

**SECOND AMENDED AND RESTATED BYLAWS
OF
RIVERVIEW HOSPITAL FOUNDATION, INC.**

ARTICLE I

Name

The name of the corporation is Riverview Hospital Foundation, Inc., d/b/a Riverview Health Foundation (the "Corporation"). The Corporation is an Indiana nonprofit corporation governed by the Indiana Nonprofit Corporation Act of 1991, as amended (the "Act").

ARTICLE II

Fiscal Year

The fiscal year of the Corporation shall begin each year on the first day of January and end on the last day of December.

ARTICLE III

Members

Section 3.1 **Members**. The Corporation shall have the following two (2) classes of members: (a) Board Members and (b) a Hospital Member.

Section 3.2 **Board Members**.

- (a) **Composition**. Board Members shall be those individuals serving as members of the Corporation's Board of Directors, as may be set forth in these Bylaws.
- (b) **Voting Rights**. Each Board Member shall have the voting rights provided in Section 4.5(c).
- (c) **Duration**. A Board Member's membership is continuous for so long as such he or she remains a member of the Board of Directors in good standing.
- (d) **Removal**. A Board Member may be removed in the same manner as set forth in Section 5.2(b)(iii) below, carried out in good faith.

Section 3.3 **Hospital Member**.

- (a) **Composition**. The sole "Hospital Member" shall be Riverview Hospital d/b/a Riverview Health, an Indiana county hospital located in Noblesville, Indiana that is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), acting through its Board of Trustees.
- (b) **Voting Rights**. The Hospital Member shall have those rights and powers set forth in the Articles of Incorporation and these Bylaws. The Hospital Member may exercise its authority through its Board of Trustees, President/CEO, or any other

designated officer of the Hospital Member. Without limiting such other rights, the Hospital Member shall have the sole authority to approve the following matters with respect to the Corporation:

- (i) Approving the operating and capital budgets of the Corporation;
 - (ii) Approving any unbudgeted expenditure by the Corporation in excess of \$1,000;
 - (iii) Appointing or removing the Executive Director of the Corporation;
 - (iv) Granting any naming rights or signage in any facility of the Hospital Member;
 - (v) Incurring any debt on behalf of the Corporation in excess of \$1,000;
 - (vi) Entering into any transaction with a company that is affiliated with a competitor of the Hospital Member, including without limitation, St. Vincent Health, Community Health Network, IU Health, or Franciscan Alliance.
 - (vii) Dissolving the Corporation;
 - (viii) Entering into any material transaction outside the ordinary course of business; and/or
 - (ix) Adopting or revising any policy that would have a material adverse impact on the Hospital Member.
- (c) Removal. The Hospital Member may not be removed.

ARTICLE IV **Meetings of Members**

Section 4.1 **Meetings**. The Members of the Corporation shall meet at least one (1) time per calendar year. All meetings of the Members shall be held at a location within Hamilton County, Indiana or as may be specified in the notices of such meetings.

Section 4.2 **Annual Meeting**. The annual meeting of the Members for the election of Community Directors, and for the transaction of such other business as may properly come before the meeting, shall be held on such date and at such time as the Board of Directors may set by resolution. The failure to hold the annual meeting during any year shall not work any forfeiture or a dissolution of the Corporation and shall not affect otherwise valid corporate acts. Such annual meeting shall be generally held around the same time and place, and in conjunction with, the annual meeting of the Board of Directors.

Section 4.3 **Special Meetings**. Special meetings of the Members, for any purpose or purposes, unless otherwise prescribed by the, applicable Indiana law or the Articles of

Incorporation, may be called by the Chairperson, the Board of Directors or at the request of the Hospital Member.

Section 4.4 **Notice of Meetings**. A printed notice, stating the place, day and hour of Member meetings, and in case of a special meeting, or when required by any other provision of the Act, or of the Articles of Incorporation, as now or hereafter amended, or these Bylaws, the purpose or purposes for which the meeting is called, shall be given by communicating in person, mail or other method of delivery, or other electronic means capable of verification by the Secretary/Treasurer, or by the persons calling the meeting, at least ten (10) days before and not more than thirty (30) days before the date of the meeting for purposes of notifying the Members of the meeting. Notice of any such meeting may be waived in writing by the Members, and attendance at any meeting in person shall constitute a waiver of notice of such meeting. If a Member, in the manner above provided, waived notice of a meeting of the Members, or personally attended a meeting of the Members, or was represented by a proxy authorized to appear by an instrument of proxy, the Member shall be conclusively presumed to have been given due notice of such meeting. A written or printed notice of any adjourned meeting shall be delivered or mailed to the Members at least ten (10) days before the date of such adjourned meeting, which notice shall state the fact of adjournment, the reasons for adjournment and the place, day and hour of the adjourned meeting.

Section 4.5 **Voting at Meetings**.

- (a) **Voting List**. The Secretary/Treasurer of the Corporation shall keep at all times, at the principal office of the Corporation, a complete and accurate list of all Members entitled to vote. The voting list of Members shall be available for review of the Members in accordance with the Act.
- (b) **Quorum**. The presence of a majority of the Members entitled to vote at such meeting shall constitute a quorum at all meetings of the Members for the transaction of business, except where otherwise provided by the Act, applicable Indiana law, the Articles of Incorporation or these Bylaws. In the absence of a quorum, any officer entitled to preside at, or act as Secretary/Treasurer of, such meeting shall have the power to adjourn the meeting from time to time until a quorum shall be constituted. At any such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the original meeting.
- (c) **Voting Rights**. Except as otherwise provided by the Act, applicable Indiana law, the Articles of Incorporation or these Bylaws, every Member shall have the right at every meeting of the Member to one (1) vote on all matters coming before the meeting, including the election of directors.
- (d) **Required Vote**. When a quorum is present at any meeting, the vote of a majority of the Members present having voting power shall decide any question brought before such meeting.

- (e) Proxies. The Members may vote at all meetings either in person or by proxy executed in writing by the Members. All proxies must be filed with the Secretary/Treasurer before being voted. No proxy is valid after eleven (11) months from its date of execution unless otherwise provided in the proxy.

Section 4.6 **Meeting Participation by Telecommunications.** Any or all of the Members may participate in a meeting of the Members by means of a conference telephone, video conference or similar communications equipment by which all persons participating in the meeting can communicate with each other, and participation in this manner constitute presence in person at the meeting.

Section 4.7 **Consent Action by Members.** Any action required to be taken at a meeting of the Members may be taken without a meeting if, prior to such action, a consent in writing, setting forth the actions so taken, is signed or acknowledged by electronic transmission by at least eighty percent (80%) of the Members entitled to vote with respect to the subject matter thereof, and such written consent shall be filed with the minutes of the proceedings of the Members. Action taken under this Section is effective when the last Member entitled to vote on the action signs or acknowledges the consent, unless the consent specifies a different, prior or subsequent effective date.

ARTICLE V **Board of Directors**

Section 5.1 **General Powers.** Except as may otherwise be provided by the Act, the Articles of Incorporation or these Bylaws, the affairs of the Corporation shall be managed by the Board of Directors. In exercising the foregoing powers and responsibilities, the Board of Directors shall not take or permit any action inconsistent with the purposes of the Corporation or the provisions of the Articles of Incorporation or these Bylaws.

Section 5.2 **Number, Election and Term of Office.**

- (a) Number and Classification. Except as otherwise provided in the Articles of Incorporation, the number of directors of the Corporation shall not be more than thirty (30) and not less than three (3). The exact number of directors shall be fixed by the Board of Directors by resolution, with approval by the Hospital Member. The directors of the Corporation shall be further classified as either Community Directors or Hospital Directors. The Hospital Directors shall be those directors appointed under Section 5.2(c) (not including any appointed, ex-officio directors) and the directors appointed under Section 5.2(b) shall be classified as Community Directors.
- (b) Community Directors.
 - (i) Nomination and Election. The Nominating Committee, as set forth in Section 6.3, shall submit a list of candidates for the election of Community Directors to the Board of Directors. Additional candidates may be nominated at the annual meeting of the Members. The Community

Directors shall be elected at the annual meeting of the Members, or, if not so elected, at any special meeting of the Members.

- (ii) Term. Community Directors shall be elected to a term of three (3) years and until their respective successors are duly elected and qualified or until their earlier resignation, removal, incapacity or death. No decrease in the number of directors shall have the effect of shortening the term of any incumbent director. Terms shall be staggered so that as nearly as possible an equal number of director's terms shall expire each year.

A Community Director may be elected to no more than two (2) consecutive terms (excluding any service for a partial term of less than three (3) years); provided, however, that this limitation shall not apply to a Community Director who is then an officer of the Corporation. In the event a Community Director is ineligible to serve based on the foregoing, such individual may not be elected as a Community Director until the immediately following annual meeting of the Board of Directors.

- (iii) Removal. Any Community Director may be removed, with or without cause, at a meeting of the Board of Directors called expressly for that purpose and by a vote of the majority of the persons then serving on the Board of Directors, or by the vote of the Hospital Member.

- (iv) Vacancies. Any vacancy of a Community Director occurring on the Board of Directors caused by an increase in the number of directors by resolution of the Board of Directors approved by the Hospital Member, or by resignation, removal, incapacity, death or otherwise, shall be filled until the next annual meeting of the Members by the vote of the remaining voting members of the Board of Directors.

- (c) Hospital Directors. The Hospital Member shall have the authority to appoint up to two (2) members of the Board of Directors (each a "Hospital Director"), one of whom shall be a member of the Board of Trustees of the Hospital Member. Hospital Directors may only be removed by the Hospital Member. A vacancy of a Hospital Director shall be filled by the Hospital Member. In addition to the foregoing, the Hospital Member may appoint any of the following ex-officio, non-voting directors from the following positions associated with the Hospital Member:

- (i) A person elected by the Board of the Auxiliary of the Hospital Member appointed by the Hospital Member Board of Trustees;
- (ii) A member of the Medical Staff of the Hospital Member appointed by the Medical Staff Executive Committee;
- (iii) The President/CEO of the Hospital Member;

- (iv) The Chief Financial Officer of the Hospital Member; and/or
- (v) An employee of the Hospital appointed by the Hospital Member Board of Trustees.

Section 5.3 **Resignations.** A director may resign at any time by giving written notice to the remaining Board of Directors and the Chairperson or the Secretary/Treasurer. Any such resignation shall take effect upon receipt of such notice or at any later time specified therein; and, unless otherwise specified therein, no acceptance of such resignation shall be necessary to make it effective.

Section 5.4 **Regularly Scheduled Meetings.**

- (a) **Annual Meeting.** The annual meeting of the Board of Directors for the election of officers and for the transaction of such other business as may properly come before the meeting shall be held immediately following the annual meeting of the Members. Failure to hold the annual meeting during such time shall not work any forfeiture or dissolution of the Corporation and shall not affect otherwise corporate acts.
- (b) **Regular Meetings.** The Board of Directors shall meet at least quarterly. The annual meeting of the Board of Directors shall count as one regular meeting. The exact number, frequency and timing of regular meetings of the Board of Directors shall be determined by the Board of Directors.
- (c) **Schedule.** A schedule showing the annual meeting and the regular meetings of the Board of Directors for the fiscal year shall be distributed to each director. A change in the date or time for any of the meetings on such schedule shall be communicated to each director at least two (2) days prior to the changed meeting's rescheduled date.
- (d) **Location.** Unless otherwise determined by the Board of Directors, all meetings of the Board of Directors shall be held at the office of the Corporation or at such other location within Hamilton County, Indiana, or the counties adjacent to Hamilton County.

Section 5.5 **Special Meetings.** Special meetings of the Board of Directors may be called by the Chairperson or by any two (2) of the directors then in office. The location of any special meeting shall be determined by the person(s) calling such meeting, but such location must be at the office of the Corporation, or at some other location within Hamilton County, Indiana, or the counties adjacent to Hamilton County.

Section 5.6 **Notice.** Unless the Act requires a longer notice period, notice of the time and place of the annual meeting, regular meetings and any special meeting of the Board of Directors shall be given by communicating in person, mail or other method of delivery, or other

electronic means capable of verification, at least two (2) days prior to the meeting. Directors, in lieu of such notice, may sign a written waiver of notice either before, during or after the meeting. The waiver must be filed with the minutes or the records of the Corporation. Attendance by a director in person at any such meeting of the Board of Directors shall constitute a waiver of notice unless the director at the beginning of the meeting or promptly upon the director's arrival objects to holding the meeting or transacting business at the meeting and does not vote for or assent to action taken at the meeting.

Section 5.7 **Quorum.** A majority of the actual number of elected and qualified voting members of the Board of Directors, from time to time, shall be necessary to constitute a quorum for the transaction of any business. The act of a majority of the voting members of the Board of Directors present at the meeting, at which a quorum is present, shall be the act of the Board of Directors, unless the act of a greater number is required by the Act, the Articles of Incorporation, or these Bylaws. A Director of the Corporation who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to assented to the action taken unless such Director's dissent shall be entered in the minutes of the meeting or unless such Director shall file a written dissent to such action with the Secretary/Treasurer of the meeting before adjournment thereof or shall forward such dissent by registered mail to the Secretary/Treasurer of the Corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action and did not change his or her vote prior to the time that the result of such vote was announced by the Chairperson of such meeting.

Section 5.8 **Consent Action by Directors.** Any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting, if a written consent to such action is signed or acknowledged by electronic transmission by at least eighty percent (80%) of the Board of Directors or such committee of the Board of Directors, as the case may be, and such written consent is filed with the minutes of proceedings of the Board of Directors or such committee. Action taken under this Section is effective when the last director or committee signs or acknowledges the consent, unless the consent specifies a different prior or subsequent effective date.

Section 5.9 **Meeting Participation by Telecommunications.** Any or all of the Board of Directors or of a committee designated by the Board of Directors may participate in a meeting of the Board of Directors or committee by means of a conference telephone, video conference or similar communications equipment by which all persons participating in the meeting can communicate with each other, and participation in this manner constitute presence in person at the meeting.

Section 5.10 **Compensation.** The directors shall not receive salaries, fees or compensation from the Corporation for their services as directors or their attendance at any meeting or committee meeting of directors. Community Directors may be reimbursed for their reasonable expenses incurred in the performance of their duties, including the expense of traveling to and from meetings of the Board, if such reimbursement is authorized by a majority of the Board.

ARTICLE VI

Committees

Section 6.1 **General Powers.** The Board of Directors may create one (1) or more committees to assist it in carrying out any of the purposes of the Corporation, define the responsibilities of such committee or committees and delegate to such committee or committees powers as the Board of Directors determines to be appropriate. A committee shall consist of not less than three (3) members of the Board of Directors, and the Board of Directors may delegate to any such committee or committees any or all of the authority of the Board, however conferred, other than that of recommending changes in the Bylaws and that of filling vacancies in the Board of Directors or in any committee of the Board. Each such committee shall serve at the pleasure of the Board of Directors, shall act only in the intervals between meetings of the Board of Directors, and shall be subject to the control and direction of the Board of Directors. The Board of Directors may adopt or authorize the committees to adopt provisions with respect to the governance of any such committee or committees which are not inconsistent with the Act, the Articles of Incorporation or these Bylaws. An act of authorization of an act by any such committee within the authority properly delegated to it by the Board of Directors shall be as effective for all purposes as the act or authorization of the Board of Directors.

Section 6.2 **Executive Committee.**

- (a) **Duties.** The Executive Committee may act on behalf of the Corporation in any matter when the Board of Directors is not in session, reporting to the Board of Directors for the ratification of its action. The Chairperson shall serve as chair of the Executive Committee.
- (b) **Membership.** The Executive Committee shall be composed of (i) the Chairperson, Past Chairperson, Vice Chairperson, and Secretary/Treasurer of the Corporation, (ii) one Hospital Director, and (iii) up to two (2) at-large members of the Board of Directors selected by majority vote of the Chairperson, Past Chairperson and the Vice Chairperson, each of whom shall be entitled to vote. In the event an individual serves in more than one of the foregoing positions (e.g., if the Hospital Director is also the Secretary/Treasurer of the Corporation), no replacement member of the Executive Committee shall be added. In no event shall the members of the Executive Committee exceed seven (7) members. Each of the ex-officio, non-voting directors appointed by the Hospital Member under Section 5.2(c) above shall have the ability to attend, but not vote at, meetings of the Executive Committee.
- (c) **Meetings.** The Executive Committee shall meet no less frequently than quarterly, and shall meet as called by the Chairperson or by at least three (3) members of the Executive Committee. Minutes of all meetings of the Executive Committee shall be kept and filed with the minutes of the meetings of the Board of Directors.

Section 6.3 **Nominating Committee.**

- (a) **Duties.** The Nominating Committee shall submit a list of candidates for the election of Community Directors to the Board of Directors at the annual meeting of the Members.
- (b) **Membership.** The Nominating Committee shall be comprised of the Chairperson, Past Chairperson, and an at-large member of the Board of Directors appointed by the Executive Committee at least thirty (30) days prior to the annual meeting of the Members. The Past Chairperson shall serve as the chairperson of the Nominating Committee.

Section 6.4 **Investment Committee.**

- (a) **Duties.** The Investment Committee shall be responsible for directing and monitoring the investment management of the Corporation's assets.
- (b) **Membership.** The Investment Committee shall be comprised of the Secretary/Treasurer, the Chief Financial Officer of the Hospital Member, the Vice Chairperson, and two (2) at-large members (only one (1) of which is required to be a member of the Board of Directors) appointed by the Executive Committee within thirty (30) days following the annual meeting of the Members. The Secretary/Treasurer shall serve as the chairperson of the Investment Committee.

Section 6.5 **Community Relations Committees.**

- (a) **Identity.** The Board may from time to time create such other committees for the purposes of community relations, donor cultivation, event planning, and other similar initiatives. For purposes of example only, such committees may include a professional advisors outreach committee, a Women of Vision committee, a Women's Retreat committee, a golf committee, and a gala committee. All actions of the donor cultivation committees shall be subject to the ultimate approval and authority of the Board of Directors.
- (b) **Membership.** Each Board Member is required to serve on at least one (1) community relations committee. The remainder of the members of the community relations committees shall be determined by the Executive Director of the Corporation and, notwithstanding Section 6.1 above, shall not be required to have three (3) members of the Board of Directors and may include individuals who are not members of the Board of Directors.

ARTICLE VII
Officers

Section 7.1 **Principal Officers.** The principal officers of the Corporation shall be a Chairperson, Past Chairperson (who shall be the immediate past-Chairperson), a Vice

Chairperson, and a Secretary/Treasurer. The Corporation may also have such subordinate officers as may be appointed in accordance with the provisions of these Bylaws. Each of the principal officers shall be a member of the Board of Directors. Any of the principal offices of the Corporation may be held by the same person.

Section 7.2 **Election and Term of Office.** The principal officers of the Corporation shall be chosen annually at the annual meeting of the Board of Directors by a vote of a majority of the voting members of the Board of Directors then in office. Each officer shall hold office for a period ending at the next annual meeting of the Board of Directors and until such officer's successor shall have been duly chosen and qualified, or until such officer's death, or until such officer shall resign, or until such officer shall have been removed in the manner hereinafter provided.

Section 7.3 **Subordinate Officers.** In addition to the principal officers enumerated in Section 7.1, the Corporation may have one or more additional Assistant Treasurers, Assistant Secretaries, and such other officers, agents and employees as the Board of Directors may deem necessary and as it shall select, each of whom (a) shall hold office for such period as the Board of Directors shall determine, (b) may be removed with or without cause, and (c) shall have such authority and perform such duties as the Board of Directors may from time to time determine. The Board of Directors may delegate to any principal officer the power to appoint and to remove any such subordinate officers, agents or employees.

Section 7.4 **Removal.** Any principal officer may be removed, either with or without cause, at any time, by resolution adopted at a meeting of the Board of Directors by a majority of the directors then entitled to vote.

Section 7.5 **Resignations.** Any officer may resign at any time by giving written notice to the Board of Directors, the Chairperson or the Secretary/Treasurer. Any such resignation shall take effect upon receipt of such notice or at any later time specified therein; and, unless otherwise specified therein, no acceptance of such resignation shall be necessary to make it effective.

Section 7.6 **Vacancies.** Any vacancy in any office may be filled by the Board Directors at any regular or special meeting of the Board of Directors.

Section 7.7 **Chairperson.** The Chairperson shall preside at all meetings of the Board of Directors. In general, the Chairperson shall perform all duties and have all the powers incident to the office of Chairperson, as herein defined, and all such other duties and powers as, from time to time, may be assigned to the Chairperson by the Board of Directors.

Section 7.8 **Vice Chairperson.** The Vice Chairperson shall have the powers of the Chairperson during the absence or incapacity of the Chairperson or when there is a vacancy in the office of Chairperson. In general, the Vice Chairperson shall perform all duties and have all the powers as, from time to time, may be assigned to the Vice Chairperson by the Board of Directors.

Section 7.9 **Past Chairperson.** The Past Chairperson shall have the powers of the Chairperson or Vice Chairperson during the absence or incapacity of the Chairperson or Vice Chairperson, or when there is a vacancy in the office of Chairperson or Vice Chairperson. In general, the Past Chairperson shall perform all duties and have all the powers as, from time to time, may be assigned to the Past Chairperson by the Board of Directors.

Section 7.10 **Secretary/Treasurer.** The Secretary/Treasurer shall (i) keep or cause to be kept in the books provided for that purpose the minutes of the meetings of the Board of Directors, (ii) duly give and serve all notices required to be given in accordance with the provisions of these Bylaws and by the Act, (iii) be custodian of the records of the Corporation, (iv) attest to all documents, the execution of which on behalf of the Corporation under the Secretary/Treasurer's attestation is duly authorized in accordance with the provisions of these Bylaws, (v) have charge and custody of, and be responsible for, all funds and securities of the Corporation and shall deposit all such funds in the name of the Corporation in such banks or other depositories as shall be selected by the Board of Directors, (vi) upon request exhibit at all reasonable times the books of account and records to any of the directors of the Corporation during business hours at the office of the Corporation where such books and records shall be kept, (vii) render upon request by the Board of Directors a statement of the condition of the Corporation at any meeting of the Board of Directors, and (viii) receive, and give receipt for, monies due and payable to the Corporation from any source whatsoever. In general, the Secretary/Treasurer shall perform all duties and have all the powers as, from time to time, may be assigned to the Secretary/Treasurer by the Board of Directors. Notwithstanding the foregoing, the Secretary/Treasurer may delegate the initial preparation of minutes, notices, and records of Board and other meetings to an employee of the Corporation or the Hospital Member.

Section 7.11 **Executive Director.** The Executive Director shall serve as the chief executive officer of the Corporation and as such shall have general supervision of the affairs of the Corporation, subject to the control of the Board of Directors and the Hospital Member. Subject to such control and direction, the Executive Director may enter into any agreement and may execute and deliver any agreement, instrument or document in the name and on behalf of the Corporation when specifically authorized by the Board of Directors or in the ordinary conduct of the Corporation's normal business. In general, the Executive Director shall perform all duties and have all the powers incident to the office of Executive Director, as herein defined, and all such other duties and powers as, from time to time, may be assigned to the Executive Director by the Board of Directors.

Section 7.12 **Duties of Officers May Be Delegated.** If any officer of the Corporation is absent or unable to act, or for any other reason that the Board of Directors may deem sufficient, the Board of Directors may delegate for a period of time some or all of the functions, duties, powers and responsibilities of any officer to any other officer, or to any other agent or employee of the Corporation or any other responsible person, provided a majority of the entire Board of Directors concurs therein. Any person serving in an interim or acting position for any office shall be deemed an "officer" for purposes of these Bylaws.

Section 7.13 **Bond.** Any officer or employee, if required by the directors, shall give bond in such sum and with such security as the directors may require for the faithful performance of his or her duties.

Section 7.14 **Signing Checks and Other Instruments.** The directors are authorized to determine or provide the method of determining how checks, notes, bills of exchange and similar instruments shall be signed, countersigned, or endorsed.

Section 7.15 **Corporation's Voting Memberships and Securities.** Unless otherwise ordered by the Board of Directors, and subject to the direction of the Board of Directors, the Chairperson is appointed attorney-in-fact and agent of the Corporation, and shall have full power and authority in the name and on behalf of the Corporation, to attend and to act at, and to vote all memberships and all stock or other securities entitled to be voted at, any meetings of members or security holders of such foundations (whether for-profit or non-profit) or associations in which the Corporation may hold memberships or securities, in person or by proxy, as a member, stockholder or otherwise, and at such meetings shall possess and may exercise any and all rights and powers incident to the holding of such memberships or the ownership of such securities, and which as the holder or owner thereof, the Corporation might have possessed and exercised, if present, or to consent in writing to any action by any such other foundation or association. The Board of Directors by resolution from time to time may confer like powers upon any other person or persons.

ARTICLE VIII

Conflict of Interest Policy

Section 8.1 **Purpose.** The purpose of the conflict of interest policy is to protect the Corporation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Corporation or might result in a possible Excess Benefit Transaction (as that term is defined below). This policy is intended to supplement, but not replace, any applicable state and Federal laws governing conflict of interest applicable to non-profit and charitable organizations. Notwithstanding anything contained herein to the contrary, the Corporation acknowledges that certain members of the Board of Directors and officers of the Corporation may be employees of the Hospital Member, and there shall be no recurring requirement to disclose such employment to the Corporation in connection with the consideration of any transaction or arrangement hereunder.

Section 8.2 **Definitions.** For purpose of this Article, the following terms shall have the following meanings:

- (a) "Compensation" shall mean direct or indirect remuneration as well as gifts or favors that are not insubstantial.
- (b) "Excess Benefit Transaction" shall mean any transaction or arrangement in which an economic benefit is provided by the Corporation, directly or indirectly, to or for the use of any Interested Person (including members of his or her family and any entity which is thirty-five percent (35%) owned or controlled by such

Interested Person) if the value of the economic benefit provided exceeds the value of the consideration (including the performance of services) received for providing such benefit.

- (c) “Financial Interest” shall mean any person who has, directly or indirectly, through business, investment, or family relationship, any of the following:
 - (i) An ownership or investment interest in any entity with which the Corporation has a transaction or arrangement; or
 - (ii) A Compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a transaction or arrangement; or
 - (iii) A potential ownership or investment interest in, or Compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement.

A Financial Interest is not necessarily a conflict of interest. Under Section 8.4, a person who has a Financial Interest may have a conflict of interest only if the appropriate Board of Directors or committee decides that a conflict of interest exists.

- (d) “Interested Person” shall mean any voting director, officer, or member of a committee (with powers delegated from the Board of Directors) who has a direct or indirect Financial Interest. If a person is an Interested Person with respect to any entity in the corporate organization of which the Corporation is a part, he or she is an Interested Person with respect to all entities in that system.

Section 8.3 **Duty to Disclose.** In connection with any actual or possible conflict of interest, an Interested Person must disclose the existence and nature of his or her Financial Interest to the directors and members of committees with powers delegated from the Board of Directors considering the proposed transaction or arrangement.

Section 8.4 **Determining Whether a Conflict of Interest Exists.** After disclosure of the Financial Interest and all material facts, and after any discussion with the Interested Person, the Interested Person shall leave the Board of Directors or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board of Directors or committee members shall decide if a conflict of interest exists.

Section 8.5 **Procedures for Addressing the Conflict of Interest.**

- (a) An Interested Person may make a presentation at the Board of Directors or committee meeting, but after the presentation, the Interested Person shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

- (b) The Chairperson or chairperson of a committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- (c) After exercising due diligence, the Board of Directors or committee shall determine whether the Corporation can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- (d) If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board of Directors or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Corporation's best interest, for its own benefit, and whether the transaction or arrangement is fair and reasonable to the Corporation. In conformity with the above determination the Board of Directors or committee shall make its decision as to whether to enter into the transaction or arrangement.

Section 8.6 Violations of the Conflict of Interest Policy.

- (a) If the Board of Directors or committee has reasonable cause to believe that a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- (b) If, after hearing the member's response and after making such further investigation as may be warranted by the circumstances, the Board of Directors or committee determines that the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action. Notwithstanding such violation and any disciplinary or corrective action, the Board of Directors may ratify the transaction or arrangement as being in the Corporation's best interest and fair and reasonable to the Corporation.

Section 8.7 Records of Proceedings. The minutes of the Board of Directors or committees with powers delegated from the Board of Directors shall contain:

- (a) The names of the persons who disclosed or otherwise were found to have a Financial Interest in connection with an actual or possible conflict of interest, the nature of the Financial Interest, any action taken to determine whether a conflict of interest was present, and the Board of Director's or committee's decision as to whether a conflict of interest in fact existed; and
- (b) The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Section 8.8 **Compensation.**

- (a) A voting member of the Board of Directors who receives Compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's Compensation.
- (b) A voting member of any committee whose jurisdiction includes Compensation matters and who receives Compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's Compensation.
- (c) No voting member of the Board of Directors or any committee whose jurisdiction includes Compensation matters and who receives Compensation, directly or indirectly, from the Corporation, either individually or collectively, is prohibited from providing any information to any committee regarding Compensation.

Section 8.9 **Annual Statements.** Each director, officer and member of a committee with powers delegated from the Board of Directors shall annually sign a statement which affirms that such person:

- (a) Has received a copy of the conflicts of interest policy;
- (b) Has read and understands the policy;
- (c) Has agreed to comply with the policy; and
- (d) Understands that the Corporation is a charitable organization and that in order to maintain its Federal tax exemption it must engage primarily in activities that accomplish one (1) or more of its tax-exempt purposes.

Section 8.10 **Periodic Reviews.** To ensure that the Corporation operates in a manner consistent with its charitable purposes and that it does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- (a) Whether Compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining; and
- (b) Whether partnerships, joint ventures, and arrangements with management organizations conform to written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further the Corporation's charitable purposes and do not result in inurement, impermissible private benefit or in an Excess Benefit Transaction.

Section 8.11 **Use of Outside Experts.** When conducting the periodic reviews provided for in this Article, the Corporation may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of Directors of its responsibility for ensuring periodic reviews are conducted.

ARTICLE IX

Indemnification of Directors and Officers

Section 9.1 **Definitions.** For purposes of this Article, the following terms shall have the following meanings:

- (a) “Liabilities” and “Expenses” shall mean monetary obligations incurred by or on behalf of a director or officer in connection with the investigation, defense or appeal of a Proceeding or in satisfying a claim thereunder and shall include, but shall not be limited to, attorneys’ fees, paralegal fees, court costs, filing fees, fees and costs incurred in arbitration, mediation or other forms of alternative dispute resolution, costs of investigations, experts (including, without limitation, accounting, criminal and forensic experts) and disbursements, amounts of judgments, fines or penalties, excise taxes assessed with respect to an employee benefit plan, and amounts paid in settlement by or on behalf of a director or officer.
- (b) “Other Enterprise” shall mean any corporation, partnership, limited liability company, limited liability partnership, joint venture, trust, employee benefit plan or other enterprises, whether for profit or not, for which a director or officer is or was serving, at the request of the Corporation, as a director, officer, member, manager, partner, trustee, employee or agent. The phrase “at the request of the Corporation” shall include a request made by resolution of the Board of Directors or by action of any corporate officer to any director or other officer of the Corporation.
- (c) “Proceeding” shall mean any claim, action, suit or proceeding (whether brought against, by or in the right of the Corporation or Other Enterprise or otherwise), civil, criminal, administrative or investigative, whether formal or informal, including arbitration, mediation or other forms of alternative dispute resolution and whether actual or threatened or in connection with an appeal relating thereto, in which a director or officer may become involved, as a party or otherwise, (i) by reason of being or having been a director or officer of the Corporation (and, if applicable, an employee or agent of the Corporation) or a director, officer, member, manager, partner, trustee, employee, member, or agent of an Other Enterprise or arising out of his or her status as such, or (ii) by reason of any past or future action taken or not taken by a director or officer in any such capacity, whether or not he or she continues to be such at the time he or she incurs Liabilities and Expenses under the Proceeding.

- (d) “Standard of Conduct” shall mean that a director or officer, based on facts then known to the director or officer, discharged the duties as a director or officer, including duties as a member of a committee, in good faith in what he or she reasonably believed to be in or not opposed to the best interests of the Corporation or Other Enterprise, as the case may be, and, in addition, in any criminal Proceeding had reasonable cause to believe his or her conduct was lawful or had no reasonable cause to believe that his or her conduct was unlawful. The termination of any Proceeding, by judgment, order, settlement (whether with or without court approval) or conviction or upon a plea of guilty, shall not create a presumption that the director or officer did not meet the Standard of Conduct. The termination of any Proceeding by a consent decree or upon a plea of nolo contendere, or its equivalent, shall create the presumption that the director or officer met the Standard of Conduct.

Section 9.2 **Indemnification.** If a director or officer is made a party to or threatened to be made a party to, or is involved as a witness or otherwise in any Proceeding, the Corporation shall indemnify the director or officer against Liabilities and Expenses incurred by him or her in connection with such Proceeding in the following circumstances:

- (a) If a director or officer has been wholly successful on the merits or otherwise with respect to any such Proceeding, he or she shall be entitled to indemnification for Liabilities and Expenses as a matter of right. If a Proceeding is terminated against the director or officer by consent decree or upon a plea of nolo contendere, or its equivalent, the director or officer shall not be deemed to have been “wholly successful” with respect to such Proceeding; or
- (b) In all other situations, a director or officer shall be entitled to indemnification for Liabilities and Expenses as a matter of right unless (i) the director or officer has breached or failed to perform his or her duties with respect to the Corporation or Other Enterprise as a director or officer in compliance with the Standard of Conduct and (ii) with respect to any action or failure to act by the director or officer which is at issue in such Proceeding, such action or failure to act constituted willful misconduct or recklessness. To be entitled to indemnification pursuant to this Section 9.2, the director or officer must notify the Corporation of the commencement of the Proceeding in accordance with Section 9.5 and request indemnification. A review of the request for indemnification and the facts and circumstances underlying the Proceeding shall be made in accordance with one of the procedures described below; and the director or officer shall be entitled to indemnification as a matter of right unless, in accordance with such procedure, it is determined beyond a reasonable doubt that (i) the director or officer breached or failed to perform the duties of the office in compliance with the Standard of Conduct, and (ii) the breach or failure to perform constituted willful misconduct or recklessness. Any one of the following procedures may be used to make the review and determination of a director’s or officer’s request for indemnification under this Section 9.2(b):

- (i) by the Board of Directors by a majority vote of a quorum consisting of voting directors who are not parties to, or who have been wholly successful with respect to, such Proceeding;
- (ii) if a quorum cannot be obtained under (i) above, by a majority vote of a committee duly designated by the Board of Directors (in the designation of which, directors who are parties to such Proceeding may participate), consisting solely of two or more directors who are not parties to, or who have been wholly successful with respect to, such Proceeding;
- (iii) by independent legal counsel selected by a majority vote of the voting members of the Board of Directors (in which selection, directors who are parties to such Proceeding may participate) and which may be outside counsel regularly employed by the Corporation; or
- (iv) by a committee consisting of three (3) or more disinterested persons selected by a majority vote of the voting members of the Board of Directors (in which selection, directors who are parties to such Proceeding may participate).

Any determination made in accordance with the above procedures shall be binding on the Corporation and the director or officer.

- (c) If several claims, issues or matters of action are involved, a director or officer may be entitled to indemnification as to the some matters even though he or she is not entitled to indemnification as to other matters.
- (d) The indemnification herein provided shall be applicable to Proceedings made or commenced after the adoption of this Article, whether arising from acts or omissions to act which occurred before or after the adoption of this Article.

Section 9.3 **Prepaid Liabilities and Expenses.** The Liabilities and Expenses which are incurred or are payable by a director or officer in connection with any Proceeding shall be paid by the Corporation in advance, with the understanding and agreement between such director or officer and the Corporation, that, in the event it shall ultimately be determined as provided herein that the director or officer was not entitled to be indemnified, or was not entitled to be fully indemnified, the director or officer shall repay to the Corporation such amount, or the appropriate portion thereof, so paid or advanced.

Section 9.4 **Exceptions to Indemnification.** Notwithstanding any other provisions of this Section to the contrary, the Corporation shall not indemnify a director or officer:

- (a) for any Liabilities and Expenses for which payment is actually made to or on behalf of a director or officer under a valid and collectible insurance policy, except in respect of any excess beyond the amount of payment under such insurance; or

- (b) for any Liabilities or Expenses incurred in a suit or claim against the director or officer arising out of or based upon actions attributable to the director or officer in which the director or officer gained any personal profit or advantage to which he or she was not legally entitled.

Section 9.5 **Notification and Defense of Proceeding**. Promptly after receipt by a director or officer of notice of the commencement of any Proceeding, the director or officer will, if a request for indemnification in respect thereof is to be made against the Corporation under this Article, notify the Corporation of the commencement thereof; but the failure to so notify the Corporation will not relieve it from any obligation which it may have to the director or officer under this Article or otherwise. With respect to any such Proceeding as to which the director or officer notifies the Corporation of the commencement thereof:

- (a) the Corporation will be entitled to participate therein at its own expense; and
- (b) except as otherwise provided below, to the extent that it may so desire, the Corporation, jointly with any other indemnifying party similarly notified, will be entitled to assume the defense thereof, with counsel reasonably satisfactory to the director or officer. After notice from the Corporation to the director or officer of its election to assume the defense of the director or office in the Proceeding, the Corporation will not be liable to the director or officer under this Article for any legal or other Expenses subsequently incurred by the director or officer in connection with the defense thereof other than reasonable costs of investigation or as otherwise provided below. The director or officer shall have the right to employ counsel in such Proceeding, but the Expenses of such counsel incurred after notice from the Corporation of its assumption of the defense thereof shall be at the expense of the director or officer unless:
 - (i) the employment of counsel by the director or officer has been authorized by the Corporation;
 - (ii) the director or officer shall have reasonably concluded that there may be a conflict of interest between the Corporation and the director or officer in the conduct of defense of such Proceeding; or
 - (iii) the Corporation shall not in fact have employed counsel to assume the defense of such Proceeding;

in each of which cases the Expenses of counsel employed by the director or officer shall be paid by the Corporation. The Corporation shall not be entitled to assume the defense of any Proceeding brought by the Corporation or as to which the director or officer shall have made the conclusion provided for in (ii) above.

- (c) The Corporation shall not be liable to indemnify a director or officer under this Article for any amounts paid in settlement of any Proceeding without the

Corporation's prior written consent. The Corporation shall not settle any action or claim in any manner which would impose any penalty or limitation on a director or officer without the director or officer's prior written consent. Neither the Corporation nor a director or officer will unreasonably withhold consent to any proposed settlement.

Section 9.6 **Enforcement.** Any indemnification under this Article shall be made promptly upon the director or officer being wholly successful on the merits or otherwise with respect to any Proceeding or upon the determination in accordance with Section 9.2(b) of this Article that the director or officer is entitled to indemnification. Any advancement of Expenses under this Article shall be made promptly after receipt by the Corporation of a written request from the person seeking advancement of Expenses including such person's undertaking to repay all amounts so advanced (as required by Section 9.3). Any right of a director or officer to indemnification or advancement of Expenses as granted by this Article may be enforceable by such director or officer in any court of competent jurisdiction if the Corporation denies such request, in whole or in part, or if no disposition thereof is made within thirty (30) days after receipt by the Corporation of request therefor.

Section 9.7 **Other Rights and Remedies.** The rights of indemnification provided under this Article are not exhaustive and shall be in addition to any rights to which a director or officer may otherwise be entitled by contract or as a matter of law. Irrespective of the provisions of this Article, the Corporation may, at any time and from time to time, indemnify directors, officers, employees and other persons to the full extent permitted by the provisions of the Act, or any successor law, as then in effect, whether with regard to past or future matters.

Section 9.8 **Continuation of Indemnity.** All obligations of the Corporation under this Article shall survive the termination of a director's or officer's service in any capacity covered by this Article.

Section 9.9 **Insurance.** The Corporation may purchase and maintain insurance on behalf of any person who is or was or has agreed to become a director or officer or other person or any person who is or was serving or has agreed to serve at the request of the Corporation as a director, officer, member, manager, partner, trustee or agent of an Other Enterprise against any liability asserted against such person and incurred by such person in any capacity or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify such person against such liability under the provisions of applicable statutes, this Article or otherwise.

Section 9.10 **Contractual Rights and Applicability.** It is the intent of this Article to empower the Corporation to provide indemnification and advancement of Expenses to the fullest extent allowed by law. Except as otherwise expressly provided herein, indemnification shall be provided without regard to the legal or equitable theory of the Proceeding, including but not limited to criminal claims, conspiracy claims, joint, several, comparative or sole negligence, breach of contract or warranty, strict liability, breach of fiduciary duty, mismanagement, corporate waste, or violation of federal or state securities law or any other law, regulation or policy. The right to be indemnified or be reimbursed or advanced Expenses pursuant hereto (a) is a contract right based upon good and valuable consideration, pursuant to which the person

entitled thereto may bring suit as if the provisions thereof were set forth in a separate written contract between the person and the Corporation, (b) is intended to be retroactive and shall be available with respect to events occurring prior to the adoption hereof, (c) shall continue to exist after the rescission or restrictive modification hereof with respect to events occurring prior thereto, and (d) shall inure to the benefit of the heirs and personal representatives of any present or former director, or officer.

If any portion of this Article shall be invalidated on any ground by any court of competent jurisdiction, or in any arbitration proceeding, then the Corporation shall nevertheless indemnify each person entitled to indemnification or advancement of Expenses under this Article as to all Liabilities and Expenses actually and reasonably incurred or suffered by such person and for which indemnification is available to such person pursuant to this Article to the full extent permitted by any applicable portion of this Article that shall not have been invalidated and to the fullest extent permitted by applicable law.

ARTICLE X **Endowment Fund**

The Corporation shall be permitted to accept contributions, bequests and transfers of funds in the form of unrestricted funds, temporarily restricted funds and permanently restricted funds and investment such funds into a pooled investment account pursuant to procedures and policies established by the Board of Directors.

ARTICLE XI **Amendments**

The Corporation reserves the right to make, amend, alter, change or repeal any provisions contained in the Bylaws of the Corporation or in any amendment thereto, by a majority vote of the voting members of the Board of Directors; provided, however, that no corporate action purporting to amend the Bylaws shall be effective unless that action is approved and adopted, in writing, by the Hospital Member, and such power shall not authorize any amendment, alteration, change or repeal which would have the effect of disqualifying the Corporation as a tax-exempt organization under Section 501(c)(3) of the Code, or would have the effect of disqualifying contributions to the Corporation for deduction under Section 170(c)(2), Section 2055(a)(2) or Section 2522 of the Code. To the extent permitted by the Act, the Hospital Member may act independently to amend the Bylaws of the Corporation when in the good faith opinion of the Hospital Member such action is required to maintain the integrity or charitable purposes of the Corporation.

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CERTIFICATE

The undersigned hereby certifies that the foregoing Second Amended and Restated Bylaws of the Corporation were duly approved and adopted by action of the Board of Directors and Hospital Member of the Corporation to be effective as of the ____ day of _____, 2016.

RIVERVIEW HOSPITAL FOUNDATION, INC.

By: _____
Chuck Goodrich, Chairperson

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