

Governance

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2. **Describe in detail what authority, if any, the Samaritan Board will have related to the \$700 million capital commitment plan.**
 - a. **Article II, Section 2.2.2 of the Samaritan Bylaws provides that MultiCare has the reserved power over “final approval of the corporation’s proposed annual capital and operating budgets including any compensation plans.” Please explain whether this authority pertains to how the \$700 million capital commitment plan funds are spent.**

As set forth in Section 7.6(f) of the Affiliation Agreement, Samaritan management shall develop proposed annual and capital budgets, distribute the proposed budgets to the management of MultiCare for their review and approval, and then after receiving MultiCare management approval, provide such proposed budgets to the Samaritan Board for review and approval. Only after the Samaritan Board has approved the budgets will they be submitted to the MultiCare Board for final review and approval. This budget process ensures that Samaritan’s management team will shape how the Capital Commitment is allocated, and that the Samaritan Board will approve all capital budgets for the Samaritan health delivery system. Notably, the Samaritan Board is empowered to reject proposed capital budgets and, if it does so, the Samaritan and MultiCare management teams would have to revise and resubmit a budget that the Samaritan Board will approve.

3. **Describe what authority, if any, the Samaritan Board will have over decisions to close or reduce locations and/or service lines post-closing.**

Following closing, the Samaritan Board of Directors will continue to have authority over Samaritan’s day to day operations and oversight of clinical and service delivery decisions, including evaluation of any proposed changes to locations or service lines. Any decision to close or materially reduce locations or service lines would be subject to review and approval by the Samaritan Board in the ordinary course of its governance responsibilities.

Consistent with the Affiliation Agreement and Samaritan’s Bylaws, MultiCare, as the sole corporate member, retains limited reserved powers over certain extraordinary matters, including approval of transactions or actions that would constitute a material change to Samaritan’s assets, operations, or strategic plan. As a result, decisions involving the closure of hospitals or other material facilities, or the elimination of significant service lines, would require engagement of both the Samaritan Board and MultiCare pursuant to the agreed governance framework.

Importantly, the affiliation is not predicated on, nor does it contemplate, facility closures or service reductions. MultiCare does not have any intention to divest of Samaritan assets or close hospitals, and instead intends to invest in strengthening and expanding access to services across Samaritan’s communities.

4. **Section 5(b)(ii) of Exhibit 9.a.i, (“Letter of Intent”), provides that MultiCare is committed to expanding its Board of Directors (“MultiCare Board”) to include at least one member from Oregon within 6 months of closing and states that “Samaritan will have meaningful input in the appointment.” Please describe in detail how this input will be provided and considered. Please also provide responses to the following:**

Section 7.5(b) of the Affiliation Agreement governs the process for adding an Oregon-based member to the MultiCare Board following closing. Under this provision, within six months following closing, MultiCare will take all action necessary to expand the MultiCare Board to include at least one member from Oregon who can provide an appropriate systemwide governance perspective for a Pacific Northwest–focused health system (the “Oregon Nominee”). The Affiliation Agreement specifies a structured and collaborative process to ensure meaningful Samaritan input, as follows:

- The Samaritan Board will identify and submit one or more Oregon Nominees to the MultiCare Board Nominating Committee.
- The MultiCare Nominating Committee will review the submitted nominee(s) and either approve and recommend a nominee for appointment to the MultiCare Board or request additional nominees from the Samaritan Board.
- If an Oregon Nominee is later replaced, Samaritan will have the opportunity to nominate and/or interview all individuals proposed to replace that Oregon Nominee.
- Finally, MultiCare will provide Samaritan with meaningful opportunities to recommend qualified candidates for service on MultiCare Board committees, including, without limitation, the Quality and Safety Committee.

This process ensures that Samaritan has a defined, substantive role in identifying and recommending Oregon-based governance representation, while final appointment authority remains with the MultiCare Board in accordance with its fiduciary obligations.

- a. Please state whether MultiCare is required to seat an Oregon member on the MultiCare Board post-closing.**

Yes. Pursuant to Section 7.5(b) of the Affiliation Agreement, MultiCare is contractually obligated to expand the MultiCare Board to include at least one Oregon member within six months following Closing, subject to completion of the nomination and review process described above.

- b. Please state whether MultiCare’s bylaws will be amended to reflect this requirement.**

Section 7.5(b) provides that MultiCare will take all action necessary to effectuate this Board expansion, which may include amending the MultiCare Governing Documents. Any such amendment would be undertaken as needed to implement the Affiliation Agreement commitment.

- 5. Article VII, Section 7.3 (“Medical Staff”) of the Affiliation Agreement (Exhibit 7.b.iv) provides that completion of the transaction will not change “the independence of the Samaritan Medical Staff.” Please describe in detail how this independence will be maintained and guaranteed post-closing.**

Article VII, Section 7.3 of the Affiliation Agreement provides that completion of the transaction will not change the independence of the Samaritan Medical Staff. That independence will be maintained post-closing through the continuation of Samaritan’s existing medical staff governance structure and hospital level accountability.

Each Samaritan hospital currently maintains its own independent medical staff, organized pursuant to its medical staff bylaws, rules, and regulations. Each medical staff is accountable to the governing board of its respective hospital, which retains ultimate responsibility for quality of care, credentialing, privileging, and peer review at that facility. This hospital-specific medical staff structure is memorialized in applicable governance documents and will remain unchanged following closing.

MultiCare does not intend to interfere with or alter the relationship between each Samaritan hospital’s medical staff and its hospital governing board. Post closing, medical staff matters—including credentialing, privileging, peer review, and clinical practice standards—will continue to be governed by the applicable hospital medical staff bylaws and overseen by the respective hospital board, consistent with current practice and applicable law.

This governance model is also consistent with DNV accreditation standards, which require that medical staffs function with professional autonomy, operate pursuant to their own bylaws, and maintain a defined accountability relationship with the hospital governing body. The Affiliation Agreement does not modify these requirements, and compliance with applicable accreditation standards will continue to guide medical staff governance post closing.

Accordingly, the transaction does not consolidate, centralize, or subordinate Samaritan medical staffs to MultiCare, nor does it change their independent clinical judgment, peer review authority, or hospital level accountability. Each Samaritan medical staff will continue to function as an independent medical staff serving its hospital and community, consistent with longstanding practice, accreditation standards, and the express terms of the Affiliation Agreement.

- 6. Please provide copies of meeting minutes for all Samaritan board meetings, MultiCare board meetings, and committee meetings held since January 1, 2025.**

The meeting minutes for the Samaritan Board, as well as its Finance Committee and Audit & Compliance Committee are enclosed as Exhibit 6.

The meeting minutes of the MultiCare Board, as well as its, Strategy Committee, Finance & Audit Committee, Quality & Safety Committee & Nominating, Governance & Effectiveness Committee are enclosed as Exhibit 6.

Financial Condition

- 7. Provide a detailed update on the status of the alleged event of default related to Samaritan’s Master Trust Indenture. In doing so, please provide any additional communications that have occurred between Samaritan and the bondholder, MultiCare and the bondholder, or Samaritan and MultiCare, since September 23, 2025.**

Since September 23, 2025, the only substantive communication between Samaritan and the bondholders or MultiCare and the bondholders regarding the status of the alleged event of default under Samaritan’s Master Trust Indenture was a call with bondholders, Samaritan and MultiCare on December 17, 2025. [REDACTED]

[REDACTED] On the December 17th call, counsel for the bondholders informed Samaritan they are waiting for Samaritan’s audited and quarterly unaudited financial statements for the period ending December 31, 2025 to determine compliance by Samaritan with the debt service covenant ratio and other financial covenants in the Master Trust Indenture. The parties do not have further updates at this time.

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9. Provide the unaudited financials (balance sheet, income statement, etc.) for Samaritan for calendar year 2025.

Samaritan's preliminary unaudited financial statements for the year ended December 31, 2025 (including balance sheet and income statement) have been uploaded as RFI Exhibit 9.

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Capital Commitment

15. Exhibit 7.4(b) of the Affiliation Agreement (Exhibit 7.b.iv) states that the capital commitment period “may” be extended for two additional years, or up to a total of 12 years from closing if Samaritan doesn’t achieve the financial metrics outlined in Exhibit 7.4(a).

- a. Is there any contractual or other language requiring MultiCare to extend the Capital Commitment period if Samaritan does not achieve the financial metrics outlined in Exhibit 7.4(a)? If so, please identify and describe. If not, please explain why.**

There is not any language in the Affiliation Agreement requiring MultiCare to extend the Capital Commitment Period if the financial metrics outlined in Exhibit 7.4(a) are not met. It is the parties’ mutual preference to allocate the full capital commitment within a 10-year window

- b. Please provide all criteria MultiCare expects to utilize to decide whether to extend the Capital Commitment period, if any.**

In deciding whether to extend the Capital Commitment period for an additional two years, MultiCare expects to consider, among other things, (a) input from Samaritan’s Board and management team, (b) the overall financial condition of Samaritan, (c) the urgency of Samaritan’s capital needs, and (d) Samaritan’s capacity to implement capital projects.

- c. If Samaritan does not hit the financial metrics in Exhibit 7.4(a), is MultiCare obligated to provide any additional capital during years 6 through 10?**

Pursuant to Section 7.4(b), MultiCare must fund routine capital requirements in years 6-10, regardless of Samaritan’s financial performance. While there is no specific timetable for deploying strategic capital in years 6-10, MultiCare will allocate significant strategic capital during this period as it would be impractical and counterproductive to spend the entire remainder of the Capital Commitment in just years 11 and 12.

- d. Is there any consideration for a graduated award of capital based on the degree to which Samaritan missed the financial metric? If so, please identify and describe. If not, please explain why.**

As noted in the response to (a) above, it is the parties’ mutual preference to allocate the full capital commitment within a 10-year window. However, the level of financial performance of Samaritan may necessitate a two-year extension to the 10-year capital commitment. It is important to emphasize that the full \$700 million capital commitment will be allocated regardless of Samaritan’s financial performance, but the specific timing of the capital commitment will depend, among other things, on the urgency of Samaritan’s capital needs in a given year and overall financial performance.

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MultiCare’s Prior Transactions

18. Provide the definitive agreements for MultiCare’s recent prior transactions in Washington state with Overlake Medical Center, Yakima Memorial Hospital, Capital Medical Center, and Deaconess and Valley Hospitals (hereinafter referred to as “MultiCare’s prior transactions”).

The requested agreements are enclosed as RFI Exhibit 18.

- 19. For each of MultiCare’s prior transactions in Washington:**
- a. Describe whether there were any capital commitments or investment plans made at the time of transaction and provide copies of such plans.**
 - i. For each transaction, state the minimum required capital contributions per the respective definitive agreements and the amount that has actually been provided to date.**
 - ii. State whether any of the capital commitments been modified. If so, please explain.**
 - b. Describe any commitments MultiCare made regarding continuing to operate any specific services or business lines post-closing. Identify any services or business lines that closed post-transaction closing and explain the reasoning for all closures.**
 - c. Identify and explain any changes that have occurred to staffing levels (increased or decreased), including any specific retention or recruitment efforts by MultiCare post-transaction closing.**
 - d. Describe how any commitments or investments have specifically improved access to care (including for Medicaid and Medicare patients), health equity, and affordability for the communities served.**
 - e. Describe any key challenges encountered during the integration of these entities with MultiCare.**

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Payer Contracting

- 20. For both MultiCare and Samaritan, provide a list of all payers and revenue received from each for calendar year 2025.**
- a. For each payer, break out revenue by line of business (commercial, Medicare Advantage, and Medicaid), as relevant. For any commercial payers with whom both MultiCare and Samaritan contract, provide copies of the current contracts.**

The requested revenue summaries and provider contracts are enclosed as RFI Exhibit 20. [REDACTED]

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