenced negotiation of the Merger Agreement while Simone and Helms evaluated the financial, operational and clinical impacts of the proposed Transaction.

Following the listening session, the completion of due diligence, and the negotiation of the Merger Agreement, the Central VNA Board of Trustees met on July 1, 2020 to review and discuss: (i) the results of Hinckley Allen's due diligence review; (ii) the conclusions of Simone and Helms; (iii) the public input from the listening session and Transaction Web Site comments; and (iv) the terms of the Merger Agreement. A copy of the materials sent to the Central VNA Board of Trustees one week in advance of its meeting is attached as Appendix V. Following active deliberation and questioning, the Central VNA Trustees unanimously approved the Merger Agreement and authorized the filing of this Notice. A copy of the Central VNA Board of Trustees July 1, 2020 meeting minutes is attached as Appendix W.

4. Transaction Permitted by Law. As noted above, the Central VNA Board of Trustees engaged Hinckley Allen to advise it about the legality of the proposed Transaction as contemplated by the terms of the Merger Agreement, among other matters. Hinckley Allen has advised the Central VNA Board of Trustees that the proposed Transaction is permitted by applicable law, specifically New Hampshire RSA 292:7, subject to the receipt of regulatory approvals described in Section III(E)(2)(a) of this Notice. Given the compatibility of the Parties' charitable missions and organizational structures, the proposed Transaction does not require approval from a New Hampshire probate court.

D. DUTY OF LOYALTY

The Central VNA Board of Trustees observed its duty of loyalty in considering and approving the Merger Agreement. No conflicts of interest were identified and the proposed Merger does not constitute a pecuniary benefit transaction.

V. TRUSTEE CERTIFICATION

Attached as Appendix X is the certification of the trustees of Central VNA who voted on the Transaction affirming that the standards set forth in New Hampshire RSA 7:19-b(II) have been considered in good faith and met.


VI. STATEMENT OF CONCORD VNA

Concord VNA is an “acquirer” as that term is defined by New Hampshire RSA 7:19-b(I)(b) as the surviving legal entity of the Transaction. As required by New Hampshire RSA 7:19-b(III), attached as Appendix Y is a statement of Concord VNA specifying the manner in which it proposes to continue to fulfill the charitable objects of Central VNA.

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Respectfully submitted by the duly-authorized representative of the undersigned
this 5th day of August, 2020.

CENTRAL NEW HAMPSHIRE VNA & HOSPICE

By: 
Lisa Dupuis, MBA, OTRL
Chief Executive Officer, duly-authorized

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APPENDIX S	Nonbinding Letter of Intent
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APPENDIX U	Presentation Slides: Central VNA Board of Trustee Meeting 4/22/20
APPENDIX V	Board Materials for July 1, 2020 Central VNA Board of Trustees Meeting
APPENDIX W	Minutes of July 1, 2020 Central VNA Board of Trustees Meeting (approving Merger Agreement)
APPENDIX X	Certification of Central VNA Trustees Regarding RSA 7:19-b(II) Standards

APPENDIX Y	Statement of Concord VNA Regarding Furtherance of Central VNA Mission Post-Merger
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