

I, KIM WYMAN, Secretary of State of the State of Washington and custodian of its seal, hereby issue this

### CERTIFICATE OF INCORPORATION

to

# PROVIDENCE ST. JOSEPH HEALTH

a/an WA Non-Profit Corporation. Charter documents are effective on the date indicated below.

Date: 12/2/2015

UBI Number: 603-563-617



Given under my hand and the Seal of the State of Washington at Olympia, the State Capital

Kim Wyman, Secretary of State

Date Issued: 12/2/2015

Page 1 of 2



# **Washington Nonprofit Corporation**

See attached detailed instructions

☐ Filing Fee \$30.00

	11/23/15 3046898-
Auf.	001
Use Only	\$80.00 K
n eg	tid:3123410
lox For Office	FILED
This Box	DEC 0 2 2015

DEC 0 2 2015

WA SECRETARY OF STATE

UBI Number: 603 563 617

# ARTICLES OF INCORPORATION

	Chapter 24.03 RCVV
	ARTICLE 1
NAME OF CORPORATION	:
Providence St. Joseph H	ealth
Limited, Limited Partnership	he following designations or abbreviations of: Corporation, Company, Incorporated, b, Limited Liability Company, or Limited Liability Partnership. If one of the prohibited esignations is used, it will be removed when processed.)
	ARTICLE 2
EFFECTIVE DATE OF INC	ORPORATION (please check one of the following):
☑ Upon filing by the Se	cretary of State
□ Specific Date:	(Specified effective date must be within 30 days AFTER the tion have been filed by the Office of the Secretary of State.)
	ARTICLE 3
TENURE (please check one	of the following and indicate the date if applicable):
☐ Specific term of exist	ence (Number of years or date of termination)
	ARTICLE 4
PURPOSE FOR WHICH TH	E NONPROFIT IS ORGANIZED: (if necessary, attach additional information)
See Attachment A	•
*****	ARTICLE 5
IN THE EVENT OF A VOLU	INTARY DISSOLUTION, THE NET ASSETS WILL BE DISTRIBUTED AS
FOLLOWS: (if necessary atta	ach additional information) See Attachment A
in nocodary, and	- Constitution of the cons

NonProfit Corporation - Incorporation

Washington Secretary of State

Revised 7/14

NAME AND ADDRESS OF EACH INITIAL DIRECTOR: (If necessary, attach additional names and addresses)  Name: See Attachment A  Address:	Page 2 of 2
Name: See Attachment A  Address:  City	ARTICLE 6
Address:  City State Zip Code  ARTICLE 7  NAME AND ADDRESS OF THE WASHINGTON STATE REGISTERED AGENT:  Name: Business Filings Incorporated  Physical Location Address (required): 505 Union Avenue SE, Suite 120  City Olympia WA Zip Code 98501  Mailing or Postal Address (optional):  City State Zip Code  CONSENT TO SERVE AS REGISTERED AGENT:  I consent to serve as Registered Agent in the State of Washington for the above named corporation. I understand it will be my responsibility to accept Service of Process on behalf of the corporation; to forward mail to the corporation; and to immediately notify the Office of the Secretary of State if I resign or change the Registered Office Address.  X Signature of Registered Agent Printed Name Date  ARTICLE 8  NAME, ADDRESS AND SIGNATURE OF EACH INCORPORATOR: (If necessary, attach additional names, addresses and signatures)  Name: Cindy Fein Strauss  Address: 1801 Lind Avenue SW, #9016  City Renton State WA Zip Code 98057-9016  This document is hereby executed under penalties of perjury, and is, to the best of my knowledge, true and correct.  X Cindy Fein Strauss/Chief Legal Officer 11/20/2015 425-525-3348	NAME AND ADDRESS OF EACH INITIAL DIRECTOR: (If necessary, attach additional names and addresses)
ARTICLE 7  NAME AND ADDRESS OF THE WASHINGTON STATE REGISTERED AGENT:  Name: Business Filings Incorporated  Physical Location Address (required): 505 Union Avenue SE, Suite 120  City Olympia WA Zip Code 98501  Mailing or Postal Address (optional):  City State Zip Code  CONSENT TO SERVE AS REGISTERED AGENT:  I consent to serve as Registered Agent in the State of Washington for the above named corporation. I understand it will be my responsibility to accept Service of Process on behalf of the corporation; to forward mail to the corporation; and to immediately notify the Office of the Secretary of State if I resign or change the Registered Office Address.  X Signature of Registered Agent Printed Name Date  ARTICLE 8  NAME, ADDRESS AND SIGNATURE OF EACH INCORPORATOR: (If necessary, attach additional names, addresses and signatures)  Name: Cindy Fein Strauss  Address: 1801 Lind Avenue SW, #9016  City Renton State WA Zip Code 98057-9016  This document is thereby executed under penalties of perjury, and is, to the best of my knowledge, true and correct.  X Cindy Fein Strauss/Chief Legal Officer 11/20/2015 425-525-3348	Name: See Attachment A
NAME AND ADDRESS OF THE WASHINGTON STATE REGISTERED AGENT:  Name: Business Filings Incorporated  Physical Location Address (required): 505 Union Avenue SE, Suite 120  City Olympia WA Zip Code 98501  Mailing or Postal Address (optional):  City State Zip Code  CONSENT TO SERVE AS REGISTERED AGENT:  I consent to serve as Registered Agent in the State of Washington for the above named corporation. I understand it will be my responsibility to accept Service of Process on behalf of the corporation; to forward mail to the corporation; and to immediately notify the Office of the Secretary of State if I resign or change the Registered Office Address.  X Signature of Registered Agent Printed Name Date  ARTICLE 8  NAME, ADDRESS AND SIGNATURE OF EACH INCORPORATOR:  (If necessary, attach additional names, addresses and signatures)  Name: Cindy Fein Strauss  Address: 1801 Lind Avenue SW, #9016  City Renton State WA Zip Code 98057-9016  This document is hereby executed under penalties of perjury, and is, to the best of my knowledge, true and correct.  X Cindy Fein Strauss/Chief Legal Officer 11/20/2015 425-525-3348	Address:
NAME AND ADDRESS OF THE WASHINGTON STATE REGISTERED AGENT:  Name: Business Filings Incorporated  Physical Location Address (required):  505 Union Avenue SE, Suite 120  City Olympia WA Zip Code 98501  Mailing or Postal Address (optional):  City State Zip Code  CONSENT TO SERVE AS REGISTERED AGENT:  I consent to serve as Registered Agent in the State of Washington for the above named corporation. I understand it will be my responsibility to accept Service of Process on behalf of the corporation; to forward mail to the corporation; and to immediately notify the Office of the Secretary of State if I resign or change the Registered Office Address.  X Signature of Registered Agent Printed Name Date  ARTICLE 8  NAME, ADDRESS AND SIGNATURE OF EACH INCORPORATOR:  (If necessary, altach additional names, addresses and signatures)  Name: Cindy Fein Strauss  Address: 1801 Lind Avenue SW, #9016  City Renton State WA Zip Code 98057-9016  This document is hereby executed under penalties of perfury, and is, to the best of my knowledge, true and correct.  X Cindy Fein Strauss/Chief Legal Officer 11/20/2015 425-525-3348	CityStateZip Code
NAME AND ADDRESS OF THE WASHINGTON STATE REGISTERED AGENT:  Name: Business Filings Incorporated  Physical Location Address (required):  505 Union Avenue SE, Suite 120  City Olympia WA Zip Code 98501  Mailing or Postal Address (optional):  City State Zip Code  CONSENT TO SERVE AS REGISTERED AGENT:  I consent to serve as Registered Agent in the State of Washington for the above named corporation. I understand it will be my responsibility to accept Service of Process on behalf of the corporation; to forward mail to the corporation; and to immediately notify the Office of the Secretary of State if I resign or change the Registered Office Address.  X Signature of Registered Agent Printed Name Date  ARTICLE 8  NAME, ADDRESS AND SIGNATURE OF EACH INCORPORATOR:  (If necessary, altach additional names, addresses and signatures)  Name: Cindy Fein Strauss  Address: 1801 Lind Avenue SW, #9016  City Renton State WA Zip Code 98057-9016  This document is hereby executed under penalties of perfury, and is, to the best of my knowledge, true and correct.  X Cindy Fein Strauss/Chief Legal Officer 11/20/2015 425-525-3348	
Physical Location Address (required):  505 Union Avenue SE, Suite 120  City Olympia WA Zip Code 98501  Mailing or Postal Address (optional):  City State Zip Code  CONSENT TO SERVE AS REGISTERED AGENT:  I consent to serve as Registered Agent in the State of Washington for the above named corporation. I understand it will be my responsibility to accept Service of Process on behalf of the corporation; no forward mail to the corporation; and to immediately notify the Office of the Secretary of State if I resign or change the Registered Office Address.  X Signature of Registered Agent Printed Name Date  ARTICLE 8  NAME, ADDRESS AND SIGNATURE OF EACH INCORPORATOR: (If necessary, attach additional names, addresses and signatures)  Name: Cindy Fein Strauss  Address: 1801 Lind Avenue SW, #9016  City Renton State WA Zip Code 98057-9016  This document is thereby executed under penalties of perjury, and is, to the best of my knowledge, true and correct.  X Cindy Fein Strauss/Chief Legal Officer 11/20/2015 425-525-3348	
Physical Location Address (required):  505 Union Avenue SE, Suite 120  City Olympia WA Zip Code 98501  Mailing or Postal Address (optional):  City State Zip Code  CONSENT TO SERVE AS REGISTERED AGENT:  I consent to serve as Registered Agent in the State of Washington for the above named corporation. I understand it will be my responsibility to accept Service of Process on behalf of the corporation; to forward mail to the corporation; and to immediately notify the Office of the Secretary of State if I resign or change the Registered Office Address.  X See of Jack Period Period Name Date  ARTICLE 8  NAME, ADDRESS AND SIGNATURE OF EACH INCORPORATOR: (If necessary, attach additional names, addresses and signatures)  Name: Cindy Fein Strauss  Address: 1801 Lind Avenue SW, #9016  City Renton State WA Zip Code 98057-9016  This document is hereby executed under penalties of perjury, and is, to the best of my knowledge, true and correct.  X Cindy Fein Strauss/Chief Legal Officer 11/20/2015 425-525-3348	
City Olympia WA Zip Code 98501  Mailing or Postal Address (optional):  City State Zip Code  CONSENT TO SERVE AS REGISTERED AGENT:  I consent to serve as Registered Agent in the State of Washington for the above named corporation. I understand it will be my responsibility to accept Service of Process on behalf of the corporation; to forward mail to the corporation; and to immediately notify the Office of the Secretary of State if I resign or change the Registered Office Address.  X Signature of Registered Agent Printed Name Date  ARTICLE 8  NAME, ADDRESS AND SIGNATURE OF EACH INCORPORATOR: (If necessary, attach additional names, addresses and signatures)  Name: Cindy Fein Strauss  Address: 1801 Lind Avenue SW, #9016  City Renton State WA Zip Code 98057-9016  This document is hereby executed under penaltiles of perjury, and is, to the best of my knowledge, true and correct.  X Cindy Fein Strauss/Chief Legal Officer 11/20/2015 425-525-3348	Name: Business Filings Incorporated
City Olympia	Physical Location Address (required):
City	505 Union Avenue SE, Suite 120
City	City Olympia WA Zip Code 98501
CONSENT TO SERVE AS REGISTERED AGENT:  I consent to serve as Registered Agent in the State of Washington for the above named corporation. I understand it will be my responsibility to accept Service of Process on behalf of the corporation; to forward mail to the corporation; and to immediately notify the Office of the Secretary of State if I resign or change the Registered Office Address.  X See GHACHMEN  Signature of Registered Agent Printed Name Date  ARTICLE 8  NAME, ADDRESS AND SIGNATURE OF EACH INCORPORATOR:  (If necessary, attach additional names, addresses and signatures)  Name: Cindy Fein Strauss  Address: 1801 Lind Avenue SW, #9016  City Renton State WA Zip Code 98057-9016  This document is bereby executed under penalties of perjury, and is, to the best of my knowledge, true and correct.  X Cindy Fein Strauss/Chief Legal Officer 11/20/2015 425-525-3348	Mailing or Postal Address (optional):
CONSENT TO SERVE AS REGISTERED AGENT:  I consent to serve as Registered Agent in the State of Washington for the above named corporation. I understand it will be my responsibility to accept Service of Process on behalf of the corporation; to forward mail to the corporation; and to immediately notify the Office of the Secretary of State if I resign or change the Registered Office Address.  X See GHACHMEN  Signature of Registered Agent Printed Name Date  ARTICLE 8  NAME, ADDRESS AND SIGNATURE OF EACH INCORPORATOR:  (If necessary, attach additional names, addresses and signatures)  Name: Cindy Fein Strauss  Address: 1801 Lind Avenue SW, #9016  City Renton State WA Zip Code 98057-9016  This document is bereby executed under penalties of perjury, and is, to the best of my knowledge, true and correct.  X Cindy Fein Strauss/Chief Legal Officer 11/20/2015 425-525-3348	
I consent to serve as Registered Agent in the State of Washington for the above named corporation. I understand it will be my responsibility to accept Service of Process on behalf of the corporation; to forward mail to the corporation; and to immediately notify the Office of the Secretary of State if I resign or change the Registered Office Address.  X Signature of Registered Agent Printed Name Date  ARTICLE 8  NAME, ADDRESS AND SIGNATURE OF EACH INCORPORATOR: (If necessary, attach additional names, addresses and signatures)  Name: Cindy Fein Strauss  Address: 1801 Lind Avenue SW, #9016  City Renton State WA Zip Code 98057-9016  This document is hereby executed under penalties of perjury, and is, to the best of my knowledge, true and correct.  X Cindy Fein Strauss/Chief Legal Officer 11/20/2015 425-525-3348	City State Zip Code
NAME, ADDRESS AND SIGNATURE OF EACH INCORPORATOR: (If necessary, attach additional names, addresses and signatures)  Name: Cindy Fein Strauss  Address: 1801 Lind Avenue SW, #9016  City Renton State WA Zip Code 98057-9016  This document is hereby executed under penalties of perjury, and is, to the best of my knowledge, true and correct.  X Cindy Fein Strauss/Chief Legal Officer 11/20/2015 425-525-3348	I consent to serve as Registered Agent in the State of Washington for the above named corporation. I understand it will be my responsibility to accept Service of Process on behalf of the corporation; to forward mai to the corporation; and to immediately notify the Office of the Secretary of State if I resign or change the
NAME, ADDRESS AND SIGNATURE OF EACH INCORPORATOR: (If necessary, attach additional names, addresses and signatures)  Name: Cindy Fein Strauss  Address: 1801 Lind Avenue SW, #9016  City Renton State WA Zip Code 98057-9016  This document is hereby executed under penalties of perjury, and is, to the best of my knowledge, true and correct.  X Cindy Fein Strauss/Chief Legal Officer 11/20/2015 425-525-3348	x See attachment
NAME, ADDRESS AND SIGNATURE OF EACH INCORPORATOR:  (If necessary, attach additional names, addresses and signatures)  Name: Cindy Fein Strauss  Address: 1801 Lind Avenue SW, #9016  City Renton State WA Zip Code 98057-9016  This document is hereby executed under penalties of perjury, and is, to the best of my knowledge, true and correct.  X Cindy Fein Strauss/Chief Legal Officer 11/20/2015 425-525-3348	Signature of Registered Agent Printed Name Date
Name: Cindy Fein Strauss  Address: 1801 Lind Avenue SW, #9016  City Renton State WA Zip Code 98057-9016  This document is hereby executed under penalties of perjury, and is, to the best of my knowledge, true and correct.  X Cindy Fein Strauss/Chief Legal Officer 11/20/2015 425-525-3348	ARTICLE 8
Address: 1801 Lind Avenue SW, #9016  City Renton State WA Zip Code 98057-9016  This document is hereby executed under penalties of perjury, and is, to the best of my knowledge, true and correct.  X Cindy Fein Strauss/Chief Legal Officer 11/20/2015 425-525-3348	
City Renton  State WA Zip Code 98057-9016  This document is hereby executed under penalties of perjury, and is, to the best of my knowledge, true and correct.  X Cindy Fein Strauss/Chief Legal Officer 11/20/2015 425-525-3348	Name: Cindy Fein Strauss
This document is hereby executed under penalties of perjury, and is, to the best of my knowledge, true and correct.  X Cindy Fein Strauss/Chief Legal Officer 11/20/2015 425-525-3348	Address: 1801 Lind Avenue SW, #9016
x CMUSS Cindy Fein Strauss/Chief Legal Officer 11/20/2015 425-525-3348	City Renton State WA Zip Code 98057-9016
	This document is hereby executed under penalties of perjury, and is, to the best of my knowledge, true and correct.

Important note: If your nonprofit organization is currently fundraising, or plans to fundraise from the public, it may also be required to register with the Charities Program of the Secretary of State. Registration with the Charities Program is separate from, and in addition to, filings required under corporate law. Please visit the Charities Program website at www.sos.wa.gov/charities/ to review the registration requirements and forms for Charitable Organizations.

NonProfit Corporation - Incorporation

Washington Secretary of State

Revised 7/14

# ATTACHMENT A TO ARTICLES OF INCORPORATION OF PROVIDENCE ST. JOSEPH HEALTH

# ARTICLE 4 PURPOSES

The Corporation has been formed to directly conduct activities that will achieve the charitable purposes set forth in this Article. The Corporation shall at all times be organized and operated exclusively for charitable, scientific, and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provision of any future United States Internal Revenue law (the "Code"). Further, the Corporation is organized and shall be operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of those specified organizations listed on Exhibit A, all of which are organizations described in the Code and other than private foundations by reason of their being described in Section 509(a)(1) or Section 509(a)(2) of the Code. Consistent with the foregoing, the Corporation has been formed to directly conduct activities that will achieve the following purposes:

- (a) To serve as the parent corporation for Providence Health & Services, a Washington nonprofit corporation ("PH&S") and St. Joseph Health System, a California nonprofit public benefit corporation ("SJHS");
- (b) To maintain the relationships PH&S and SJHS have established with likeminded faith-based and secular organizations, and in such capacity provide overall mission, vision, strategic, financial and operational direction for such ministries and organizations;
- (c) To facilitate the establishment, operation, management and maintenance for charitable purposes of, hospitals, nursing homes, and other health care, educational, and social service facilities and programs designed to meet the health, educational and social needs of the communities served by the Corporation;
- (d) To facilitate the establishment, operation and maintenance for charitable purposes of, programs that provide high-quality, cost-effective health care and related services with particular consideration for the special needs of the poor and vulnerable in the communities the Corporation serves;
- (e) To facilitate the provision of scientific research, educational, charitable and such other activities, services and programs related to its ministries;
- (f) To engage, as appropriate, in other charitable works which are consistent with the objectives of the Corporation and the mission and values of Providence Ministries and St. Joseph Health Ministry (the "Co-Sponsors"); and
- (g) To do any and all other things in furtherance of these purposes which are consistent with the laws of the State of Washington, the guiding principles of the Co-Sponsors, and the Corporation's mission, vision and values, with reference to the Roman Catholic moral

DM\_US 64103926-8.018347.0057

tradition, as articulated in documents such as the *Ethical and Religious Directives for Catholic Health Care Services* as promulgated from time to time by the United States Conference of Catholic Bishops.

No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, the Corporation's directors, officers, or other persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth herein. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of, or in opposition to, any candidate for public office except as authorized under the Code. The Corporation shall not carry on any other activities not permitted to be carried on by a corporation exempt from federal income tax under Code Section 501(c)(3) or by a corporation, contributions to which are deductible under Code Section 170(c)(2).

# ARTICLE 5 DISSOLUTION

Upon dissolution or liquidation of the Corporation, its Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the Corporation, dispose of all of the assets of the Corporation to a recipient entity selected by the Board of Directors, upon approval of the Co-Sponsors, that is organized and operated exclusively for charitable, educational, religious or scientific purposes and qualifies as an exempt organization under Section 501(c)(3) of the Code. If, at the time of dissolution, no such entity is selected, the Board of Directors shall dispose of all of the corporate assets to any other organization(s) selected by the Co-Sponsors, provided that each such recipient entity is then in existence and organized and operated exclusively for charitable, educational, religious or scientific purposes and qualifies at that time for exemption under the Code. Any property and assets not so disposed of by the Board of Directors shall be disposed of by a court of competent jurisdiction in the State of Washington to an entity organized and operated exclusively for charitable, educational, religious or scientific purposes and qualifies as an exempt organization under Section 501(c)(3) of the Code, to be used in such a manner as to accomplish the general health care purposes for which the Corporation is organized.

#### ARTICLE VI INITIAL DIRECTORS

<u>Name</u>	Address
Cindy Fein Strauss	1801 Lind Avenue SW, #9016, Renton, WA 98057-9016
Mike Butler	1801 Lind Avenue SW, #9016, Renton, WA 98057-9016
Todd Hofheins	1801 Lind Avenue SW, #9016, Renton, WA 98057-9016

DM\_US 64103926-8.018347.0057

#### Exhibit A

- 1. Providence Health & Services Washington
- 2. Providence Health System Southern California
- 3. Providence Health & Services Oregon
- 4. Providence Health & Services Montana
- 5. Mission Hospital Regional Medical Center
- 6. Queen of the Valley Medical Center
- 7. St. Joseph Hospital of Orange
- 8. St. Joseph Hospital of Eureka
- 9. St. Jude Hospital
- Santa Rosa Memorial Hospital
- 11. St. Mary Medical Center
- 12. Redwood Memorial Hospital of Fortuna
- 13. St. Jude Hospital Yorba Linda
- 14. Covenant Health System



REGISTERED AGENT SERVICE

November 20, 2015

To Whom It May Concern:

This letter is written confirmation that Business Filings Incorporated is acting as the Registered Agent for Providence St. Joseph Health in the state of Washington. Our address in the state of Washington is:

Business Filings Incorporated 505 Union Ave SE, Suite 120 Olympia, Washington 98501

If you have any questions regarding this matter, please contact Business Filings Incorporated at 1-800-981-7183.

Sincerely,

Business Filings Incorporated

Assistant Secretary on behalf of Business Filings Incorporated

# AMENDED AND RESTATED BYLAWS OF PROVIDENCE ST. JOSEPH HEALTH

#### **ARTICLE I**

#### **CORPORATION**

- <u>Section 1.1</u> <u>Corporate Name</u>. The name of the corporation shall be Providence St. Joseph Health, a Washington nonprofit corporation (the "Corporation").
- Section 1.2 Formation and Description. The Corporation is formed as a nonprofit corporation organized and existing under the laws of the State of Washington. The Corporation shall serve as the common parent corporation of two (2) Catholic health care systems, Providence Health & Services (a Washington nonprofit corporation) ("PH&S") and St. Joseph Health System (a California nonprofit public benefit corporation) ("SJHS") and thereby jointly govern PH&S and SJHS as an integrated health care system built upon complementary missions, visions, values and principles.
- Section 1.3 <u>Canonical Co-Sponsors</u>. The Corporation is affiliated with the Roman Catholic Church, and has as its canonical sponsors Providence Ministries and St. Joseph Health Ministry, each of which is recognized as a public juridic person for Canon law purposes (referred each individually as a "**Sponsor**" and together as the "**Co-Sponsors**"). The Co-Sponsors shall act by and through a council formed by representatives of the Co-Sponsors (the "**Co-Sponsors** Council").
- <u>Section 1.4</u> <u>Purposes</u>. The Corporation shall at all times be organized and operated exclusively for charitable, scientific, and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provision of any future United States Internal Revenue law (the "Code"). The Corporation has been formed for the following purposes:
  - (a) To serve as the parent corporation for PH&S and SJHS;
- (b) To maintain the relationships PH&S and SJHS have established with likeminded faith-based and secular organizations, and in such capacity provide overall mission, vision, strategic, financial and operational direction for such ministries and organizations;
- (c) To facilitate the establishment, operation, and maintenance for charitable purposes of, hospitals, nursing homes, and other health care, educational, and social service facilities and programs designed to meet the health, educational and social needs of the communities served by the Corporation;
- (d) To facilitate the establishment, operation and maintenance for charitable purposes of, programs that provide high-quality, cost-effective health care and related services with particular consideration for the special needs of the poor and vulnerable in the communities the Corporation serves;

- (e) To facilitate the provision of scientific research, educational, charitable and such other activities, services and programs related to its ministries;
- (f) To engage, as appropriate, in other charitable works which are consistent with the objectives of the Corporation and the mission and values of the Co-Sponsors; and
- (g) To do any and all other things in furtherance of these purposes which are consistent with the laws of the State of Washington, the guiding principles of the Co-Sponsors, and the Corporation's mission, vision and values, with reference to the Roman Catholic moral tradition, as articulated in documents such as the *Ethical and Religious Directives for Catholic Health Care Services* as promulgated from time to time by the United States Conference of Catholic Bishops (the "Ethical and Religious Directives").
- <u>Section 1.5</u> <u>Nonprofit Organization</u>. All of the assets and the earnings of the Corporation shall be used and applied in furtherance of the nonprofit, tax-exempt purposes set forth above and in the Corporation's Articles of Incorporation ("Articles of Incorporation"). Furthermore:
- (a) No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, its Directors (as defined in <u>Section 5.3</u>), Officers (as defined in <u>Section 6.1</u>), or other persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth herein;
- (b) No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of, or in opposition to, any candidate for public office except as authorized under the Code; and
- (c) Notwithstanding any other provision of these Bylaws, the Corporation shall not carry on any other activities not permitted to be carried on by a corporation exempt from federal income tax under Code Section 501(c)(3) or by a corporation, contributions to which are deductible under Code Section 170(c)(2).
- **Section 1.6 Corporate Dissolution**. Upon dissolution of the Corporation, any assets shall be distributed in the manner set forth in the Articles of Incorporation.

#### **ARTICLE II**

#### **OFFICES**

- **Section 2.1 Principal Office.** The principal office of the Corporation shall be located at 1801 Lind Avenue SW, #9016, Renton, WA 98057-9016.
- Section 2.2 Other Offices. The Corporation may also have offices at such other places both within and without the State of Washington as the Board of Directors may from time to time determine or as the business of the Corporation may require.

#### **ARTICLE III**

#### **MEMBER**

The sole member of the Corporation shall be the Co-Sponsors Council, which shall act through its members (the "**Member**").

#### ARTICLE IV

#### **CO-SPONSORS**

- <u>Section 4.1</u> <u>Powers Reserved to the Co-Sponsors</u>. The Co-Sponsors, acting through the Co-Sponsors Council, shall have the right to exercise reserved powers with respect to the Corporation, as set forth in the Governance Matrix attached hereto at <u>Exhibit 4.1</u> (the "Governance Matrix").
- <u>Section 4.2</u> <u>Recognition of Co-Sponsor Heritage</u>. The Corporation will publicly recognize and honor the heritage of the Co-Sponsors, and will continue to foster close and ongoing relationships with the Co-Sponsors and their respective participating congregations.
- <u>Section 4.3</u> <u>Executive Vice President of Mission Integration</u>. The Corporation shall have an Executive Vice President of Mission Integration who shall be appointed by the President and CEO in a collaborative manner with the Co-Sponsors Council. The Executive Vice President of Mission Integration shall have general charge and responsibility for mission integration for the Corporation.

#### ARTICLE V

#### **BOARD OF DIRECTORS**

- Section 5.1 General Powers. The Corporation's Board of Directors (the "Board of Directors" or "Board") shall exercise general governance and control over the affairs of the Corporation, and shall exercise its powers and control its property. The Board shall have the power and authority, subject to rights reserved to the Co-Sponsors Council, to do and perform all acts or functions which may be exercised or performed by the Corporation under the laws of the State of Washington, these Bylaws and the Articles of Incorporation.
- <u>Section 5.2</u> <u>Selection Criteria for Directors</u>. The Corporation, in close consultation with the Co-Sponsors Council, shall establish a process for evaluating the selection criteria for individuals nominated to serve on the Board of Directors. The Nominating Committee (as described at <u>Section 7.7</u>) shall adhere to established criteria when nominating individuals to serve on the Board.
- Section 5.3 <u>Composition of the Board</u>. Except as otherwise set forth herein, the business and affairs of the Corporation shall be governed by a Board of Directors numbering not less than eight (8) or more than fifteen (15) individuals (each a "**Director**") with the number of Directors set from time to time upon resolution of the Board, subject to the rights reserved to the Co-Sponsors Council; *provided that* a decrease in the number of Directors shall not operate to

shorten the term of any Director then serving. The President and CEO (as described in <u>Section</u> <u>6.3</u>) shall serve on the Board *ex-officio*, with vote.

#### Section 5.4 Initial Board.

- (a) Notwithstanding <u>Section 5.3</u>, effective as of the effective date of these Bylaws, the Corporation's initial Board of Directors shall consist of fifteen (15) voting Directors, as follows: seven (7) Directors appointed by PH&S and approved by PH&S' Sponsor (the "PH&S Appointed Directors") and seven (7) Directors appointed by SJHS and approved by SJHS' Sponsor (the "SJHS Appointed Directors", and together with the PH&S Appointed Directors, the "Initial Directors"), and the President and CEO, who shall serve *ex-officio* with vote.
- (b) Each Initial Director elected shall be slated to serve in one (1) of three (3) classes of Initial Directors, as follows:
- (1) Class A Directors: Shall serve one (1) three (3)-year term and shall not be eligible for reappointment;
- (2) Class B Directors: Shall serve an initial three (3)-year term and shall be eligible for reappointment for one additional three (3)-year term; and
- (3) Class C Directors: Shall serve an initial three (3)-year term and shall be eligible for reappointment for two additional three (3)-year terms.
- (c) Of the Initial Directors, four (4) Directors would be allocated to Class A (two (2) PH&S Appointed Directors and two (2) SJHS Appointed Directors), four (4) Directors to Class B (two (2) PH&S Appointed Directors and two (2) SJHS Appointed Directors), and six (6) Directors to Class C (three (3) PH&S Appointed Directors and three (3) SJHS Appointed Directors).
- Section 5.5 Election of Directors; Process of Election. The Board shall be self-perpetuating, with Directors elected without regard for representational requirements as between PH&S and SJHS, provided that, there shall be no obligation to re-elect Initial Directors and the election of Directors remains subject to those rights reserved to the Co-Sponsors Council. The process for election shall be as follows: (1) Directors are nominated for election by the Nominating Committee pursuant to established criteria referenced in Section 5.2; (2) nominees are submitted to the Board for election; and (3) those nominees so elected are recommended to the Co-Sponsors Council for approval.
- <u>Section 5.6</u> <u>Vacancies</u>. Vacancies shall be filled by a majority vote of the Board, and the individual appointed to fill the vacancy shall serve the remainder of the unexpired term and shall be eligible to serve three (3) additional three (3)-year terms.
- <u>Section 5.7</u> <u>Director Terms</u>. Except as set forth in <u>Section 5.6 and Section 5.9</u>, no Director may serve more than nine (9) consecutive years without at least a one (1)-year break in service on the Board (excluding the President and CEO, who shall serve *ex-officio* for the duration of his or her term).

#### Section 5.8 Chairperson of the Board.

- (a) The chairperson of the Board (the "**Chairperson**") shall preside at all meetings of the Board and manage the Board and Board matters, and together with the Board oversee the Corporation, promote a strong Catholic identity, and foster collaborative, timely and effective Board governance. The Chairperson shall serve on all Board Committees, *ex-officio*, with vote. The Chairperson shall serve a two (2)-year term and shall be eligible for reappointment for one (1) additional two (2)-year term.
- (b) Notwithstanding the foregoing, effective as of the effective date of these Bylaws, the initial Chairperson of the Board (the "**Initial Chairperson**") shall be an individual appointed by SJHS from among the Directors, and approved by the Co-Sponsors.
- (c) All references to the duties, rights and obligations of the "Chairperson" in these Bylaws shall be deemed to also refer to the Initial Chairperson.
- Section 5.9 Immediate Past Chairperson. Upon completion of a Chairperson's term(s), he or she shall serve as Immediate Past Chair for a period of two years. The Immediate Past Chair shall be a voting member of the Board of Directors, Executive Committee and Executive Compensation Committee. The role of the Immediate Past Chair shall be to add continuity to the Board during transition to a new Chairperson and to provide guidance and a historical perspective of the Board's activities. As necessary, the Chairperson's term as a member of the Board shall be automatically extended as needed to accommodate the two year term as Immediate Past Chair.
- Section 5.10 Chairperson Elect. At least twelve months before the end of the Chairperson's term, the Board shall either appoint the current Chairperson to a second term or appoint a Chairperson Elect to assume the role of Chairperson following expiration of the current Chairperson's term. If a Chairperson Elect is appointed, the Chairperson Elect shall preside at all meetings of the Board and manage the Board and Board matters in the event of the absence or disability of the Chairperson, and shall perform such duties as from time to time may be assigned to him or her by the Chairperson of by the Board.

# Section 5.11 Board Meetings and Procedural Rules.

- (a) **Location**. Annual, regular and special meetings of the Board shall be held at the principal office of the Corporation or such other location within or without the State of Washington as may be designated from time to time by the Board by resolution.
- (b) **Annual Meeting**. The annual meeting of the Board shall be held by December 31 of each year.
- (c) **Regular Meetings of the Board**. Regular meetings of the Board shall occur at least quarterly each year.
- (d) **Special Meetings of the Board**. Special meetings of the Board may be called upon written request by two (2) or more Directors, the Chairperson, or the President and CEO.

- (e) **Notice of Board of Directors Meetings**. Written notice of all Board meetings shall be mailed by first class mail, personally delivered, or sent by electronic transmission as provided by Section 12.5 to each Director at least two (2) days before the date of the meeting for a regular meeting, which notice shall in the case of a special meeting be delivered at least two (2) days before the date of the meeting and state the nature of the business to be taken up at the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the U.S. Mail, postage prepaid, addressed to the Director at their address as it appears on the records of the Corporation. Electronic notice, if utilized, shall comply with the requirements set forth at Section 12.5. Attendance at any meeting of the Board shall constitute a waiver of notice under this Section, except where a Director attends to object because the meeting has been called or convened in contravention to the requirements of these Bylaws or the laws of the State of Washington.
- (f) **Quorum**. For all meetings of the Board, a quorum shall be a simple majority of the Directors then serving unless a greater majority is required by law. If less than a majority is present at a meeting, a majority of the Directors present may adjourn and reconvene the meeting from time to time without further notice.
- (g) Action by Unanimous Written Consent. Waiver of notice of any Board meeting or any action required to be taken at a meeting of the Board, or any other action which may be taken at a meeting of the Board, may be taken without a meeting if a consent in writing, setting forth the actions so taken, is signed by all the Directors entitled to vote with respect to the subject matter thereof. Any consent signed by all the Directors shall have the same effect as a unanimous vote.
- (h) **Telephonic Meetings**. Directors may participate in and act at any meeting of such Board by means of conference telephone, videoconference or similar communication equipment by which all persons participating in the meeting can hear each other at the same time. Participation by such means constitutes presence in person at the meeting.
- (i) **Voting**. Voting on any question or in any election may be by voice, unless the individual presiding at the meeting shall order, or a Director shall demand, that voting be by ballot.
- (j) Manner of Acting. Each Director shall be entitled to one (1) vote on all matters voted on at any meeting. Except as otherwise provided by law, the Articles of Incorporation, or these Bylaws, the act of a majority of the Directors present at the meeting at which a quorum is present shall be the act of the Board.
- (k) **Compensation/Reimbursement of Directors**. Directors may receive reasonable compensation for their services as Directors, subject to approval by the Co-Sponsors Council. Directors shall be reimbursed for reasonable expenses of attendance at meetings or when on other business of the Corporation, *provided that* such reimbursement is made only in accordance with the Corporation's policies and procedures for such payments.
- (l) **Board Evaluation**. Under the direction of the Governance Committee, the Board shall evaluate its performance no less than every two (2) years.

- <u>Section 5.12</u> <u>Resignation</u>. A Director may resign at any time by giving written notice to the Chairperson. The Chairperson or Vice-Chairperson may resign by giving written notice to the President and CEO and Co-Sponsors Council.
- Section 5.13 <u>Vacancies</u>. Except as set forth in <u>Section 5.4(c)</u>, vacancies on the Board shall be filled by a majority vote of the Board, in accordance with established criteria (subject to Co-Sponsors Council approval). Directors appointed to fill a vacancy shall serve the remainder of the term of the Director they are replacing, and shall be subject to the Corporation's election process as set forth in Section 5.5 at the conclusion of such term.
- <u>Section 5.14</u> <u>Removal</u>. Any Director may be removed at any time by action of the Board, with or without cause, subject to the rights reserved to the Co-Sponsors Council.
- <u>Section 5.15</u> <u>Joint Meetings</u>. At least two (2) joint meetings of the Chairperson, the President and CEO and the Co-Sponsors Council shall take place annually. The Co-Sponsors Council shall be invited to attend regular board meetings of the Corporation to participate in strategic dialogue.
- Section 5.16 Presumption of Assent. Any Director who is present at a meeting of the Board at which action on any corporate matter is taken shall be conclusively presumed to have assented to the action taken, unless such Director: (a) abstains and such abstention is recorded in the minutes of the Corporation; (b) provides a dissent that is entered in the minutes of the meeting; (c) files a written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof; or (d) forwards such dissent by registered mail to the Secretary of the Corporation immediately after the adjournment of the meeting. The right to dissent shall not apply to a Director who voted in favor of an action.

#### ARTICLE VI

#### **OFFICERS**

- Section 6.1 Officer Numbers and Titles. The officers of the Corporation shall be a President and Chief Executive Officer ("President and CEO"), a Vice President, a Secretary and a Treasurer (collectively, "Officers"). The powers and duties of the Officers shall be as set forth in these Bylaws and as otherwise designated from time to time by the Board, to the extent consistent with law, the Articles of Incorporation and these Bylaws. Any number of offices may be held by the same person except that the same individual may not serve concurrently as the Secretary and the President and CEO.
- <u>Section 6.2</u> <u>Election and Appointment</u>. The Officers, except the President and CEO, shall be appointed by the President and CEO from among those individuals serving in a management role at the Corporation. Such Officers shall hold office until their replacements are appointed.
- Section 6.3 President and CEO. The President and CEO shall be the chief executive officer of the Corporation and shall be the direct executive representative to the Board in the management of the Corporation. The President and CEO shall serve on all Board Committees, exofficio, with vote. The President and CEO shall have and exercise general management and

supervision of the affairs of the Corporation, subject to those rights reserved to the Co-Sponsors Council. The President and CEO shall be appointed by the Board, subject to those rights reserved to the Co-Sponsors Council, to serve until the earlier of his or her death, resignation or removal.

- **Section 6.4 Vice President**. The Vice President shall perform such duties as are established from time to time by the Board and shall report to the President and CEO. In all other matters, the Vice President shall function in accordance with the specific powers which have been delegated to him or her by the Board and/or the President and CEO.
- Section 6.5 <u>Treasurer</u>. The Treasurer shall have general charge and responsibility relating to the financial concerns of the Corporation. The Treasurer shall perform such other duties and functions as may from time to time be designated by the Board, subject to the overall control of such Board. The Treasurer shall be responsible for causing an audited financial statement to be provided to the Board of Directors at least annually.
- Section 6.6 Secretary. The Secretary shall be the custodian of and shall maintain the corporate books and records, the minutes of the meetings of the Board and assure that all required notices are duly given in accordance with these Bylaws, the Articles of Incorporation or as otherwise may be required by law. The Secretary shall, in general, perform all duties incident to the office of Secretary, subject to the control of the Board and shall do and perform such other duties as may be assigned from time to time by the Board.
- <u>Section 6.7</u> <u>Assistants to the Officers</u>. The President and CEO may appoint, in his or her discretion, one (1) or more assistants to each of the Secretary and the Treasurer. Such assistant treasurers and assistant secretaries shall perform such duties as shall be assigned to them by the Treasurer or Secretary, respectively, or by the President and CEO.
- Section 6.8 Resignation and Removal. Any Officer of the Corporation may resign at any time by giving written notice of resignation to the President and CEO; provided that, if the President and CEO resigns, he or she shall provide such written notice to the Chairperson. The President and CEO may remove any other Officer. Removal of an Officer shall be without prejudice to the contract rights, if any, of the Officer so removed; provided that mere election or appointment as an Officer does not create contract rights.
- **Section 6.9 Vacancy**. A vacancy in an Officer position, except that of the President and CEO, may be filled by the President and CEO. Any vacancy in the position of President and CEO shall be filled in the manner described in Section 6.3.
- Section 6.10 <u>Delegation of Officer Powers and Duties</u>. The President and CEO may delegate temporarily the powers and duties of any Officer, in case of such Officer's absence or for any other reason, to any other Officer, and may authorize the delegation by an Officer of any such Officer's powers and duties to any agent or employee subject to the general supervision of such Officer.
- Section 6.11 Officer Authority. Unless otherwise ordered by the Board and subject to the direction, if any, given by the Board, any Officer of this Corporation shall have full power and authority on behalf of the Corporation to vote either in person or by proxy at any meeting of stockholders of any corporation in which this Corporation may hold stock or otherwise have an

opportunity to vote, and at such meeting may possess and exercise all the rights and powers incident to the ownership of such stock or membership which, as the owner thereof, this Corporation might have possessed and exercised, if present.

<u>Section 6.12</u> <u>Governance Matrix</u>. The Governance Matrix, as amended from time to time, is incorporated into and considered part of these Bylaws by reference. In the case of a conflict between the Governance Matrix and the terms of these Bylaws, the terms of these Bylaws shall control.

#### **ARTICLE VII**

#### **COMMITTEES OF THE BOARD**

Section 7.1 Committees Generally. Committees are designed to facilitate the actions of the Board. Committees neither expand nor contract the responsibility of the Board, but instead enable the Board to function more efficiently and effectively. Committees only recommend actions and do not have the authority of the Board, except where expressly authorized by these Bylaws and the laws of the State of Washington, and any expenditure of funds by a committee shall require the prior approval of the Board.

Section 7.2 Designation of Committees. The Board of Directors, by a resolution adopted by a majority of the Board, may designate committees of the Board (each a "Committee"), each of which shall have at least two (2) Directors as members, and which Committees shall have and exercise such responsibilities and authority as provided for in such resolution and which is consistent with these Bylaws and the laws of the State of Washington. Each Committee, subject to the approval of the Board, may enact rules and regulations relating to the conduct of the affairs of the Committee, and may form subcommittees which shall operate in a manner consistent with this <a href="Article VII">Article VII</a>. Each Committee so established shall meet at the time and place designated by the Chairperson or the Committee chairperson, and shall keep regular minutes of its meetings and shall cause such minutes to be recorded and kept at an office of the Corporation. Notice for all meetings of Committees shall be provided in a manner consistent with that for the Board, as set forth at Section 5.10(e).

Section 7.3 Committee Membership. The Chairperson shall appoint the members of each Committee, taking into account input from the Board. The Chairperson shall also name the chairperson of each committee. Committee membership may include individuals who are not on the Board who have specific expertise, to the extent permitted by law and after consultation with the President and CEO. Committee members may be removed with or without cause by the Chairperson. The Chairperson and President and CEO shall each serve as *ex-officio* members of each Committee, with vote.

Section 7.4 Committee Quorum; Actions. A quorum for any meeting of Committee shall be a simple majority of the Committee members. The affirmative vote of a majority of the quorum shall be considered the action of the Committee; provided that such vote includes the affirmative vote of at least one Director who is a member of the Committee.

- Section 7.5 Committee and Committee Chairperson Terms. Except as otherwise set forth herein or pursuant to the Committee charters adopted from time to time, Committee members shall serve two (2) year terms. The Chairperson of a Committee shall be appointed to serve a two year term and may be reappointed to serve additional two year terms.
- <u>Section 7.6</u> <u>Executive Committee</u>. The Board shall establish an Executive Committee, which shall have delegated authority from the Board.
- <u>Section 7.7</u> <u>Governance Committee</u>. The Board shall establish a Governance Committee, which shall have as a subcommittee a Nominating Committee.

#### **ARTICLE VIII**

#### **CONFLICTS AND DUALITY OF INTEREST**

Any Director, Officer, employee or Committee member having an interest in a transaction, contract or other matter presented to the Board or a Committee thereof for authorization, approval or ratification shall provide prompt, full and frank disclosure of his or her interest to the Board or Committee prior to its acting on such contract or transaction. The body to which such disclosure is made shall determine, by a majority vote, whether a duality or conflict of interest exists or can reasonably be construed to exist. If a conflict is deemed to exist, such person shall not vote on, nor use his or her personal influence on, nor participate (other than to present factual information or to respond to questions) in the discussions or deliberations with respect to, such contract or transactions. Such person may be counted in determining the existence of a quorum at any meeting where the contract or transaction is under discussion or is being voted upon. The minutes of the meeting shall reflect the disclosure made, the vote thereon and, where applicable, the abstention from voting and participation, and whether a quorum is present. This Corporation shall also adopt policies from time to time more clearly setting forth any requirements regarding disclosure and actions relating to duality or conflicts of interest.

#### ARTICLE IX

#### **INDEMNIFICATION**

### **Section 9.1 Definitions.** For the purposes of this <u>Article IX</u>:

- (a) "Director" means an individual who is or was a Director of the Corporation or an individual who, while a Director of the Corporation, is or was serving at the Corporation's request as a Director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, employee benefit plans, or other enterprise. A Director is considered to be serving an employee benefit plan at the Corporation's request if the Director's duties to the Corporation also impose duties on, or otherwise involve services by, the Director to the plan or to participants in or beneficiaries of the plan. "Director" includes, unless the context requires otherwise, the estate or personal representative of a Director.
- (b) "Liability" means the obligation to pay a judgment, settlement, penalty or fine, including an excise tax assessment with respect to an employee benefit plan, or reasonable expenses incurred with respect to a proceeding.

- (c) "Official Capacity" means:
- (1) when used with respect to a Director, the office of Director in the Corporation; and
- (2) when used with respect to an Officer, the elective or appointive office in the Corporation held by that individual.
- (d) "Proceeding" means any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative and whether formal or informal.
- Section 9.2 Action Not By or In Right of the Corporation. The Corporation shall indemnify any Director or Officer who was or is a party or is threatened to be made a party to any proceeding (other than an action by or in the right of the Corporation) by reason of the fact that he or she is or was a Director or Officer of the Corporation against judgments, penalties, fines, settlements and reasonable expenses, including attorneys' fees, actually and reasonably incurred by the Director or Officer in connection with the proceeding if he or she acted in good faith and:
- (a) in the case of conduct in his or her own official capacity with the Corporation, he or she reasonably believed the conduct to be in the Corporation's best interests; or
- (b) in all other cases, he or she reasonably believed the conduct to be at least not opposed to the Corporation's best interests; and
- (c) in the case of any criminal proceeding, he or she had no reasonable cause to believe the conduct was unlawful.

The termination of any proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, be determinative that the Director or Officer did not meet the requisite standard of conduct set forth in this <u>Section 9.2</u>.

- Section 9.3 Action By or In the Right of the Corporation. The Corporation shall indemnify any Director or Officer who was or is a party or is threatened to be made a party to any proceeding by or in the right of the Corporation by reason of the fact that he or she is or was a Director or Officer of the Corporation against reasonable expenses, including attorneys' fees, actually and reasonably incurred by such individual in connection with such proceeding if he or she conducted himself or herself in good faith and:
- (a) in the case of conduct in an official capacity with the Corporation, he or she reasonably believed the conduct to be in the Corporation's best interests; or
- (b) in all other cases, he or she reasonably believed the conduct to be at least not opposed to the Corporation's best interests, provided that no indemnification shall be made pursuant to this <u>Section 9.3</u> in respect of any proceeding in which such person shall have been adjudged to be liable to the Corporation.

- <u>Section 9.4</u> <u>Limitation on Indemnification</u>. A Director or Officer shall not be indemnified under this Article in respect of any proceeding, whether or not involving action in his or her official capacity, in which he or she shall have been adjudged to be liable on the basis that the Director or Officer personally received a benefit in money, property, or services to which the Director or Officer was not legally entitled.
- <u>Section 9.5</u> <u>Expenses if Successful</u>. To the extent that the Director or Officer of the Corporation has been successful on the merits or otherwise in the defense of any proceeding referred to in this Article, he or she shall be indemnified against reasonable expenses, including attorneys' fees, incurred in connection with the proceeding.
- Section 9.6 Authorization. No indemnification shall be made by the Corporation unless authorized in the specific case upon a determination that the indemnification of the Director or Officer is permissible in the circumstances because he or she has met the applicable standard of conduct set forth in this Article. Such determination shall be made: (a) by the Board by a majority vote of a quorum consisting of Directors not at the time parties to the proceeding; (b) if a quorum is unobtainable, by majority vote of a Committee duly designated by the Board, in which designated Directors who are parties may participate, consisting solely of two (2) or more Directors not at the time parties to the proceeding; of (c) in a written opinion by legal counsel (other than an attorney or a firm having associated with it an attorney, who has been retained by or who has performed services within the past three (3) years for the Corporation or any party to be indemnified) selected by the Board or a Committee thereof by vote as set forth in (a) or (b) of this Section.
- Section 9.7 Advance Payment. Reasonable expenses incurred in defending a proceeding may be paid by the Corporation in advance of final disposition of the proceeding: (a) upon receipt by the Corporation of a written undertaking by or on behalf of the Director or Officer to repay such amount if it shall ultimately be determined that the Director or Officer has not met the standard of conduct necessary for indemnification by the Corporation as authorized by this Article; and (b) upon receipt by the Corporation of a written affirmation by the Director or Officer of his or her good faith belief that he or she has met the standard of conduct necessary for indemnification by the Corporation as authorized in this Article.
- <u>Section 9.8</u> <u>Insurance</u>. The Corporation shall have the power to purchase and maintain insurance on behalf of an individual who is or was a Director or Officer of the Corporation or who, while a Director or Officer of the Corporation, is or was serving at the request of the Corporation as a director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise, against liabilities asserted against or incurred by the individual in that capacity or arising from the individual's status as a director, officer, employee, or agent, whether or not the Corporation would have the power to indemnify the individual against the same liability under these Bylaws or the Washington Nonprofit Corporation Act.
- <u>Section 9.9</u> <u>Nonexclusivity</u>. The indemnification and advancement of expenses provided by, or granted pursuant to this Article of these Bylaws shall not be deemed exclusive of any other rights to which any present or former Director or Officer of the Corporation may be entitled by contract, policy or otherwise under applicable law.

- <u>Section 9.10</u> <u>Permissive Indemnification</u>. The Board may establish policies to indemnify employees and others providing service to the Corporation.
- <u>Section 9.11</u> <u>State Law Controls</u>. Notwithstanding the indemnification provided under this Article, no person shall be indemnified by the Corporation unless such action is in compliance with the Washington Nonprofit Corporation Act (Chapter 24.03 of the Revised Code of Washington), as amended from time to time.

#### ARTICLE X

#### FISCAL YEAR

The fiscal year of this Corporation shall commence on such date agreed upon by the Board.

## ARTICLE XI

#### **AMENDMENTS**

Subject to those rights reserved to the Co-Sponsors Council, the Board shall have the authority to alter, amend and repeal these Bylaws by an affirmative vote of a majority of the voting Directors then serving, at a regular or special meeting of the Board, except as otherwise provided by law or as otherwise specified in these Bylaws. In addition, the Board shall regularly review these Bylaws and propose any revisions to conform the Bylaws to the applicable requirements of state or federal law and/or accreditation standards.

#### ARTICLE XII

#### MISCELLANEOUS PROVISIONS

- <u>Section 12.1</u> <u>Depositories</u>. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, financial institutions, mutual funds or other depositories as the Board may designate.
- <u>Section 12.2</u> <u>Checks and Drafts</u>. All checks, drafts, or other orders for the payment of money issued in the name of the Corporation shall be signed by such Officer or Officers or person or persons (whether or not Officers of Corporation) in such manner as shall from time to time be determined by the Board.
- <u>Section 12.3</u> <u>Contracts and Instruments</u>. Subject to any limitations contained in these Bylaws or by resolution of the Board, all deeds, mortgages, bonds and other contracts or instruments of the Corporation shall be signed on behalf of the Corporation by the President and CEO or such other Officers as may be designated by the Board from time to time.
- <u>Section 12.4</u> <u>Agents and Representatives</u>. The Board may appoint such agents and representatives of the Corporation with such powers and with the authority to perform such acts or duties on behalf of the Corporation as the Board may deem appropriate, consistent with these Bylaws, the Articles of Incorporation of the Corporation and applicable law.

<u>Section 12.5</u> <u>Electronic Communications</u>. To the fullest extent permitted by law, the Board and Committees may utilize electronic communications such as e-mail, faxes and other electronic communications for purposes of distributing notices of meetings, voting by ballot or otherwise, executing unanimous written consents as otherwise authorized by these Bylaws, and for all other legitimate purposes of communicating.

Approved and effective this \_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_, 20 8.

Secretary of the Corporation

**FILED** 

Secretary of State
State of Washington

Date Filed: 12/13/2017

# RESTATED ARTICLES OF INCORPORATION Date: 12/13/2017

UBI No: 601 377 665

**OF** 

#### PROVIDENCE HEALTH & SERVICES

Pursuant to the provisions of RCW 24.03.183 of the Washington Nonprofit Corporation Law, the undersigned corporation adopts the following Restated Articles of Incorporation:

### ARTICLE I NAME

The name of the corporation shall be Providence Health & Services (the "Corporation"),

### ARTICLE II DURATION

The Corporation shall have perpetual existence.

### ARTICLE III PURPOSES

The purposes for which the Corporation has been formed are as follows:

- 3.1 To establish, operate, manage and maintain for charitable purposes, hospitals, nursing homes, and other health care, educational, and social service facilities and programs designed to meet health, educational and social needs;
- 3.2 To provide scientific research and educational, charitable and such other activities, services and programs related to its ministries;
- 3.3 To engage, as appropriate, in other charitable works which are consistent with the objectives of the Corporation and the mission and values of Providence Ministries;
- 3.4 To be loyal to and further the strategic objectives, interests and charitable mission of the public charities described in Section 509(a)(1) and 509(a)(2) of the Internal Revenue Code of 1986, as amended (the "Code"), that are part of the Providence Ministries and that the Corporation is supervised or controlled in connection with (the "Supported Organizations") and to contribute to the growth, development and financial strength of the Supported Organizations; and
- 3.5 To do any and all other things in furtherance of these purposes which are consistent with the laws of the State of Washington, the Articles and Bylaws of Providence St. Joseph Health, Section 509(a)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), as well as the Roman Catholic moral tradition, as articulated in documents such as the *Ethical and Religious Directives for Catholic Health Care Services* and guided by the tradition and charism of the Sisters of Providence.

1

Work Order #: 2017111600006405

Secretary of State State of Washington Date Filed: 12/13/2017

**FILED** 

Effective Date: 12/13/2017 UBI No: 601 377 665

#### ARTICLE IV TAX EXEMPT STATUS

The Corporation is organized and is to be operated exclusively for charitable, religious, educational and scientific purposes. No part of the net earnings of the Corporation shall inure to the benefit of, or be distributed to, the Directors, Officers or other private persons, except that the Corporation is authorized and empowered to pay reasonable compensation for services rendered, and to make payments and distributions in furtherance of its exempt purposes. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publication or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office. The Corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (or the corresponding provision of any future United States Internal Revenue Law) (the "Code"), or (b) by a corporation, contributions to which are deductible under Section 170(0(2) of the Code (or the corresponding provision of any future United States Internal Revenue Law).

## ARTICLE V **MEMBER**

The Member of the Corporation is Providence St. Joseph Health, a Washington nonprofit corporation.

# ARTICLE VI **AMENDMENTS**

The power to alter, amend or repeal the Articles of Incorporation and Bylaws of the Corporation shall be vested exclusively in the Member of the Corporation.

### **ARTICLE VII** DISSOLUTION

Upon dissolution of the Corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the Corporation, dispose of all of the assets of the Corporation to one or more of the Supported Organizations as the Board of Directors shall determine, provided that any such recipient entity is organized and operated exclusively for charitable, educational, religious or scientific purposes, and qualifies as an exempt organization under Section 501(c)(3) of the Code ("Code") (or the corresponding provision of any future United States Internal Revenue Law). If, at the time of dissolution, there are no Supported Organizations in existence, or none that are a tax-exempt charitable organization under Section 501(c)(3) the Code, the Board of Directors shall dispose of all of the corporate assets to any other organization(s) selected by the Sisters of Providence, General Administration, Montreal, provided that each such recipient entity is still in existence and organized and operated exclusively for charitable, educational, religious or scientific purposes and qualifies at that time for exemption under Section 501(c)(3) the Code.

Page: 2 of 4

FILED

Secretary of State
State of Washington

Date Filed: 12/13/2017 Effective Date: 12/13/2017 UBI No: 601 377 665

# ARTICLE VIII RESTATED ARTICLES

These Restated Articles of Incorporation correctly set forth without change the provisions of the Articles of Incorporation of Providence Health & Services, as amended, and these Restated Articles of Incorporation supersede the original Articles of Incorporation and all amendments thereto.

The foregoing Restated Articles of Incorporation of Providence Health & Services were adopted by its Member on JUNL 7, 20,7, to be effective at 12:01 AM on JUNL 8, 20,7.

IN WITNESS WHEREOF, the undersigned Secretary of the above named Corporation has executed these Restated Articles of Incorporation.

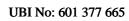
Secretary

Page: 3 of 4

Work Order #: 2017111600006405

Secretary of State State of Washington

Date Filed: 12/13/2017 Effective Date: 12/13/2017





Department of Legal Affairs 1801 Lind Avenue, # 9016 Renton, Washington 98057-9016 (425) 525-3355

October 6, 2017

Secretary of State Corporation Division 801 Capitol Way S P.O. Box 40234 Olympia, WA 98504-0234

Re:

Amendment to Articles of Incorporation and Restated Articles of

Incorporation for Providence Health & Services

UBI: 601 377 665

Dear Sir/Madam:

Enclosed please find:

- One executed original and a copy of the Articles of Amendment to the Articles of Incorporation for the above-named corporation;
- One executed original and a copy of the Restated Articles of Incorporation for the above-named corporation; and
- Two checks in the amount of \$20 each for the filing fee. (iii)

Please file the enclosed documents in the following order: first, the Articles of Amendment; and second, the Restated Articles of Incorporation. Please return a stamped copy of each document in the enclosed self-addressed stamped envelope.

Please feel free to contact me (425) 525-3935 with any questions concerning the enclosed or the above.

Very truly yours,

Terry Shahrivar Legal Assistant

Department of Legal Affairs

Providence Health & Services

#### RESTATED BYLAWS

**OF** 

#### PROVIDENCE HEALTH & SERVICES

# ARTICLE I THE CORPORATION IN GENERAL

- 1.1 <u>NAME AND DESCRIPTION.</u> The name of the Corporation shall be Providence Health & Services. It is a nonprofit Corporation organized and existing under the laws of the State of Washington. It is a Roman Catholic institution, sponsored by Providence Ministries which holds certain reserved rights as specified herein.
- 1.2 <u>PURPOSES.</u> The purposes for which the Corporation has been formed are as follows:
  - 1.2.1 To establish, operate, manage and maintain for charitable purposes, hospitals, nursing homes, and other health care, educational, and social service facilities and programs designed to meet health, educational and social needs;
  - **1.2.2** To provide scientific research, educational, charitable and such other activities, services and programs related to its ministries;
  - 1.2.3 To engage, as appropriate, in other charitable works which are consistent with the objectives of the Corporation and the mission and values of Providence Ministries;
  - 1.2.4 To be loyal to and further the strategic objectives, interests and charitable mission of the Providence St. Joseph Health System and the public charities described in Sections 509(a)(1) and 509(a)(2) of the Internal Revenue Code of 1986, as amended (the "Code") that are part of the Providence Ministries and that the Corporation is supervised or controlled in connection with (the "Supported Organizations") and to contribute to the growth, development and financial strength of the Supported Organizations; and
  - 1.2.5 To do any and all other things in furtherance of these purposes which are consistent with the laws of the State of Washington, the Articles and Bylaws of Providence St. Joseph Health, Section 509(a)(3) of the Code, as well as the Providence St. Joseph Health System mission and values and the Roman Catholic moral tradition, as articulated in documents such as the *Ethical and Religious Directives for Catholic Health Care Services* and guided by the tradition and charism of the Sisters of Providence
- 1.3 <u>LOCATION.</u> The principal office of the Corporation shall be located at 1801 Lind Avenue SW, #9016, Renton, WA 98057-9016.

# ARTICLE II MEMBER; RIGHTS RESERVED TO PROVIDENCE MINISTRIES

- **2.1** MEMBER. The sole Member of the Corporation is Providence St. Joseph Health (the "Providence Member" or the "Member").
- 2.2 <u>POWERS OF THE PROVIDENCE MEMBER.</u> In addition to all matters required by the Articles of Incorporation or other provisions of these Bylaws which are required to be approved by the Providence Member, and subject to the reserved rights held by Providence Ministries, the Corporation shall have the right to recommend to the Providence Member the following actions with respect to this Corporation and of any corporation or other legal entity of which this Corporation is the sole or controlling member or shareholder (except as otherwise noted below):
  - **2.2.1** To adopt or change the mission, philosophy, or values;
  - 2.2.2 To amend or repeal the Articles of Incorporation or Bylaws;
  - 2.2.3 As to this Corporation, to fix the number of Directors, appoint the Board of Directors and to remove such Directors at any time with or without cause, provided, however, that the composition of the Board of Directors will be such individuals who will allow the Corporation to meet the requirements of Section 509(a)(3) of the Code;
  - 2.2.4 To appoint and remove the President of this Corporation and to remove such President, with or without cause, after requesting a recommendation from the Board of Directors:
  - 2.2.5 To approve the acquisition of assets, the incurrence of indebtedness or the lease, sale, transfer, assignment, or encumbering of the assets, if the amount involved in any such transaction is in excess of an amount specified from time to time by resolution of the Providence Member and to approve the sale or transfer of other property which may have either historical or religious significance;
  - **2.2.6** To approve the dissolution, liquidation, consolidation or merger with another corporation or entity;
  - 2.2.7 To approve on a consolidated system-wide basis the annual operating and capital budgets and approval of any deviations from such budget in excess of an amount or percentage specified from time to time by resolution of the Providence Member;
  - 2.2.8 To appoint the certified public accountants after receiving the recommendation of the Board of Directors and to receive the annual audit report from such accountants; and
    - 2.2.9 To approve the initiation or closure of any major work.
- 2.3 POWERS RESERVED TO PROVIDENCE MINISTRIES. Providence Ministries, acting through its individual sponsors, shall have the right to exercise reserved powers

with respect to this Corporation (and any corporation or other legal entity of which this Corporation is the sole or controlling member or shareholder) as set forth in the Canonical Statutes and Bylaws of Providence Ministries, and the Bylaws and Governance Matrix of Providence St. Joseph Health.

# ARTICLE III BOARD OF DIRECTORS OF THE CORPORATION

- 3.1 POWER OF THE BOARD OF DIRECTORS. The Board of Directors shall exercise general governance and control over the mission and business affairs of the Corporation and shall have and exercise all powers which may be exercised or performed by the Corporation under the laws of the State of Washington and these Bylaws, with due regard for the powers reserved to the Member of the Corporation as stated in these Bylaws.
- shall consist of the same individuals as those then currently serving on the Board of Directors of the Supported Organizations, which will also be the same individuals currently serving on the Board of Directors of the Providence Member; provided, however, that the Chief Executive Officer of the Member shall not be a member of the Board of Directors of this Corporation. Appointment, term, and removal of a Board of Director from the Providence Member shall constitute appointment, term of office, and removal from such individual's service as a Board of Director of this Corporation. In the event a member of the Board of Directors of the Providence Member shall resign, such resignation shall automatically cause the resignation of such Board of Director as a Director of this Corporation.
- 3.3 <u>CHAIRPERSON OF THE BOARD.</u> The Chairperson of the Board of Directors of this Corporation shall be the same individual then serving as Chairperson of the Board of this Corporation's sole corporate Member. Such Chairperson of the Board of this Corporation shall serve in such capacity so long as such individual is serving as the Chairperson of the Board of the Providence Member.
- 3.4 <u>VICE CHAIR.</u> Any individuals serving as the Vice Chair of the Board of Directors of the Providence Member shall also serve as the Vice Chair of this Corporation..

#### 3.5 MEETINGS AND PROCEDURAL RULES.

- 3.5.1 Annual Meeting. The annual meeting of the Board of Directors shall be held by December 31 of each year. Such meeting shall be held at the principal office of the Corporation or at such place as may be designated from time to time by the Chairperson. The purposes of the annual meeting shall include, without limitation, electing officers as herein provided and transacting such other business as shall be necessary or desirable.
- 3.5.2 Regular Meetings of the Board. Regular meetings of the Board of Directors shall occur at least four (4) times a year at such time and place as the Directors shall provide by resolution.
- 3.5.3 Special Meetings of the Board. Special meetings of the Board of Directors may be called upon written request by the Member, two or more Directors, the Chairperson of the Board, or the President.

- 3.5.4 Notice of Board of Directors Meetings. Written notice of all Board of Directors meetings shall be mailed by first class mail, personally delivered, or sent by electronic transmission pursuant to Section 15.5 to each Director at least five (5) days before the date of the meeting, which notice shall in the case of special meetings state the nature of the business to be taken up at the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the U.S. Mail, postage prepaid, addressed to the Director at their address as it appears on the records of the Corporation.
- **3.5.5** Quorum. For all meetings of the Board of Directors (other than for action taken by unanimous written consent), a quorum shall be a simple majority of the Directors then serving unless a greater majority is required by law or by these Bylaws.
- 3.5.6 Action by Unanimous Written Consent. Waiver of notice of any Board meeting or any action required to be taken at a meeting of the Board of Directors, or any other action which may be taken at a meeting of the Board of Directors, may be taken without a meeting if a consent in writing, setting forth the actions so taken, is signed by all the Directors entitled to vote with respect to the subject matter thereof. Any consent signed by all the Directors shall have the same effect as a unanimous vote.
- 3.5.7 Telephonic Meetings. Directors may participate in and act at any meeting of such Board by means of conference telephone, videoconference or similar communication equipment by which all persons participating in the meeting can hear each other at the same time. Participation in such a meeting constitutes presence in person at the meeting.
- **3.5.8** Voting. Voting on any question or in any election may be by voice, unless the individual presiding at the meeting shall order, or a Director shall demand, that voting be by ballot.
- 3.5.9 Manner of Acting. Each Director shall be entitled to one vote on all matters voted on at any meeting. Except as otherwise provided by law, the Articles of Incorporation, or these Bylaws, the act of a majority of the Directors present at the meeting at which a quorum is present shall be the act of the Board of Directors.
- 3.5.10 Compensation/Reimbursement of Directors. Directors may receive reasonable compensation for their services as Directors, as determined from time to time by the Member. Directors shall be reimbursed for reasonable expenses of attendance at meetings or when on other business of the Corporation.
- **3.5.11 Board Evaluation.** Under the direction of the Governance Committee, the Board of Directors shall annually evaluate their performance.
- 3.6 PRESUMPTION OF ASSENT. Any Director who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be conclusively presumed to have assented to the action taken, unless (1) he/she abstains and his/her abstention is recorded in the minutes of the Corporation; (2) his/her dissent is entered in the minutes of the meeting; (3) he/she tiles his/her written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof; or (4) he/she forwards such dissent by registered mail to

the Secretary of the Corporation immediately after the adjournment of the meeting. The right to dissent shall not apply to a Director who voted in favor of an action.

# ARTICLE IV OFFICERS OF THE CORPORATION

- President(s), a Secretary and a Treasurer and such other officers as may be elected from time to time by the Board of Directors. The powers and duties of the officers shall be as set forth in these Bylaws and as otherwise designated from time to time by the Board of Directors, to the extent consistent with law, the Articles of Incorporation of the Corporation and these Bylaws. Any number of offices may be held by the same person except that the Secretary may not serve concurrently as the President. The officers of this Corporation shall be the same individuals serving as the officers of this Corporation's sole corporate Member (except for the President), or his/her designee. In the event such officer either resigns or is otherwise removed as an officer of this Corporation's sole corporate Member, such officer's office with this Corporation shall automatically terminate as of the effective date of their removal or resignation as an officer of this Corporation's sole corporate Member.
- 4.2 PRESIDENT. The President shall be appointed by the Board of Directors of the Corporation. The President shall be the chief executive officer of the Corporation and shall be the direct executive representative of the Board of Directors in the management of the Corporation. The President shall have and exercise general management and supervision of the affairs of the Corporation, subject to the reserved powers of the Member and the direction of the Board of Directors.
- 4.3 <u>VICE PRESIDENT(S)</u>. The Vice President(s) shall perform such duties as are established from time to time by the Board and shall report to the President. In all other matters the Vice President(s) shall function in accordance with the specific powers which have been delegated to them by the Board and/or the President.
- 4.4 TREASURER. The Treasurer shall have general charge and responsibility relating to the financial concerns of the Corporation. The Treasurer shall perform such other duties and functions as may from time to time be designated by the Board of Directors, subject to the overall control of such Board. The Treasurer shall be responsible for causing an audited financial statement to be provided to the Member and to the Board of Directors at least annually.
- 4.5 <u>SECRETARY.</u> The Secretary shall be the custodian of and shall maintain the corporate books and records, the minutes of the meetings of the Board of Directors and assure that all required notices are duly given in accordance with these Bylaws, the Articles of Incorporation of the Corporation or as otherwise may be required by law. The Secretary shall, in general, perform all duties incident to the office of Secretary, subject to the control of the Board of Directors and shall do and perform such other duties as may be assigned from time to time by the Board of Directors.

- 4.6 <u>ASSISTANT TREASURERS AND ASSISTANT SECRETARIES.</u> The assistant treasurers and assistant secretaries shall perform such duties as shall be assigned to them by the Treasurer or Secretary, respectively, or by the President or the Board of Directors.
- 4.7 <u>ADDITIONAL OFFICERS.</u> The Board of Directors by resolution may create such additional and special offices as may be necessary or desirable in addition to those described herein and may by such resolution provide for the election by the Board of Directors of any person to perform the duties and exercise the authority of such office.
- **4.8 DELEGATION.** The Board may delegate temporarily the powers and duties of any officer, in case of such officer's absence or for any other reason, to any other officer, and may authorize the delegation by an officer of any such officer's powers and duties to any agent or employee subject to the general supervision of such officer.

# ARTICLE V COMMITTEES OF THE BOARD

This Corporation shall have the same committees, committee members, and coterminous committee meetings with those committees established by this Corporation's sole corporate Member. This Corporation's committees shall meet coterminously with this Corporation's sole corporate Member's Board committees established pursuant to the Bylaws of said corporate Member. The Board committee charters and other rules for functioning of such committees of this Corporation shall be identical to those of its sole corporate Member.

### ARTICLE VI VOTING UPON STOCK OF OTHER CORPORATIONS

Subject to the reserved rights of the Providence Member in Section 2.2 and unless otherwise ordered by the Board of Directors and subject to the direction, if any, given by the Board of Directors, any officer of this Corporation shall have full power and authority on behalf of the Corporation to vote either in person or by proxy at any meeting of stockholders of any corporation in which this Corporation may hold stock or otherwise have an opportunity to vote, and at such meeting may possess and exercise all the rights and powers incident to the ownership of such stock or membership which, as the owner thereof, this Corporation might have possessed and exercised, if present.

## ARTICLE VII DUALITY OF INTEREST

Any Member, Director, officer, employee or committee member having an interest in a transaction, contract or other matter presented to the Board of Directors or a committee thereof for authorization, approval or ratification shall provide prompt, full and frank disclosure of his or her interest to the Board or committee prior to its acting on such contract or transaction. The body to which such disclosure is made shall determine, by a majority vote, whether a duality or conflict of interest exists or can reasonably be construed to exist. If a conflict is deemed to exist, such person shall not vote on, nor use his or her personal influence on, nor participate (other than to present factual information or to respond to questions) in the discussions or deliberations with respect to, such contract or transactions. Such person may be counted in determining the existence of a

quorum at any meeting where the contract or transaction is under discussion or is being voted upon. The minutes of the meeting shall reflect the disclosure made, the vote thereon and, where applicable, the abstention from voting and participation, and whether a quorum is present. This Corporation may also adopt policies from time to time more clearly setting forth any requirements regarding disclosure and actions relating to duality or conflicts of interest.

# ARTICLE VIII INDEMNIFICATION

### **8.1 DEFINITIONS.** For the purposes of this Article VIII:

- **8.1.1** "Director" means an individual who is or was a Director of the Corporation or an individual who, while a Director of the Corporation, is or was serving at the Corporation's request as a Director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, employee benefit plans, or other enterprise. A Director is considered to be serving an employee benefit plan at the Corporation's request if the Director's duties to the Corporation also impose duties on, or otherwise involve services by, the Director to the plan or to participants in or beneficiaries of the plan. "Director" includes, unless the context requires otherwise, the estate or personal representative of a Director.
- **8.1.2** "Liability" means the obligation to pay a judgment, settlement, penalty or fine, including an excise tax assessment with respect to an employee benefit plan, or reasonable expenses incurred with respect to a proceeding.

#### **8.1.3** "Official Capacity" means:

- (i) when used with respect to a Director, the office of Director in the Corporation; and
- (ii) when used with respect to an officer, the elective or appointive office in the Corporation held by that individual.
- **8.1.4** "Proceeding" means any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative and whether formal or informal.
- 8.2 ACTION NOT BY OR IN THE RIGHT OF THE CORPORATION. The Corporation shall indemnify any Director or officer who was or is a party or is threatened to be made a party to any proceeding (other than an action by or in the right of the Corporation) by reason of the fact that he/she is or was a Director or officer of the Corporation against judgments, penalties, fines, settlements and reasonable expenses, including attorneys' fees, actually and reasonably incurred by the Director or officer in connection with the proceeding if he/she conducted himself/herself in good faith and:
  - **8.2.1** in the case of conduct in his/her own official capacity with the Corporation, he/she reasonably believed his/her conduct to be in the Corporation's best interests; or

- **8.2.2** in all other cases, he/she reasonably believed his/her conduct to be at least not opposed to the Corporation's best interests; and
- **8.2.3** in the case of any criminal proceeding, he/she had no reasonable cause to believe his/her conduct was unlawful.

The termination of any proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, be determinative that the Director or officer did not meet the requisite standard of conduct set forth in this Section 8.2.

- 8.3 ACTION BY OR IN THE RIGHT OF THE CORPORATION. The Corporation shall indemnify any Director or officer who was or is a party or is threatened to be made a party to any proceeding by or in the right of the Corporation by reason of the fact that he/she is or was a Director or officer of the Corporation against reasonable expenses, including attorneys' fees, actually and reasonably incurred by him/her in connection with such proceeding if he/she conducted himself/herself in good faith and:
  - **8.3.1** in the case of conduct in his/her official capacity with the Corporation, he/she reasonably believed his/her conduct to be in the Corporation's best interests; or
  - **8.3.2** in all other cases, he/she reasonably believed his/her conduct to be at least not opposed to the Corporation's best interests, provided that no indemnification shall be made pursuant to this Section 8.3 in respect of any proceeding in which such person shall have been adjudged to be liable to the Corporation.
- **8.4 LIMITATION ON INDEMNIFICATION.** A Director or officer shall not be indemnified under this Article in respect of any proceeding, whether or not involving action in his/her official capacity, in which he/she shall have been adjudged to be liable on the basis that the Director or officer personally received a benefit in money, property, or services to which the Director or officer was not legally entitled.
- 8.5 EXPENSES IF SUCCESSFUL. To the extent that the Director or officer of the Corporation has been successful on the merits or otherwise in the defense of any proceeding referred to in this Article, he/she shall be indemnified against reasonable expenses, including attorneys' fees, incurred by him/her in connection with the proceeding. The Corporation shall provide notice to the Providence Member prior to such indemnification.
- 8.6 <u>AUTHORIZATION.</u> No indemnification shall be made by the Corporation unless authorized in the specific case upon a determination that the indemnification of the Director or officer is permissible in the circumstances because he/she has met the applicable standard of conduct set forth in this Article. Such determination shall be made: (a) by the Board of Directors by a majority vote of a quorum consisting of Directors not at the time parties to the proceeding; (b) if a quorum is unobtainable, by majority vote of a committee duly designated by the Board of Directors, in which designated Directors who are parties may participate, consisting solely of two or more Directors not at the time parties to the proceeding; (c) in a written opinion by legal counsel (other than an attorney or a firm having associated with it an attorney, who has been retained by or who has performed services within the past three (3) years for the Corporation or any party to

be indemnified) selected by the Board of Directors or a committee thereof by vote as set forth in (a) or (b) of this Section; or (d) by the Providence Member.

- 8.7 <u>ADVANCE PAYMENT.</u> Reasonable expenses incurred in defending a proceeding may be paid by the Corporation in advance of final disposition of the proceeding: (a) upon receipt by the Corporation of a written undertaking by or on behalf of the Director or officer to repay such amount if it shall ultimately be determined that the Director or officer has not met the standard of conduct necessary for indemnification by the Corporation as authorized by this Article; and (b) upon receipt by the Corporation of a written affirmation by the Director or officer of his/her good faith belief that he/she has met the standard of conduct necessary for indemnification by the Corporation as authorized in this Article.
- 8.8 <u>INSURANCE</u>. The Corporation shall have the power to purchase and maintain insurance on behalf of an individual who is or was a Director or officer of the Corporation or who, while a Director or officer of the Corporation, is or was serving at the request of the Corporation as a director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise, against liabilities asserted against or incurred by the individual in that capacity or arising from the individual's status as a director, officer, employee, or agent, whether or not the Corporation would have the power to indemnify the individual against the same liability under these Bylaws or the Washington Nonprofit Corporation Act.
- 8.9 <u>NONEXCLUSIVITY</u>. The indemnification and advancement of expenses provided by, or granted pursuant to this Article of these Bylaws shall not be deemed exclusive of any other rights to which any present or former Director or officer of the Corporation may be entitled by contract, policy or otherwise under applicable law.
- **8.10 PERMISSIVE INDEMNIFICATION.** The Board of Directors may establish policies to indemnify members of the medical staff, community boards, employees and others providing service to the Corporation.
- **8.11** WASHINGTON LAW. Notwithstanding the indemnification provided under this Article of the Bylaws, indemnification to any person by the Corporation shall only occur in compliance with the Washington Nonprofit Corporation Act.

### ARTICLE IX FISCAL YEAR

The fiscal year of this Corporation shall commence on January 1 and end on December 31 of each year.

# ARTICLE X PROHIBITION AGAINST SHARING IN CORPORATE EARNINGS

No Member, Director, officer, employee, committee member or other person connected or affiliated with this Corporation, and no other private individual, shall receive at any time any of the net earnings or pecuniary profit from the operations of this Corporation, provided that this Corporation shall not prevent the payment to any such person of such reasonable compensation

for services rendered to or for this Corporation in effecting any of its purposes as such compensation shall be fixed by the Board of Directors; and no such person or persons shall possess any proprietary right in or to the property of this Corporation or be entitled to share in the distribution of any of the corporate assets upon dissolution of this Corporation.

# ARTICLE XI DISSOLUTION OF THE CORPORATION

Upon dissolution of the Corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the Corporation, dispose of all of the assets of the Corporation to one or more of the Supported Organizations as the Board of Directors shall determine, provided that any such recipient entity is organized and operated exclusively for charitable, educational, religious or scientific purposes and qualifies as an exempt organization under Section 501(c)(3) of the Code ("Code") (or the corresponding provision of any future United States Internal Revenue Law). If, at the time of dissolution, there are no Supported Organizations in existence, or none that are a tax-exempt charitable organization under Section 501(c)(3) the Code, the Board of Directors shall dispose of all of the corporate assets to any other organization(s) selected by the Sisters of Providence, General Administration, Montreal, provided that each such recipient entity is still in existence and organized and operated exclusively for charitable, educational, religious or scientific purposes and qualifies at that time for exemption under Section 501(c)(3) of the Code.

# ARTICLE XII INVESTMENTS

Except as otherwise provided in the Articles of Incorporation of the Corporation, this Corporation shall have the right to retain all or any part of any securities or property acquired by it in whatever manner, and to invest and reinvest any funds held by it, according to the judgment of the Board of Directors.

# ARTICLE XIII EXEMPT ACTIVITIES

Notwithstanding any other provisions of these Bylaws, no Member, Director, officer, employee or agent of this Corporation shall take any action or carry out any activity by or on behalf of the Corporation not permitted to be taken or carried on without penalty by an organization exempt from federal taxation as now exists or as may hereafter be amended.

## ARTICLE XIV AMENDMENTS

No amendment of these Bylaws shall be effective without the approval of the Providence Member. In addition, the Board of Directors shall regularly review these Bylaws and recommend any revisions to these Bylaws to conform to applicable requirements of state or federal law and/or accreditation standards.

### ARTICLE XV MISCELLANEOUS PROVISIONS

- **15.1 <u>DEPOSITORIES.</u>** All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, financial institutions, mutual funds or other depositories as the Board of Directors may designate.
- 15.2 <u>CHECKS.</u> All checks, drafts, or other orders for the payment of money issued in the name of the Corporation shall be signed by such officer or officers or person or persons (whether or not officers of Corporation) in such manner as shall from time to time be determined by the Board of Directors.
- 15.3 <u>CONTRACTS AND INSTRUMENTS.</u> Subject to any limitations contained in these Bylaws or by resolution of the Board of Directors, all deeds, mortgages, bonds and other contracts or instruments of the Corporation shall be signed on behalf of this Corporation by the President or such other officers as may be designated by the Board from time to time.
- 15.4 <u>AGENTS AND REPRESENTATIVES.</u> The Board of Directors may appoint such agents and representatives of the Corporation with such powers and with the authority to perform such acts or duties on behalf of the Corporation as the Board of Directors may deem appropriate, consistent with these Bylaws, the Articles of Incorporation of the Corporation and applicable law.
- 15.5 <u>ELECTRONIC COMMUNICATIONS.</u> To the fullest extent permitted by law, the Members, Board of Directors and Board committees may utilize electronic communications such as e-mail, faxes and other electronic communications for purposes of distributing notices of meetings, voting by ballot or otherwise, executing unanimous written consents as otherwise authorized by these Bylaws, and for all other legitimate purposes of communicating.

Dated this May of June, 2017 to be effective as of 12:01 AM on June 8, 2017.

Secretary of the Corporation

These restated articles and legal business name change are effective 12/31/09 at 11:59 p.m.



Phone: (503) 986-2200 Fax: (503) 378-4381

#### Restated Articles of Incorporation—Business/Professional/Nonprofit

Secretary of State Corporation Division

Check the appropriate box below:

Ell ED

	Salem, OR 9 FilingInOrego		n, OR 97310-13 InOregon.com	on.com VONPROFIT (Complete only			1, 4, 6, 7) PORATION	RPORATION	,	CT 02 2009			
REG	ISTRY NUMBE	R: 0372	30-12				Oregon Secretary of State						
		•			90, the information t and it will be pos			is public reco	rd.	F	or office use only		
Plea	se Type or Pr	int Legibly is	n Black ink. Att	ach Addition	al Sheet if Necess	агу.							
1)	NAME OF COR	RPORATION	Providence	e Health S	System - Oreg	gon				·			
2) \$	NEW NAME OF	THE CORP	ORATION (If ch	anged) Pr	ovidence Hea	lth 8	k Services	- Oregon					
3) 🗚	COPY OF TH	E RESTATE	D ARTICLES M	UST BE ATT	ACHED								
	Bus	NESS/PROP	ESSIONAL COI	RPORATION (	ONLY		Nonprofit Corporation Only						
4) (	CHECK THE APPROPRIATE STATEMENT						5) CHECK THE APPROPRIATE STATEMENT						
[	The restated articles contain amendments which do not require shareholder approval. The date of the adoption of the amendments and restated articles was						The restated articles contain amendments which do not require membership approval. The date of the adoption of the amendments and restated articles was						
	These amendments were duly adopted by the board of directors.  The restated articles contain amendments which require shareholder approval. The date of the adoption of the amendments and restated articles was.  The vote of the shareholders was as follows:					amendments were duty ad opted by the board of di rectors.  The restated articles contain amendments which require membership approval. The date of the adoption of the amendments and restated articles was 09/16/09  The vote of the members was as follows:							
C													
	Class or sense of sheres	Number of sheres outstanding	Number of votes entitled to be cast	Number of votes cast FOR	Number of votes cast AGAINST		Ciasa(es) entitled to vote	Number of members entitled to vote	Number of votes entitled to be cast	Number of votes cast FOR	Number of votes cast AGAINST		
							see •	21	22 **	22	None		
[	The corporation has not issued any shares of stock.  Shareholder action was not required to adopt the restated articles. The restated articles were adopted by the incorporators or by the board of directors.						* approval required by Board of Directors and Corporate Members  ** one person is on BOD and a Corporate Member						
	XECUTION Signature				Printed Name			Tit	l <del>e</del>				
Ç	Jeffrey W. Ro						gers Secretary						
Z	7 CONTACT NAME (To resolve questions with this filing ) DAYTIME PHONE							erea code.)		FI	EES		
F	Roger Jansson 425-525-3030								Required Processing Fee \$50				
									Confirmation Copy (Optional) \$5				
										•	s are norvefundable e check nevable lo		
									Please make check payable to 'Corporation Division."				
ROV	IDENCE	HEAL?	TH SYST	EM-ORE	GON					MasterCard Ti expension date	paid with VISA or he card number and should be submitted to shael for your		



**PUBLIC** 

# RESTATED ARTICLES OF INCORPORATION OF PROVIDENCE HEALTH & SERVICES—OREGON

Pursuant to the provisions of Section 65.451 of the Oregon Nonprofit Corporation Act, the undersigned corporation adopts the following Restated Articles of Incorporation:

### ARTICLE I

The name of the corporation shall be Providence Health & Services—Oregon, (the "Corporation").

#### ARTICLE II DURATION

The Corporation shall have perpetual existence.

### ARTICLE III PURPOSES

The purposes for which the Corporation has been formed are as follows:

- 3.1 To establish, operate, manage and maintain for charitable purposes, hospitals, nursing homes, and other health care, educational, and social service facilities and programs designed to meet the health, educational and social needs of all people;
- 3.2 To provide scientific research and educational, charitable and such other activities, services and programs related to its health care, educational and social service facilities and services:
- 3.3 To engage in other charitable works which are consistent with the objectives of the Corporation and the mission and values of Providence Health & Services and guided by the tradition and charism of the Sisters of Providence, as appropriate; and
- 3.4 To do any and all other things in furtherance of these purposes which are consistent with the laws of the State of Oregon, the Articles and Bylaws of Providence Health & Services, as well as the teachings and laws of the Roman Catholic Church and the Ethical and Religious Directives for Catholic Health Care Services.

RESTATED ARTICLES OF INCORPORATION PH&S-OR Effective December 31, 2009

Page 1 of 3

### ARTICLE IV TAX EXEMPT STATUS

The Corporation is organized and is to be operated exclusively for charitable, religious, educational and scientific purposes. No part of the net earnings of the Corporation shall inure to the benefit of, or be distributed to, the Directors, Officers or other private persons, except that the Corporation is authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of its exempt purposes. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publication or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office. The Corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (or the corresponding provision of any future United States Internal Revenue Law) (the "Code") or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Code (or the corresponding provision of any future United States Internal Revenue Law).

### ARTICLE V RELIGIOUS CORPORATION

This corporation is a religious corporation organized pursuant to the Oregon Nonprofit Corporation Act.

#### ARTICLE VI MEMBER

The sole Member of the Corporation is Providence Health & Services ("Providence"), a Washington nonprofit corporation.

#### ARTICLE VII AMENDMENTS

The power to alter, amend or repeal the Articles of Incorporation and Bylaws of the Corporation shall be vested exclusively in the Member of the Corporation.

### ARTICLE VIII DISSOLUTION

Upon dissolution of the Corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the Corporation, dispose of all of the assets of the Corporation to Providence, its sole corporate Member, or to its designee, provided that such recipient entity is organized and operated exclusively for charitable, educational, religious or scientific purposes and qualifies as an exempt organization under Section 501(c)(3) of the Internal Revenue Code ("Code")(or the corresponding provision of any future United

RESTATED ARTICLES OF INCORPORATION PH&S-OR Effective December 31, 2009

Page 2 of 3

.... 037230-12

States Internal Revenue Law). If, at the time of dissolution, Providence not in existence, is not an exempt organization under the Code, or makes no such designation, the Board of Directors shall dispose of all the corporate assets to Providence Ministries or its designee, provided that such recipient entity is still in existence and is organized and operated exclusively for charitable, educational, religious or scientific purposes, and qualifies as an exempt organization under the Code. If, at the time of dissolution, Providence Ministries is not in existence, is not an exempt organization under the Code, or makes no such designation, the Board of Directors shall dispose of all the corporate assets to any other organization(s) selected by the Sisters of Providence, General Administration, Montreal provided that each such recipient entity is organized and operated exclusively for charitable, educational, religious or scientific purposes and qualifies as an exempt organization under the Code.

### ARTICLE IX RESTATED ARTICLES

These Restated Articles of Incorporation correctly set forth without change the provisions of the Articles of Incorporation of this Corporation, as amended and these Restated Articles of Incorporation supersede the original Articles of Incorporation and all amendments thereto.

The foregoing Restated Articles of Incorporation of Providence Health & Services — Oregon were adopted by its Members on Sept. 15, 2009 to be effective at 11:59 pm on December 31, 2009.

IN WITNESS WHEREOF, the undersigned Secretary of the above named corporation has executed these Restated Articles of Incorporation.

Cross of the

RESTATED ARTICLES OF INCORPORATION PH&S-OR Effective December 31, 2009

# RESTATED BYLAWS OF PROVIDENCE HEALTH & SERVICES —OREGON

### ARTICLE I THE CORPORATION IN GENERAL

- 1.1 <u>NAME AND DESCRIPTION</u>. The name of the corporation shall be Providence Health & Services Oregon ("Corporation"). It is a nonprofit corporation organized and existing under the laws of the State of Oregon.
- 1.2 <u>PURPOSES</u>. The purposes for which the Corporation has been formed are as follows:
  - 1.2.1 To establish, operate, manage and maintain for charitable purposes, hospitals, nursing homes, and other health care, educational, and social service facilities and programs designed to meet the health, educational and social needs of all people;
  - 1.2.2 To provide scientific research, educational, charitable and such other activities, services and programs related to its health care facilities and services;
  - 1.2.3 To engage in other charitable works which are consistent with the objectives of the Corporation and the mission and values of the Providence Health & Services and guided by the tradition and charism of the Sisters of Providence, as appropriate; and
  - 1.2.4 To do any and all other things in furtherance of these purposes which are consistent with the laws of the State of Oregon, the Constitutions and Directory of the Articles and Bylaws of Providence Health & Services, as well as the Roman Catholic moral tradition as articulated in documents such as the *Ethical and Religious Directives for Catholic Health Care Services*.
- 1.3 LOCATION. The principal office of the Corporation shall be located at 1801 Lind Ave. SW, #9016, Renton, Washington 98057-9016.

### ARTICLE II MEMBER

- **2.1 MEMBER.** The sole Member of the Corporation is Providence Health & Services ("Providence").
- **2.2 POWERS OF THE MEMBER.** In addition to all matters required by the Articles of Incorporation or other provisions of these Bylaws which are required to be approved by Providence, and subject to the reserved rights held by the Member of Providence, Providence

shall have the right to recommend to the Providence Member the following actions with respect to this Corporation and of any corporation or other legal entity of which this Corporation is the sole or controlling member or shareholder (except as otherwise noted below):

- **2.2.1** To adopt or change the mission, philosophy, or values;
- 2.2.2 To amend or repeal the Articles of Incorporation or Bylaws;
- 2.2.3 As to this Corporation, to fix the number of Directors, appoint the Board of Directors and to remove such Directors at any time with or without cause;
- **2.2.4** To appoint and remove the President/Chief Executive Officer of this Corporation and to remove such President/Chief Executive Officer, with or without cause, after requesting a recommendation from the Board of Directors;
- 2.2.5 To approve the acquisition of assets, the incurrence of indebtedness or the lease, sale, transfer, assignment, or encumbering of the assets, if the amount involved in any such transaction is in excess of an amount specified from time to time by resolution of the Providence Member and to approve the sale or transfer of other property which may have either historical or religious significance;
- **2.2.6** To approve the dissolution, liquidation, consolidation or merger with another corporation or entity;
- 2.2.7 To approve on a consolidated system-wide basis the annual operating and capital budgets and approval of any deviations from such budget in excess of an amount or percentage specified from time to time by resolution of the Providence Member;
- 2.2.8 To appoint the certified public accountants after receiving the recommendation of the Board of Directors and to receive the annual audit report from such accountants; and
  - **2.2.9** To approve the initiation or closure of any major work.

### ARTICLE III BOARD OF DIRECTORS OF THE CORPORATION

- 3.1 <u>POWER OF THE BOARD OF DIRECTORS</u>. The Board of Directors shall exercise general governance and control of the mission and business affairs of the Corporation and shall have and exercise all of the powers which may be exercised or performed by the Corporation under the laws of the State of Oregon and these Bylaws, with due regard for the powers reserved to the Member of the Corporation as stated in Article II of these Bylaws.
- 3.2 <u>COMPOSITION OF THE BOARD</u>. The Board of Directors of this Corporation shall consist of the same individuals as those then currently serving on the Board of

Directors of its sole Member, Providence. Appointment, term, and removal of a Board of Director from this Corporation's sole Member, Providence, shall constitute appointment, term of office, and removal from such individual's service as a Board of Director of this Corporation. In the event a Member of the Board of Directors of Providence shall resign, such resignation shall automatically cause the resignation of such Board of Director as a Director of this Corporation.

- 3.3 <u>CHAIRPERSON OF THE BOARD</u>. The Chairperson of the Board of Directors of this Corporation shall be the same individual then serving as Chairperson of the Board of this Corporation's sole Member, Providence. Such Chairperson of the Board of this Corporation shall serve in such capacity so long as such individual is serving as the Chairperson of the Board of Providence.
- 3.4 <u>ACTING CHAIR</u>. Any individuals serving as the Acting Chair of the Board of Directors of this Corporation's sole Member, Providence, shall also serve as the Acting Chair of this Corporation.

#### 3.5 MEETINGS AND PROCEDURAL RULES.

- 3.5.1 Annual Meeting. The annual meeting of the Board of Directors shall be held by December 31 of each year. Such meeting shall be held at the principal office of the Corporation or at such place as may be designated from time to time by the Chairperson. The purposes of the annual meeting shall include, without limitation, electing officers as herein provided and transacting such other business as shall be necessary or desirable.
- **3.5.2 Regular Meetings of the Board.** Regular meetings of the Board of Directors shall occur at least four (4) times a year at such time and place as the Directors shall provide by resolution.
- **3.5.3** Special Meetings of the Board. Special meetings of the Board of Directors may be called upon written request by the Member, two or more Directors, the Chairperson of the Board or the President/Chief Executive Officer.
- 3.5.4 Notice of Board of Directors Meetings. Written notice of all Board of Directors meetings shall be mailed by first class mail, personally delivered, or sent by electronic transmission pursuant to Section 18.5 to each Director at least five (5) days before the date of the meeting, which notice shall in the case of special meetings state the nature of the business to be taken up at the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the U.S. Mail, postage prepaid, addressed to the Director at their address as it appears in the records of the Corporation.
- 3.5.5 Quorum. For all meetings of the Board of Directors (other than for action taken by unanimous written consent), a quorum shall be a simple majority of the Directors then serving unless a greater majority is required by law or by these Bylaws.

- 3.5.6 Action by Unanimous Written Consent. Waiver of notice of any Board meeting or any action required to be taken at a meeting of the Board of Directors, or any other action which may be taken at a meeting of the Board of Directors, may be taken without a meeting if a consent in writing, setting forth the actions so taken, is signed by all the Directors entitled to vote with respect to the subject matter thereof. Any consent signed by all the Directors shall have the same effect as a unanimous vote.
- 3.5.7 Telephonic Meetings. Directors may participate in and act at any meeting of such Board by means of conference telephone, videoconference or similar communication equipment by which all persons participating in the meeting can hear each other at the same time. Participation in such a meeting shall constitute presence in person at the meeting.
- **3.5.8 Voting.** Voting on any question or in any election may be by voice, unless the individual presiding at the meeting shall order, or a Director shall demand, that voting be by ballot.
- 3.5.9 Manner of Acting. Each Director shall be entitled to one vote on all matters voted on at any meeting. Except as otherwise provided by law, the Articles of Incorporation, or these Bylaws, the act of a majority of the Directors present at the meeting at which a quorum is present shall be the act of the Board of Directors.
- 3.5.10 Compensation/Reimbursement of Directors. Directors may receive reasonable compensation for their services as Directors, as determined from time to time by the Member. Directors shall be reimbursed for reasonable expenses of attendance at meetings or when on other business of the Corporation.
- **3.5.11 Board Evaluation.** Under the direction of the Governance Committee, the Board of Directors shall annually evaluate their performance.
- 3.6 PRESUMPTION OF ASSENT. Any Director who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be conclusively presumed to have assented to the action taken unless (1) he/she abstains and his/her abstention is recorded in the minutes of the Corporation; (2) his/her dissent shall be entered in the minutes of the meeting; (3) he/she shall file his/her written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof; or (4) he/she shall forward such dissent by registered mail to the Secretary of the Corporation immediately after the adjournment of the meeting. The right to dissent shall not apply to a Director who voted in favor of an action.

## ARTICLE IV OFFICERS OF THE CORPORATION

4.1 OFFICERS. The officers of the Corporation shall be the President/Chief Executive Officer, one or more Vice President(s), a Secretary and a Treasurer and such other officers as may be elected from time to time by the Board of Directors. The powers and duties of

the officers shall be as set forth in these Bylaws and as otherwise designated from time to time by the Board of Directors, to the extent consistent with law, the Articles of Incorporation of the Corporation and these Bylaws. Any number of offices may be held by the same person except that the Secretary may not serve concurrently as the President. The officers of this Corporation shall be the same individuals serving as the officers of this Corporation's sole Member, Providence. In the event such officer either resigns or is otherwise removed as an officer of Providence, such officer's office with this Corporation shall automatically terminate as of the effective date of their removal or resignation as an officer of Providence.

- 4.2 PRESIDENT/CHIEF EXECUTIVE OFFICER. The President/Chief Executive Officer shall be the chief executive officer of the Corporation and shall be the direct executive representative of the Board of Directors in the management of the Corporation. The President/Chief Executive Officer shall have and exercise general management and supervision of the affairs of the Corporation, subject to the reserved powers of the Member and the direction of the Board of Directors.
- 4.3 <u>VICE PRESIDENT(S)</u>. The Vice President(s) shall perform such duties as are established from time to time by the Board and shall report to the President/Chief Executive Officer. In all other matters, the Vice President(s) shall function in accordance with the specific powers which have been delegated to them by the Board and/or the President/Chief Executive Officer.
- 4.4 <u>TREASURER</u>. The Treasurer shall have general charge and responsibility relating to the financial concerns of the Corporation. The Treasurer shall perform such other duties and functions as may from time to time be designated by the Board of Directors, subject to the overall control of such Board. The Treasurer shall be responsible for causing an audited financial statement to be provided to the Member and to the Board of Directors at least annually.
- 4.5 SECRETARY. The Secretary shall be the custodian of and shall maintain the corporate books and records, the minutes of the meetings of the Board of Directors and assure that all required notices are duly given in accordance with these Bylaws, the Articles of Incorporation of the Corporation or as otherwise may be required by law. The Secretary shall, in general, perform all duties incident to the office of Secretary, subject to the control of the Board of Directors and shall do and perform such other duties as may be assigned from time to time by the Board of Directors.
- **4.6** ASSISTANT TREASURERS AND ASSISTANT SECRETARIES. The assistant treasurers and assistant secretaries shall perform such duties as shall be assigned to them by the Treasurer or Secretary, respectively, or by the President/Chief Executive Officer or the Board of Directors.
- 4.7 <u>ADDITIONAL OFFICERS</u>. The Board of Directors by resolution may create such additional and special offices as may be necessary or desirable in addition to those described herein and may by such resolution provide for the election by the Board of Directors of any person to perform the duties and exercise the authority of such office.

4.8 <u>DELEGATION</u>. The Board may delegate temporarily the powers and duties of any officer, in case of such officer's absence or for any other reason, to any other officer, and may authorize the delegation by an officer of any such officer's powers and duties to any agent or employee subject to the general supervision of such officer.

## ARTICLE V COMMITTEES OF THE BOARD

This Corporation shall have the same committees, committee members, and coterminous committee meetings with those committees established by this Corporation's sole Corporate Member, Providence. This Corporation's committees shall meet conterminously with the Providence Board committees established pursuant to the Providence Bylaws. The Board committee charters and other rules for functioning of such committees of this Corporation shall be identical to those of its sole Corporate Member, Providence.

#### ARTICLE VI MINISTRIES

The Corporation shall be organized into such ministries ("Ministries") as the Board of Directors may determine from time to time. As designated from time to time by the Board of Directors and the President/Chief Executive Officer, appropriate management ("Designated Manager") shall be responsible for the various Ministries. In such capacity, the Designated Manager shall have authority for carrying out the general administration and management of such Ministries in accordance with all applicable resolutions of the Board of Directors, policies of this Corporation or of Providence ("System policies"), the Governance and Executive Management Authority and Shared Governance Accountability Matrix (the "Matrix") and the management reporting relationships that are in effect from time to time as determined by the President/Chief Executive Officer and the Board of Directors. In addition, the Designated Manager shall have authority to act on all matters relating to the medical staffs of the Ministries, subject to the authority delegated to the Community Ministry Board and further subject to the applicable medical staff bylaws and other System policies and resolutions relating to medical staff relationships that may be in effect from time to time. Each Designated Manager shall be appointed in accordance with System policies and the Matrix and shall be designated by such other title or designation as may be determined by the President/Chief Executive Officer.

### ARTICLE VII MEDICAL STAFF

7.1 <u>MEDICAL STAFF</u>. Each hospital owned and/or operated by this Corporation shall have a medical staff consisting of those licensed physicians, dentists and other independent licensed practitioners as the Board of Directors may permit in accordance with the provisions of applicable state law, accreditation standards and the provisions of the medical staff bylaws for each such hospital.

Each long term care facility or other health care facility or division of this Corporation shall establish necessary or appropriate policies, guidelines, procedures, or bylaws where applicable, as are appropriate for the institutional management and maintenance of quality patient care to be provided by licensed physicians, dentists or other independent licensed practitioners.

- 7.2 **QUALIFICATIONS.** Subject to any delegated authority pursuant to §7.5 and §8.2 hereof, the Board of Directors shall have final authority over appointments and reappointments of medical staff members, over the granting of and delineation of clinical and practice privileges, and over the revocation or other curtailment of medical staff membership and/or clinical or practice privileges. Each medical staff shall evaluate the professional competence and qualifications of applicants for appointment or reappointment and for the granting of clinical privileges, and shall make recommendations concerning the suitability of all such applicants. Each medical staff shall in like manner evaluate all cases where revocation, curtailment, suspension or other limitation of staff membership or privileges is being considered and shall recommend action to the administrator relating to such matter. The Board of Directors shall only take action on appointments, reappointments, revocations or curtailment of membership and/or privileges after receiving and considering the recommendation of the medical staff except in those cases where such recommendation is being unreasonably delayed or where quality of patient care concerns warrant summary or other immediate action. Designated management may be assigned authority to act on behalf of the Board of Directors consistent with these Bylaws, applicable System policies and corporate resolutions and medical staff bylaws.
- 7.3 MEDICAL STAFF BYLAWS. Subject to approval of the Board of Directors, each medical staff is responsible for the development, adoption and periodic review and revision of medical staff bylaws, rules and regulations that are consistent with hospital and System policies, Joint Commission standards, and applicable federal and state laws and regulations. Such bylaws shall define the organization of the medical staff and establish procedures for evaluations and recommendations concerning appointments, reappointments, revocation or curtailment of staff membership or privileges, procedures for formal and effective medical staff participation in formulating hospital policies and standards of patient care and such other matters as the medical staff and the hospital shall deem appropriate for inclusion in such medical staff bylaws, rules and regulations. The medical staff bylaws and any amendment thereto are subject to, and effective upon, approval by the Board of Directors.

No person shall be denied medical staff membership or clinical privileges in any institution of this Corporation on the basis of sex, race, creed, color or national origin or on the basis of any other criteria unrelated to professional competence, patient care, the purpose, needs and capabilities of the hospital and/or the community in which it is located or other criteria reasonably related to professional standards, hospital efficiency, or other appropriate criteria as may be established from time to time.

Medical staff bylaws shall include appropriate provisions requiring all members of the medical staff to conform to the Providence mission and core values and the Roman Catholic moral tradition as articulated in documents such as *The Ethical and Religious Directives for* 

Catholic Health Care Services as may be amended from time to time while such medical staff member is practicing in any hospital, health care facility, program or service operated by this Corporation.

- AND MEDICAL STAFF. The Board of Directors holds the medical staff accountable for the professional care practiced in each hospital. Each medical staff shall regularly review and analyze its clinical experience and shall be responsible for participating in quality management activities as mandated from time to time by the Joint Commission or other state licensing bodies of healthcare organizations, by applicable laws and regulations, by the medical staff bylaws, by System policies and procedures and by this Board of Directors. Adequate, accurate and timely medical records shall be prepared and maintained for all patients. A report of the results of the quality review and analysis shall be regularly submitted to the Board in accordance with System policy and in a manner designed to assure maximum protection under applicable provisions of state law regarding the confidentiality of quality assurance and peer review information.
- 7.5 <u>DELEGATION OF MEDICAL STAFF AUTHORITY</u>. The Board of Directors may, from time to time, delegate its authority with respect to medical staff matters as provided for in § 8.2 of these Bylaws to the Community Ministry Boards In such event, the Community Ministry Boards shall have all authority of the Board of Directors as stated in these Bylaws with respect to medical staff matters and shall function as the governing body of this Corporation for such matters, consistent with applicable requirements of federal and state laws and regulations, meeting Medicare conditions of participation requirements, and fulfilling compliance with the Joint Commission's requirements.

#### ARTICLE VIII SHARED GOVERNANCE

- 8.1 <u>COMMUNITY MINISTRY BOARDS</u>. This Corporation shares governance with its Community Ministry Boards as set forth in the Community Ministry Board Bylaws, as approved by the Board of Directors. Each of the Corporation's Ministries, as determined appropriate by the Board of Directors shall establish a Community Ministry Board to assist, consult with and advise management and this Corporation. The Community Ministry Board Bylaws shall be uniform for all Providence Ministries.
- 8.2 <u>DELEGATED AUTHORITY</u>. The Board of Directors may, from time to time, delegate certain Board responsibilities to the Community Ministry Boards as set forth in the Community Ministry Board Bylaws or by policy. In matters that have been delegated by the Board of Directors to the Community Ministry Boards, the Community Ministry Boards shall have full authority and be accountable to the Board of Directors with respect to the matters delegated and shall serve as the governing body of the Corporation's Ministries for fulfilling such delegated responsibilities consistent with applicable federal and state laws and regulations, meeting Medicare conditions of participation requirements, and fulfilling compliance with the Joint Commission's requirements.

**8.3** ADVICE AND COUNSEL. The Community Ministry Board is responsible, as set forth in the Community Board Bylaws, for providing advice, counsel and direction to this Corporation for the Ministries for which it is accountable.

# ARTICLE IX VOTING UPON STOCK OF OTHER CORPORATIONS

Subject to the reserved rights set forth in Section 2.2, and unless otherwise ordered by the Board of Directors and subject to the direction, if any, given by the Board of Directors, any officer of this Corporation shall have full power and authority on behalf of the Corporation to vote either in person or by proxy at any meeting of stockholders of any corporation in which this Corporation may hold stock or otherwise have an opportunity to vote, and at such meeting may possess and exercise all the rights and powers incident to the ownership of such stock or membership which, as the owner thereof, this Corporation might have possessed and exercised if present.

### ARTICLE X DUALITY OF INTEREST

Any Member, Director, officer, employee, Community Board member or committee member having an interest in a transaction, contract or other matter presented to the Board of Directors or a committee thereof for authorization, approval or ratification shall provide prompt, full and frank disclosure of his or her interest to the Board or committee prior to its acting on such contract or transaction. The body to which such disclosure is made shall determine, by a majority vote, whether a duality or conflict of interest exists or can reasonably be construed to exist. If a conflict is deemed to exist, such person shall not vote on, nor use his or her personal influence on, nor participate (other than to present factual information or to respond to questions) in the discussions or deliberations with respect to, such contract or transactions. Such person may be counted in determining the existence of a quorum at any meeting where the contract or transaction is under discussion or is being voted upon. The minutes of the meeting shall reflect the disclosure made, the vote thereon and, where applicable, the abstention from voting and participation, and whether a quorum is present. This Corporation may also adopt policies from time to time more clearly setting forth any requirements regarding disclosure and actions relating to duality or conflicts of interest.

# ARTICLE XI INDEMNIFICATION

11.1 ACTION NOT BY OR IN THE RIGHT OF THE CORPORATION. The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that the person is or was a Director or officer of the Corporation, or is or was serving at the request of the Corporation as a Director or officer of another corporation, against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement actually and

reasonably incurred by the person in connection with the action, suit or proceeding if he/she acted in good faith and in a manner reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his/her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he/she reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his/her conduct was unlawful.

- 11.2 ACTION BY OR IN THE RIGHT OF THE CORPORATION. The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he/she is or was a Director or officer of the Corporation, or is or was serving at the request of the Corporation as a Director or officer of another corporation, against expenses, including attorneys' fees, actually and reasonably incurred by him/her in connection with the defense or settlement of the action or suit if he/she acted in good faith and in a manner he/she reasonably believed to be in or not opposed to the best interests of the Corporation. No indemnification shall be made in respect of any claim, issue or matter as to which the person shall have been adjudged to be liable unless and only to the extent that the court in which the action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, the person is fairly and reasonably entitled to indemnity for the expenses which the court shall deem proper.
- 11.3 EXPENSES IF SUCCESSFUL. To the extent that a Director or officer has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Sections 11.1 and 11.2 of this Article XI, or in defense of any claim, issue or matter therein, he/she shall be indemnified against expenses, including attorneys' fees, actually and reasonably incurred by him/her in connection therewith. The Corporation shall provide notice to the Members prior to such indemnification.

### 11.4 <u>AUTHORIZATION</u>. Indemnification under Sections

- 11.1 and 11.2 of this Article XI, unless ordered by a court, shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the Director or officer is proper in the circumstances because he/she has met the applicable standard of conduct set forth in Sections 11.1 and 11.2. The determination shall be made: (a) By the Board of Directors by a majority vote of a quorum consisting of Directors who are not parties to the action, suit or proceeding; (b) If such a quorum is not obtainable, or, even if obtainable a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion; or (c) By the Members.
- 11.5 <u>ADVANCE PAYMENT</u>. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of the action, suit or proceeding upon receipt of an undertaking by or on behalf of the Director or officer to repay such amount unless it shall ultimately be determined that he/she is entitled to be indemnified by the Corporation as authorized in this Article XI.

- 11.6 <u>INSURANCE</u>. The Corporation shall have the power to purchase and maintain insurance on behalf of any person who is or was a Director or officer of the Corporation, or is was serving at the request of the Corporation as a Director, officer, employee or agent of another corporation, against any liability asserted against the person and incurred by the person in such capacity arising out of his/her status as such, whether or not the Corporation would have the power to indemnify him/her against the liability under these Bylaws or the Oregon Nonprofit Corporation Law.
- 11.7 <u>NONEXCLUSIVITY</u>. The indemnification and advancement of expenses provided by, or granted pursuant to, this Article XI shall not be deemed exclusive of any other rights to which those indemnified or advanced expenses may be entitled under any Bylaw, agreement, vote of the Member or disinterested Directors or otherwise, both as to action in the individual's official capacity and as to action in another capacity while holding the office.
- 11.8 <u>PERMISSIVE INDEMNIFICATION</u>. The Board of Directors may establish policies to indemnify members of the medical staff, advisory boards, employees and others providing service to the Corporation.
- 11.9 <u>OREGON LAW</u>. Notwithstanding the indemnification provided under this Article XI of the Bylaws, indemnification to any person by the Corporation shall occur only in compliance with the Oregon Nonprofit Corporation Law.

# ARTICLE XII FISCAL YEAR

The fiscal year of this Corporation shall commence on January 1 and end on December 31 of each year.

### ARTICLE XIII PROHIBITION AGAINST SHARING IN CORPORATE EARNINGS

No Member, Director, officer, employee, committee member or other person connected or affiliated with this Corporation, and no other private individual, shall receive at any time any of the net earnings or pecuniary profit from the operations of this Corporation, provided that this Corporation shall not prevent the payment to any such person of such reasonable compensation for services rendered to or for this Corporation in effecting any of its purposes as such compensation shall be fixed by the Board of Directors; and no such person or persons shall possess any proprietary right in or to the property of this Corporation or be entitled to share in the distribution of any of the corporate assets upon dissolution of this Corporation.

# ARTICLE XIV DISSOLUTION OF THE CORPORATION

Upon dissolution of the Corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the Corporation, dispose of all of the assets of the Corporation to Providence, its sole corporate Member, or to its designee, provided that such recipient entity is organized and operated exclusively for charitable, educational, religious or scientific purposes, and qualifies as an exempt organization under Section 501(c)(3) of the Internal Revenue Code ("Code")(or the corresponding provision of any future United States Internal Revenue Law). If, at the time of dissolution, Providence is not in existence, is not an exempt organization under the Code, or makes no such designation, the Board of Directors shall dispose of all the corporate assets to Providence Ministries or its designee, provided that such recipient entity is still in existence and organized and operated exclusively for charitable, educational, religious or scientific purposes and qualifies as an exempt organization under the Code. If, at the time of dissolution, Providence Ministries is not in existence, is not an exempt organization under the Code, or makes no such designation, the Board of Directors shall dispose of all the corporate assets to any other organization(s) selected by the Sisters of Providence, General Administration, Montreal, provided that each such recipient entity is organized and operated exclusively for charitable, educational, religious or scientific purposes and qualifies as an exempt organization under the Code.

#### ARTICLE XV INVESTMENTS

Except as otherwise provided in the Articles of Incorporation of the Corporation, this Corporation shall have the right to retain all or any part of any securities or property acquired by it in whatever manner, and to invest and reinvest any funds held by it, according to the judgment of the Board of Directors.

#### ARTICLE XVI EXEMPT ACTIVITIES

Notwithstanding any other provisions of these Bylaws, no Member, Director, officer, employee or agent of this Corporation shall take any action or carry out any activity by or on behalf of the Corporation not permitted to be taken or carried on without penalty by an organization exempt from federal taxation as now exists or as may hereafter be amended.

#### ARTICLE XVII AMENDMENTS

No amendment of these Bylaws shall be effective without the approval of the Member. In addition, the Board of Directors shall regularly review these Bylaws and recommend any revisions to these Bylaws to conform to applicable requirements of state or federal law and/or accreditation standards.

### ARTICLE XVIII MISCELLANEOUS PROVISIONS

- **18.1 <u>DEPOSITORIES</u>**. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, financial institutions, mutual funds or other depositories as the Board of Directors may designate.
- 18.2 <u>CHECKS</u>. All checks, drafts, or other orders for the payment of money issued in the name of the Corporation shall be signed by such officer or officers or person or persons (whether or not officers of Corporation) in such manner as shall from time to time be determined by the Board of Directors.
- 18.3 <u>CONTRACTS AND INSTRUMENTS</u>. Subject to any limitations contained in these Bylaws or by resolution of the Board of Directors, all deeds, mortgages, bonds and other contracts or instruments of the Corporation shall be signed on behalf of this Corporation by the President/Chief Executive Officer or any other officer.
- 18.4 <u>AGENTS AND REPRESENTATIVES</u>. The Board of Directors may appoint such agents and representatives of the Corporation with such powers and with the authority to perform such acts or duties on behalf of the Corporation as the Board of Directors may deem appropriate, consistent with these Bylaws, the Articles of Incorporation of the Corporation and applicable law.
- 18.5 <u>ELECTRONIC COMMUNICATIONS</u>. To the fullest extent permitted by law, the Member, Board of Directors and Board Committees may utilize electronic communications such as e-mail, faxes and other electronic communications for purposes of distributing notices of meetings, voting by ballot or otherwise, executing unanimous written consents as otherwise authorized by these Bylaws, and for all other legitimate purposes of communicating.

	*	*		*	*	*	
Dated thi December 31, 20	s <u>(5+1)</u> da 09.	y ofS	ept.	, 200 <u>^</u>	1 to be effect	ive as of 11:5	9 pm on
				Chair of the l	Board of Dire	ctors	
			s S	ccretter of	Moze he Corporation	on	