

KAMALA D. HARRIS
Attorney General

State of California
DEPARTMENT OF JUSTICE



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January 10, 2014

Sent by Internet and U.S. Mail

Steve Lipton, Esq.
Hooper, Lundy & Bookman, Inc.
575 Market Street, Suite 2300
San Francisco, CA 94105

RE: Proposed Sale of Emanuel Medical Center

Dear Mr. Lipton:

Pursuant to Corporations Code section 5914 *et seq.*, the Attorney General hereby conditionally consents to the proposed sale of Emanuel Medical Center pursuant to the terms of the Asset Purchase Agreement entered into by and between Emanuel Medical Center, Inc. and Doctors Medical Center of Modesto, Inc.

Corporations Code section 5917, and California Code of Regulations, title 11, section 999.5, subdivision (f), set forth factors that the Attorney General shall consider in determining whether to consent to a proposed transaction between a nonprofit corporation and a for-profit corporation. The Attorney General has considered such factors and consents to the proposed transaction subject to the attached conditions that are incorporated by reference herein.

Thank you for your cooperation throughout the review process.

Sincerely,

[Original Signed]

WENDI A. HORWITZ
Deputy Attorney General

For KAMALA D. HARRIS
Attorney General

Attachment

cc: J. Brent McDonald
LA2013109694/51412555.doc

Conditions to the Proposed Sale of Emanuel Medical Center¹ and Approval of the Asset Purchase Agreement by and between Emanuel Medical Center, Inc. and Doctors Medical Center of Modesto, Inc.

I.

For the purposes of these Conditions, and unless the context indicates otherwise, the term “Buyers” shall mean Doctors Medical Center of Modesto, Inc., a California corporation, Tenet California, Inc., a Delaware corporation, Tenet Hospitals, Inc., a Delaware corporation, and Tenet Healthcare Corporation, a Nevada corporation, the proposed acquirers of Emanuel Medical Center, any other subsidiary, parent, general partner, manager, member, affiliate, successor, or assignee of Doctors Medical Center of Modesto, Inc., Tenet California, Inc., Tenet Hospitals, Inc., or Tenet Healthcare Corporation, any entity succeeding thereto as a result of consolidation, merger or acquisition of all or substantially all of the assets of Emanuel Medical Center or the real property on which Emanuel Medical Center is located, any entity owned or controlled by Doctors Medical Center of Modesto, Inc., Tenet California, Inc., Tenet Hospitals, Inc., or Tenet Healthcare Corporation that subsequently becomes the owner, manager, or licensed operator of Emanuel Medical Center or owner of the real property on which Emanuel Medical Center is located, any entity that owns Doctors Medical Center of Modesto, Inc., Tenet California, Inc., Tenet Hospitals, Inc., or Tenet Healthcare Corporation that subsequently becomes the owner, manager, or licensed operator of Emanuel Medical Center or owner of the real property on which Emanuel Medical Center is located, any future entity that purchases Emanuel Medical Center or the real property on which Emanuel Medical Center is located, and any entity owned by a future purchaser that subsequently becomes the owner, manager, or licensed operator of Emanuel Medical Center or owner of the real property on which Emanuel Medical Center is located. These Conditions shall be legally binding on any and all current and future owners, managers, lessees, and operators of Emanuel Medical Center and owners and lessees of the real property on which Emanuel Medical Center is located.

The term “Sellers” shall mean Emanuel Medical Center, Inc., a California nonprofit religious corporation, EMC Health, Inc., a California nonprofit religious corporation, Covenant Ministries of Benevolence, an Illinois nonprofit corporation, the Evangelical Covenant Church, an Illinois nonprofit corporation, and the Legacy Health Endowment, a California nonprofit corporation, and any other subsidiary, parent, general partner, manager, member, affiliate, sponsored affiliate, subordinate entity, successor, or assignee of Emanuel Medical Center, Inc., EMC Health, Inc., Covenant Ministries of Benevolence, Evangelical Covenant Church, and Legacy Health Endowment.

¹ Throughout this document, the term “Emanuel Medical Center” shall mean the general acute care hospital located at 825 Delbon Ave., Turlock, CA 95382, and any other clinics, laboratories, units, services, or beds included on the license issued to Emanuel Medical Center by the California Department of Public Health, effective April 5, 2013, unless otherwise indicated.

II.

The transaction approved by the Attorney General consists of the Asset Purchase Agreement dated February 20, 2013, any agreements or documents referenced in or attached as an exhibit to the Asset Purchase Agreement, Amendment No. 1 to Asset Purchase Agreement dated November 5, 2013, and the Articles of Incorporation and Bylaws of the Legacy Health Endowment, a California nonprofit corporation, and of EMC Health, Inc. Buyers and Sellers shall fulfill the terms of the Asset Purchase Agreement, and any agreements or documents referenced in or attached as an exhibit to the Asset Purchase Agreement, and Amendment No. 1 to Asset Purchase Agreement. Buyers and Sellers shall notify the Attorney General in writing of any proposed modification or rescission of any terms or documents of the transaction including, but not limited to, the Asset Purchase Agreement, any agreements or documents referenced in or attached as an exhibit to the Asset Purchase Agreement, and Amendment No. 1 to Asset Purchase Agreement. Such notifications shall be provided at least thirty days prior to their effective date in order to allow the Attorney General to consider whether they affect the factors set forth in Corporations Code section 5917.

III.

For five years from the closing date of the Asset Purchase Agreement, Buyers and all future owners, managers, lessees, or operators of Emanuel Medical Center shall be required to provide written notice to the Attorney General thirty days prior to entering into any agreement or transaction to do any of the following:

(a) Sell, transfer, lease, exchange, option, convey, manage, or otherwise dispose of Emanuel Medical Center; or

(b) Transfer control, responsibility, management, or governance of Emanuel Medical Center. The substitution or addition of a new corporate member or members of Buyers that transfers the control of, responsibility for or governance of Emanuel Medical Center, shall be deemed a transfer for purposes of this Condition. The substitution or addition of one or more members of the governing body of Emanuel Medical Center or the Buyers, or any arrangement, written or oral, that would transfer voting control of the members of the governing body of Emanuel Medical Center or the Buyers shall also be deemed a transfer for purposes of this Condition.

IV.

For five years from the closing date of the Asset Purchase Agreement unless otherwise stated, Emanuel Medical Center shall be operated and maintained as a licensed general acute care hospital (as defined in California Health and Safety Code Section 1250) and shall maintain and provide the following health care services:

- a) Twenty-four hour emergency medical services as currently licensed (minimum of 32 Emergency beds/stations) with the same types and levels of services as currently provided²;
- b) Neonatal Intensive Care services as currently licensed (minimum of 6 beds), with the same types and levels of services as currently provided;
- c) Obstetric services as currently licensed (minimum of 10 beds), with the same types and levels of services as currently provided;
- d) Cardiac services, including the cardiac catheterization and interventional lab, and the designation as a STEMI Receiving Center, except the open-heart program and any procedures that legally require an open-heart program for only three years from the closing of the Asset Purchase Agreement;
- e) Women's health and reproductive services, with the same types and levels of services provided at Emanuel Medical Center, for ten years from the closing date of the Asset Purchase Agreement; and
- f) Oncology services, with the same types and levels of services provided at The Emanuel Cancer Center including, but not limited to, those provided at the Emanuel Specialty Care-Medical Oncology Clinic, the Emanuel Specialty Care-Surgery Clinic, the Stanford Emanuel Radiation Oncology Center, LLC, and the Ruby E. Bergman Women's Diagnostic Center.

Buyers shall not place all or any portion of its above-listed licensed-bed capacity or services in voluntary suspension or surrender its license for any of these beds or services.

V.

For five years from the closing date of the Asset Purchase Agreement, Buyers shall:

- a) Be certified to participate in the Medi-Cal program;
- b) Maintain Medi-Cal Managed Care contract(s) with the Medi-Cal Managed Care Plan(s) that service Stanislaus County to provide the same types and levels of emergency and non-emergency services at Emanuel Medical Center to Medi-Cal beneficiaries (both Traditional Medi-Cal and Medi-Cal Managed Care) as required in these Conditions, on the same terms and conditions as

² The term "currently provided" means types and levels of services provided as of January 1, 2013.

other similarly situated hospitals offering substantially the same services, without any loss, interruption of service or diminution in quality, or gap in contracted hospital coverage, unless the contract is terminated for cause;

c) Have a Medicare Provider Number to provide the same types and levels of emergency and non-emergency services at Emanuel Medical Center to Medicare beneficiaries (both Traditional Medicare and Medicare Managed Care) as required in these Conditions; and

d) Maintain Medicare Managed Care contract(s) with Medicare Managed Care Plan(s) to provide the same types and levels of emergency and non-emergency services at Emanuel Medical Center to Medi-Cal beneficiaries (both Traditional Medicare and Medicare Managed Care) as required in these Conditions, on the same terms and conditions as other similarly situated hospitals offering substantially the same services, without any loss, interruption of service or diminution in quality, or gap in contracted hospital coverage, unless the contract is terminated for cause.

VI.

For five years from the closing date of the Asset Purchase Agreement, Emanuel Medical Center shall maintain the following contracts and amendments, without any loss, interruption of service or diminution in quality, or gap in contracted hospital coverage, unless the contracts are terminated for cause, and shall provide the same services specified therein:

a) Agreement for Healthcare Independent Contractor with the County of Stanislaus, dated July 1, 2011, related to emergency medical services for indigent persons; and

b) Memorandum of Understanding Between Stanislaus County Chief Executive Office and Emanuel Medical Center, dated April 10, 2008, related to providing care for indigent, uninsured or underinsured persons in Stanislaus County and the drug discount program.

VII.

For six fiscal years from the closing date of the Asset Purchase Agreement, Emanuel Medical Center shall provide an annual amount of Charity Care (as defined below) at Emanuel Medical Center equal to or greater than \$3,212,054 (the "Minimum Charity Care Amount"). For purposes hereof, the term "charity care" shall mean the amount of charity care costs (not charges) incurred by Emanuel Medical Center in connection with the operation and provision of services at Emanuel Medical Center. The definition and methodology for calculating "charity care" and the methodology for calculating "costs" shall be the same as that used by the California Office of Statewide Health Planning and Development (OSHPD) for annual hospital reporting purposes.³ Emanuel Medical Center shall use charity care and collection policies that

³ OSHPD defines charity care by contrasting charity care and bad debt. According to OSHPD, "the determination of what is classified as . . . charity care can be made by establishing whether or not the patient has the ability to pay. The patient's accounts receivable must be written off as bad debt if the patient has the ability but is unwilling to pay off the account."

comply with Federal and California law. The planning of, and any subsequent changes to, the charity care and collection policies, and charity care services provided at Emanuel Medical Center shall require consultation with the Local Governing Board, referenced in section 13.2 of the Asset Purchase and attached hereto as Exhibit 2.

Emanuel Medical Center's obligation under this Condition shall be prorated on a daily basis if the closing date of the Asset Purchase Agreement is a date other than the first day of Emanuel Medical Center's fiscal year.

For the second fiscal year and each subsequent fiscal year, the Minimum Charity Care Amount shall be increased (but not decreased) by an amount equal to the Annual Percent increase, if any, in the 12 Months Percent Change: All Items Consumer Price Index for All Urban Consumers in the Consumer Price Index for the West Region of the United States, All items 1982-84=100 (as published by the U.S. Bureau of Labor Statistics).

If the actual amount of charity care provided at Emanuel Medical Center for any fiscal year is less than the Minimum Charity Care Amount (as adjusted pursuant to the above-referenced Consumer Price Index) required for such fiscal year, Emanuel Medical Center shall pay an amount equal to the deficiency to one or more tax-exempt entities that provide direct health care services to residents in Emanuel Medical Center's service area (19 ZIP codes), as defined on page 34 of the Health Care Impact Report, dated May 20, 2013, and attached hereto as Exhibit 1. Such payment shall be made within four months following the end of such fiscal year.

The 2011 Federal Affordable Care Act may cause a reduction in future needs of charity care. Any such reduction will be considered "unforeseen" for purposes of Title 11, California Code of Regulations, section 999.5, subdivision (h).

VIII.

For six fiscal years from the closing date of the Asset Purchase Agreement, Emanuel Medical Center shall provide an annual amount of Community Benefit Services at Emanuel Medical Center equal to or greater than \$398,158 (the "Minimum Community Benefit Services Amount"). The planning of, and any subsequent changes to, the community benefit services provided at Emanuel Medical Center shall require consultation with the Local Governing Board, referenced in section 13.2 of the Asset Purchase Agreement and attached hereto as Exhibit 2.

Emanuel Medical Center's obligation under this Condition shall be prorated on a daily basis if the effective date of the Asset Purchase Agreement is a date other than the first day of Emanuel Medical Center's fiscal year.

For the second fiscal year and each subsequent fiscal year, the Minimum Community Benefit Services Amount shall be increased (but not decreased) by an amount equal to the Annual Percent increase, if any, in the 12 Months Percent Change: All Items Consumer Price Index for All Urban Consumers in the Consumer Price Index for the West Region of the United States, All items 1982-84=100 (as published by the U.S. Bureau of Labor Statistics).

If the actual amount of community benefit services provided at Emanuel Medical Center for any fiscal year is less than the Minimum Community Benefit Services Amount (as adjusted pursuant to the above-referenced Consumer Price Index) required for such fiscal year, Emanuel Medical Center shall pay an amount equal to the deficiency to one or more tax-exempt entities that provide community benefit services for residents in Emanuel Medical Center's service area (19 ZIP codes), as defined on page 34 of the Health Care Impact Report, dated May 20, 2013, and attached hereto as Exhibit 1. Such payment shall be made within four months following the end of such fiscal year.

IX.

Buyers shall comply with the \$30 million "Investment Commitment" set forth in section 13.5 of the Asset Purchase Agreement and attached hereto as Exhibit 3.

X.

Covenant Ministries of Benevolence shall use the ten donations of \$600,000 each (total of \$6,000,000) received from Buyers, as set forth in section 13.1 and Exhibit 13.1 of the Asset Purchase Agreement and attached hereto as Exhibit 4, to expand and support senior health care services offered in Emanuel Medical Center's service area (19 ZIP codes), as defined on page 34 of the Health Care Impact Report, dated May 20, 2013, and attached hereto as Exhibit 1, including facility and service improvements at Brandel Manor, a 145-bed skilled nursing facility, and Cypress of Emanuel, a 49-bed assisted living facility. Buyers and Sellers shall amend section 13.1 and Exhibit 13.1 of the Asset Purchase Agreement to require the above limitation as to the use of such donations.

XI.

Within ninety days of the closing of the Asset Purchase Agreement, Legacy Health Endowment shall file with the California Secretary of State the required documents necessary to convert its corporate status from a California nonprofit religious corporation to a California nonprofit public benefit corporation and amend its Articles of Incorporation (attached hereto as Exhibit 8) and Amended and Restated Bylaws (attached hereto as Exhibit 9) accordingly. Legacy Health Endowment must also remove all references in the amended Articles of Incorporation and Bylaws to "religious" and compliance with and references to the Nonprofit Religious Corporation Law (Corp. Code, § 9000 *et seq.*) and instead state that it must comply with Nonprofit Public Benefit Corporation Law (Corp. Code, § 5000 *et seq.*, Govt. Code, § 12580 *et seq.*). Legacy Health Endowment must give the Attorney General's Office thirty days written notice of these amendments to the Articles of Incorporation and Bylaws and must obtain the Attorney General's approval thirty days prior to their effective date.

XII.

Within six months of the closing of the Asset Purchase Agreement, each current member of the Legacy Health Endowment's Board of Trustees and the EMC Health, Inc.'s Board of Directors must attend board training and all future new members shall attend board training within six months of appointment.

Within ninety days of the closing of the Asset Purchase Agreement, Legacy Health Endowment and the EMC Health, Inc. shall amend its Amended and Restated Bylaws to require each current member of the Legacy Health Endowment's Board of Trustees and the EMC Health, Inc.'s Board of Directors to attend board training and that all future new members shall attend board training within six months of appointment.

XIII.

Within ninety days of the closing date of the Asset Purchase Agreement, Legacy Health Endowment shall replace Article VII, Sections 1 and Section 2 of its Amended and Restated Bylaws (attached hereto as Exhibit 9) with the following language and add a new Section 4 as set forth below:

CERTAIN TRANSACTIONS AND CONFLICT OF INTEREST POLICY

Section 1. Self-Dealing Transactions. Except as provided in Section 2 below, the Board of Trustees shall not approve, or permit this corporation to engage in, any self-dealing transaction. A self-dealing transaction is a transaction to which this corporation is a party and in which one or more of its trustees has a material financial interest, unless the transaction comes within California Nonprofit Public Benefit Corporation Law Section 5233, subdivision (b).

Section 2. Approval. This corporation may engage in a self-dealing transaction if the transaction is approved by the Attorney General, or if approved by the court in an action in which the Attorney General is included as an indispensable party, or if approved in good faith and in full compliance with the requirements of California Nonprofit Public Benefit Corporation Law Section 5233, subdivision (d)(2). Prior to authorizing or approving any self-dealing transaction, the Board must establish the following facts: prior to authorizing or approving the transaction, (a) the corporation is entering into the transaction for its own benefit; (b) the transaction is fair and reasonable to this corporation at the time of the transaction; (c) prior to consummating the transaction or any part thereof, the Board authorizes or approves the transaction in good faith by a vote of a majority of the trustees then in office without counting the vote of the interested trustee, and with knowledge of the material facts concerning the transaction and the trustee's interest in the transaction, and (d) prior to authorizing or approving the transaction, the Board considers and in good faith determines after reasonable

investigation that either the corporation could not have obtained a more advantageous arrangement with reasonable effort under the circumstances or the corporation in fact could not have obtained a more advantageous arrangement with reasonable effort under the circumstances. Approval by a committee or person authorized by the Board, as set forth in California Nonprofit Public Benefit Corporation Law Section 5233(d)(3), is prohibited.

Section 4. Conflict of Interest Policy. This corporation must comply with the Conflict of Interest Policy attached hereto as Exhibit 5. All members of the Board of Trustees must annually submit a completed Conflict of Interest Statement in the form attached hereto as Exhibit 5 and entitled Acknowledgment and Financial Interest Statement.

Any changes to Article VII, Sections 1, 2 and 4 of the Amended and Restated Bylaws of the Legacy Health Endowment and any attachments thereto must be approved by the Attorney General after thirty days notice has been given to the Attorney General and at least thirty days before any changes become effective.

XIV.

Within ninety days of the closing date of the Asset Purchase Agreement, EMC Health, Inc. shall replace Article VIII, Sections 1 and Section 2 of its Amended and Restated Bylaws (attached hereto as Exhibit 11) with the following and add a new section 4 as set forth below:

CERTAIN TRANSACTIONS AND CONFLICT OF INTEREST POLICY

Section 1. Self-Dealing Transactions. Except as provided in Section 2 below, the Board of Directors shall not approve, or permit this corporation to engage in, any self-dealing transaction. A self-dealing transaction is a transaction to which this corporation is a party and in which one or more of its trustees has a material financial interest, unless the transaction comes within California Nonprofit Public Benefit Corporation Law Section 9243(b).

Section 2. Approval. This corporation may engage in a self dealing transaction if the transaction is approved by the Attorney General, or the court in an action in which the Attorney General is an indispensable party, or by a majority of the directors, after full disclosure of any material financial interests by Board members, pursuant to all requirements set forth in California Nonprofit Public Benefit Corporation Law Section 9243, and the interested member or members have been recused during all discussions and voting on the self-dealing transaction. Prior to authorizing or approving any self-dealing transaction, the Board must establish the following facts: (a) this corporation is entering into the transaction for its own benefit; (b) the transaction is fair and reasonable to this corporation at the time of the transaction; (c) prior to consummating the transaction or any part thereof, the Board authorizes or approves the transaction in good faith by a vote of a majority of the trustees then in office without counting

the vote of the interested trustee, and with knowledge of the material facts concerning the transaction and the trustee's interest in the transaction, and (d) prior to authorizing or approving the transaction, the Board considers and in good faith determines after reasonable investigation that either the corporation could not have obtained a more advantageous arrangement with reasonable effort under the circumstances or the corporation in fact could not have obtained a more advantageous arrangement with reasonable effort under the circumstances. Approval by a committee or person authorized by the Board, as set forth in California Nonprofit Religious Corporation Law Section 9243(d)(4), is prohibited.

Section 4. Conflict of Interest Policy. This corporation must comply with the Conflict of Interest Policy attached hereto as Exhibit 6. All members of the Board of Directors must annually submit a completed Conflict of Interest: Acknowledgment and Financial Interest Statement attached hereto in Exhibit 6.

Any changes to Article VIII, Sections 1, 2 and 4 of its Amended and Restated Bylaws of the EMC Health, Inc. and any attachments thereto must be approved by the Attorney General after thirty days notice has been given to the Attorney General and at least thirty days before any changes become effective.

XV.

Within ninety days of the closing date of the Asset Purchase Agreement, Legacy Health Endowment shall replace Article of II (B) of its Articles of Incorporation (attached hereto as Exhibit 8) with the following language:

The specific and primary purpose of this corporation is to engage in charitable activities within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provisions of any future United States internal revenue law (the "Code"), and more specifically, for the benefit of the residents in Emanuel Medical Center's service area (19 ZIP codes), as defined on page 34 of the Health Care Impact Report, dated May 20, 2013, and attached hereto as Exhibit 1. Any and all funds received by this corporation from the sale of assets pursuant to the Asset Purchase Agreement dated as of February 20, 2013, between Emanuel Medical Center, Inc., and Doctors Medical Center of Modesto, Inc., shall be held, used, and distributed by this corporation solely and exclusively to support nonprofit tax-exempt charitable healthcare facilities and clinics, including, but not limited to, general acute care hospitals, in providing direct health care services and access thereto, including wellness programs, health research, and health education, public/private partnerships formed to improve health, directly and through grant-making, to the residents in Emanuel Medical Center's service area (19 ZIP codes), as defined on page 34 of the Health Care Impact Report, dated May 20, 2013, and attached hereto as Exhibit 1.

Within ninety days of the closing date of the Asset Purchase Agreement, Legacy Health Endowment shall replace Article IX, Section 1 of its Amended and Restated Bylaws (attached hereto as Exhibit 9) with the following:

Section 1. Purpose of Grants. This corporation shall have the power to make grants and contributions and to render other financial assistance for the purposes expressed in this corporation's Articles of Incorporation; provided, however, that so long as this corporation holds any funds received from the sale of assets pursuant to the Asset Purchase Agreement dated as of February 20, 2012, between Emanuel Medical Center, Inc., and Doctors Medical Center of Modesto, Inc., such funds shall be held, used, and distributed by this corporation solely and exclusively to support nonprofit tax-exempt charitable healthcare facilities and clinics, including, but not limited to, general acute care hospitals, in providing direct health care services and access thereto, including wellness programs, health research, and health education, public/private partnerships formed to improve health, directly and through grant making, to the residents in Emanuel Medical Center's service area (19 ZIP codes), as defined on page 34 of the Health Care Impact Report, dated May 20, 2013, and attached hereto as Exhibit 1.

Any changes to Article II(B) of the Articles of Incorporation and Article IX, Sections 1 of the Amended and Restated Bylaws of Legacy Health Endowment must be approved by the Attorney General after thirty days notice has been given to the Attorney General and at least thirty days before any changes become effective.

XVI.

Within ninety days of the closing date of the Asset Purchase Agreement, EMC Health, Inc. shall replace Article of II (B) of its Articles of Incorporation (attached hereto as Exhibit 10) with the following language:

The specific and primary purpose of this corporation is to engage in charitable activities within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provisions of any future United States internal revenue law (the "Code"), and more specifically, for the benefit of the residents in Emanuel Medical Center's service area (19 ZIP codes), as defined on page 34 of the Health Care Impact Report, dated May 20, 2013, and attached hereto as Exhibit 1. Any and all funds received by this corporation from the sale of assets pursuant to the Asset Purchase Agreement dated as of February 20, 2013, between Emanuel Medical Center, Inc., and Doctors Medical Center of Modesto, Inc., shall be distributed by this corporation to Legacy Health Endowment to be used solely and exclusively to support nonprofit tax-exempt charitable healthcare facilities and clinics, including, but not limited to, general acute care hospitals, in providing direct health care services and access thereto, including wellness programs, health research, and health education, public/private partnerships formed to improve health, directly and through grant making, to the residents in Emanuel Medical Center's service area (19 ZIP codes), as defined on

page 34 of the Health Care Impact Report, dated May 20, 2013, and attached hereto as Exhibit 1.

Within ninety days of the closing date of the Asset Purchase Agreement, EMC Health, Inc. shall replace Article X, Section 1 of its Amended and Restated Bylaws (attached hereto as Exhibit 11) with the following:

Section 1. Purpose of Grants. This corporation shall have the power to make grants and contributions and to render other financial assistance for the purposes expressed in this corporation's Articles of Incorporation; provided, however, that so long as this corporation holds any funds received from the sale of assets pursuant to the Asset Purchase Agreement dated as of February 20, 2012, between Emanuel Medical Center, Inc., and Doctors Medical Center of Modesto, Inc., such funds shall be transferred to the Legacy Health Endowment and such funds shall be held, used, and distributed by this corporation solely and exclusively to support nonprofit tax-exempt charitable healthcare facilities and clinics, including, but not limited to, general acute care hospitals, in providing direct health care services and access thereto, including wellness programs, health research, and health education, public/private partnerships formed to improve health, directly and through grant making, to the residents in Emanuel Medical Center's service area (19 ZIP codes), as defined on page 34 of the Health Care Impact Report, dated May 20, 2013, and attached hereto as Exhibit 1.

Any changes to Article of II (B) of its Articles of Incorporation and Article X, Section 1 of Amended and Restated Bylaws of EMC Health, Inc. must be approved by the Attorney General after thirty days notice has been given to the Attorney General and at least thirty days before any changes become effective.

XVII.

Prior to Legacy Health Endowment entering into any employment contracts for (1) president or chief executive officer, (2) the treasurer or chief financial officer, and (3) other corporate officers, Legacy Health Endowment's Board of Trustees shall exercise due care and shall conduct a thorough search in determining the best qualified individual to fill each position and shall employ only those individuals that have at least two years experience as a corporate officer of an endowment, grant-making foundation, or community foundation with net assets of at least \$10 million.

Legacy Health Endowment's Board of Trustees and EMC Health, Inc.'s Board of Directors shall also comply with Government Code section 12586, subdivision (g) that requires review and approval of the compensation for each individual, including benefits, to assure that is it just and reasonable to the corporation. This review and approval shall occur initially upon the hiring of the officer, whenever the term of employment, if any, of the officer is renewed or extended, and whenever the officer's compensation is modified. Legacy Health Endowment shall not hire any corporate officers until Conditions XI, XIII, and XV have been complied with. EMC Health, Inc. shall not hire any corporate officers until Conditions XIV and XVI have been complied with.

XVIII.

For five years from the closing date of the Asset Purchase Agreement, Buyers' Local Governing Board, referenced in section 13.2 of the Asset Purchase Agreement and attached hereto as Exhibit 2, shall be responsible for medical staff credentialing, quality assurance, and accreditation of Emanuel Medical Center. Buyers shall consult with the Local Governing Board prior to spending funds for the "Investment Commitment" set forth in section 13.5 of the Asset Purchase Agreement and attached hereto as Exhibit 3. In addition, Buyers shall consult with the Local Governing Board prior to making any changes to medical services, community benefit programs, and the charity care and collection policies and charity care services provided at Emanuel Medical Center. Such consultation shall occur at least thirty days prior to the effective date of such changes or actions unless done so on an emergency basis. The Local Governing Board shall also approve all reports submitted to the Attorney General regarding compliance with these Conditions.

XIX.

Section 13.6 of the Asset Purchase Agreement shall not restrict the types or levels of health care services that Buyers will provide at Emanuel Medical Center. Buyers or any successor operator of Emanuel Medical Center, whether an affiliate of Buyers or an independent third party, shall not apply the "Ethical Guidelines of Emanuel Medical Center" attached hereto as Exhibit 7.

XX.

For ten fiscal years from the closing date of the Asset Purchase Agreement, Emanuel Medical Center shall submit to the Attorney General, no later than four months after the conclusion of each fiscal year, a report describing in detail its compliance with each Condition set forth herein. The report shall include an accounting of all expenditures required in Conditions IX and X. The Chairman of the Board of Directors of Emanuel Medical Center and the Chief Executive Officer at Emanuel Medical Center shall each certify that the report is true, accurate, and complete and provide documentation of the review and approval of the report by the Local Governing Board, referenced in section 13.2 of the Asset Purchase Agreement and attached hereto as Exhibit 2.

For ten fiscal years from the closing date of the Asset Purchase Agreement, Sellers shall submit to the Attorney General, no later than four months after the conclusion of each fiscal year, a report describing in detail what funds have been received as a result of the transaction, how such funds have been used, and what funds have been transferred to the Legacy Health Endowment. Sellers' Chairman of the Board of Directors and the Chief Financial Officer shall each certify that the report is true, accurate, and complete and provide documentation of the review and approval of the report by the Sellers' Board of Directors.

For ten fiscal years from the closing date of the Asset Purchase Agreement, the Legacy Health Endowment shall submit to the Attorney General, no later than four months after the conclusion of each fiscal year, a report describing in detail what funds have been received as a result of the transaction and how such funds have been used including, but not limited to, administrative expenses and grants made. Legacy Health Endowment's Chairman of the Board of Trustees and

the Chief Financial Officer shall each certify that the report is true, accurate, and complete and provide documentation of the review and approval of the report by the Legacy Health Endowment's Board of Trustees.

XXI.

At the request of the Attorney General, the Buyers and Sellers shall provide such information as is reasonably necessary for the Attorney General to monitor compliance with these Conditions and the terms of the transaction as set forth herein. The Attorney General shall, at the request of a party and to the extent provided by law, keep confidential any information so produced to the extent that such information is a trade secret or is privileged under state or federal law, or if the private interest in maintaining confidentiality clearly outweighs the public interest in disclosure.

XXII.

Once the Asset Purchase Agreement is closed, Buyers and Sellers are deemed to have explicitly and implicitly consented to the applicability and compliance with each and every Condition and to have waived any right to seek judicial relief with respect to each and every Condition. The Attorney General reserves the right to enforce each and every Condition set forth herein to the fullest extent provided by law. In addition to any legal remedies the Attorney General may have, the Attorney General shall be entitled to specific performance, injunctive relief, and such other equitable remedies as a court may deem appropriate for breach of any of these Conditions. Pursuant to Government Code section 12598, the Attorney General's office shall also be entitled to recover its attorney fees and costs incurred in remedying each and every violation.

EXHIBIT 1

EMANUEL MEDICAL CENTER SERVICE AREA ANALYSIS

Definition of Emanuel Medical Center's Service Area

Hospital's service area is composed of 19 ZIP Codes, from which approximately 90% of Hospital's discharges originated in 2011. Almost 50% of Hospital's discharges emanate from the top two ZIP Codes, both located in Turlock. Hospital's inpatient market share in the service area was 29.5%.

EMC Service Area Patient Origin, 2011						
ZIPs	Community	Discharges	% of Discharges	Cumulative Percentage	Total Discharges	Market Share
95380	Turlock	3,084	28.8%	28.8%	5,120	60.2%
95382	Turlock	2,032	18.9%	47.7%	3,547	57.3%
95315	Delhi	649	6.1%	53.8%	1,066	60.9%
95334	Livingston	635	5.9%	59.7%	1,205	52.7%
95324	Hilmar	461	4.3%	64.0%	759	60.7%
95316	Denair	363	3.4%	67.4%	666	54.5%
95363	Patterson	348	3.2%	70.6%	1,953	17.8%
95307	Ceres	346	3.2%	73.8%	4,214	8.2%
95301	Atwater	330	3.1%	76.9%	3,289	10.0%
95360	Neman	307	2.9%	79.8%	1,135	27.0%
95326	Hughson	232	2.2%	81.9%	964	24.1%
95388	Winton	187	1.7%	83.7%	1,151	16.2%
95328	Keyes	151	1.4%	85.1%	394	38%
95322	Gustine	143	1.3%	86.4%	758	18.9%
95381	Turlock	108	1.0%	87.4%	203	53%
95374	Stevinson	84	0.8%	88.2%	168	50.0%
95358	Modesto	67	0.6%	88.8%	2,777	2.4%
95303	Ballico	45	0.4%	89.3%	84	53.6%
95313	Crows Landing	43	0.4%	89.7%	146	29.5%
Sub-Total		9,615	89.7%	89.7%	29,599	
All Other		1,108	10.3%	100.0%		
Total		10,723	100%			

Source: OSPHD Patient Discharge Database, 2011

Note: Excludes Normal Newborns

EXHIBIT 2

the terms of the Net Worth Escrow Agreement, funds shall be released to Seller upon each subsequent anniversary of the Closing Date such that all amounts remaining in the Escrow Account equal the amount of the net worth requirement for each applicable twelve (12) month period. Any funds remaining in the Net Worth Escrow Account at the end of the term of the Net Worth Escrow Agreement shall be released to Seller, except to the extent of the amount of any unresolved claims for indemnity made by a Purchaser Indemnified Party. Purchaser and Seller shall each be responsible for payment of one-half of all administrative and other fees and expenses payable to Escrow Agent in connection with establishing and maintaining the Net Worth Escrow Account. Seller shall provide (i) proof that is reasonably satisfactory to Purchaser of payment of Damages to any third party or government agency for purposes of reducing Seller's minimum net worth requirement set forth above, and (ii) audited financial statements, including balance sheets, income statements, and statements of cash flows, for each of the Seller fiscal years following the Closing Date, which financial statements shall be prepared in accordance with GAAP, applied on a consistent basis throughout the periods indicated, by an independent accounting firm that is reasonably acceptable to Purchaser, no later than ninety (90) days following the end of each such Seller fiscal year following the Closing Date; provided that Seller shall have no obligation to provide such audited financial statements to Purchaser following the deposit of funds into the Net Worth Escrow Account in accordance with the terms of this Section 12.7.

ARTICLE 13

POST-CLOSING COVENANTS OF PURCHASER

Immediately after the Closing, subject to the terms of Section 5.4, the below terms of this Article 13 and applicable laws, Purchaser will (i) cause the Hospital to be maintained as a full-service general acute care hospital facility, (ii) cause the Hospital's license (including other licensed activities of the Seller Businesses) to be consolidated with the license of DMC, in a manner intended to create an integrated regional network to serve Central Valley residents, and (iii) use its good faith efforts to cause the Hospital to have a dedicated management team in accordance with the operations plan described in Section 5.4, along with a unique cultural campus.

13.1 Contributions to CMB. Commencing on the Closing Date and annually thereafter on or before the next nine anniversaries of the Closing Date, as set forth in an agreement between Purchaser and CMB in the form attached hereto as Exhibit 13.1 (the "CMB Agreement"), Purchaser shall donate Six Hundred Thousand Dollars (\$600,000) to CMB by wire transfer of immediately available funds to the account designated in writing by Seller for mission support or other operational, transitional or financial needs determined to be necessary or desirable by CMB as a result of the transaction contemplated by this Agreement.

13.2 Local Governing Board. Purchaser shall take all required actions, as of Effective Time, to cause the scope of its local governing board's authority to include the Hospital. The following obligations shall apply so long as Purchaser owns and operates the Hospital:

(a) Purchaser's local governing board with responsibility over the Hospital shall be comprised of representatives from the respective service areas of DMC and the Hospital. Purchaser shall use its reasonable commercial efforts to cause at least three of the community

members of such local governing board (excluding any representatives appointed by the County of Stanislaus) to be residents of the service area of the Hospital. In addition, Purchaser shall use its reasonable commercial efforts to cause the physician members of such local governing board to include at least one physician who is a member of the Hospital's medical staff and who has an active medical practice located near the Hospital;

(b) For a period of five (5) years following the Closing Date, Seller shall have the right to select the Vice Chair of Purchaser's local governing board with responsibility over the Hospital. Purchaser shall appoint such individual to Purchaser's local governing board with responsibility over the Hospital; and

(c) The role of the local governing board with responsibility over the Hospital shall be consistent with that of similar local governing boards at other hospitals, or in other markets, respectively, that are owned directly or indirectly by affiliates of Purchaser, and shall be subject to the authority of Purchaser's sole director and the terms of Purchaser's organizational documents; provided, however, the local governing board with responsibility over the Hospital will exercise the powers of a governing board under applicable licensing, Medicare and accreditation standards.

Prior to the Closing, Purchaser shall provide to Seller a copy of the proposed amendments to the bylaws or other governing document of its local governing body with responsibility over the Hospital that are consistent with the provisions of this Section 13.2. Such amendments shall be effective as of the Effective Time. Such bylaws or other governing document of Purchaser's local governing body with responsibility over the Hospital shall thereafter be subject to change from time to time as determined by Purchaser, so long as the provisions thereof are consistent with the provisions of this Section 13.2 and applicable law.

13.3 Charity Care; Community-Based Programs. Purchaser acknowledges that the Hospital historically has provided significant levels of charity care for indigent and low-income patients and has also provided care through a variety of community-based health programs. Subject to changes in legal requirements or governmental guidelines or policies (such as implementation of universal healthcare coverage), for so long as Purchaser operates the Hospital, Purchaser shall maintain and adhere to the Hospital's current policy on charity care, a copy of which is attached as Exhibit 13.3 (or such other policy which is no less favorable than such attached policy), and shall provide the community-based programs set forth on, and in accordance with, Schedule 13.3.

13.4 Service Commitment. For the periods of time indicated below following the Closing Date, Purchaser shall:

(a) maintain the following key existing services at the Hospital for no less than ten (10) years: (i) medical-surgical services, (ii) intensive care unit/cardiac care unit, (iii) emergency department, (iv) pediatrics (including neonatal), (v) obstetrics (including perinatal), (vi) orthopedics (including surgery), (vii) cardiology (including surgery except open heart surgery) and (viii) oncology;

EXHIBIT 3

(b) maintain the open heart surgical program at the Hospital for no less than three (3) years;

(c) support (i) the development and growth of 1206(d) hospital outpatient department clinics, including Seller's rural health clinic, and/or (ii) other community outreach, primary care or specialist efforts for no less than five (5) years; provided, that the organization and legal structure of any such hospital-based clinics may be converted or restructured in a manner compliant with applicable laws (e.g., conversion to a medical foundation structure) without complying with the meet and confer process or obtaining Seller approval as required below;

(d) honor the education programs in existence at the Closing, as such programs are more particularly described on Schedule 13.4(d), for no less than (10) years; and

(e) cause the Hospital to participate in the Medicare and Medi-Cal programs as long as Purchaser operates the Hospital.

Subject to Purchaser complying with the meet and confer process set forth below, all of Purchaser's obligations set forth above in this Section 13.4 are contingent upon ongoing confirmation of viability (both from a financial and quality perspective) and strategic rationale. Except as specifically provided above in Section 13.4(c), if Purchaser proposes to terminate or materially reduce any Hospital service or program described above in Section 13.4(a), (b) and/or (c) during the applicable time period that such service or program is required to be supported or maintained by Purchaser pursuant to this Section 13.4, Purchaser shall give Seller prior written notice of the proposed termination or material reduction of such service or program. The written notice of any proposed termination or material reduction shall include: (i) the reasons for the termination or material reduction, including an analysis or report of the changes in viability or strategic rationale that resulted in the proposal to terminate or materially reduce the service or program, and (ii) the proposed plan for maintaining the accessibility and availability of the services or programs to be terminated or materially reduced for the residents served by the Hospital. Within thirty (30) days after providing such written notice to Seller, Purchaser shall meet and confer with Seller to discuss the proposed termination or material reduction. Seller shall have thirty (30) days from the date of the meet and confer to submit to Purchaser written comments and/or objections to the proposed termination or material reduction. Purchaser shall then consider Seller's written comments and/or objections and notify Seller in writing of any modifications to Purchaser's proposed course of action. Except as specifically provided above in Section 13.4(c), Purchaser shall not proceed with any such proposed termination or material reduction of any Hospital service or program set forth above in subsection (a), (b) or (c) of this Section 13.4 during the applicable time period that such service or program is required to be supported or maintained by Purchaser pursuant to this Section 13.4 without the approval of a majority of the members of Seller's Board of Directors, which approval shall not be unreasonably withheld.

13.5 Investment Commitment. Purchaser shall expend or commit to expend, and/or shall cause one or more of its affiliates to expend or commit to expend, during the five (5) year period following the Closing Date, at least Thirty Million Dollars (\$30,000,000) (the "Commitment Amount") on investments in, or development or expansion of, the Hospital, and/or

provide support for the expansion of the Hospital and/or provide support of the Hospital's medical staff (in each case, whether budgeted or unbudgeted; or base requirement capital or replacement capital; or capital or non-capital items), including, without limitation, (a) the expansion or improvement of existing services, (b) de novo development or expansion of a department, program, service or facility (whether for inpatient or outpatient services), (c) investment in information systems, (d) the promotion of strategic growth, (e) acquisition of equipment or machinery (whether new or replacement), (f) upgrades or renovations generally, (g) deferred maintenance items, (h) recruitment and/or development, and support, of (including, without limitation, support in the nature of net working capital (but in any event net working capital support would be limited to newly recruited physicians) or other contributions to) Emanuel Medical Group employed physicians, other physician practice organizations, medical groups, individual physicians and/or foundation models (without regard to whether any of the foregoing physicians, practice organizations, medical groups or other models are affiliated with Purchaser) in connection with Purchaser's creation, development and support of an integrated regional network to serve patients in the Hospital Service Area ("Hospital Service Area" for this purposes means the area indicated on the map attached hereto as Schedule 13.5), in a manner compliant with applicable law, and (i) efforts to increase or optimize the infrastructure or operations of the Hospital. For purposes of this Section 13.5, the term "commit to expend" or "committed to be expended" shall include, without limitation, expenditure commitments which Purchaser evidences in a writing to Seller, which writing specifies with reasonable detail the nature and amount of the expenditure committed to be made by Purchaser. For the purposes of determining whether the Commitment Amount has been expended or committed to be expended, (a) capital or operating leases shall be valued at the net present value of any lease commitments and (b) it shall not be a prerequisite that the applicable expenditure be classified as a capital expenditure for accounting purposes. No later than the annual anniversary of the Closing Date for so long as Purchaser has obligations pursuant to this Section 13.5, Purchaser shall provide Seller with a written summary of (i) funds expended by Purchaser pursuant to this Section 13.5 during the prior twelve month period, and (ii) a description of the project(s) (or other uses of funds) to be pursued pursuant to this Section 13.5 for which funds have been committed to be expended by Purchaser and an estimated timeline for completion of such project(s), along with an estimated timeline for expenditures associated with such project(s) (or other uses of funds). In the event Seller has any objections regarding the content of any such written summary insofar as it relates to Purchaser's compliance with this Section 13.5, including, without limitation, in connection with the nature or scope of any project, Seller shall be required to notify Purchaser in writing thereof, providing Purchaser the specific details of any such objections, no later than the date which is sixty (60) days after Seller's receipt of any such written summary. In the event Seller fails to timely notify Purchaser in writing of any such objections, Seller shall no longer have the right to object thereto, or to bring a claim against Purchaser in connection therewith as it relates to the twelve month period covered by such written summary. If Purchaser or its affiliates do not so expend or commit to expend the Commitment Amount within such five (5) year period, then all of the remaining funds that have not been expended by Purchaser pursuant to this Section 13.5 as of the fifth (5th) anniversary of the Closing Date shall be deposited into an escrow account maintained by the Escrow Agent (the "Capital Commitment Escrow Account") to be held in accordance with the terms of the Capital Commitment Escrow Agreement in the form of Exhibit 13.5 (the "Capital Commitment Escrow Agreement"). Purchaser shall have a period of two (2) years following the expiration of such five (5) year period to complete any

projects that are in progress or for which funds have been committed to be expended in accordance with this Section 13.5, using funds from the Capital Commitment Escrow Account. Any funds remaining in the Capital Commitment Escrow Account that have not been expended by Purchaser in accordance with this Section 13.5 as of the expiration of the two (2) year term of the Capital Commitment Escrow Agreement shall be released to Seller for charitable and educational healthcare programs and activities that promote community and individual health in the Central San Joaquin Valley region. Purchaser shall be responsible for payment of all administrative and other fees and expenses payable to Escrow Agent in connection with establishing and maintaining the Escrow Account.

13.6 Religious-Oriented Delivery System. In its conduct of the Hospital, Purchaser, at its sole cost and expense and in perpetuity, shall conduct the operation of the Hospital in a manner which preserves, to the extent permitted by applicable law, the religious-oriented approach towards patient care consistent with the Hospital's historical practices, including without limitation:

(a) maintenance of a pastoral care program designed to meet the spiritual needs of the community served by the Hospital and the employees, patients and patient families of the Hospital; and

(b) preservation of religious artifacts as more particularly set forth on Schedule 13.6(b), in a manner consistent with the terms of the License Agreement.

The obligations of this Section 13.6 shall be in perpetuity, and Purchaser shall ensure any successor operator of the Hospital, whether an affiliate of Purchaser, or an independent third party, shall assume the obligations of Section 13.6.

13.7 Preservation and Access to Records After the Closing.

(a) From the Closing Date until seven (7) years after the Closing or such longer period as required by law, which period shall be ten (10) years for medical records and radiology records (the "Document Retention Period"), Purchaser shall keep and preserve all medical records, patient records, medical staff records and other books and records of the Seller Businesses existing as of the Closing relating to tax or other liabilities of Seller prior to the Closing, but excluding any records which are among the Excluded Assets. Purchaser will afford to the representatives of Seller, including its counsel and accountants, reasonable access to, and copies of, such records with respect to time periods on or prior to the Closing Date (including, without limitation, access to records of patients treated at the Seller Businesses on or prior to the Closing Date) during normal business hours after the Closing Date, to the extent reasonably needed by Seller (or its affiliates) for business or litigation purposes.

(b) In connection with (i) the transition of the Seller Businesses pursuant to the transaction contemplated by this Agreement, (ii) Seller's rights to the Excluded Assets, and (iii) Seller's obligations under the Excluded Liabilities, Purchaser shall after the Closing Date give Seller and its representatives access during normal business hours to Purchaser's books, accounts and records and all other relevant documents and information with respect to the assets, liabilities and business of the Seller Businesses as representatives of Seller may from time to

EXHIBIT 4

the terms of the Net Worth Escrow Agreement, funds shall be released to Seller upon each subsequent anniversary of the Closing Date such that all amounts remaining in the Escrow Account equal the amount of the net worth requirement for each applicable twelve (12) month period. Any funds remaining in the Net Worth Escrow Account at the end of the term of the Net Worth Escrow Agreement shall be released to Seller, except to the extent of the amount of any unresolved claims for indemnity made by a Purchaser Indemnified Party. Purchaser and Seller shall each be responsible for payment of one-half of all administrative and other fees and expenses payable to Escrow Agent in connection with establishing and maintaining the Net Worth Escrow Account. Seller shall provide (i) proof that is reasonably satisfactory to Purchaser of payment of Damages to any third party or government agency for purposes of reducing Seller's minimum net worth requirement set forth above, and (ii) audited financial statements, including balance sheets, income statements, and statements of cash flows, for each of the Seller fiscal years following the Closing Date, which financial statements shall be prepared in accordance with GAAP, applied on a consistent basis throughout the periods indicated, by an independent accounting firm that is reasonably acceptable to Purchaser, no later than ninety (90) days following the end of each such Seller fiscal year following the Closing Date; provided that Seller shall have no obligation to provide such audited financial statements to Purchaser following the deposit of funds into the Net Worth Escrow Account in accordance with the terms of this Section 12.7.

ARTICLE 13

POST-CLOSING COVENANTS OF PURCHASER

Immediately after the Closing, subject to the terms of Section 5.4, the below terms of this Article 13 and applicable laws, Purchaser will (i) cause the Hospital to be maintained as a full-service general acute care hospital facility, (ii) cause the Hospital's license (including other licensed activities of the Seller Businesses) to be consolidated with the license of DMC, in a manner intended to create an integrated regional network to serve Central Valley residents, and (iii) use its good faith efforts to cause the Hospital to have a dedicated management team in accordance with the operations plan described in Section 5.4, along with a unique cultural campus.

13.1 Contributions to CMB. Commencing on the Closing Date and annually thereafter on or before the next nine anniversaries of the Closing Date, as set forth in an agreement between Purchaser and CMB in the form attached hereto as Exhibit 13.1 (the "CMB Agreement"), Purchaser shall donate Six Hundred Thousand Dollars (\$600,000) to CMB by wire transfer of immediately available funds to the account designated in writing by Seller for mission support or other operational, transitional or financial needs determined to be necessary or desirable by CMB as a result of the transaction contemplated by this Agreement.

13.2 Local Governing Board. Purchaser shall take all required actions, as of Effective Time, to cause the scope of its local governing board's authority to include the Hospital. The following obligations shall apply so long as Purchaser owns and operates the Hospital:

(a) Purchaser's local governing board with responsibility over the Hospital shall be comprised of representatives from the respective service areas of DMC and the Hospital. Purchaser shall use its reasonable commercial efforts to cause at least three of the community

Exhibit 13.1

CMB AGREEMENT

This **CMB AGREEMENT** (the "Agreement") is made and entered into this ___ day of _____, 2013 (the "Effective Date"), by and between **DOCTORS MEDICAL CENTER OF MODESTO, INC.**, a California corporation ("DMC"), and **COVENANT MINISTRIES OF BENEVOLENCE**, an Illinois not-for-profit corporation ("CMB").

RECITALS

WHEREAS, pursuant to an Asset Purchase Agreement, dated as of February 20, 2013, by and between DMC and Emanuel Medical Center, Inc., a California nonprofit religious corporation ("EMC") (the "Asset Purchase Agreement"), DMC has agreed to purchase substantially all of the assets relating to the operation of the acute care hospital in Turlock, California known as Emanuel Medical Center (the "Hospital") and certain other related health care businesses owned by EMC;

WHEREAS, EMC is sponsored by CMB, which is a subordinate entity of the Evangelical Covenant Church, an Illinois not-for-profit corporation.

WHEREAS, pursuant to the terms of the Asset Purchase Agreement, DMC has agreed to make an annual donation to CMB on the Effective Date, and annually thereafter on or before the next nine anniversaries of the Effective Date, to further CMB's mission and charitable purposes and to fund other needs of CMB; and

WHEREAS, the terms of this Agreement shall govern the obligations of DMC with respect to such annual donations to CMB.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein and other good and valuable consideration, the adequacy and receipt of which hereby are acknowledged, the parties hereto, intending to be legally bound, agree as follows:

AGREEMENT

1. Annual DMC Donation.

(a) On the Effective Date, DMC shall donate to CMB an amount equal to Six Hundred Thousand Dollars (\$600,000.00) by wire transfer of immediately available funds into the following CMB account, or into such other account that may be designated in writing by CMB to DMC (the "CMB Account");

Bank: _____
ABA: _____
Account # _____

Beneficiary: _____
Reference: _____
Contact: _____

(b) No later than each anniversary of the Effective Date, beginning on the first anniversary of the Effective Date and ending on the ninth anniversary of the Effective Date, DMC shall donate to CMB an amount equal to Six Hundred Thousand Dollars (\$600,000.00) by wire transfer of immediately available funds into the CMB Account. If any such anniversary falls on a weekend day or a bank holiday, then DMC shall wire such amount to the CMB Account no later than the business day that immediately precedes such weekend day or bank holiday.

2. **Uses of Donated Funds.** All funds donated by DMC to CMB pursuant to this Agreement shall be used by CMB for mission support or other operational, transitional or financial needs determined to be necessary or desirable by CMB as a result of the transaction contemplated by the Asset Purchase Agreement.

3. **Certain Covenants of CMB and its Affiliates.**

(a) **Noncompetition.** As an inducement to DMC to enter into this Agreement and to consummate the transactions contemplated hereby and contemplated by the Asset Purchase Agreement, neither CMB nor any of its affiliates (including, without limitation, Covenant Retirement Communities West, an Illinois not-for-profit corporation registered to do business in the State of California ("CRCW")), nor any of their respective members or successors, shall, for a period of five (5) years following the Effective Date, without the prior written consent of DMC, directly or indirectly alone or by affiliation with another Person (as defined in the Asset Purchase Agreement), invest in, own, manage, operate, join, control or participate in the ownership, management, operation or control of, or serve as a consultant or lender to, any hospital or any other health care facility or business which is or may be competitive with any service offered as of the Effective Date by the Hospital or any of the other Seller Businesses (as defined in the Asset Purchase Agreement), within a twenty-five (25) mile radius of the Hospital. Notwithstanding the foregoing, the activities of CMB listed on Schedule 12.2 to the Asset Purchase Agreement shall be excluded from the foregoing provisions of this Section 3(a). CMB shall cause each of its affiliates, and any successor in interest thereto, to comply with the obligations imposed by this Section 3(a). In the event that the provisions contained in this Section 3(a) shall ever be deemed to exceed the time or geographic limits or any other limitations permitted by applicable law in any jurisdiction, then such provisions shall be deemed reformed in such jurisdiction to the maximum extent permitted by applicable law. The provisions of this Section 3(a) shall survive the closing of the transactions contemplated by the Asset Purchase Agreement for a period of ten (10) years from the Effective Date. Notwithstanding anything in this Section 3(a) to the contrary, CMB's covenants in this Section 3(a) shall terminate in the event (i) DMC fails to make an annual payment pursuant to Section 1 of this Agreement and (ii) such failure continues for thirty (30) days after DMC receives written notice thereof from CMB; provided, however, in no event shall such termination be effective prior to the fifth (5th) anniversary of the Effective Date. Notwithstanding the foregoing, in no event shall any individual member of CMB have any obligations pursuant to this Section 3(a).

(b) **Nonsolicitation.** For a period of five (5) years following the Effective Date, CMB shall not, directly or indirectly (including by affiliation with another Person), and CMB shall cause its affiliates (including, without limitation, CRCW) and any successor in interest thereto, not to, in any capacity, take any affirmative act with the intent of causing any Person to terminate any contract, lease or agreement with the Hospital or any of the Seller Businesses for the provision or arrangement of health care services to or from the Hospital or any of the other Seller Businesses. In the event that the provisions contained in this Section 3(b) shall ever be deemed to exceed the time or geographic limits or any other limitations permitted by applicable law in any jurisdiction, then such provisions shall be deemed reformed in such jurisdiction to the maximum extent permitted by applicable law. In no event shall the terms of this Section 3(b) be applicable to the Employ (as defined in the Asset Purchase Agreement) of any Hired Employees (as defined in the Asset Purchase Agreement) or other employees of DMC, which shall be governed solely by the second paragraph of Article 14 of the Asset Purchase Agreement.

(c) **Employees.** None of CMB or any affiliate thereof (including CRCW), shall, for a period of twelve (12) months after the Closing Date, Employ any Hired Employees as of the Effective Time (as defined in the Asset Purchase Agreement). No provision of this Section 3(c) shall prevent CMB or any of its affiliates (including CRCW) from Employing (i) any Hired Employee whose employment has been terminated by DMC or (ii) after sixty (60) calendar days from the date of termination of employment, any employee whose employment has been terminated by the employee.

(d) **Enforceability.** CMB hereby acknowledges that the covenants contained in this Section 3 are a condition precedent to DMC's entering into this Agreement and consummating the transactions contemplated by this Agreement and contemplated by the Asset Purchase Agreement, and that such restrictions are reasonable and necessary to protect the legitimate interests of DMC following the closing of such transactions. CMB also hereby acknowledges that any violation of this Section 3 would result in irreparable injury to DMC and the remedy at law for any breach of this Section 3 would be inadequate. CMB specifically acknowledges and agrees that DMC shall be entitled to an equitable accounting of all earnings, profits and other benefits arising from such breach and further agrees to pay the reasonable fees and expenses, including attorneys' fees, incurred by DMC in enforcing the restrictions contained in this Section 3.

4. **Term and Termination.** Unless earlier terminated pursuant to the written agreement of the parties hereto, the term of this Agreement shall commence on the Effective Date and shall continue in effect until the last donation required by the terms of this Agreement has been made by DMC.

5. **Notices.** Any notice, demand or communication required, permitted, or desired to be given hereunder shall be deemed effectively given when personally delivered, when received by facsimile or overnight courier, or five (5) calendar days after being deposited in the United States mail, with postage prepaid thereon, certified or registered mail, return receipt requested, addressed as follows:

If to the CMB, to:

With a simultaneous copy to:

If to the DMC, to:

Doctors Medical Center of Modesto, Inc.
c/o Tenet Healthcare Corporation
1445 Ross Ave., Suite 1400
Dallas, Texas 75202
Attention: J. Brent McDonald
Facsimile No.: (469) 893-7508

With a simultaneous copy to:

McDermott Will & Emery LLP
2049 Century Park East, Suite 3800
Los Angeles, CA 90067-3218
Attention: Ira J. Rapoport & Paul F. Lawrence
Facsimile No.: (310) 277-4730

Any party from time to time may change its address for the purpose of receipt of notices to that party by giving a similar notice specifying a new address to the other notice parties listed above in accordance with the provisions of this Section 5.

6. **Fees and Expenses.** Except as otherwise provided in this Agreement each party shall pay its own expenses in connection with this Agreement and the transactions contemplated hereby.

7. **Entire Agreement.** This Agreement, together with the Asset Purchase Agreement, constitutes the entire agreement of the parties with respect to the subject matter hereof. This Agreement may not be amended other than by written instrument signed by the parties hereto.

8. **Counterparts; Facsimile Signatures; Reproductions.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement, binding on all of the parties hereto. The parties agree that facsimile or electronic .PDF copies of signatures shall be deemed originals for all purposes hereof and that a party may produce such copies, without the need to produce original signatures, to prove the existence of this Agreement in any proceeding brought hereunder.

9. **No Third Party Beneficiary.** The terms and provisions of this Agreement are intended solely for the benefit of the parties hereto and their respective successors or assigns, and shall not confer third party beneficiary rights upon any other person.

10. **Defined Terms.** Capitalized terms not defined in this Agreement shall have the meanings ascribed to them in the Asset Purchase Agreement.

11. **Governing Law; Venue.** This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of California as applied to contracts made and performed within the State of California. Any and all court proceedings related to the subject matter hereof (solely pertaining to a party seeking equitable remedies) shall be maintained in (a) the United States District Court for the Eastern District of California, Fresno Division, or (b) if such Federal court does not have jurisdiction over the matter in dispute, California state courts in Stanislaus County, which applicable court shall have exclusive jurisdiction for such purpose.

12. **Arbitration.** Except for equitable remedies, any disagreement, dispute or claim arising out of or relating to this Agreement which cannot be settled by the parties hereto shall be settled by arbitration in accordance with the following provisions:

- (a) **Forum.** Forum for arbitration shall be the County of Stanislaus.
- (b) **Law.** Governing law shall be the law of the State of California.
- (c) **Selection.** The number of arbitrators shall be three (3), unless the parties hereto are able to agree on a single arbitrator. In the absence of such agreement within ten (10) business days after the initiation of an arbitration proceeding, Seller shall select one (1) arbitrator and Purchaser shall select one (1) arbitrator, and those two arbitrators shall then select within ten (10) business days a third arbitrator. If those two (2) arbitrators are unable to select a third arbitrator within such ten (10) business day period, a third arbitrator shall be appointed by the commercial panel of the American Arbitration Association. The decision in writing of at least two (2) of the three (3) arbitrators shall be final and binding upon the parties.
- (d) **Administration.** Arbitration shall be administered by the American Arbitration Association.
- (e) **Rules.** Rules of arbitration shall be the Commercial Arbitration Rules of the American Arbitration Association, as modified by any other instructions that the parties hereto may agree upon at the time, except that each party hereto shall have the right to conduct discovery in any manner and to the extent authorized by the Federal Rules of Civil Procedure as interpreted by the federal courts in the Eastern District of California. The arbitrators shall not modify the terms of this Agreement.
- (f) **Award.** The award rendered by arbitration shall be final and binding upon the parties hereto, and judgment upon the award may be entered in any court of competent jurisdiction in the United States.

13. **No Waiver.** Any term, covenant or condition of this Agreement may be waived at any time by the party which is entitled to the benefit thereof but only by a written notice

signed by the party expressly waiving such term or condition. The subsequent acceptance of performance hereunder by a party shall not be deemed to be a waiver of any preceding breach by the other party of any term, covenant or condition of this Agreement, other than the failure of such party to perform the particular duties so accepted, regardless of such party's knowledge of such preceding breach at the time of acceptance of such performance. The waiver of any term, covenant or condition shall not be construed as a waiver of any other term, covenant or condition of this Agreement.

14. **Confidentiality.** The parties hereto shall hold in confidence the information contained in this Agreement, and all information related to this Agreement, which is not otherwise known to the public, shall be held by each party hereto as confidential and proprietary information and shall not be disclosed without the prior written consent of the other party, except as required by law or judicial order.

15. **Construction.** Wherever from the context it appears appropriate, each term stated in either the singular or the plural shall include the singular and the plural, and pronouns stated in the masculine, the feminine or the neuter gender shall include the masculine, feminine and neuter. No provision of this Agreement shall be interpreted for or against either party hereto on the basis that such party was the draftsman of such provision, each party having participated equally in the drafting hereof, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

16. **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns.

17. **No Assignment.** Neither this Agreement nor any right hereunder or part hereof may be assigned by either party hereto without the prior written consent of the other party hereto.

18. **Severability.** If any term, provision, condition or covenant of this Agreement or the application thereof to any party or circumstance shall be held to be invalid or unenforceable to any extent in any jurisdiction, then the remainder of this Agreement and the application of such term, provision, condition or covenant in any other jurisdiction or to persons or circumstances other than those as to whom or which it is held to be invalid or unenforceable, shall not be affected thereby, and each term, provision, condition and covenant of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

19. **Time is of the Essence.** Time is of the essence for all dates and time periods set forth in this Agreement and each performance called for in this Agreement.

(Signature page follows)

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in multiple originals by their authorized officers, all as of the Effective Date.

DOCTORS MEDICAL CENTER OF MODESTO, INC., a California corporation

By: _____

Name: _____

Title: _____

COVENANT MINISTRIES OF BENEVOLENCE, an Illinois not-for-profit corporation

By: _____

Name: _____

Title: _____

EXHIBIT 5

LEGACY HEALTH ENDOWMENT CONFLICT OF INTEREST POLICY

Article I: Purpose

This conflict of interest policy is designed to foster public confidence in the integrity of Legacy Health Endowment (the "Endowment") and to protect the Endowment's interest when it is contemplating entering a transaction (defined below) that might benefit the private interest of a director, a corporate officer, the top management or top financial official, a key employee (defined below), a person with substantial influence over the Endowment, or other interested person.

Article II: Definitions

As used throughout this policy, the terms below shall be defined as follows:

Insider means a person with substantial influence over the Endowment. The following four categories of persons are deemed to have substantial influence over the Endowment, and therefore are considered "insiders" for the purposes of this policy:

1. Each member of the Board of Trustees or other governing body.
2. The president, chief executive officer, chief operating officer, treasurer and chief financial officer, executive director, or any person with the responsibilities of any of these positions (whether or not the person is an officer of the Endowment under its Bylaws and the California Corporations Code) or any person being compensated by the Endowment for services rendered to it, whether as a full-time or part-time employee, independent contractor or otherwise.
3. Any other person whom the Board, based on the facts and circumstances, determines to have substantial influence over the Endowment. Such persons may include a founder of or a substantial contributor to the Endowment, a person with managerial authority over the Endowment, or a person with control over a significant portion of the Endowment's budget (such as a key employee).
4. Any person who met any of the above definitions at any time during the five years before the proposed transaction.

Interested person includes insiders in any of the four categories above and any person described in either of the two categories below.

5. Spouses, ancestors, descendants, children, grandchildren, great-grandchildren, brothers, sisters, and the spouses of their children, grandchildren, great-grandchildren, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, father-in-law, of any individual listed in categories 1 – 4 above.
6. Any entity in which any combination of persons listed above in categories 1 – 5 holds more than 35 percent of the combined voting power, if the entity is a business corporation; profits interests, if a partnership; or beneficial interest, if a

trust or estate.

Key employee means an employee whose total annual compensation (including benefits) from the Endowment and its affiliates is more than \$150,000 **and** who (a) has responsibilities or influence over the Endowment similar to that of officers, directors, or trustees; **or** (b) manages a program that represents 10% or more of the activities, assets, income, or expenses of the Endowment; **or** (c) has or shares authority to control 10% or more of the Endowment's capital expenditures, operating budget, or compensation for employees.

Interest means financial commitments, investments, obligations, economic benefits, or other relationships between an interested person and the Endowment that are subject to Internal Revenue Code Section 4958, California Corporations Code Sections 5000 *et seq.*, or any other applicable federal, state, or local law or regulation governing conflicts of interest or fiduciary duties that requires any action by the Endowment.

A *conflict of interest* is present when, an interested person's financial stake in the transaction is such that it reduces the likelihood that an insider's influence can be exercised impartially in the best interests of the Endowment (or as may otherwise be defined by applicable law).

Person means any individual or entity, including a trust, estate, partnership, association, company, or corporation.

Transaction means any transaction, agreement, or arrangement between an interested person and the Endowment, or between the Endowment and any third party where an interested person has an interest in the transaction or any party to it. Transactions specifically identified as presenting no conflict of interest by applicable law, or under a corporate policy adopted by the Board of Directors to govern certain similar transactions and impartially administered, are excepted from the term transaction for purposes of this policy. Nothing in this policy permits the Endowment to engage in a transaction prohibited by law.

Article III: Procedures

1. Duty to Disclose

Each interested person shall disclose to the Board all material facts regarding his, her, or its interest (including relevant affiliations) in the transaction. The interested person shall make that disclosure promptly upon learning of the proposed transaction. Insiders shall make disclosures on behalf of interested persons related to them unless the related interested person does so.

2. Determining Whether a Conflict of Interest Exists

With regard to an interested person, the Board shall determine if a conflict of interest exists. The insider(s) and any other interested person(s) involved with the transaction shall not be present during the Board discussion or determination of whether a conflict of interest exists, except as provided in Article IV below.

3. *Procedures for Addressing a Conflict of Interest*

Once a conflict of interest has been found, the Board shall follow the procedures set forth in Article IV in order to decide what measures are needed to protect the Endowment's interests in light of the nature and seriousness of the conflict, to decide whether to enter into the transaction and, if so, to ensure that the terms of the transaction are appropriate. In the case of an insider who is a director, the director shall not vote on any transaction in which the director has an interest, and the remaining Board members shall decide the matter.

Article IV: Review by the Board

The Board may ask questions of and receive presentation(s) from the insider(s) and any other interested person(s), but shall deliberate and vote on the transaction in their absence. The Board shall ascertain that all material facts regarding the transaction and the interested person's conflict of interest have been disclosed to the Board, and shall compile appropriate data to ascertain whether the proposed transaction is fair and reasonable to the Endowment.

After exercising due diligence, which shall include investigating alternatives that present no conflict, the Board shall determine whether the transaction is in the Endowment's best interest, for its own benefit, and whether it is fair and reasonable to the Endowment; in good faith determines after reasonable investigation that either the Endowment could not have obtained a more advantageous arrangement with reasonable effort under the circumstances or in fact the Endowment could not have obtained a more advantageous arrangement with reasonable effort under the circumstances; the majority of members of the Board then in office may approve the transaction.

Article V: Records of Proceedings

The minutes of any meeting of the Board pursuant to this policy shall contain the name of each interested person who disclosed or was otherwise determined to have an interest in a transaction; the nature of the interest and whether it was determined to constitute a conflict of interest; all alternative transactions considered by the Board and its determination as set forth in Article IV; the members of the Board who were present during the debate on the transaction, those who voted on it, and to what extent interested persons were excluded from the deliberations; any comparability data or other information obtained and relied upon by the Board and how the information was obtained; and the result of the vote, including, if applicable, the terms of the transaction that was approved and the date it was approved.

The records must be prepared by the later of the next meeting of the Board or 60 days after the final action of the Board with respect to the transaction, and must be approved by the Board within a reasonable time afterwards.

Article VI: Annual Disclosure and Compliance Statements

Each director, each corporate officer, the top management official, the top financial official, and each key employee of the Endowment, and others that the Endowment may identify, shall annually sign a statement, that:

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- affirms that the person has received a copy of this conflict of interest policy, has read and understood the policy, and has agreed to comply with the policy; and
- for certain individuals, discloses the person's financial interests and family relationships that could give rise to conflicts of interest,

in the form attached to this policy. All such statements by directors and officers shall be filed with the minutes of the meetings of the Board; statements by others shall be retained in their personnel files.

Article VII: Past Transactions; Violations

If the Board has reasonable cause to believe that an insider of the Endowment has failed to disclose actual or possible conflicts of interest, including those arising from a transaction with a related interested person, it shall inform such insider of the basis for this belief and afford the insider an opportunity to explain the alleged failure to disclose. If, after hearing the insider's response and making further investigation as warranted by the circumstances, the Board determines that the insider has failed to disclose an actual or possible conflict of interest, the Board shall take appropriate disciplinary and corrective action.

In situations where a transaction involving a conflict of interest is discovered after it has already occurred or begun (because, for example, the interest was inadvertently not disclosed prior to the transaction, or the Endowment's leadership did not realize that a review was necessary or advantageous), the Board shall conduct a review as described above in Article IV, and determine whether disciplinary or corrective action is possible or warranted. In appropriate cases, the Board may determine, upon completion of the review, that ratification of the transaction is in the Endowment's best interest, for its own benefit, and is fair and reasonable to the Endowment.

Article VIII: Annual Reviews

To ensure that the Endowment operates in a manner consistent with its charitable purposes and its status as an organization exempt from federal income tax, the Board shall authorize and oversee an annual review of the administration of this conflict of interest policy. The review may be written or oral. The review shall consider the level of compliance with the policy, the continuing suitability of the policy, and whether the policy should be modified and improved.

LEGACY HEALTH ENDOWMENT

CONFLICT OF INTEREST POLICY: ACKNOWLEDGMENT AND FINANCIAL INTEREST DISCLOSURE STATEMENT

Legacy Health Endowment follows a conflict of interest policy designed to foster public confidence in our integrity and to protect our interest when we are contemplating entering a transaction or arrangement that might benefit the private interest of a director, a corporate officer, our top management official and top financial official, any of our key employees, any person with substantial influence over Legacy Health Endowment, or other interested persons.

Part I. Acknowledgment of Receipt

I hereby acknowledge that I have received a copy of the conflict of interest policy of Legacy Health Endowment, have read and understood it, and agree to comply with its terms.

Signature

Date

Printed Name

Part II. Disclosure of Financial Interests (directors, corporate officers, top management official, top financial official, and key employees only)

We are required annually to file Form 990 with the Internal Revenue Service, and the form we file is available to the public. In order to complete Form 990 fully and accurately, we need each officer, director and key employee to disclose the information requested in this Part II. If you are not an officer or director of Legacy Health Endowment, we have determined that you qualify as a key employee under IRS definitions.

A "conflict of interest," for purposes of Form 990, arises when a person in a position of authority over an organization, such as an officer, director, or key employee, may benefit financially from a decision he or she could make in such capacity, including indirect benefits such as to family members or businesses with which the person is closely associated.¹ Only financial interests must be listed on this disclosure form.

The purpose of this disclosure is to provide the Board of Directors or other governing body with a meaningful opportunity to determine whether a conflict of interest exists, by disclosing any interest that could give rise to a conflict of interest. Complete, accurate disclosure gives the governing body information it needs to fulfill its fiduciary obligations and to make decisions that are in the best interest of the organization.

¹ This definition applies for purposes of this Part II disclosure form and is more limited than the definition of a conflict of interest under Legacy Health Endowment's policy.

Part II Please check ONE of the following boxes:

- My interests and relationships have not changed since my last disclosure of interests. [Proceed to signature block below. Do not complete the tables.]

OR

- I hereby disclose or update my interests and relationships that could give rise to a conflict of interest: [Complete the table below. Use additional pages as needed.]

Family Relationships	Names of those presenting a potential conflict of interest
Include spouse/domestic partner, living ancestors, descendants, brothers and sisters (whether whole or half blood), children (whether natural or adopted), grandchildren, great grandchildren, and spouses/domestic partners of brothers, sisters, children, grandchildren, and great grandchildren, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, father-in-law, of any individual listed in categories 1 -4 of Article II.	

Type of interest	Description of interest that could lead to a conflict of interest
Transactions or arrangements with Legacy Health Endowment	
Transactions or affiliations with other organizations	
Substantial business or investment holdings	
Transactions or affiliations with businesses	

I am not aware of any financial interest involving me or a family member that could present a conflict of interest that I have not disclosed either above or in a previous disclosure statement.

EXHIBIT 6

EMC HEALTH, INC.
CONFLICT OF INTEREST POLICY

Article I: Purpose

This conflict of interest policy is designed to foster public confidence in the integrity of EMC Health, Inc. and to protect EMC Health, Inc.'s interest when it is contemplating entering a transaction (defined below) that might benefit the private interest of a director, a corporate officer, the top management or top financial official, a key employee (defined below), a person with substantial influence over the EMC Health, Inc., or other interested person.

Article II: Definitions

As used throughout this policy, the terms below shall be defined as follows:

Insider means a person with substantial influence over EMC Health, Inc. The following four categories of persons are deemed to have substantial influence over EMC Health, Inc., and therefore are considered "insiders" for the purposes of this policy:

1. Each member of the Board of Directors or other governing body.
2. The president, chief executive officer, chief operating officer, treasurer and chief financial officer, executive director, or any person with the responsibilities of any of these positions (whether or not the person is an officer of EMC Health, Inc. under its Bylaws and the California Corporations Code) or any person being compensated by EMC Health, Inc. for services rendered to it, whether as a full-time or part-time employee, independent contractor or otherwise.
3. Any other person whom the Board, based on the facts and circumstances, determines to have substantial influence over EMC Health, Inc. Such persons may include a founder of or a substantial contributor to EMC Health, Inc., a person with managerial authority over EMC Health, Inc., or a person with control over a significant portion of EMC Health, Inc.'s budget (such as a key employee).
4. Any person who met any of the above definitions at any time during the five years before the proposed transaction.

Interested person includes insiders in any of the four categories above and any person described in either of the two categories below.

5. Spouses, ancestors, descendants, children, grandchildren, great-grandchildren, brothers, sisters, and the spouses of their children, grandchildren, great-grandchildren, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, father-in-law, of any individual listed in categories 1 – 4 above.
6. Any entity in which any combination of persons listed above in categories 1 – 5 holds more than 35 percent of the combined voting power, if the entity is a business corporation; profits interests, if a partnership; or beneficial interest, if a

trust or estate.

Key employee means an employee whose total annual compensation (including benefits) from EMC Health, Inc. and its affiliates is more than \$150,000 **and** who (a) has responsibilities or influence over EMC Health, Inc. similar to that of officers, directors, or trustees; **or** (b) manages a program that represents 10% or more of the activities, assets, income, or expenses of EMC Health, Inc.; **or** (c) has or shares authority to control 10% or more of the EMC Health, Inc.'s capital expenditures, operating budget, or compensation for employees.

Interest means financial commitments, investments, obligations, economic benefits, or other relationships between an interested person and EMC Health, Inc. that are subject to Internal Revenue Code Section 4958, California Corporations Code Sections 9241-9246, or any other applicable federal, state, or local law or regulation governing conflicts of interest or fiduciary duties that requires any action by EMC Health, Inc.

A *conflict of interest* is present when, an interested person's financial stake in the transaction is such that it reduces the likelihood that an insider's influence can be exercised impartially in the best interests of EMC Health, Inc. (or as may otherwise be defined by applicable law).

Person means any individual or entity, including a trust, estate, partnership, association, company, or corporation.

Transaction means any transaction, agreement, or arrangement between an interested person and EMC Health, Inc., or between EMC Health, Inc. and any third party where an interested person has an interest in the transaction or any party to it. Transactions specifically identified as presenting no conflict of interest by applicable law, or under a corporate policy adopted by the Board of Directors to govern certain similar transactions and impartially administered, are excepted from the term transaction for purposes of this policy. Nothing in this policy permits EMC Health, Inc. to engage in a transaction prohibited by law.

Article III: Procedures

1. Duty to Disclose

Each interested person shall disclose to the Board all material facts regarding his, her, or its interest (including relevant affiliations) in the transaction. The interested person shall make that disclosure promptly upon learning of the proposed transaction. Insiders shall make disclosures on behalf of interested persons related to them unless the related interested person does so.

2. Determining Whether a Conflict of Interest Exists

With regard to an interested person, the Board shall determine if a conflict of interest exists. The insider(s) and any other interested person(s) involved with the transaction shall not be present during the Board discussion or determination of whether a conflict of interest exists, except as provided in Article IV below.

3. *Procedures for Addressing a Conflict of Interest*

Once a conflict of interest has been found, the Board shall follow the procedures set forth in Article IV in order to decide what measures are needed to protect EMC Health, Inc.'s interests in light of the nature and seriousness of the conflict, to decide whether to enter into the transaction and, if so, to ensure that the terms of the transaction are appropriate. In the case of an insider who is a director, the director shall not vote on any transaction in which the director has an interest, and the remaining Board members shall decide the matter.

Article IV: Review by the Board

The Board may ask questions of and receive presentation(s) from the insider(s) and any other interested person(s), but shall deliberate and vote on the transaction in their absence. The Board shall ascertain that all material facts regarding the transaction and the interested person's conflict of interest have been disclosed to the Board, and shall compile appropriate data to ascertain whether the proposed transaction is fair and reasonable to EMC Health, Inc.

After exercising due diligence, which shall include investigating alternatives that present no conflict, the Board shall determine whether the transaction is in EMC Health, Inc.'s best interest, for its own benefit, and whether it is fair and reasonable to EMC Health, Inc.; in good faith determines after reasonable investigation that either EMC Health, Inc. could not have obtained a more advantageous arrangement with reasonable effort under the circumstances or in fact EMC Health, Inc. could not have obtained a more advantageous arrangement with reasonable effort under the circumstances; the majority of members of the Board then in office may approve the transaction.

Article V: Records of Proceedings

The minutes of any meeting of the Board pursuant to this policy shall contain the name of each interested person who disclosed or was otherwise determined to have an interest in a transaction; the nature of the interest and whether it was determined to constitute a conflict of interest; all alternative transactions considered by the Board and its determination as set forth in Article IV; the members of the Board who were present during the debate on the transaction, those who voted on it, and to what extent interested persons were excluded from the deliberations; any comparability data or other information obtained and relied upon by the Board and how the information was obtained; and the result of the vote, including, if applicable, the terms of the transaction that was approved and the date it was approved.

The records must be prepared by the later of the next meeting of the Board or 60 days after the final action of the Board with respect to the transaction, and must be approved by the Board within a reasonable time afterwards.

Article VI: Annual Disclosure and Compliance Statements

Each director, each corporate officer, the top management official, the top financial official, and each key employee of EMC Health, Inc., and others that EMC Health, Inc. may identify, shall annually sign a statement, that:

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- affirms that the person has received a copy of this conflict of interest policy, has read and understood the policy, and has agreed to comply with the policy; and
- for certain individuals, discloses the person's financial interests and family relationships that could give rise to conflicts of interest,

in the form attached to this policy. All such statements by directors and officers shall be filed with the minutes of the meetings of the Board; statements by others shall be retained in their personnel files.

Article VII: Past Transactions; Violations

If the Board has reasonable cause to believe that an insider of EMC Health, Inc. has failed to disclose actual or possible conflicts of interest, including those arising from a transaction with a related interested person, it shall inform such insider of the basis for this belief and afford the insider an opportunity to explain the alleged failure to disclose. If, after hearing the insider's response and making further investigation as warranted by the circumstances, the Board determines that the insider has failed to disclose an actual or possible conflict of interest, the Board shall take appropriate disciplinary and corrective action.

In situations where a transaction involving a conflict of interest is discovered after it has already occurred or begun (because, for example, the interest was inadvertently not disclosed prior to the transaction, or EMC Health, Inc.'s leadership did not realize that a review was necessary or advantageous), the Board shall conduct a review as described above in Article IV, and determine whether disciplinary or corrective action is possible or warranted. In appropriate cases, the Board may determine, upon completion of the review, that ratification of the transaction is in EMC Health, Inc.'s best interest, for its own benefit, and is fair and reasonable to EMC Health, Inc.

Article VIII: Annual Reviews

To ensure that EMC Health, Inc. operates in a manner consistent with its charitable purposes and its status as an organization exempt from federal income tax, the Board shall authorize and oversee an annual review of the administration of this conflict of interest policy. The review may be written or oral. The review shall consider the level of compliance with the policy, the continuing suitability of the policy, and whether the policy should be modified and improved.

EMC HEALTH, INC.

**CONFLICT OF INTEREST POLICY:
ACKNOWLEDGMENT AND FINANCIAL INTEREST DISCLOSURE STATEMENT**

EMC Health, Inc. follows a conflict of interest policy designed to foster public confidence in our integrity and to protect our interest when we are contemplating entering a transaction or arrangement that might benefit the private interest of a director, a corporate officer, our top management official and top financial official, any of our key employees, any person with substantial influence over EMC Health, Inc., or other interested persons.

Part I. Acknowledgment of Receipt

I hereby acknowledge that I have received a copy of the conflict of interest policy of EMC Health, Inc., have read and understood it, and agree to comply with its terms.

Signature

Date

Printed Name

Part II. Disclosure of Financial Interests (directors, corporate officers, top management official, top financial official, and key employees only)

We are required annually to file Form 990 with the Internal Revenue Service, and the form we file is available to the public. In order to complete Form 990 fully and accurately, we need each officer, director and key employee to disclose the information requested in this Part II. If you are not an officer or director of EMC Health, Inc., we have determined that you qualify as a key employee under IRS definitions.

A "conflict of interest," for purposes of Form 990, arises when a person in a position of authority over an organization, such as an officer, director, or key employee, may benefit financially from a decision he or she could make in such capacity, including indirect benefits such as to family members or businesses with which the person is closely associated.¹ Only financial interests must be listed on this disclosure form.

The purpose of this disclosure is to provide the Board of Directors or other governing body with a meaningful opportunity to determine whether a conflict of interest exists, by disclosing any interest that could give rise to a conflict of interest. Complete, accurate disclosure gives the governing body information it needs to fulfill its fiduciary obligations and to make decisions that are in the best interest of the organization.

¹ This definition applies for purposes of this Part II disclosure form and is more limited than the definition of a conflict of interest under EMC Health, Inc.'s policy.
{00483546.DOC; 2}

Part II Please check ONE of the following boxes:

My interests and relationships have not changed since my last disclosure of interests. [Proceed to signature block below. Do not complete the tables.]

OR

I hereby disclose or update my interests and relationships that could give rise to a conflict of interest: [Complete the table below. Use additional pages as needed.]

Family Relationships	Names of those presenting a potential conflict of interest
Include spouse/domestic partner, living ancestors, descendants, brothers and sisters (whether whole or half blood), children (whether natural or adopted), grandchildren, great grandchildren, and spouses/domestic partners of brothers, sisters, children, grandchildren, and great grandchildren, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, father-in-law, of any individual listed in categories 1 -4 of Article II.	

Type of interest	Description of interest that could lead to a conflict of interest
Transactions or arrangements with EMC Health, Inc.	
Transactions or affiliations with other organizations	
Substantial business or investment holdings	
Transactions or affiliations with businesses	

I am not aware of any financial interest involving me or a family member that could present a conflict of interest that I have not disclosed either above or in a previous disclosure statement.

EXHIBIT 7

Exhibit D

Ethical Guidelines of Emanuel Medical Center, Inc.

These guidelines represent a consensus on the ways our values should be applied to some important aspects of health care practice today. This is not an exhaustive account of the ethics of health care but rather some practical guidance appropriate to our current systems and activities. Modifications, additions or exceptions to these guidelines are subject to the structures and procedures alluded to in final paragraph of the preamble. We summarize our ethical guidelines in two general categories.

Patient Care Guidelines: Patient care is one of the purposes of Emanuel Medical Center. We affirm the notion of "patient's rights" but wish to be guided by more than a minimal, legalistic, respect for rights. Ethical patient care means:

Non-Discriminatory Access to Safe and Competent Care. Regardless of race, color, creed, national origin, handicap, sex, age, condition or ability to pay, patients are provided safe health care at the highest level of competence and to the broadest possible population, subject only to the limitations required by the responsible stewardship of our resources.

Treatment with Dignity and Respect Under all Circumstances. Irrespective of physical, psychological, financial or other conditions, patients are treated with a respect consonant with their dignity as persons made in the image of God. All patients are treated as ends, never as means. Patients are treated as responsible persons and decision-makers involved in their own health care, not in a paternalistic way.

Privacy and Confidentiality. Patients are provided with privacy appropriate to their needs during their interview, examination, treatment and care, within the law and the resources of the hospital. Medical records and information concerning patients are treated with discretion and confidentiality.

Information, Consultation and Consent. Patients are informed of their diagnosis, of the possible and proposed courses of treatment and their probable outcomes, and of the identity and professional status of their primary caregivers. Patients have access to consultation and second opinions and participate in decisions regarding their health care (alone or with their family, friends, agents or surrogates or by means of advanced directives.)

Spiritual Care. Patients are viewed as whole persons, body, soul and spirit, by the health care team. They are provided information about, and access to, the pastoral ministry of a Christian chaplain. Patients who wish to be visited by clergy of their own religious communions are free to so arrange.

Guidelines on Specific Issues. Given the mission of Emanuel Medical Center, not all health care procedures or bioethical dilemmas call for comment here. However, in the following areas of potential controversy, EMC health caregivers carry out their healing vocation within the specified affirmations and guidelines:

Reproductive and Birth Control. We affirm that the provisions of medical assistance to husbands and wives for the responsible stewardship of their procreative calling and

possibilities can be good and appropriate. This may include assistance with conception (utilizing their own gametes) as well as contraception.

Childbirth and Abortion. We affirm life from conception to death as a sacred gift of God and provide health care, education and spiritual care throughout pregnancy and childbirth. Participation in the abortion of embryonic and fetal life is not considered except in the tragic circumstances of rape or incest or where it is necessary to safeguard the life of the mother.

Dangerous or Experimental Procedures. We affirm the purpose of medical intervention to be the benefit of patients. Dangerous or experimental procedures are only justifiable on the basis of a proportionate good likely to result. Advances in medical knowledge in the course of treating patients are desirable but no patient is to be used as an experimental means to such advances. In all cases the safety and well-being of patients is the uppermost concern; consultation and consent are essential.

Organ and Tissue Transplantation. We affirm the preservation of life by means of anatomical gifts, organ and tissue donations on the condition that donors have given consent and the donation does not deprive them of life itself or of the functional integrity of their bodies.

Death and Euthanasia. We affirm life as a sacred gift of God and offer our best efforts to heal and preserve the lives of our patients. We provide the best palliative measures we can to relieve the pain, discomfort and suffering of our patients. We offer spiritual care and counseling to patients and their families and friends to cope with dying and death. We do not act in any way intentionally to cause, assist or accelerate the death of patients. Within this policy we respect the freedom and wishes expressed by patients and their families, personally or by means of Advance Directives (including Living Wills and Durable Power of Attorney for Health Care)."

EXHIBIT 8

ARTICLES OF INCORPORATION
OF
LEGACY HEALTH ENDOWMENT

FILED
Secretary of State
State of California

APR 03 2013

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ARTICLE I

The name of this corporation is Legacy Health Endowment.

ARTICLE II

A. This corporation is a religious corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Religious Corporation Law primarily for religious purposes.

B. The specific and primary purpose of this corporation is to engage in religious activities within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provisions of any future United States internal revenue law (the "Code"), and more specifically, as a Christian ministry, to support charitable and educational programs and activities that provide access to healthcare services and promote community and individual health, directly and through grantmaking, primarily in Turlock and its surrounding communities.

ARTICLE III

The name and address in this state of this corporation's initial agent for the service of process is Linda Stuhmer, 825 Delbon Avenue, Turlock, California 95831.

ARTICLE IV

The mailing and street address of this corporation is 825 Delbon Avenue, Turlock, California 95831.

ARTICLE V

A. This corporation is organized and operated exclusively for religious and charitable purposes within the meaning of Section 501(c)(3) of the Code. Notwithstanding any other provision of these Articles, this corporation shall not carry on any activities not permitted to be carried on (1) by a corporation exempt from federal income tax under Section 501(c)(3) of the Code, or (2) by a corporation, contributions to which are deductible under Sections 170(c)(2), 2055(a)(2), 2106(a)(2)(A)(ii), 2522(a)(2), or 2522(b)(2) of the Code.

B. Except as permitted by law, no substantial part of the activities of this corporation shall consist of the carrying on of propaganda or otherwise attempting to influence legislation, nor shall this corporation 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.

ARTICLE VI

The property of this corporation is irrevocably dedicated to religious and charitable purposes, and no part of the net income or assets of this corporation shall ever inure to the benefit of any director, officer, or member, if any, of this corporation, or any other private person. Upon the winding up and dissolution of this corporation and after paying or adequately providing for the debts and obligations of this corporation, the remaining assets shall be distributed to a nonprofit fund, foundation, or corporation which is organized and operated exclusively for religious or charitable purposes and that has established its tax-exempt status under Section 501(c)(3) of the Code.

DATED: April 3, 2013

Rosemary E. Fei
Rosemary E. Fei, Incorporator



I hereby certify that the foregoing
transcript of 7 page(s)
is a full, true and correct copy of the
original record in the custody of the
California Secretary of State's office.

APR 04 2013

Date: _____

Debra Bowen
DEBRA BOWEN, Secretary of State

EXHIBIT 9

**AMENDED AND RESTATED BYLAWS
OF
LEGACY HEALTH ENDOWMENT**

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**AMENDED AND RESTATED BYLAWS
OF
LEGACY HEALTH ENDOWMENT**

**ARTICLE I
PRINCIPAL OFFICE**

The principal office of this corporation shall be located in the county of Stanislaus, California.

**ARTICLE II
MEMBERSHIP**

This corporation shall have no voting members, but the Board of Trustees may, by resolution, establish one or more classes of nonvoting members and provide for eligibility requirements for membership and rights and duties of members, including the obligation to pay dues.

**ARTICLE III
DESIGNATOR**

Section 1. Naming of Designator. The Designator referred to in these Bylaws shall be Covenant Ministries of Benevolence, an Illinois nonprofit corporation, acting through its duly authorized representative(s).

Section 2. Actions of Designator. All actions of the Designator shall be evidenced by a writing executed on behalf of the Designator and delivered to an officer of this corporation, which shall be filed by the Secretary with the proceedings of the Board of Trustees of this corporation.

**ARTICLE IV
BOARD OF TRUSTEES**

Section 1. Corporate Powers; Exercise by Board. This corporation shall have powers to the full extent allowed by law. All powers and activities of this corporation shall be exercised and managed by the Board of Trustees of this corporation directly or, if delegated, under the ultimate direction of the Board.

Section 2. Number of Trustees. The number of trustees shall be not less than 5 nor more than 15, with the exact authorized number of trustees to be fixed from time to time by resolution of the Board of Trustees.

Section 3. Selection, Qualifications, Terms, and Term Limits of Trustees.

A. Ex Officio Trustee. The President of this corporation shall serve *ex officio* as a trustee of this corporation, only for so long as he or she holds the office of President.

B. Designated Trustees. Two of the trustees of this corporation shall be designated by the Designator from time to time. The effective date of any such designation shall be as provided therein. Trustees may be designated for any term prescribed in the written designation; if no such term is prescribed, a designated trustee shall serve until he or she resigns or is removed, or one year after the date on which this corporation ceases to have a Designator, whichever occurs first. In order to qualify as a Designated Trustee, a person must be a professing Christian and a member in good standing of a Christian church.

C. Elected Trustees. All trustees other than the *Ex Officio* Trustee and the Designated Trustees shall be elected by the trustees then in office. Of the total number of Elected Trustees in office at any time, no fewer than 75% shall be persons who are professing Christians and members in good standing of a Christian church located in or near Turlock, California. Each Elected Trustee shall be elected for a term of three years expiring on the adjournment of the third annual meeting after his or her election. Approximately one-third of the total authorized number of Elected Trustees shall be elected each year, and trustees elected to fill newly created positions due to an increase in the authorized number of trustees may be appointed to initial terms of one, two, or three years as determined prior to election by the Board so as to maintain approximately equal number of Elected Trustees' terms expiring in any year. Unless his or her position has been eliminated, each Elected Trustee shall continue in office after expiration of the term until a successor has been elected. If the total authorized number of Elected Trustees at any time shall not be evenly divisible by three, so that a different number of trustees must be elected one year out of every three, such different number of trustees shall be elected every third year after 2013. A trustee who has served three full consecutive terms in office shall not be eligible for election to a fourth term in office until at least one full year has passed after such trustee has stopped serving on the Board.

Section 4. Vacancies. A vacancy shall be deemed to exist on the Board in the event that the actual number of trustees is less than the authorized number for any reason; a vacancy in the *Ex Officio* Trustee position shall exist at any time that the President of this corporation gives notice to this corporation that he or she refuses or is unable to serve for any reason, or when the office of President of this corporation is vacant. Vacancies in Elected Trustee positions may be filled by the remaining trustees for the unexpired portion of the term. Vacancies in Designated Trustee positions may be filled by the Designator. A vacancy in the position of *Ex Officio* Trustee shall be filled when the President is again willing and able to serve as a trustee as indicated by notice thereof to this corporation, or when the vacancy in the position of President of this corporation is filled (excluding any interim or acting incumbent in that position).

Section 5. Resignation and Removal. Resignations shall be effective upon receipt in writing by the Chair of the Board, the President, the Secretary, or the Board of Trustees of this corporation, unless a later effective date is specified in the resignation. The *Ex Officio* Trustee may not be removed except by removal from the office of President of this corporation.

A majority of the trustees then in office may remove any Designated or Elected Trustee at any time, with or without cause, provided that any such removal of a Designated Trustee by the Board shall be effective only with the consent of the Designator.

Section 6. Annual Meetings. A meeting of the Board of Trustees shall be held at least once a year. Annual meetings shall be called by the President, the Chair of the Board (if any), or any two trustees, and noticed in accordance with Section 8 below.

Section 7. Special Meetings. Special meetings of the Board of Trustees may be called by the President, the Chair of the Board (if any), or any two trustees, and noticed in accordance with Section 8 below.

Section 8. Notice. Notice of the annual meeting and any special meetings of the Board of Trustees shall state the date, place, and time of the meeting and shall be given to each trustee at least four days before any such meeting if given by first-class mail or forty-eight hours before any such meeting if given personally or by telephone, including a voice messaging system or by other electronic transmission such as e-mail, in compliance with Article X, Section 3, of these Bylaws.

Section 9. Waiver of Notice. The transactions of any meeting of the Board of Trustees, however called and noticed and wherever held, shall be valid as though taken at a meeting duly held after proper call and notice, if a quorum is present, and if, either before or after the meeting, each of the trustees not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. All waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Notice of a meeting shall also be deemed given to any trustee who attends the meeting without protesting the lack of adequate notice before the meeting or at its commencement.

Section 10. Quorum. A majority of the trustees then in office shall constitute a quorum, provided that in no event shall the required quorum be less than one-fifth of the authorized number of trustees or two trustees, whichever is larger. The act of a majority of the trustees present at a meeting at which a quorum is present shall be the act of the Board of Trustees, except as otherwise provided in Article IV, Sections 4 (filling board vacancies), 5 (removing trustees) and 11 (taking action without a meeting); Article V, Section 1 (appointing Board Committees); Article VII, Section 2 (approving self-dealing transactions); Article VIII, Section 2 (approving indemnification); and Article X, Section 4 (amending Bylaws), of these Bylaws or in the California Nonprofit Religious Corporation Law. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of trustees, if any action taken is approved by at least a majority of the required quorum for such meeting.

Section 11. Action Without a Meeting. Any action required or permitted to be taken by the Board may be taken without a meeting if all members of the Board (other than any trustee interested in a transaction so approved) shall individually or collectively consent to such action in writing. Such written consents shall be filed with the minutes of the proceedings of the Board, and shall have the same force and effect as the unanimous vote of such trustees.

Section 12. Telephone and Electronic Meetings. Trustees may participate in a meeting through use of conference telephone, electronic video screen communication, or other electronic transmission in compliance with Article X, Section 3, of these Bylaws so long as both of the following apply:

(a) each trustee participating in the meeting can communicate with all of the other trustees concurrently; and

(b) each trustee is provided with the means of participating in all matters before the Board, including the capacity to propose, or to interpose an objection to, a specific action to be taken by this corporation.

Section 13. Standard of Care. A trustee shall perform the duties of a trustee, including duties as a member of any Board Committee on which the trustee may serve, in good faith, in a manner such trustee believes to be in the best interest of this corporation and with such care, including reasonable inquiry, as is appropriate under the circumstances. In making a good faith determination, a trustee may consider what the trustee believes are the religious purposes of this corporation, and any applicable religious tenets, canons, laws, policies, and authority.

In performing the duties of a trustee, a trustee shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by:

(i) one or more officers or employees of this corporation whom the trustee believes to be reliable and competent as to the matters presented;

(ii) counsel, independent accountants, or other persons as to matters which the trustee believes to be within such person's professional or expert competence;

(iii) a committee upon which the trustee does not serve that is composed exclusively of any combination of trustees or persons described in (i) or (ii), as to matters within the committee's designated authority, provided that the trustee believes such committee merits confidence; and

(iv) religious authorities and ministers, priests, or other persons whose position or duties in the trustee's religious organization the trustee believes justify reliance and confidence and whom the trustee believes to be reliable and competent in the matters presented;

so long as, in any such case, the trustee acts in good faith, after reasonable inquiry when the need therefor is indicated by the circumstances, and without knowledge that would cause such reliance to be unwarranted.

Except as provided in Article VII below, a person who performs the duties of a trustee in accordance with this Section shall have no liability based upon any failure or alleged failure to discharge that person's obligations as a trustee, including, without limiting the generality of the foregoing, any actions or omissions which exceed or defeat any purpose to which a corporation, or assets held by it, may be dedicated. The duties and liabilities set forth in this Section shall apply without regard to whether a trustee is compensated by this corporation.

This standard of care shall apply, without limitation, to trustees' actions in investing, reinvesting, purchasing or acquiring, exchanging, selling, and managing this corporation's investments. This standard of care shall also apply, without limitation, to trustees' actions or omissions relating to compensation paid to any trustee (whether for service as a trustee or an officer), or any loan of money or property to, or guaranty of the obligation of, any trustee or officer, by this corporation. The trustees benefited by any such act or omission are not prohibited from participating in the Board's decision thereon.

Section 14. Inspection Rights. Every trustee shall have the absolute right at any reasonable time to inspect and copy all books, records, and documents, and to inspect the physical properties of this corporation.

Section 15. Compensation. Trustees shall serve without compensation. The Board may authorize the advance or reimbursement to a trustee of actual reasonable expenses incurred in carrying out his or her duties as a trustee, such as for attending meetings of the Board and Board Committees. Nothing herein shall be construed to preclude any trustee from serving this corporation in any other capacity and receiving compensation therefor. No employee of this corporation other than the President may serve on the Board of Trustees.

Section 16. Executive Compensation Review. The Board of Trustees (or a Board Committee) shall review any compensation packages (including all benefits) of the President or the chief executive officer and the Treasurer or chief financial officer, regardless of job title, and shall approve such compensation only after determining that the compensation is just and reasonable. This review and approval shall occur when such officer is hired, when the term of employment of such officer is renewed or extended, and when the compensation of such officer is modified, unless the modification applies to substantially all of the employees of this corporation.

ARTICLE V COMMITTEES

Section 1. Board Committees. The Board of Trustees may, by resolution adopted by a majority of the trustees then in office, create any number of Board Committees, each consisting of two or more trustees, and only of trustees, to serve at the pleasure of the Board. Appointments to any Board Committee shall be by a majority vote of the trustees then in office. Board Committees may be given all the authority of the Board, except for the powers to:

- (a) set the number of trustees within a range specified in these Bylaws;
- (b) elect trustees or remove trustees without cause;
- (c) fill vacancies on the Board of Trustees or on any Board Committee;
- (d) fix compensation of trustees for serving on the Board or any Board Committee;
- (e) amend or repeal these Bylaws or adopt new Bylaws;

- (f) adopt amendments to the Articles of Incorporation of this corporation;
- (g) amend or repeal any resolution of the Board of Trustees which by its express terms is not so amendable or repealable;
- (h) create any other Board Committees or appoint the members of any Board Committees; or
- (i) approve any merger, reorganization, voluntary dissolution, or disposition of substantially all of the assets of this corporation.

Section 2. Specific Board Committees.

(a) Executive Committee. In addition to any other Board Committees established pursuant to Section 1 of this Article, this corporation shall have an Executive Committee, which shall be a Board Committee. The Executive Committee shall be composed of the Chair of the Board, the President, and at least one other trustee elected in accordance with Section 1 above. The Executive Committee shall have all of the authority of the Board of Trustees between meetings of the Board of Trustees, unless otherwise provided by the Board of Trustees in specific instances.

(b) Finance and Investments Committee. This corporation shall have a Finance and Investments Committee, which may be a Board or an Advisory Committee, as determined by the Board of Trustees. The Finance and Investments Committee shall be composed of the Treasurer of this corporation, who shall serve as Chair of the Committee; the Vice Chair of this corporation; and at least one additional member. The Finance and Investments Committee shall oversee all of the financial affairs of this corporation. This oversight shall include but is not limited to: (i) ensuring that an annual budget is prepared, reflecting this corporation's anticipated receipts and expenditures for the ensuing fiscal year, and is submitted to the Board for review and approval prior to the end of this corporation's fiscal year; (ii) examination of this corporation's monthly financial reports and discussion with staff of any material variance from the current budget; (iii) establishment and review of investment policies for short- and long-term investments; (iv) monitoring this corporation's short- and long-term financial obligations to ensure appropriate debt structures, collateral, cash flows, and overall use of funds; (v) selection, performance review, and retention of outside investment managers as necessary or convenient; and (vi) ensuring that this corporation has an effective system of internal controls, including the periodic review and approval of this corporation's risk management policies and procedures.

Section 3. Advisory Committees. The Board of Trustees may establish one or more Advisory Committees to the Board. The members of any Advisory Committee may consist of trustees or non trustees and may be appointed as the Board determines. Advisory Committees may not exercise the authority of the Board to make decisions on behalf of this corporation, but shall be restricted to making recommendations to the Board or Board Committees, and implementing Board or Board Committee decisions and policies under the supervision and control of the Board or Board Committee.

Section 4. Committee Supervision and Reliance. If a committee is composed and appointed as required by Section 1 above (concerning Board Committees), it may act with the authority of the Board to the extent and with the scope provided by the Board. Otherwise, the Board of Trustees shall remain responsible for oversight and supervision of the committee as an Advisory Committee. If a committee meets the criteria of Article IV, Section 13, the individual trustees may rely on it in discharging their fiduciary duties as provided in that Section.

Section 5. Meetings.

A. Of Board Committees. Meetings and actions of Board Committees shall be governed by and held and taken in accordance with the provisions of Article IV of these Bylaws concerning meetings and actions of the Board of Trustees, with such changes in the content of those Bylaws as are necessary to substitute the Board Committee and its members for the Board of Trustees and its members. Minutes shall be kept of each meeting of any Board Committee and shall be filed with the corporate records.

B. Of Advisory Committees. Subject to the authority of the Board of Trustees, Advisory Committees may determine their own meeting rules and whether minutes shall be kept.

The Board of Trustees may adopt rules for the governance of any Board or Advisory Committee not inconsistent with the provisions of these Bylaws.

ARTICLE VI OFFICERS

Section 1. Officers. The officers of this corporation shall be a Chair of the Board, a Vice Chair, a President, a Secretary, a Treasurer, and a Chief Financial Officer. This corporation may also have, at the discretion of the trustees, such other officers as may be appointed by the Board of Trustees. Any number of offices may be held by the same person, except that none of the Secretary, the Treasurer, or the Chief Financial Officer may serve concurrently as the President or Chair of the Board. All officers other than the President and the Chief Financial Officer shall be elected from among the trustees of this corporation.

Section 2. Election. Except for the President and the Chief Financial Officer, the officers of this corporation shall be elected annually by the Board of Trustees, and each shall serve at the pleasure of the Board, subject to the rights, if any, of an officer under any contract of employment.

Section 3. Removal. Subject to the rights, if any, of an officer under any contract of employment, any officer may be removed, with or without cause, by the Board of Trustees or by an officer on whom such power of removal may be conferred by the Board of Trustees.

Section 4. Resignation. Any officer may resign at any time by giving written notice to this corporation. Any resignation shall take effect on receipt of that notice by any other officer than the person resigning or at any later time specified by that notice and, unless

otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of this corporation under any contract to which the officer is a party.

Section 5. Vacancies. A vacancy in any office for any reason shall be filled in the same manner as these Bylaws provide for election to that office.

Section 6. Chair of the Board. The Chair of the Board, who may be referred to as the Chair, shall preside at all meetings of the Board of Trustees, shall be a member of all Board Committees, and shall have such other powers and duties as may be prescribed by the Board or these Bylaws.

Section 7. Vice Chair. The Vice Chair shall, in the absence of the Chair of the Board, carry out the duties of the Chair and shall have such other powers and duties as may be prescribed by the Board or these Bylaws.

Section 8. President. The President, who shall be the most senior member of this corporation's paid executive staff, shall be the chief executive officer of this corporation and shall, subject to control of the Board, generally supervise, direct and control the business and other officers of this corporation. The President shall have the general powers and duties of management usually vested in the office of president of this corporation and shall have such other powers and duties as may be prescribed by the Board or these Bylaws.

Section 9. Secretary. The Secretary shall supervise the keeping of a full and complete record of the proceedings of the Board of Trustees and its committees, shall supervise the giving of such notices as may be proper or necessary, shall supervise the keeping of the minute books of this corporation, and shall have such other powers and duties as may be prescribed by the Board or these Bylaws.

Section 10. Treasurer. The shall supervise the charge and custody of all funds of this corporation, the deposit of such funds in the manner prescribed by the Board of Trustees, and the keeping and maintaining of adequate and correct accounts of this corporation's properties and business transactions. The Treasurer may delegate the foregoing duties to the Chief Financial Officer. The Treasurer shall render reports and accountings as required, and shall have such other powers and duties as may be prescribed by the Board or these Bylaws.

Section 11. Chief Financial Officer. The Chief Financial Officer shall be the senior member of this corporation's paid financial management staff and shall, subject to the control of the President of this corporation, generally manage the financial and accounting functions of this corporation. The Chief Financial Officer shall work with the Treasurer of this corporation to prepare reports and accountings, as required, and shall have such other powers and duties as may be prescribed by the Board, the President, or these Bylaws.

ARTICLE VII CERTAIN TRANSACTIONS

Section 1. Self-Dealing Transactions. Except as provided in Section 2 below, the Board of Trustees shall not approve, or permit this corporation to engage in, any self dealing transaction. A self dealing transaction is a transaction to which this corporation is a party and in which one or more of its trustees has a material financial interest, unless the transaction comes within California Nonprofit Religious Corporation Law Section 9243(b).

Section 2. Approval. This corporation may engage in a self dealing transaction if the transaction is approved by a court or by the Attorney General. This corporation may also engage in a self-dealing transaction if the Board determines, before the transaction, that (a) this corporation is entering into the transaction for its own benefit or for the benefit of the religious organization; (b) the transaction is fair and reasonable to this corporation or is in furtherance of its religious purposes, at the time of the transaction; and (c) after reasonable investigation, either the Board determines that it could not have obtained a more advantageous arrangement with reasonable effort under the circumstances or the transaction is in furtherance of its religious purposes. Such determinations must be made by the Board in good faith, with knowledge of the material facts concerning the transaction and the trustee's interest in the transaction, and by a vote of a majority of the trustees then in office, without counting the vote of the interested trustee or trustees.

Where it is not reasonably practicable to obtain approval of the Board before entering into a self-dealing transaction, a Board Committee may approve such transaction in a manner consistent with the foregoing requirements, provided that, at its next meeting, the full Board determines in good faith that the Board Committee's approval of the transaction was consistent with such requirements and that it was not reasonably practical to obtain advance approval by the full Board, and ratifies the transaction by a majority of the trustees then in office without counting the vote of any interested trustee.

Section 3. Compliance with Private Foundation Rules. Any provision of these Bylaws or the Articles of Incorporation of this corporation to the contrary notwithstanding, during any taxable year in which this corporation is deemed to be a "private foundation" as defined in Section 509 of the Internal Revenue Code of 1986, as amended (the "Code"), this corporation:

(a) shall distribute its income for each taxable year (and principal, if necessary) at such time and in such manner as not to subject this corporation to tax under Section 4942 of the Code;

(b) shall not approve of, or engage in, any act of self-dealing as defined in subsection (d) of Section 4941 of the Code;

(c) shall not retain any excess business holdings as defined in subsection (c) of Section 4943 of the Code;

(d) shall not make any investments in such a manner as to subject this corporation to tax under Section 4944 of the Code; and

(e) shall not make any taxable expenditure as defined in subsection (d) of Section 4945 of the Code.

ARTICLE VIII INDEMNIFICATION AND INSURANCE

Section 1. Right of Indemnity. To the fullest extent allowed by Section 9246 of the California Nonprofit Religious Corporation Law, this corporation shall indemnify its agents, in connection with any proceeding, and in accordance with Section 9246. For purposes of this Article, "agent" shall have the same meaning as in Section 9246(a), including trustees, officers, employees, other agents, and persons formerly occupying such positions; "proceeding" shall have the same meaning as in Section 9246(a), including any threatened action or investigation under Section 9243 or brought by the Attorney General pursuant to Section 9230; and "expenses" shall have the same meaning as in Section 9246(a), including reasonable attorneys' fees.

Section 2. Approval of Indemnity. On written request to the Board of Trustees in each specific case by any agent seeking indemnification, to the extent that the agent has been successful on the merits, the Board shall promptly authorize indemnification in accordance with Section 9246(d). Otherwise, the Board shall promptly determine, by a majority vote of a quorum consisting of trustees who are not parties to the proceeding, whether, in the specific case, the agent has met the applicable standard of conduct stated in Section 9246(b) or Section 9246(c), and, if so, shall authorize indemnification to the extent permitted thereby.

Section 3. Advancing Expenses. The Board of Trustees may authorize the advance of expenses incurred by or on behalf of an agent of this corporation in defending any proceeding prior to final disposition, if the Board finds that:

(a) the requested advances are reasonable in amount under the circumstances;
and

(b) before any advance is made, the agent will submit a written undertaking satisfactory to the Board to repay the advance unless it is ultimately determined that the agent is entitled to indemnification for the expenses under this Article.

The Board shall determine whether the undertaking must be secured, and whether interest shall accrue on the obligation created thereby.

Section 4. Insurance. The Board of Trustees may adopt a resolution authorizing the purchase of insurance on behalf of any agent against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, and such insurance may provide for coverage against liabilities beyond this corporation's power to indemnify the agent under law.

ARTICLE IX GRANTS ADMINISTRATION

Section 1. Purpose of Grants. This corporation shall have the power to make grants and contributions and to render other financial assistance for the purposes expressed in this corporation's Articles of Incorporation; provided, however, that so long as this corporation holds any funds received from the sale of assets pursuant to the Asset Purchase Agreement dated as of February 20, 2012, between Emanuel Medical Center, Inc., and Doctors Medical Center of Modesto, Inc., such funds shall be held and distributed by this corporation exclusively for the promotion of individual and public health, including but not limited to, direct patient care services, health research, health education, spiritual and mental health, and public/private partnerships formed to improve health, in the geographic area historically served by the hospital formerly operated by Emanuel Medical Center, Inc.

Section 2. Board of Trustees Oversight. The Board of Trustees shall exercise itself, or delegate, subject to its supervision, control over grants, contributions, and other financial assistance provided by this corporation. The Board shall approve a process for reviewing and approving or declining all requests for funds made to this corporation, which shall require such requests to specify the use to which the funds will be put, and include a mechanism for regular Board review of all grants made. The Board shall similarly approve a process for authorizing payment of duly approved grants to the approved grantee.

Section 3. Refusal; Withdrawal. The Board of Trustees, in its absolute discretion, shall have the right to refuse to make any grants or contributions, or to render other financial assistance, for any or all of the purposes for which the funds are requested. In addition, the Board, in its absolute discretion, shall have the right to withdraw its approval of any grant at any time and use the funds for other purposes within the scope of the purposes expressed in this corporation's Articles of Incorporation, subject to any rights of third parties under any contract relating to such grant.

Section 4. Accounting. The Board of Trustees shall determine under what circumstances to require that grantees furnish a periodic accounting to show that the funds granted by this corporation were expended for the purposes that were approved by the Board.

Section 5. Restrictions on Contributions. Unless otherwise determined by resolution of the Board of Trustees in particular cases, this corporation shall retain complete control and discretion over the use of all contributions it receives, subject only to any charitable trust restrictions that apply to such contributions, and all contributions received by this corporation from solicitations for specific grants shall be regarded as for the use of this corporation and not for any particular organization or individual mentioned in the solicitation.

**ARTICLE X
MISCELLANEOUS**

Section 1. Fiscal Year. The fiscal year of this corporation shall end each year on March 31.

Section 2. Contracts, Notes, and Checks. All contracts entered into on behalf of this corporation must be authorized by the Board of Trustees or the person or persons on whom such power may be conferred by the Board from time to time, and, except as otherwise provided by law, every check, draft, promissory note, money order, or other evidence of indebtedness of this corporation shall be signed by the person or persons on whom such power may be conferred by the Board from time to time.

Section 3. Electronic Transmissions. Unless otherwise provided in these Bylaws, and subject to any guidelines and procedures that the Board of Trustees may adopt from time to time, the terms "written" and "in writing" as used in these Bylaws include any form of recorded message in the English language capable of comprehension by ordinary visual means, and may include electronic transmissions, such as facsimile or email, provided (i) for electronic transmissions from this corporation, this corporation has obtained an unrevoked written consent from the recipient to the use of such means of communication; (ii) for electronic transmissions to this corporation, this corporation has in effect reasonable measures to verify that the sender is the individual purporting to have sent such transmission; and (iii) the transmission creates a record that can be retained, retrieved, reviewed, and rendered into clearly legible tangible form.

Section 4. Amendments. Proposed amendments to these Bylaws shall be submitted in writing to the trustees at least one week in advance of any Board meeting at which they will be considered for adoption. The vote of two-thirds of the trustees present at any meeting duly held at which a quorum is present or the unanimous written consent of the trustees shall be required to adopt a Bylaw amendment; except that any amendment to these Bylaws affecting the rights of the Designator shall require the consent of the Designator to become effective.

Section 5. Governing Law. In all matters not specified in these Bylaws, or in the event these Bylaws shall not comply with applicable law, the California Nonprofit Religious Corporation Law as then in effect shall apply.

CERTIFICATE OF SECRETARY

I, William H. Gibbs, certify that I am presently the duly elected and acting Secretary of Legacy Health Endowment, a California nonprofit religious corporation, and that the above Amended and Restated Bylaws, consisting of 12 pages, are the Bylaws of this corporation as adopted by the Board of Directors at a meeting duly held, at which a quorum was present and acting throughout, on October 8, 2013.

DATED: 10-8-13

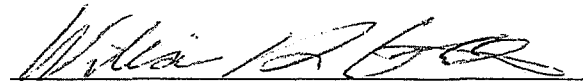

William H. Gibbs, Secretary

EXHIBIT 10

CERTIFICATE OF AMENDMENT AND RESTATEMENT
OF THE
ARTICLES OF INCORPORATION
OF
EMANUEL MEDICAL CENTER, INC.

Jennifer Larson and Marlene Stante certify that:

1. They are the Chair and the Secretary, respectively, of Emanuel Medical Center, Inc., a California nonprofit religious corporation.

2. The Articles of Incorporation of this corporation are hereby amended and restated as set forth in the attached Amended and Restated Articles of Incorporation, which are incorporated by this reference as if set forth in full in this Certificate.

3. The foregoing amendment and restatement has been duly approved by this corporation's Board of Directors.

4. The foregoing amendment and restatement has been duly approved by the required vote of the members.

We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct of our own knowledge.

DATED: _____, 2013

Jennifer Larson, Chair

DATED: _____, 2013

Marlene Stante, Secretary

AMENDED AND RESTATED
ARTICLES OF INCORPORATION
OF
EMC HEALTH, INC.

ARTICLE I

The name of this corporation is EMC Health, Inc.

ARTICLE II

A. This corporation is a religious corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Religious Corporation Law primarily for religious purposes.

B. The specific and primary purpose of this corporation is to engage in religious activities within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provisions of any future United States internal revenue law (the "Code"), and more specifically, as a Christian ministry, to support charitable and educational programs and activities that provide and promote access to healthcare services, directly and through grantmaking, primarily in Turlock and its surrounding communities.

ARTICLE III

A. This corporation is organized and operated exclusively for exempt purposes within the meaning of Section 501(c)(3) of the Code. Notwithstanding any other provision of these Articles, this corporation shall not carry on any activities not permitted to be carried on (1) by a corporation exempt from federal income tax under Section 501(c)(3) of the Code, or (2) by a corporation, contributions to which are deductible under Sections 170(c)(2), 2055(a)(2), 2106(a)(2)(A)(ii), 2522(a)(2), or 2522(b)(2) of the Code.

B. Except as permitted by law, no substantial part of the activities of this corporation shall consist of the carrying on of propaganda or otherwise attempting to influence legislation, nor shall this corporation 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.

ARTICLE IV

The property of this corporation is irrevocably dedicated to religious and charitable purposes, and no part of the net income or assets of this corporation shall ever inure to the benefit of any director, officer, or member (if any) of this corporation, or to the benefit of any private person. Upon the winding up and dissolution of this corporation and after paying or adequately providing for the debts and obligations of this corporation, the remaining assets shall be distributed to a nonprofit fund, foundation, or corporation that is organized and operated exclusively for religious or charitable purposes and that has established its tax-exempt status or is otherwise entitled to exemption under Section 501(c)(3) of the Code.

ARTICLE V

This corporation elects to be governed by all of the provisions of the Nonprofit Corporation Law of 1980 not otherwise applicable to it under Part 5 thereof.

EXHIBIT 11

**AMENDED AND RESTATED BYLAWS
OF
EMC HEALTH, INC.**

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**AMENDED AND RESTATED BYLAWS
OF
EMC HEALTH, INC.**

**ARTICLE I
PRINCIPAL OFFICE**

The principal office of this corporation shall be located in the county of Stanislaus, California.

**ARTICLE II
MEMBERSHIP**

Section 1. Identity of Member. This corporation shall have a single corporate member. The sole member of this corporation shall be Covenant Ministries of Benevolence, an Illinois not-for-profit religious corporation (the "Member").

Section 2. Designated Representative. The Member shall exercise all the rights and obligations of membership in this corporation, including the right to vote, through a designated representative. The Member shall designate its representative in a writing executed by an authorized corporate officer of the Member delivered to an officer of this corporation. The Member may change its designated representative at any time in the same manner. The Secretary shall maintain such designations in the minute books of this corporation.

Section 3. Actions of Member. All actions of the Member shall be evidenced by a writing signed by the Member's then authorized representative, delivered to an officer of this corporation, and filed by the Secretary with the proceedings of the Board.

Section 4. Nonliability. The Member shall not be liable for the debts, liabilities, or obligations of this corporation.

Section 5. Assessments. Membership in this corporation shall not be assessable.

Section 6. Transferability of Memberships. Membership in this corporation, or any right arising therefrom, may not be transferred or assigned. Any attempted transfer shall be void.

Section 7. Termination of Membership. Membership shall continue until the member dissolves or resigns in a writing delivered to the Secretary or President of this corporation.

ARTICLE III MEMBERSHIP RIGHTS

Section 1. Voting Rights. Subject to these Bylaws, the Member of this corporation shall have the right to vote, as set forth in these Bylaws, on:

- (a) the election of directors;
- (b) changing the number of directors if fixed in the Bylaws, changing the maximum or minimum number of directors if a range is stated in the Bylaws, or changing the Bylaws from a fixed number of directors to a range or vice versa;
- (c) the removal of directors without cause;
- (d) filling any vacancy caused by the removal of a director;
- (e) any amendment to these Bylaws that materially and adversely affects member rights to vote or to transfer its membership or as further provided under the California Nonprofit Religious Corporation Law; and all amendments to the Articles of Incorporation of this corporation, (except as otherwise permitted by the California Nonprofit Religious Corporation Law);
- (f) the disposition of all or substantially all of the assets of this corporation;
- (g) any merger of this corporation;
- (h) any voluntary dissolution of this corporation; and
- (i) any other matters that may properly be presented to the Member for a vote, pursuant to this corporation's Articles, Bylaws, or action of the Board of Directors, or by operation of law.

Section 2. Member Inspection Rights.

A. Articles and Bylaws. This corporation shall keep at its principal office in California current copies of the Articles of Incorporation and Bylaws of this corporation, which shall be open to inspection by the Member at all reasonable times. If this corporation has no principal office in California, the Secretary shall furnish such copies to the Member on written request therefor.

B. Accounting Records; Minutes. On written request, the Member (in person or through an agent or attorney) may inspect and copy the accounting books and records of this corporation and the minutes of the proceedings of the Member, the Board, or any Board Committee, at any reasonable time and for a purpose reasonably related to the Member's interests as a Member.

C. Membership Records. The right of the Member to have access to the membership records of this corporation shall be governed by Sections 9510 through 9512 of the California Nonprofit Religious Corporation Law.

Section 3. Other Member Rights. In addition to the rights described in these Bylaws, the Member of this corporation shall have any other rights afforded voting members under the California Nonprofit Religious Corporation Law.

ARTICLE IV MEMBER MEETINGS AND VOTING

Section 1. Member Voting. The Member shall have one vote on each matter on which members are entitled to vote.

Section 2. Regular Membership Meetings. So long as this corporation has only one Member, all requirements relating to regular and annual membership meetings under the California Nonprofit Religious Corporation Law are dispensed with, and the Member may meet at such time, date, and place as it determines from time to time in order to elect or remove directors and take any other action as may come before the meeting.

Section 3. Special Membership Meeting. Special membership meetings may be called by the Board of Directors, the Chair, the President or the Member.

Section 4. Action by Written Consent. Any action required or permitted to be taken by members at a meeting, may be taken without a meeting if the Member consents to such action in writing. Such consent(s) shall be filed in the minute books of this corporation. Written consent shall include electronic mail or facsimile transmitted by the Member in compliance with Article XI, Section 3, of these Bylaws. The action by written consent shall have the same force and effect as a vote of the Member.

ARTICLE V BOARD OF DIRECTORS

Section 1. Corporate Powers; Exercise by Board. This corporation shall have powers to the full extent allowed by law. All powers and activities of this corporation shall be exercised and managed by the Board of Directors of this corporation directly or, if delegated, under the ultimate direction of the Board.

Section 2. Number and Qualification of Directors. The number of directors shall be not less than 3 nor more than 9, with the exact authorized number of directors to be fixed from time to time by resolution of the Board of Directors. Any amendment of the preceding sentence shall require the approval of the Member.

Section 3. Election and Term of Office of Directors. Each of the directors shall be elected by the Member. Each director shall be elected for a term of three years. The terms of directors shall be staggered so that approximately one-third of the total authorized

number of directors shall be elected each year. Each director shall hold office until expiration of the term and until a successor has been elected.

Section 4. Vacancies. A vacancy shall be deemed to exist on the Board in the event that the actual number of directors is less than the authorized number for any reason. Vacancies may be filled by the remaining directors (unless the vacancy was created by removal by the Member) or, if not filled by the directors, by the Member, for the unexpired portion of the term.

Section 5. Resignation and Removal of Directors. Resignations shall be effective upon receipt in writing by the Chair of the Board (if any), the President (if any), the Secretary, or the Board of Directors of this corporation, unless a later effective date is specified in the resignation. The Member may remove any director without cause at any time.

Section 6. Annual Board Meetings. A meeting of the Board of Directors shall be held at least once a year. Annual meetings shall be called by the President, the Chair of the Board (if any), or any two directors, and noticed in accordance with Section 8 below.

Section 7. Special Board Meetings. Special meetings of the Board of Directors may be called by the President, the Chair of the Board (if any), or any two directors, and noticed in accordance with Section 8 below.

Section 8. Notice. Notice of the annual meeting and any special meetings of the Board of Directors shall state the date, place, and time of the meeting and shall be given to each director at least four days before any such meeting if given by first-class mail or forty-eight hours before any such meeting if given personally or by telephone, including a voice messaging system or by other electronic transmission such as e-mail, in compliance with Article XI, Section 3, of these Bylaws.

Section 9. Waiver of Notice. The transactions of any meeting of the Board of Directors, however called and noticed and wherever held, shall be valid as though taken at a meeting duly held after proper call and notice, if a quorum is present, and if, either before or after the meeting, each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. All waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Notice of a meeting shall also be deemed given to any director who attends the meeting without protesting the lack of adequate notice before the meeting or at its commencement.

Section 10. Quorum. A majority of the directors then in office shall constitute a quorum, provided that in no event shall the required quorum be less than one-fifth of the authorized number of directors or two directors, whichever is larger. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, except as otherwise provided in Article V, Sections 4 (filling board vacancies), 5 (removing directors) and 11 (taking action without a meeting); Article VI, Section 1 (appointing Board Committees); Article VIII, Section 2 (approving self-dealing transactions); Article IX, Section 2 (approving indemnification); and Article XI, Section 4 (amending Bylaws),

of these Bylaws or in the California Nonprofit Religious Corporation Law. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for such meeting.

Section 11. Action Without a Meeting. Any action required or permitted to be taken by the Board may be taken without a meeting if all members of the Board (other than any director interested in a transaction so approved) shall individually or collectively consent to such action in writing. Such written consents shall be filed with the minutes of the proceedings of the Board, and shall have the same force and effect as the unanimous vote of such directors.

Section 12. Telephone and Electronic Meetings. Directors may participate in a meeting through use of conference telephone, electronic video screen communication, or other electronic transmission in compliance with Article XI, Section 3, of these Bylaws so long as both of the following apply:

(a) each director participating in the meeting can communicate with all of the other directors concurrently; and

(b) each director is provided with the means of participating in all matters before the Board, including the capacity to propose, or to interpose an objection to, a specific action to be taken by the corporation.

Section 13. Standard of Care. A director shall perform the duties of a director, including duties as a member of any Board Committee on which the director may serve, in good faith, in a manner such director believes to be in the best interest of this corporation and with such care, including reasonable inquiry, as is appropriate under the circumstances. In making a good faith determination, a director may consider what the director believes are the religious purposes of this corporation, and any applicable religious tenets, canons, laws, policies, and authority.

In performing the duties of a director, a director shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by:

(i) one or more officers or employees of this corporation whom the director believes to be reliable and competent as to the matters presented;

(ii) counsel, independent accountants, or other persons as to matters which the director believes to be within such person's professional or expert competence;

(iii) a committee upon which the director does not serve that is composed exclusively of any combination of directors or persons described in (i) or (ii), as to matters within the committee's designated authority, provided that the director believes such committee merits confidence;

(iv) religious authorities and ministers, priests, or other persons whose position or duties in the religious organization the director believes justify reliance and confidence and whom the director believes to be reliable and competent in the matters presented;

so long as, in any such case, the director acts in good faith, after reasonable inquiry when the need therefor is indicated by the circumstances, and without knowledge that would cause such reliance to be unwarranted.

Except as provided in Article VI below, a person who performs the duties of a director in accordance with this Section shall have no liability based upon any failure or alleged failure to discharge that person's obligations as a director, including, without limiting the generality of the foregoing, any actions or omissions which exceed or defeat any purpose to which a corporation, or assets held by it, may be dedicated. The duties and liabilities set forth in this Section shall apply without regard to whether a director is compensated by this corporation.

This standard of care shall apply, without limitation, to directors' actions in investing, reinvesting, purchasing or acquiring, exchanging, selling, and managing this corporation's investments. This standard of care shall also apply, without limitation, to directors' actions or omissions relating to compensation paid to any director (whether for service as a director or an officer), or any loan of money or property to, or guaranty of the obligation of, any director or officer, by this corporation. The directors benefited by any such act or omission are not prohibited from participating in the Board's decision thereon.

Section 14. Director Inspection Rights. Every director shall have the absolute right at any reasonable time to inspect and copy all books, records, and documents, and to inspect the physical properties of this corporation.

Section 15. Director Compensation. Directors shall serve without compensation for their services as directors. The Board of Directors may authorize the advance or reimbursement to a director of actual reasonable expenses incurred in carrying out his or her duties as a director, such as for attending meetings of the Board and Board Committees. Nothing herein shall be construed to preclude any director from serving this corporation in any other capacity and receiving compensation therefor. No employee of this corporation other than the President/CEO may serve on the Board of Directors.

Section 16. Executive Compensation Review. The Board of Directors (or a Board Committee) shall review any compensation packages (including all benefits) of the President or the chief executive officer and the Treasurer or chief financial officer, regardless of job title, and shall approve such compensation only after determining that the compensation is just and reasonable. This review and approval shall occur when such officer is hired, when the term of employment of such officer is renewed or extended, and when the compensation of such officer is modified, unless the modification applies to substantially all of the employees of this corporation.

ARTICLE VI COMMITTEES

Section 1. Board Committees. The Board of Directors may, by resolution adopted by a majority of the directors then in office, create any number of Board Committees, each consisting of two or more directors, and only of directors, to serve at the pleasure of the Board. Appointments to any Board Committee shall be by a majority vote of the directors then in office. Board Committees may be given all the authority of the Board, except for the powers to:

- (a) set the number of directors within a range specified in these Bylaws;
- (b) elect directors or remove directors without cause;
- (c) fill vacancies on the Board of Directors or on any Board Committee;
- (d) fix compensation of directors for serving on the Board or any Board Committee;
- (e) amend or repeal these Bylaws or adopt new Bylaws;
- (f) approve amendments to the Articles of Incorporation of this corporation;
- (g) amend or repeal any resolution of the Board of Directors which by its express terms is not so amendable or repealable;
- (h) create any other Board Committees or appoint the members of any Board Committees; or
- (i) approve any merger, reorganization, voluntary dissolution, or disposition of substantially all of the assets of this corporation.

Section 2. Standing Board Committees.

A. Executive Committee. This corporation shall have an Executive Committee, consisting of the Chair, Vice Chair, President, Secretary, and Treasurer of this corporation. Except as provided in Section 1 of this Article, the Executive Committee shall have the power to transact all regular business of this corporation between Board meetings, subject to the California Nonprofit Religious Corporation Law and consistent with any policies established by the Board from time to time.

B. Finance Committee. This corporation shall have a Finance Committee, consisting of the Treasurer and the Vice Chair of this corporation and at least one additional director. The Finance Committee shall be responsible for: (i) ensuring that an annual budget is prepared reflecting this corporation's anticipated receipts and expenditures for the ensuing fiscal year; (ii) submission of the budget to the Board for review and approval prior to the end of this corporation's fiscal year; (iii) examination of this corporation's monthly financial reports and discussion with staff of any variance from the current budget; (iv) establishment and review of

investment policies; and (v) ensuring that this corporation has an effective system of internal control.

Section 3. Advisory Committees. The Board of Directors may establish one or more Advisory Committees to the Board. The members of any Advisory Committee may consist of directors or non-directors and may be appointed as the Board determines. Advisory Committees may not exercise the authority of the Board to make decisions on behalf of this corporation, but shall be restricted to making recommendations to the Board or Board Committees, and implementing Board or Board Committee decisions and policies under the supervision and control of the Board or Board Committee.

Section 4. Committee Supervision and Reliance. If a committee is composed and appointed as required by Section 1 above (concerning Board Committees), it may act with the authority of the Board to the extent and with the scope provided by the Board. Otherwise, the Board of Directors shall remain responsible for oversight and supervision of the committee as an Advisory Committee. If a committee meets the criteria of Article V, Section 13, the individual directors may rely on it in discharging their fiduciary duties as provided in that Section.

Section 5. Meetings.

A. Of Board Committees. Meetings and actions of Board Committees shall be governed by and held and taken in accordance with the provisions of Article V of these Bylaws concerning meetings and actions of the Board of Directors, with such changes in the content of those Bylaws as are necessary to substitute the Board Committee and its members for the Board of Directors and its members. Minutes shall be kept of each meeting of any Board Committee and shall be filed with the corporate records.

B. Of Advisory Committees. Subject to the authority of the Board of Directors, Advisory Committees may determine their own meeting rules and whether minutes shall be kept.

The Board of Directors may adopt rules for the governance of any Board or Advisory Committee not inconsistent with the provisions of these Bylaws.

ARTICLE VII OFFICERS

Section 1. Officers. The officers of this corporation shall be a Chair of the Board, a Vice Chair, a President, a Secretary, and a Treasurer. The corporation may also have, at the discretion of the Board of Directors, such other officers as may be appointed by the Board of Directors. Any number of offices may be held by the same person, except that neither the Secretary nor the Treasurer may serve concurrently as the Chair of the Board or the President. The Chair of the Board and the Vice Chair shall be elected from among the directors of this corporation.

Section 2. Election. The officers of this corporation shall be elected annually by the Board of Directors, and each shall serve at the pleasure of the Board, subject to the rights, if any, of an officer under any contract of employment.

Section 3. Removal. Subject to the rights, if any, of an officer under any contract of employment, any officer may be removed, with or without cause, by the Board of Directors or by an officer on whom such power of removal may be conferred by the Board of Directors.

Section 4. Resignation. Any officer may resign at any time by giving written notice to this corporation. Any resignation shall take effect on receipt of that notice by any other officer than the person resigning or at any later time specified by that notice and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of this corporation under any contract to which the officer is a party.

Section 5. Vacancies. A vacancy in any office for any reason shall be filled in the same manner as these Bylaws provide for election to that office.

Section 6. Chair of the Board. The Chair of the Board, who may be referred to as the Chair, shall preside at all meetings of the Board of Directors. He/she shall be a member of all committees, *ex officio*. He/she may sign, with the Secretary or any other proper officer of this corporation authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws or by statute to some other officer or agent of this corporation; and in general he/she shall perform all duties usually vested in the officer of Chair of the Board, and such other duties as may be prescribed by these Bylaws or the Board of Directors from time to time.

Section 7. Vice Chair. In the absence of the Chair of the Board, or in event of his/her inability or refusal to act, the Vice Chair shall perform the duties of the Chair, and when so acting, shall have all the powers of and be subject to all the restrictions upon the Chair. The Vice Chair shall perform such other duties as prescribed by these Bylaws of by the Chair or the Board of Directors from time to time.

Section 8. President. The President shall be the chief executive officer of this corporation and shall, subject to control of the Board of Directors, generally supervise, direct and control the business and other officers of this corporation. The President shall have the general powers and duties of management usually vested in the office of president of the corporation and shall have such other powers and duties as may be prescribed by the Board or these Bylaws.

Section 9. Secretary. The Secretary shall supervise the keeping of a full and complete record of the proceedings of the Member and the Board of Directors and its committees, shall supervise the giving of such notices as may be proper or necessary, shall supervise the keeping of the minute books and membership records of this corporation, and shall have such other powers and duties as may be prescribed by the Board or these Bylaws.

Section 10. Treasurer. The Treasurer shall be the chief financial officer of this corporation and shall supervise the charge and custody of all funds of this corporation, the deposit of such funds in the manner prescribed by the Board of Directors, and the keeping and maintaining of adequate and correct accounts of this corporation's properties and business transactions, shall render reports and accountings as required, and shall have such other powers and duties as may be prescribed by the Board or these Bylaws.

ARTICLE VIII CERTAIN TRANSACTIONS

Section 1. Self-Dealing Transactions. Except as provided in Section 2 below, the Board of Directors shall not approve, or permit the corporation to engage in, any self dealing transaction. A self dealing transaction is a transaction to which this corporation is a party and in which one or more of its directors has a material financial interest, unless the transaction comes within California Nonprofit Religious Corporation Law Section 9243(b).

Section 2. Approval. This corporation may engage in a self dealing transaction if the transaction is approved by a court or by the Attorney General. This corporation may also engage in a self-dealing transaction if the Board determines, before the transaction, that (a) this corporation is entering into the transaction for its own benefit or for the benefit of the religious organization; (b) the transaction is fair and reasonable to this corporation or is in furtherance of its religious purposes, at the time of the transaction; and (c) after reasonable investigation, either the Board determines that it could not have obtained a more advantageous arrangement with reasonable effort under the circumstances or the transaction is in furtherance of its religious purposes. Such determinations must be made by the Board in good faith, with knowledge of the material facts concerning the transaction and the director's interest in the transaction, and by a vote of a majority of the directors then in office, without counting the vote of the interested director or directors.

Where it is not reasonably practicable to obtain approval of the Board before entering into a self-dealing transaction, a Board Committee may approve such transaction in a manner consistent with the foregoing requirements, provided that, at its next meeting, the full Board determines in good faith that the Board Committee's approval of the transaction was consistent with such requirements and that it was not reasonably practical to obtain advance approval by the full Board, and ratifies the transaction by a majority of the directors then in office without counting the vote of any interested director.

Section 3. Compliance with Private Foundation Rules. Any provision of these Bylaws or the Articles of Incorporation of this corporation to the contrary notwithstanding, during any taxable year in which this corporation is deemed to be a "private foundation" as defined in Section 509 of the Internal Revenue Code of 1986, as amended (the "Code"), this corporation:

(a) shall distribute its income for each taxable year (and principal, if necessary) at such time and in such manner as not to subject this corporation to tax under Section 4942 of the Code;

(b) shall not approve of, or engage in, any act of self-dealing as defined in subsection (d) of Section 4941 of the Code;

(c) shall not retain any excess business holdings as defined in subsection (c) of Section 4943 of the Code;

(d) shall not make any investments in such a manner as to subject this corporation to tax under Section 4944 of the Code; and

(e) shall not make any taxable expenditure as defined in subsection (d) of Section 4945 of the Code.

ARTICLE IX INDEMNIFICATION AND INSURANCE

Section 1. Right of Indemnity. To the fullest extent allowed by Section 9246 of the California Nonprofit Religious Corporation Law, this corporation shall indemnify its agents, in connection with any proceeding, and in accordance with Section 9246. For purposes of this Article, "agent" shall have the same meaning as in Section 9246(a), including directors, officers, employees, other agents, and persons formerly occupying such positions; "proceeding" shall have the same meaning as in Section 9246(a), including any threatened action or investigation under Section 9243 or brought by the Attorney General pursuant to Section 9230; and "expenses" shall have the same meaning as in Section 9246(a), including reasonable attorneys' fees.

Section 2. Approval of Indemnity. On written request to the Board of Directors in each specific case by any agent seeking indemnification, to the extent that the agent has been successful on the merits, the Board shall promptly authorize indemnification in accordance with Section 9246(d). Otherwise, the Board shall promptly determine, by a majority vote of a quorum consisting of directors who are not parties to the proceeding, whether, in the specific case, the agent has met the applicable standard of conduct stated in Section 9246(b) or Section 9246(c), and, if so, shall authorize indemnification to the extent permitted thereby. If the Board cannot do so because there is no quorum of directors who are not party to the proceeding for which indemnification is sought, the Board shall promptly call a membership meeting. At that meeting, the Member shall determine whether, in the specific case, the applicable standard of conduct stated in such Section has been met, and, if so, the Member may authorize indemnification to the extent permitted thereby.

Section 3. Advancing Expenses. The Board of Directors may authorize the advance of expenses incurred by or on behalf of an agent of this corporation in defending any proceeding prior to final disposition, if the Board finds that:

(a) the requested advances are reasonable in amount under the circumstances;
and

(b) before any advance is made, the agent will submit a written undertaking satisfactory to the Board to repay the advance unless it is ultimately determined that the agent is entitled to indemnification for the expenses under this Article.

The Board shall determine whether the undertaking must be secured, and whether interest shall accrue on the obligation created thereby.

Section 4. Insurance. The Board of Directors may adopt a resolution authorizing the purchase of insurance on behalf of any agent against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, and such insurance may provide for coverage against liabilities beyond this corporation's power to indemnify the agent under law.

ARTICLE X GRANTS ADMINISTRATION

Section 1. Purpose of Grants. This corporation shall have the power to make grants and contributions and to render other financial assistance for the purposes expressed in this corporation's Articles of Incorporation.

Section 2. Board of Directors Oversight. The Board of Directors shall exercise itself, or delegate, subject to its supervision, control over grants, contributions, and other financial assistance provided by this corporation. The Board shall approve a process for reviewing and approving or declining all requests for funds made to this corporation, which shall require such requests to specify the use to which the funds will be put, and include a mechanism for regular Board review of all grants made. The Board shall similarly approve a process for authorizing payment of duly approved grants to the approved grantee.

Section 3. Refusal; Withdrawal. The Board of Directors, in its absolute discretion, shall have the right to refuse to make any grants or contributions, or to render other financial assistance, for any or all of the purposes for which the funds are requested. In addition, the Board, in its absolute discretion, shall have the right to withdraw its approval of any grant at any time and use the funds for other purposes within the scope of the purposes expressed in this corporation's Articles of Incorporation, subject to any rights of third parties under any contract relating to such grant.

Section 4. Accounting. The Board of Directors shall determine under what circumstances to require that grantees furnish a periodic accounting to show that the funds granted by this corporation were expended for the purposes that were approved by the Board.

Section 5. Restrictions on Contributions. Unless otherwise determined by resolution of the Board of Directors in particular cases, this corporation shall retain complete control and discretion over the use of all contributions it receives, subject only to any charitable trust restrictions that apply to such contributions, and all contributions received by this corporation from solicitations for specific grants shall be regarded as for the use of this corporation and not for any particular organization or individual mentioned in the solicitation.

**ARTICLE XI
MISCELLANEOUS**

Section 1. Fiscal Year. The fiscal year of this corporation shall end each year on January 31.

Section 2. Contracts, Notes, and Checks. All contracts entered into on behalf of this corporation must be authorized by the Board of Directors, the President, or such other person(s) on whom such power may be conferred by the Board from time to time. Except as otherwise provided by law, every check, draft, promissory note, money order, or other evidence of indebtedness of this corporation shall be signed by the person or persons on whom such power may be conferred by the Board from time to time.

Section 3. Electronic Transmissions. Unless otherwise provided in these Bylaws, and subject to any guidelines and procedures that the Board of Directors may adopt from time to time, the terms "written" and "in writing" as used in these Bylaws include any form of recorded message in the English language capable of comprehension by ordinary visual means, and may include electronic transmissions, such as facsimile or email, provided (i) for electronic transmissions from the corporation, the corporation has obtained an unrevoked written consent from the recipient to the use of such means of communication; (ii) for electronic transmissions to the corporation, the corporation has in effect reasonable measures to verify that the sender is the individual purporting to have sent such transmission; and (iii) the transmission creates a record that can be retained, retrieved, reviewed, and rendered into clearly legible tangible form.

Section 4. Amendments. Except as otherwise specifically provided in these Bylaws, amendments to these Bylaws may be adopted by the Member or the Board of Directors by vote of a majority of the directors then in office or the unanimous written consent of the Board, as the case may be, provided that the Board may not amend the Bylaws if the amendment would materially and adversely affect the rights of the Member to vote, or to transfer its membership, or as otherwise provided under the California Nonprofit Religious Corporation Law. If a proposed Bylaw amendment will be considered at a meeting, it shall be submitted in writing to the persons entitled to vote thereon at least one week before such meeting.

Section 5. Governing Law. In all matters not specified in these Bylaws, or in the event these Bylaws shall not comply with applicable law, the California Nonprofit Religious Corporation Law as then in effect shall apply.

CERTIFICATE OF SECRETARY

I, Marlene Stante, certify that I am presently the duly elected and acting Secretary of EMC Legacy Health, a California nonprofit religious corporation, and that the above amended and restated Bylaws, consisting of [] pages, are the Bylaws of this corporation as adopted by unanimous written consent effective at a duly called and noticed meeting of the Board of Directors at which a quorum was present, held on _____, 2013.

DATED: _____

Marlene Stante, Secretary