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DEPARTMENT OF JUSTICE



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December 15, 2022

Jean Tom
Davis Wright Tremaine LLP
505 Montgomery Street, Suite 800
San Francisco, CA 94111
JeanTom@dwt.com

Sent via email

RE: Proposed Change in Control and Governance of Madera Community Hospital

Dear Ms. Tom:

Pursuant to California Corporations Code section 5920 et seq., the Attorney General hereby conditionally consents to the proposed change in control and governance of Madera Community Hospital, pursuant to the terms of the Affiliation Agreement dated August 17, 2022, between Madera Community Hospital, a California nonprofit public benefit corporation; Saint Agnes Health, a California nonprofit public benefit corporation; Saint Agnes Medical Center, a California nonprofit public benefit corporation; and Trinity Health Corporation, an Indiana nonprofit corporation.

California Corporations Code section 5923 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 nonprofit corporations or entities. The Attorney General has considered such factors under the exceptional circumstances of this case and with those circumstances in mind consents to the proposed transaction subject to the attached conditions that are incorporated by reference herein.

Sincerely,

ORIGINAL SIGNED BY

Melissa Hamill

MELISSA HAMILL
Deputy Attorney General

For ROB BONTA
Attorney General

cc: Jason Farber
MH: Enclosure
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SUMMARY LIST OF CONDITIONS

Condition I: Identifies the entities that are legally bound by the conditions: Madera Community Hospital (MCH),¹ a California nonprofit public benefit corporation; St. Agnes Health, a California nonprofit public benefit corporation; St. Agnes Medical Center, a California nonprofit public benefit corporation; and Trinity Health Corporation, an Indiana nonprofit corporation.

Condition II: Identifies the transaction documents and requires 60 days' notice of any modifications or rescissions of transaction document terms to allow for Attorney General review.

Condition III: Requires 60 days' notice of any closure, transfer, repurposing, substantial curtailment in services, or change in governance/control for ten (10) years.

Condition IV: Requires commercially reasonable best efforts in good faith to maintain MCH as a general acute care hospital with a 24-hour emergency department including basic inpatient and supplemental services at no less than current licensure, designations, and certification with the same types and levels of services, with the use of a monitor by mutual agreement to review and report on disputes.

Condition V: Requires maintenance of Medi-Cal Managed Care and county contracts, certification and participation in the Medi-Cal and Medicare programs, and provision of the same types and/or levels of emergency and non-emergency services for Medi-Cal and Medicare beneficiaries.

Condition VI: Requires maintenance of a charity care policy, the provision of annual charity care, as well as charity care or discounted payments to patients at or below 400% of the federal poverty level (FPL) if they are either uninsured or are insured but have high medical costs.

Condition VII: Requires certain steps to inform patients and their representatives of the Financial Assistance Policy, such as posting the policy within the hospital and online, and the provision of written estimated costs of healthcare services to patients who do not have health care insurance coverage pursuant to Health & Safety Code section 1339.585.

¹ The term "MCH" shall include the 106-bed general acute care hospital located at 1250 East Almond Avenue, Madera, California, 93637 and its basic and supplemental services or other certifiable parts, included in the license issued to "Madera Community Hospital" by the California Department of Public Health (CDPH), and any outpatient services or clinics located as follows: Chowchilla Medical Center at 285 Hospital Drive, Chowchilla, California, 93610; Family Health Services Madera at 1210 E. Almond Avenue, Suite A & B, Madera, California, 93637; Family Health Services Mendota at 121 Belmont Avenue, Suite 100, Mendota, California, 93640; Medical Specialty Clinic at 1250 E. Almond Avenue, Suite A, Madera, California, 93637; Outpatient Center at 1270 E. Almond Avenue, Madera, California, 93637, MRI and Mammography at 1270 E. Almond Avenue, Madera, California, 93637, and Outpatient X-Ray, at 1250 E. Almond Avenue, Madera, California, 93637.

Condition VIII: Requires provision of community benefit programs pursuant to MCH's annual Community Benefits Plan, including those community benefits defined in California Health & Safety Code section 123475.

Condition IX: Requires maintenance of existing language and cultural services including the hospital's Financial Assistance Program applications written in English and Spanish, languages spoken at MCH either as a primary language or through translation services, and deaf and hearing impaired interpreter services and communication aids during the provision of health services or treatment, at no cost to the patient.

Condition X: Requires provision of emergency reproductive health services in compliance with the Emergency Medical Treatment and Labor Act (EMTALA), provision of emergency contraception for survivors of sexual assault, provision of women's healthcare, nondiscrimination of reproductive healthcare practitioners, notice to the public of policy-based prohibitions on health services, and provision of information about alternative providers and transportation to those alternative providers.

Condition XI: Requires maintenance of existing contracts with state and local governments.

Condition XII: Requires a community board of community representatives and physicians to comment on all reports MCH submits to the Attorney General regarding compliance.

Condition XIII: Requires maintaining privileges for current medical staff in good standing.

Condition XIV: Prohibits discrimination on the bases of protected personal characteristics.

Condition XV: Sets the following Price Caps:

1. Price Cap of 110 percent of prevailing Medicare Fee for Service (FFS) rates on MCH's existing Medicare Managed Care (Medicare Advantage) contracts for five (5) years upon initial contract renewals.
2. Price Cap on MCH's existing Medi-Cal Managed Care contracts for five (5) years upon initial contract renewals such that any new rates will not exceed Saint Agnes Medical Center's current 2022 Medi-Cal Managed Care contracted rates, excluding any state or federal support payments. Annual cost increases are allowed during this five (5) year period tied to the overall annual average update to the Medi-Cal FFS fee schedule.
3. Price Cap for five (5) years as of the Closing Date of the Affiliation Agreement, on out-of-network reimbursement for emergency services rendered to commercially insured patients at 250 percent of Medicare FFS rates.

Condition XVI: Prohibits retaliation of any payor, entity, or individual that provided information in conjunction with the conditions.

Condition XVII: Requires annual detailed reporting of compliance with conditions no later than 6 months after the conclusion of each year for five (5) years.

Condition XVIII: Requires entities to provide information that is reasonably necessary for the Attorney General to monitor compliance with the conditions for five (5) years.

Condition XIX: At closing of the Affiliation Agreement, the entities listed in Condition I are deemed to have explicitly and implicitly consented to the applicability of and compliance with the conditions. The Attorney General reserves the right to enforce conditions to the fullest extent of the law and recover attorneys' fees.

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Attorney General’s Conditions to Proposed Change in Control and Governance of Madera Community Hospital, a California Nonprofit Public Benefit Corporation, through an Affiliation Agreement with St. Agnes Health, a California Nonprofit Public Benefit Corporation, Saint Agnes Medical Center, a California Nonprofit Public Benefit Corporation and Trinity Health Corporation, an Indiana Nonprofit Corporation.

I.

These Conditions shall be legally binding on the following entities: Madera Community Hospital, a California nonprofit public benefit corporation (MCH),¹ St. Agnes Health, a California nonprofit public benefit corporation (St. Agnes), Saint Agnes Medical Center, a California nonprofit public benefit corporation (SAMC), Trinity Health Corporation, an Indiana nonprofit corporation (Trinity Health), any other subsidiary, parent, general partner, limited partner, member, affiliate, successor, successor in interest, assignee, or person or entity serving in a similar capacity of MCH, Saint Agnes, SAMC or Trinity Health, any entity succeeding thereto as a result of consolidation, affiliation, merger, or acquisition of all or substantially all of the real property or operating assets of MCH or the real property on which MCH is located; any and all current and future owners, lessees, licensees, or operators of MCH; and any and all current and future lessees and owners of the real property on which MCH is located.

II.

The transaction approved by the Attorney General consists of the Affiliation Agreement, attached hereto as Exhibit 1, by and between MCH, Saint Agnes, SAMC and Trinity Health, and any and all amendments, agreements, or documents referenced in or attached as an exhibit or schedule to any of the foregoing agreements (collectively, the Affiliation Agreement). The entities listed in Condition I shall fulfil the terms of the Affiliation Agreement including, but not limited to, any exhibits or schedules to the Affiliation Agreement, and shall notify the

¹ Throughout this document, the term “MCH” shall include the 106-bed general acute care hospital located at 1250 East Almond Avenue, Madera, California, 93637 and its basic and supplemental services or other certifiable parts, included in the license issued to “Madera Community Hospital” by the California Department of Public Health (CDPH), and any outpatient services or clinics located as follows: Chowchilla Medical Center at 285 Hospital Drive, Chowchilla, California, 93610; Family Health Services Madera at 1210 E. Almond Avenue, Suite A & B, Madera, California, 93637; Family Health Services Mendota at 121 Belmont Avenue, Suite 100, Mendota, California, 93640; Medical Specialty Clinic at 1250 E. Almond Avenue, Suite A, Madera, California, 93637; Outpatient Center at 1270 E. Almond Avenue, Madera, California, 93637, MRI and Mammography at 1270 E. Almond Avenue, Madera, California, 93637, and Outpatient X-Ray, at 1250 E. Almond Avenue, Madera, California, 93637.

Attorney General in writing of any proposed modifications or rescissions. Such notifications shall be provided at least sixty (60) 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 5923 and require the Attorney General's approval.

III.

For ten (10) years from the Closing Date of the Affiliation Agreement,² the entities listed in Condition I shall be required to provide written notice to the Attorney General sixty (60) 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 MCH;
- b) Transfer control, responsibility, management, or governance of MCH. The substitution or addition of a new corporate member or members of MCH, Saint Agnes, SAMC, or Trinity Health that transfers the control of, responsibility for, or governance of MCH shall be deemed a transfer for purposes of this Condition. The substitution or addition of one or more members of the governing bodies of MCH, Saint Agnes, SAMC, or Trinity Health, or any arrangement, written or oral, that would transfer voting control of the members of the governing bodies of MCH, Saint Agnes, SAMC, or Trinity Health, shall also be deemed a transfer for purposes of this Condition; or
- c) Repurpose of MCH for services other than those currently being provided as of the Closing Date of the Affiliation Agreement or substantially curtailing services currently being provided by MCH as of the Closing Date of the Affiliation Agreement.

IV.

For five (5) years from the Closing Date of the Affiliation Agreement, the entities listed in Condition I shall engage in all commercially reasonable best efforts in good faith to operate and maintain MCH as a licensed general acute care hospital (as defined in subdivision (a) of section 1250 of the California Health and Safety Code), to maintain and provide 24-hour basic, supplemental and emergency services at no less than current³ licensure, designations and

² As used herein, "Closing Date" has the same meaning as defined in Section 4.01 of the Affiliation Agreement.

³ The term "current" or "currently" throughout this document means as approved on the hospital's license effective May 27, 2022.

certifications, to maintain participation in the Centers for Medicare and Medicaid (CMS) certification, with the same types and/or levels of services as well as the following:⁴

a) 16 basic emergency medical beds and emergency medical services, 24 hours a day, seven days a week, to include maintaining the unit's necessary and required nursing staff, physicians, emergency medical personnel, equipment, supplies, services and space to provide prompt care for any patients presenting with urgent and emergency medical conditions and to safely support the needs of the patients in the emergency department, in accordance with: sections 70411, 70413, 70415, 70417 and 70419 of Title 22, Division 5, Chapter 1, Article 6 of the California Code of Regulations.

b) 73 unspecified general acute care medical/surgical beds;

c) 23 perinatal beds;

d) 10 intensive care beds;

e) three Rural Health Clinics located at 285 Hospital Drive, Chowchilla, California, 93610; 1210 E. Almond Avenue, Suite A & B, Madera, California 93637; and 121 Belmont Avenue, Suite 100, Mendota, California, 93640;

(f) Labor & Delivery services including four Labor and Delivery Recovery Suites, operating rooms, lactation consultants, maternity care, and education;

(g) Primary Care and Specialty Care services;

(h) Specialty Surgical services including Orthopedic, Thoracic, Endoscopic, Gynecological, Podiatric, and Otolaryngological surgeries;

(i) General Surgical services; and

⁴ Nothing in this Condition or Condition X shall be deemed a waiver of the obligation of the entities in Condition I to comply with the notice, application, and review procedures required by sections 1255.1, 1255.2, 1255.25, 1271.1 and 1300 of the Health and Safety Code, as well as the regulations governing the process for requests to suspend or surrender a health facility license or special permit, or to modify, change, reduce, downgrade, eliminate or close any approved service, beds, location or space set forth in Chapter 1 of Division 5 of Title 22 of the California Code of Regulations. Upon the submission of any written application, request, or notice to any state or government authority under these provisions, the entities in Condition I shall concurrently provide written notice to the Attorney General and the community board established under Condition XII.

(j) Outpatient services including Telemedicine, Outpatient Imaging, and X-ray services.

In the event of a dispute over the satisfaction of this Condition, a Monitor may be appointed by mutual agreement of the entities in Condition I and the Attorney General to issue a report and recommendation as to the dispute.

Once the parties to Condition I have mutually agreed to the use of a Monitor, the Attorney General shall select the Monitor in his sole discretion subject to consultation with MCH. To be qualified to serve as a Monitor, a candidate must disclose to the Attorney General and to the entities listed in Condition I any potential conflict of interest, be experienced and knowledgeable in the management of general acute care hospitals and outpatient clinics, including clinical, administrative, and financial operations. MCH will disclose candidates it proposes to serve as the Monitor to the Attorney General and the Attorney General will disclose candidates he proposes to serve as the Monitor to MCH. The Attorney General and MCH shall consider diversity, equity, and inclusion in proposing candidates to serve as the Monitor. The Attorney General will give due consideration to any candidates proposed by MCH and MCH will give due consideration to any candidates proposed by the Attorney General. Any interviews of any candidates will be jointly conducted by MCH and the Attorney General. Not later than thirty (30) days after the Attorney General's selection of the Monitor, MCH shall execute an agreement that, subject to the prior approval of the Attorney General, confers on the Monitor those rights, powers, and authorities necessary to permit the Monitor to perform his/her duties and responsibilities herein. MCH may require the Monitor and each of the Monitor's staff and experts to sign a customary confidentiality agreement; provided however, that such agreement shall not restrict the Monitor from providing any information to the Attorney General. MCH and the Attorney General will be jointly responsible for the expenses of the selected Monitor, including staff and experts of the Monitor, in performing the services described in below.

(a) *Powers*: The Monitor shall have the following powers to the extent necessary to issue a report and recommendation as to the dispute, to solicit, receive, or follow-up on information from payors, the public, MCH, state agencies, or the Attorney General (with reasonable notice to be provided thereafter to all parties); to inspect records and compel disclosure of confidential documents subject to any demonstrated legally recognized privilege and appropriate confidentiality protections; to interview witnesses (if MCH employees, then subject to reasonable prior notice and the opportunity for MCH to have counsel present); to hire staff and experts; and to issue a report and recommendation concerning the dispute to the Attorney General, with a copy to the entities listed in Condition I.

(b) *Duty to Cooperate*: MCH shall cooperate with the Monitor in the performance of the Monitor's work.

(c) *Costs*: The costs for use of the Monitor shall be allocated by agreement of the entities listed in Condition I with the Attorney General.

V.

For five (5) years from the Closing Date of the Affiliation Agreement, the entities listed in Condition I shall:

- a) Be certified to participate in the Medi-Cal program at MCH;
- b) Maintain Medi-Cal Managed Care and county contracts in effect as of August 19, 2022, the Notice Date of the Affiliation Agreement, to provide the same types and/or levels of emergency and non-emergency services at MCH to Medi-Cal beneficiaries (both county and Medi-Cal 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 by either party for cause or not extended or renewed by a Medi-Cal Managed Care Plan or county on its own initiative without cause; and
- c) Be certified to participate in the Medicare program by maintaining a Medicare Provider Number to provide the same types and/or levels of emergency and non-emergency services at MCH to Medicare beneficiaries (both Traditional Medicare and Medicare Managed Care) as required in these Conditions.

VI.

For five (5) years from the Closing Date of the Affiliation Agreement, the entities listed in Condition I shall provide charity care (as defined below) at MCH.

For purposes hereof, the term “charity care” shall mean the amount of charity care costs (not charges) incurred by MCH in connection with the operation and provision of services at MCH. The definition and methodology for calculating “charity care” and the methodology for calculating “costs” shall be the same as that used by the California Department of Health Care Access and Information (HCAI) for annual hospital reporting purposes.⁵

⁵ These terms are calculated in accordance with standards set by HCAI. According to HCAI, “the determination of what is classified as bad debt versus what is considered 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. While bad debts are based on several generally accepted methods (estimated provisions), charity care reflects actual amounts written off and is not the expected level of

MCH shall use and maintain a charity care policy that is no less favorable than MCH's Financial Assistance Policy (attached as Exhibit 2) and in compliance with California and Federal law. MCH must provide charity care or discounted payments to patients at or below 400% of the federal poverty level (FPL) if they are either uninsured or are insured but have high medical costs, and pursuant to California Health and Safety Code section 127405.

VII.

Within ninety (90) days from the Closing Date of the Affiliation Agreement and for five (5) years from the Closing Date of the Affiliation Agreement, the entities listed in Condition I shall take the following steps to ensure that patients at MCH are informed about MCH's Financial Assistance Policy (Financial Assistance Policy):

- a) A copy of the Financial Assistance Policy and the plain language summary of the Financial Assistance Policy shall be posted in a prominent location in the admissions area and any other location in MCH where there is a high volume of patient traffic, including waiting rooms, billing offices, and outpatient service settings;
- b) A copy of the Financial Assistance Policy, the Financial Assistance Application Form, and the plain language summary of the Charity Care and Cash Price Policies shall be posted in a prominent place on MCH's website, as applicable;
- c) For any person without health coverage and pursuant to Health and Safety Code section 1339.585, MCH shall provide (at the time of services) a written estimate of the amount the hospital will require the person to pay for the healthcare services, procedures, and supplies reasonably expected to be provided to the person by the hospital (but not including emergency services pursuant to section 1317 of the California Health and Safety Code), and shall provide information about its financial assistance and charity care policies, and contact information for a hospital employee or office to obtain further information about these policies. The hospital shall also provide the person with an application form for financial assistance or charity care.
- d) If requested by a patient, a copy of the Financial Assistance Policy, Financial Assistance Application Form, and the plain language summary shall be sent by mail at no cost to the patient;
- e) As necessary and at least on an annual basis, MCH will place an advertisement regarding the availability of financial assistance at MCH in a newspaper of general circulation in the

charity to be provided." OSHPD [now HCAI], Accounting & Reporting Manual for California Hospitals § 1400 (1998), <https://hcai.ca.gov/wp-content/uploads/2020/10/Chpt1000.pdf>.

communities served by MCH, or issue a Press Release to widely publicize the availability of the Financial Assistance Policy to the communities served by MCH;

f) On no less than an annual basis, MCH will work with affiliated organizations, physicians, community clinics, other health care providers, houses of worship, and other community-based organizations to notify members of the community (especially those who are most likely to require financial assistance) about the availability of financial assistance at MCH; and

g) No later than sixty (60) days after the Closing Date of the Affiliation Agreement, MCH shall train all staff who interact with patients and their families concerning payment of services to make patients and their families aware of and informed about the availability of financial assistance at MCH. MCH shall also provide this training on an annual basis to staff who interact with patients and their families.

VIII.

For five (5) years from the Closing Date of the Affiliation Agreement, the entities listed in Condition I shall provide Community Benefits (as defined below), exclusive of any funds from grants, and determined by MCH's annual "Community Benefits Plan" submitted to HCAI.⁶ "Community Benefits" mean a hospital's activities, as defined under the California Health and Safety Code,⁷ intended to address community needs and priorities primarily through disease prevention and improvement of health status, and are not activities or programs provided primarily for marketing purposes or more beneficial to the organization than to the community.

⁶ Subdivision (b) of Section 123475 of California Health & Safety Code.

⁷ Pursuant to subdivision (d) of Section 123475 of California Health & Safety Code, "community benefits" include, but are not limited to the following: healthcare services for vulnerable populations, including, charity care and unreimbursed cost of providing services to the uninsured, underinsured, and those eligible for Medi-Cal, Medicare, California Children's Services Program, or county indigent programs; the unreimbursed cost of services included in subdivision (d) of Section 127340 of the Health & Safety Code; financial or in-kind support of public health programs; donation of funds, property, or other resources that contribute to a community priority; health care cost containment, enhancement of access to health care or related services that contribute to a healthier community; services offered without regard to financial return because they meet a community need in the service area of the hospital, and other services including health promotion, health education, prevention, and social services; food, shelter, clothing, education, transportation, and other goods or services that help maintain a person's health.

IX.

For five (5) years from the Closing Date of the Affiliation Agreement, the entities listed in Condition I shall maintain communication, language and cultural services currently available to patients at MCH and MCH's rural health clinics or other outpatient settings. These include:

- a) Financial Assistance Program applications written in English and Spanish;
- b) Languages spoken at MCH either as a primary language or through translation services as indicated in the Written Notice; and
- c) Deaf and Hearing Impaired interpreter services and communication aids during the provision of health services or treatment, at no cost to the patient.

X.

Within sixty (60) days from the Closing Date of the Affiliation Agreement and for five (5) years from the Closing Date of the Affiliation Agreement, the entities listed in Condition I shall take the following steps:

- a. Emergency Services, Stabilization and Transfer, and Non-Interference with Health Practitioner's Judgment: The entities listed in Condition I, shall comply with the Emergency Medical Treatment and Active Labor Act (EMTALA), 42 U.S.C. §§ 1395cc, 1395dd; Health & Safety Code section 1317; and 42 C.F.R § 489.24, and in instances of emergency medical conditions as defined by those provisions, shall permit medical staff to (i) make clinical decisions consistent with the standard of care and their independent professional judgment, respecting the needs and wishes of each individual patient; (ii) inform patients of all of their healthcare options; (iii) prescribe any interventions that are medically necessary and appropriate; (iv) transfer or refer patients to other facilities whenever they determine it is in the patient's interests; and (v) provide any item or service they deem in their professional judgment to be necessary and appropriate without restriction, and without seeking approval from any non-provider, including any items or services where referral or transfer to another facility would, in their sole professional judgment, risk material deterioration to the patient's condition. The entities listed in Condition I shall revise their written policies, tools, procedures, guidelines, and training materials and shall train existing medical staff to ensure compliance with EMTALA; Health & Safety Code section 1317; and 42 C.F.R § 489.24 and the provisions herein and shall submit their written policies, tools, procedures, guidelines, and training materials to the Attorney General.

b. Treatment of Sexual Assault Survivors: The entities listed in Condition I, shall comply with Health & Safety Code section 1281 and Penal Code sections 13823.11 and 13823.5.

c. Women's Health Services: For at least five (5) years from the Closing Date of the Affiliation Agreement, the entities listed in Condition I, shall engage in all commercially reasonable best efforts in good faith to maintain the following women's healthcare services at MCH's general acute care hospital, rural clinics, and other outpatient settings, as applicable:

i. Mammography and Breast Health Services;

ii. Preventative Healthcare, including Pap Smears;

iii. Labor and Delivery Department, including Maternity Services such as Breastfeeding Support;

iv. Gynecology and Gynecological Surgery to treat common female reproductive health conditions, including Hysterectomy, Salpingo-oophorectomy, D/C, Diagnostic laparoscopy, Endometrial Ablation, LEEP procedure, Cystocele repair, Anterior/Posterior repair, Myomectomy, and Ovarian Cystectomy; and Contraception, including oral, implantable, injectable, and IUD insertion.

d. Notice of Policy-Based Restrictions: The entities listed in Condition I shall make publicly available in both English and Spanish, and provide to patients in person, notice of any non-emergency healthcare services that will either not be available, that will be discontinued, or that might otherwise be subject to policy-based restrictions or limitations, including but not limited to treatment and services for the following: family planning and reproductive healthcare consultations, prescriptions, treatments, and procedures; sterilization consultations, prescriptions, treatments, and procedures; gender affirming care consultations, prescriptions, treatments, and procedures; palliative and end-of-life care, including End-of-Life Option Act drugs; and any other healthcare services that may or will be limited or discontinued due to policy-based restrictions. For any services restricted or limited by policies that are subject to prior review and approval by a hospital committee, the entities listed in Condition I shall also make publicly available in both English and Spanish, and provide to patients in person, information pertaining to the committee's process and procedures, factors or criteria considered by a committee in approving or denying a service, and the timing for notification regarding the decision to approve or deny a service. The notice, as well as policies and procedures and other information contemplated herein, must be published on MCH's website in English and Spanish in a location readily accessible to the public, without a required login or other restriction.

e. The entities listed in Condition I, shall provide information regarding alternative healthcare providers and locations, and transportation assistance to current or presenting patients who are in need of or are otherwise seeking restricted services, to another healthcare provider or location where the services may be provided. At a minimum, the information shall be readily available in written form, in English and in Spanish, as needed, with the name, address, telephone number(s), and last known business hours of appropriate healthcare providers that are consistent with the patient's clinical status, along with any related medical records, upon request to any member of the public or patients of MCH or their representatives. The MCH service area healthcare providers on the referral list shall be State of California licensed healthcare providers or providers operating within a statutory exception to state licensure. At a minimum, the information shall include the nearest access to transportation services and healthcare providers within the MCH service area, or if not available within the MCH service area, access to the next nearest available alternative outside of the MCH service area or in Fresno, California or other neighboring county. The transportation services contemplated herein are not intended to replace ambulance or other medical transport services where appropriate given the patient's clinical status, including under instances of emergency medical conditions as contemplated in subdivision a, immediately above. The entities listed in Condition I shall submit their information regarding alternative providers and transportation assistance materials to the Attorney General within sixty (60) days from the Closing Date of the Affiliation Agreement, every six (6) months thereafter, and as part of the annual report contemplated in Condition XVII.

f. The entities in Condition I shall comply with nondiscrimination provisions of 42 U.S.C. § 300a-7, subdivision (c)(1) and Health & Safety Code section 123420, subdivision (a). In addition and notwithstanding these provisions, the entities in Condition I shall neither deny nor restrict employment, privileging or credentialing at MCH for a health practitioner based on that practitioner's prior or current practice, performance or participation in the provision of abortion services, contraception services, or other reproductive health services, including gender-affirming care or treatment, in private practice or healthcare settings outside of MCH.

XI.

For five (5) years from the Closing Date of the Affiliation Agreement, the entities listed in Condition I shall maintain all contracts, including any superseding, successor, or replacement contracts, and any amendments and exhibits thereto, with local governments or their subdivisions, departments, or agencies for services at MCH unless otherwise terminated by the local government or the State, as applicable, including the contracts disclosed in Schedule 5.14 of the Affiliation Agreement.

XII.

For five (5) years from the Closing Date of the Affiliation Agreement, the entities listed in Condition I shall maintain a community board at MCH including physicians and community representatives. The community board may comment on all reports submitted to the Attorney General regarding compliance with these Conditions and such comments shall be included in the written report provided to the Attorney General pursuant to Condition XVII.

XIII.

For five (5) years from the Closing Date of the Affiliation Agreement, the entities listed in Condition I shall maintain privileges for current medical staff at MCH who are in good standing as of the Closing Date of the Affiliation Agreement. Further, the closing of the Affiliation Agreement shall not change the medical staff officers, committee chairs, or independence of the medical staff, and such persons shall remain in good standing for the remainder of their tenure as medical staff officers or committee chairs at MCH. This condition is not intended to preclude medical staff leadership changes as warranted for operational flexibility in accordance with the medical staff bylaws in effect on the Closing Date.

XIV.

For five (5) years from the Closing Date of the Affiliation Agreement, the entities listed in Condition I shall prohibit discrimination on the basis of any protected personal characteristic identified in state and federal civil rights laws, including section 51 of the California Civil Code and title 42, section 18116 of the United States Code and shall adopt and implement a complaint process and procedure at MCH consistent with the policies and procedures in effect at SAMC as of the Closing Date of the Affiliation Agreement.⁸ Categories of protected personal characteristics include:

- a) Gender, including sex, gender, gender identity, and gender expression;
- b) Intimate relationships, including sexual orientation and marital status;
- c) Ethnicity, including race, color, ancestry, national origin, citizenship, primary language, and immigration status;

⁸ See SAMC Nondiscrimination Policy, <https://www.samc.com/non-discrimination-policy/>.

d) Religion;

e) Age; and

f) Disability, including disability, protected medical condition, and protected genetic information.

XV.

For five (5) years from any Medicare Managed Care contract rate renewals, adjustments, amendments, or renegotiations permitted by existing contracts, while MCH continues to operate, the maximum that MCH, Trinity Health or St. Agnes may charge a payor in renewed, renegotiated, amended, or adjusted Medicare Managed Care contracts for services that are provided by MCH, including outpatient services, shall not exceed a rate of 110 percent of the prevailing Medicare Prospective Payment System (PPS) Traditional Fee-for-Service (FFS) for all services in the aggregate, adjusted for patient case mix.

For five (5) years from any initial Medi-Cal Managed Care contract renewals, adjustments, amendments, or renegotiations permitted by existing contracts, while MCH continues to operate, the maximum MCH, Trinity Health or St. Agnes may charge a payor for Medi-Cal Managed Care services provided by MCH is the current 2022 Medi-Cal Managed Care rate between St. Agnes/Trinity Health and contracted payors for those services, excluding any state or federal support payments such as Disproportionate Share Hospital, Quality Assurance Facility, or other direct payments subsidizing Managed Care plans or any federal support payments. However, for that same five (5) year time period, from the date of any such initial contract renewals, adjustments, amendments, or renegotiation, annual cost increases are permitted up to the overall annual average update to the Medi-Cal FFS fee schedule. In the event the Medi-Cal FFS fee schedule is adjusted downward (reduced) during this 5-year period of this Condition, the pre-existing cost increase cap would remain in force, and would therefore not be subject to such a downward adjustment or reduction.

From the greater of five (5) years from the Closing Date of the Affiliation Agreement, while MCH continues to operate, if MCH was not contracted with a payor, as of August 19, 2022, the Notice Date of the Affiliation Agreement, or if MCH should subsequently go out-of-network with a payor with whom it was contracted as of that date, MCH will be subject to reimbursement from that payor for out-of-network emergency services, provided to a patient covered by a commercial plan or product, at a rate no higher than 250 percent of Medicare FFS rates for comparable or similar services. Nothing in this Condition shall prevent a payor from reducing payment through mechanisms authorized by state or federal law.

XVI.

Retaliation or threats of retaliation, in any form, based on any payor, entity, or individual having provided information in conjunction with these conditions to any party or a court is prohibited.

XVII

For five (5) years from the Closing Date of the Affiliation Agreement the entities listed in Condition I shall submit to the Attorney General, no later than six (6) months after the conclusion of each year, a report describing in detail compliance with each Condition set forth herein. The first report shall be due no later than six (6) months after the Closing Date. The Chair(s) of the Board of Directors of MCH, Saint Agnes, and Trinity Health and the Chief Executive Officers of MCH shall each certify that the report is true, accurate, and complete, and provide documentation of the review and approval of the report by the Board of Directors.

XVIII.

At the request of the Attorney General, the entities listed in Condition I 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 will, at the request of an entity listed in Condition I 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.

XIX.

Once the Affiliation Agreement is closed, the entities listed in Condition I are deemed to have explicitly and implicitly consented to the applicability of 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 shall also be entitled to recover its attorney fees and costs incurred in remedying each and every violation.

EXHIBIT 1

AFFILIATION AGREEMENT

among

MADERA COMMUNITY HOSPITAL

TRINITY HEALTH CORPORATION

SAINT AGNES HEALTH

and

SAINT AGNES MEDICAL CENTER

Dated as of August 17, 2022

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AFFILIATION AGREEMENT

This Affiliation Agreement (this “**Agreement**”), dated as of August 17, 2022 (the “**Signature Date**”), is entered into among Madera Community Hospital, a California nonprofit public benefit corporation (“**Madera**”), Trinity Health Corporation, an Indiana nonprofit corporation (“**Trinity Health**”), Saint Agnes Health, a California nonprofit public benefit corporation (“**SAH**”), and solely as to **Section 2.02**, **Section 4.02(b)(iv)** and **Section 6.02** of this Agreement Saint Agnes Medical Center, a California nonprofit public benefit corporation (“**SAMC**”). Madera, Trinity Health, SAMC and SAH are sometimes referred to herein individually as a “**Party**”, and, collectively, as “**Parties**”. Defined terms are in **Section 1.01**.

RECITALS

A. Trinity Health is an Indiana nonprofit corporation that is the ultimate parent corporation of a multi-institutional nonprofit Catholic health care system that includes acute care hospitals and a network of other healthcare providers located across the United States.

B. SAH and SAMC are wholly controlled subsidiaries of Trinity Health serving people and communities in the Central Valley region of California. SAMC is the legacy ministry of Trinity Health operating in the Central Valley.

C. Madera is engaged in the charitable mission of delivering healthcare services to people and communities in the Central Valley. Madera owns and operates a charitable, acute care hospital located at 1250 E Almond Ave, Madera, California (the “**Hospital**”), which has operated as a standalone community hospital for more than 50 years, and rural health clinics and outpatient services in Chowchilla, Madera and Mendota, California. However, Madera has had significant operating losses in recent years and continues to have significant operating losses.

D. Trinity Health, SAH, SAMC and Madera are each committed to providing and improving healthcare services and programs in a high-quality setting and operating their facilities, services, and programs on an efficient and financially sound basis so as to maintain their continued existence, viability, and availability to the communities they serve.

E. SAMC and Madera are each committed to continuing their respective charitable missions and purposes with a special emphasis on providing healthcare services for those who are poor and vulnerable in their and their Affiliates’ communities.

F. The Parties have held discussions regarding the affiliation of SAMC and Madera in order to ensure that the communities served by the Hospital would continue to have access to high-quality and low-cost health care services.

G. Following those discussions, Trinity Health incorporated SAH to become (i) the sole member of SAMC through the transfer of the membership interest of SAMC from Trinity Health to SAH; and (ii) the sole member of Madera, through the restatement of the Organizational Documents of Madera to name SAH as its sole member.

H. The Parties now desire enter into this Affiliation Agreement in order to: (a) ensure the continued availability of, and improvement to, essential high-quality health care close to home for the communities served by Madera; (b) continue the mission and commitment to the community of both SAMC and Madera, including both SAMC's and Madera's commitment to medically underserved individuals and to serving the health care needs of those in need regardless of their ability to pay; and (c) grow the integrated healthcare delivery system created by the affiliation where such growth is strategically and economically feasible and appropriate.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

ARTICLE I DEFINITIONS AND INTERPRETATION

Section 1.01 Definitions. The following terms have the meanings specified or referred to in this **Section 1.01**.

“Acquisition Proposal” has the meaning set forth in **Section 7.03(a)**.

“Affiliate” of a Person means any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person. The term “control” (including the terms “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through membership interest, the ownership of voting securities, the right to appoint members of the governing body, by contract or otherwise.

“Agreement” has the meaning set forth in the preamble.

“Amended and Restated Articles of Incorporation of Madera” has the meaning set forth in **Section 2.01**.

“Amended and Restated Articles of Incorporation of SAMC” has the meaning set forth in **Section 2.02**.

“Amended and Restated Bylaws of Madera” has the meaning set forth in **Section 2.01**.

“Amended and Restated Bylaws of SAMC” has the meaning set forth in **Section 2.02**.

“Assets” means all of the property and assets of Madera and each Controlled Subsidiary of every kind, character or description, tangible or intangible, wherever located, and whether or not reflected on the Financial Statements, and including, without limitation, the Owned Real Property and the Leased Real Property.

“Assumed Indebtedness” means any Indebtedness of Madera that will be retained by Madera as of the Effective Time, as specifically identified on (and expressly limited to) **Schedules 5.10 and 5.32**.

“**Attorney General**” has the meaning set forth in **Section 7.06(b)**.

“**Balance Sheet**” has the meaning set forth in **Section 5.07**.

“**Balance Sheet Date**” has the meaning set forth in **Section 5.07**.

“**Benefit Plan**” means each “employee benefit plan,” as such term is defined in Section 3(3) of ERISA, and each other compensatory, pension, retirement, thrift savings, profit-sharing, bonus, stock option, stock purchase, stock ownership, equity, stock appreciation right, restricted stock, “phantom” stock, employee stock ownership, severance, deferred compensation, excess benefit, supplemental retirement, supplemental unemployment, change in control, employment, post-retirement medical or life insurance, welfare, incentive, sick leave, fringe benefit, paid time off, vacation, retention, education/tuition assistance, relocation assistance, disability, medical, hospitalization, life insurance, other insurance or employee benefit plan, program, policy, agreement or arrangement, whether or not subject to ERISA, whether formal or informal, oral or written, under which any current or former employees, directors, officers, owners, or independent contractors or their spouses, dependents or beneficiaries are or may become (assuming any vesting, performance or other benefit requirements are met), entitled to benefits (whether or not contingent), including all “employee welfare benefit plans” within the meaning of Section 3(1) of ERISA and all “employee pension benefit plans” within the meaning of Section 3(2) of ERISA.

“**Bond Financed Property**” means any real or personal property financed or refinanced, or treated as being financed or refinanced, by any bonds issued by, or for the benefit of, the Madera Parties for which the income therefrom is exempt from federal or state income taxes.

“**Business Day**” means a day, other than Saturday, Sunday or other day on which commercial banks in California are authorized or required by law to close.

“**Capital Commitment**” has the meaning set forth in **Section 3.09**.

“**CARES Act**” has the meaning set forth in **Section 5.32(a)**.

“**CERCLA**” means the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. §§ 9601 et seq.

“**Church Plan**” has the meaning set forth in **Section 5.27(e)**.

“**Closing**” has the meaning set forth in **Section 4.01**.

“**Closing Date**” has the meaning set forth in **Section 4.01**.

“**COBRA**” means the group health plan continuation coverage requirements of Part 6 of Subtitle B of Title I of ERISA and Section 4980B of the Code and of any similar state or local Law.

“**Code**” means the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder from time to time.

“**Confidentiality Agreement**” means the Confidentiality and Nondisclosure Agreement entered into by Trinity Health and Madera on August 24, 2021.

“**Contracts**” means all contracts, leases, deeds, mortgages, licenses, instruments, notes, commitments, undertakings, indentures, joint ventures and all other agreements, commitments, and legally binding arrangements, whether written or oral.

“**Controlled Subsidiary**” means any Person that is controlled, directly or indirectly, by Madera. The Controlled Subsidiaries are identified on **Exhibit A**.

“**Copyrights**” has the meaning set forth in the definition of Intellectual Property.

“**Covered Entity**” has the meaning set forth in **Section 5.24(a)**.

“**Current Liabilities**” means accounts payable, accrued Taxes and accrued expenses, but excluding intercompany short-term debt.

“**Disclosure Schedules**” means the Disclosure Schedules initially delivered by SAH and Madera concurrently with the execution and delivery of this Agreement, as updated through the Closing Date.

“**Encumbrance**” means any lien, pledge, mortgage, deed of trust, security interest, charge, claim, easement, encroachment, or other similar encumbrance.

“**End Date**” has the meaning set forth in **Section 10.01(b)(i)**.

“**Environmental Claim**” means any Governmental Order, action, suit, claim, investigation, notice, Proceeding, or other legal proceeding by any Person alleging liability of whatever kind or nature (including liability or responsibility for the costs of enforcement proceedings, investigations, cleanup, governmental response, removal or remediation, natural resources damages, property damages, personal injuries, medical monitoring, penalties, contribution, indemnification and injunctive relief) arising out of, based on or resulting from: (a) the presence, release of, or exposure to, any Hazardous Materials; or (b) any actual or alleged non-compliance with any Environmental Law or term or condition of any Environmental Permit.

“**Environmental Law**” means any applicable Law, and any Governmental Order or binding agreement with any Governmental Authority: (a) relating to pollution (or the cleanup thereof) or the protection of natural resources, endangered or threatened species, human health or safety, or the environment (including ambient air, soil, surface water or groundwater, or subsurface strata); or (b) concerning the presence of, exposure to, or the management, manufacture, use, containment, storage, recycling, reclamation, reuse, treatment, generation, discharge, transportation, processing, production, disposal or remediation of any Hazardous Materials. The term “**Environmental Law**” includes, without limitation, the following (including their implementing regulations and any state analogs): CERCLA; the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976, as amended by the Hazardous and Solid Waste Amendments of 1984, 42 U.S.C. §§ 6901 *et seq.*; the Federal Water Pollution Control Act of 1972, as amended by the Clean Water Act of 1977, 33 U.S.C. §§ 1251 *et seq.*; the

Toxic Substances Control Act of 1976, as amended, 15 U.S.C. §§ 2601 *et seq.*; the Emergency Planning and Community Right-to-Know Act of 1986, 42 U.S.C. §§ 11001 *et seq.*; the Clean Air Act of 1966, as amended by the Clean Air Act Amendments of 1990, 42 U.S.C. §§ 7401 *et seq.*; the Occupational Safety and Health Act of 1970; and any similar or analogous state and local statutes or regulations promulgated thereunder and as may be amended from time to time.

“**Environmental Notice**” means any written directive, notice of violation or infraction, or notice respecting any Environmental Claim relating to actual or alleged non-compliance with any Environmental Law or any term or condition of any Environmental Permit.

“**Environmental Permit**” means any Permit required under or issued, granted, given, authorized by, or made pursuant to Environmental Law.

“**ERISA**” means the Employee Retirement Income Security Act of 1974, as amended, and the regulations promulgated thereunder.

“**ERISA Affiliate**” has the meaning set forth in **Section 5.27(a)**.

“**Exempt Subsidiaries**” means those Controlled Subsidiaries that are exempt from federal income taxation pursuant to Section 501(a) of the Code, as organizations described in Section 501(c)(3) of the Code, which are identified as such on **Exhibit B**.

“**Financial Statements**” has the meaning set forth in **Section 5.07**.

“**Footnote Employment Agreement**” means that certain Employment Agreement by and between Madera and Mark J. Foote, dated November 10, 2021.

“**GAAP**” means United States generally accepted accounting principles in effect from time to time.

“**Government Programs**” has the meaning set forth in **Section 5.21(a)**.

“**Governmental Authority**” means any federal, state, local or foreign government or political subdivision thereof, or any agency, commission, department, board, legislature or instrumentality of such government or political subdivision, or any self-regulated organization or other non-governmental regulatory authority or quasi-governmental authority (to the extent that the rules, regulations or orders of such organization or authority have the force of Law), or any arbitrator, court, or tribunal of competent jurisdiction.

“**Governmental Order**” means any order, writ, judgment, injunction, decree, stipulation, determination, or award, or any similar or analogous document entered by or with any Governmental Authority.

“**Hazardous Materials**” means: (a) any material, substance, chemical, waste, product, derivative, compound, mixture, solid, liquid, mineral or gas, in each case, whether naturally occurring or man-made, that is identified under any Environmental Law as hazardous, acutely hazardous, toxic, extremely hazardous, hazardous waste, a pollutant, contaminant, or words of similar import or regulatory effect; (b) any petroleum or petroleum-derived products, radon,

radioactive materials or wastes, asbestos in any form, lead or lead-containing materials, urea formaldehyde foam insulation, radioactive materials, flammable substances or explosives, asbestos in any form, per- and polyfluoroalkyl substances, perfluorooctanoic acid, perfluorooctane sulfonate, polychlorinated biphenyls, and greenhouse gases; and (c) any other chemical, material, or substance with respect to which any Environmental Law or Governmental Authority requires environmental investigation, regulation, monitoring or remediation, or which would give rise to liability or exceed relevant standards under any Environmental Law.

“**HFAP**” has the meaning set forth in **Section 5.21(d)**.

“**HIPAA**” means the Health Insurance Portability and Accountability Act of 1996 (Pub. Law 104-191), as amended from time to time, and the regulations promulgated thereunder from time to time.

“**HITECH**” means the Health Information Technology for Economic Clinical Health Act, Division A, Title XIII § 1301 et. seq. of the American Recovery and Reinvestment Act of 2009, as amended from time to time, and the regulations promulgated thereunder from time to time.

“**Hospital**” has the meaning set forth in the Recitals.

“**Indebtedness**” means, without duplication, including the indebtedness described on **Schedules 5.10 and 5.32**:

(a) Any indebtedness for borrowed money (including the issuance of any debt security), including intercompany debt;

(b) Any indebtedness evidenced by any note, bond, debenture or other debt security or otherwise secured by an Encumbrance on assets (other than Permitted Exceptions) including, for the avoidance of doubt, any borrowings pursuant to the Paycheck Protection Program (as defined under the CARES Act) including Main Street Loan Program, Medicare Advance Payments, Provider Relief Fund or any other program enacted by any Governmental Authority pursuant to the CARES Act, which amounts, as of the date of this Agreement, are set forth on **Schedule 5.32**, and have not been forgiven, in each case;

(c) Obligations in respect of any earn out, purchase price adjustments or deferred purchase price of properties, businesses or services or other similar obligations, with respect to which a Person is liable, contingently or otherwise, as obligor or otherwise (other than trade payables and other Current Liabilities incurred in the Ordinary Course of Business consistent with past practice);

(d) Any finance lease or asset retirement obligations required to be recorded as such in accordance with GAAP;

(e) Any liability in respect of any interest rate swap, currency swap, forward currency or interest rate Contracts or other interest rate or currency hedging arrangements;

- (f) All accrued or owed obligations in respect of drawn letters of credit or bankers' acceptances, performance bonds, sureties or similar obligations;
- (g) All remaining lease obligations for closed or discontinued facilities;
- (h) Any payroll Taxes of such Person associated with wages accrued or payable prior to the Closing Date deferred to a post-Closing tax period pursuant to the CARES Act;
- (i) Deferred revenue;
- (j) Deferred income Taxes;
- (k) Any defined benefit obligations;
- (l) Any multi-employer pension withdrawal liabilities;
- (m) All outstanding principal amounts, accrued interest, guarantees, fees, obligations penalties and prepayment or other premiums related to any of the foregoing described in clauses (a) through (m) of this definition.

For the avoidance of doubt, Indebtedness shall include both the current and long-term portion of Indebtedness.

“Information Privacy and Security Laws” means all applicable Laws concerning the privacy or security of Personal Data, and all rules and regulations promulgated, and guidance issued by Governmental Authorities (including staff reports) thereunder, including, but not limited to, as applicable, HIPAA, state data breach notification Laws and state consumer protection Laws.

“Insured Real Property” has the meaning set forth in **Section 7.09(b)**.

“Intellectual Property” means any and all rights in, arising out of, or associated with any of the following in any jurisdiction throughout the world (whether arising by ownership, contract, license or otherwise) that is owned or held for use by Madera, including the following: (a) issued patents and patent applications (whether provisional or non-provisional), including divisionals, continuations, continuations-in-part, substitutions, reissues, reexaminations, extensions, or restorations of any of the foregoing, and other Governmental Authority-issued indicia of invention ownership (including certificates of invention, petty patents, and patent utility models) (**“Patents”**); (b) trademarks, service marks, brands, certification marks, logos, trade dress, trade names, and other similar indicia of source or origin, together with the goodwill connected with the use of and symbolized by, and all registrations, applications for registration, and renewals of, any of the foregoing (**“Trademarks”**); (c) copyrights and works of authorship, whether or not copyrightable, and all registrations, applications for registration, and renewals of any of the foregoing (**“Copyrights”**); (d) internet domain names and social media account or user names (including “handles”), whether or not Trademarks, all associated web addresses, URLs, websites and web pages, social media accounts and pages, and all content and data thereon or relating thereto, whether or not Copyrights; (e) mask works, and all registrations, applications for registration, and renewals thereof; (f) industrial designs, and all Patents, registrations, applications

for registration, and renewals thereof; (g) trade secrets, know-how, inventions (whether or not patentable), discoveries, improvements, technology, business and technical information, databases, data compilations and collections, tools, methods, processes, techniques, and other confidential and proprietary information and all rights therein (“**Trade Secrets**”); (h) computer programs, operating systems, applications, firmware, and other code, including all source code, object code, application programming interfaces, data files, databases, protocols, specifications, and other documentation thereof; (i) rights of publicity; and (j) all other intellectual or industrial property and proprietary rights.

“**Interim Period**” means the period of time commencing on the Signature Date and ending on the earlier of the Effective Time or the termination of this Agreement.

“**Inventory**” means all inventory, including but not limited to drugs and medical and other supplies, finished goods, raw materials, work in progress, packaging, parts and other inventories.

“**IP Agreements**” means all licenses, sublicenses, consent to use agreements, settlements, coexistence agreements, covenants not to sue, permissions and other Contracts (including any right to receive or obligation to pay royalties or any other consideration), whether written or oral, relating to Intellectual Property to which the Madera is a party, beneficiary or otherwise bound.

“**IP Registrations**” means all Intellectual Property that is subject to any issuance, registration, application, or other filing by, to or with any Governmental Authority or authorized private registrar in any jurisdiction, including registered trademarks, domain names and copyrights, issued and reissued patents and pending applications for any of the foregoing.

“**IRS**” means the Internal Revenue Service.

“**Joint Ventures**” means the entities set forth on **Exhibit C**.

“**Knowledge**” or any other similar knowledge qualification, means, (a) with respect to Madera, the knowledge of those persons listed on **Schedule 1A**, and (b) with respect to the Trinity Parties or any of them, the knowledge of those persons listed on **Schedule 1B**, in each case, based on their actual or constructive knowledge after due inquiry, including their own recollections, information in their written or electronic files or in written or electronic correspondence to or from them, and information attributable to them as a result of actions taken by them.

For purposes of this definition, (a) “due inquiry” includes inquiry of direct reports and reasonable inquiry of those employees who are not direct reports but have direct responsibility for the relevant matter as to the completeness and accuracy of the matter; and (b) “direct reports” include individuals who report directly to the individuals charged with Knowledge.

“**Law**” means any statute, law, ordinance, regulation, rule, code, order, constitution, treaty, common law, judgment, decree, other requirement, or rule of law of any Governmental Authority.

“**Leased Real Property**” has the meaning set forth in **Section 5.17(b)**.

“**Leases**” has the meaning set forth in **Section 5.17(b)**.

“**Lessee Leases**” has the meaning set forth in **Section 5.17(b)**.

“**Lessor Leases**” has the meaning set forth in **Section 5.17(b)**.

“**Liabilities**” has the meaning set forth in **Section 5.09**.

“**Loan Documents**” means that certain Line of Credit Agreement, dated April 1, 2022, between SAMC and Madera, under which SAMC extended to Madera credit in a maximum amount of \$15,000,000; that certain Security Agreement of even date related to such Line of Credit Agreement; and that certain Deed of Trust of even date related to such Line of Credit Agreement.

“**Lookback Period**” means the ten-year period ending on the Effective Time.

“**Madera**” has the meaning set forth in the preamble.

“**Madera Benefit Plan**” has the meaning set forth in **Section 5.27(a)**.

“**Madera Employees**” has the meaning set forth in **Section 7.08(a)**.

“**Madera Insurance Policies**” has the meaning set forth in **Section 5.30(a)**.

“**Madera Interested Person**” has the meaning set forth in **Section 5.25(a)**.

“**Madera Parties**” means Madera and the Controlled Subsidiaries.

“**Material Adverse Effect**” means any event, change or occurrence that, individually or in the aggregate, (a) with respect to Madera, has had or would reasonably be expected to have a material adverse effect on the financial condition, business, assets, liabilities, properties, operations or results of operations of the Madera, individually or taken as a whole, or (b) with respect to a Party, has prevented or materially delayed, or would reasonably be expected to prevent or materially delay, the consummation by such Party of the Transaction, but excluding any effect resulting or arising from (i) any change that is generally applicable to the healthcare industry, (ii) any change due to actual changes in Law, (iii) any change in general business, economic or market conditions, (iv) the entry into, or compliance with the terms of, this Agreement or the announcement, pendency or consummation of the Transaction, (v) any action taken by a Party that are required to be taken by this Agreement, (vi) any national or international political event or occurrence, including acts of war or terrorism, that does not disproportionately affect such Party relative to similarly situated Persons in the healthcare industry, (vii) any changes or proposed changes in accounting standards, including GAAP or (viii) the COVID-19 virus, any variants thereof, and all actions or inactions required to comply with any quarantine, “shelter in place,” “stay at home,” workforce reduction, social distancing, shut down, closure, sequester, or other applicable Law, directive, or guidelines of any Governmental Authority in response to the COVID-19 virus, other pandemics, earthquakes, hurricanes, floods or other natural disasters.

“**Material Contracts**” has the meaning set forth in **Section 5.14(a)**.

“**Material Schedule Supplement**” has the meaning set forth in **Section 7.10**.

“**Multiemployer Plan**” has the meaning set forth in **Section 5.27(d)**.

“**Multiple Employer Plan**” has the meaning set forth in **Section 5.27(d)**.

“**Nonprofit Corporation Law**” means Title 1, Division 2 of the California Corporation Code (Section 5000, et. seq.).

“**Ordinary Course of Business**” means, with respect to an action taken by a Person, such action is consistent in all material respects with the past practices of such Person and is taken in the ordinary course of the normal day-to-day operations of such Person.

“**Organizational Documents**” means (a) in the case of a Person that is a corporation, its articles or certificate of incorporation and its bylaws, regulations or similar governing instruments required by the laws of its jurisdiction of formation or organization; (b) in the case of a Person that is a partnership, its articles or certificate of partnership, formation or association, and its partnership agreement (in each case, limited, limited liability, general or otherwise); (c) in the case of a Person that is a limited liability company, its articles or certificate of formation or organization, and its limited liability company agreement or operating agreement; and (d) in the case of a Person that is not a corporation, partnership (limited, limited liability, general or otherwise), limited liability company or natural person, its governing instruments as required or contemplated by the laws of its jurisdiction of organization.

“**Owned Real Property**” has the meaning set forth in **Section 5.17(a)**.

“**Paolinelli Employment Agreement**” means that certain Employment Agreement entered into by and between Madera and Karen G. Paolinelli, dated November 10, 2021.

“**Parties**” has the meaning set forth in the preamble.

“**Party**” has the meaning set forth in the preamble.

“**Patents**” has the meaning set forth in the definition of Intellectual Property.

“**PBGC**” has the meaning set forth in **Section 5.27(a)**.

“**Permits**” means, with respect to any Person, all permits, licenses, franchises, approvals, authorizations, notices, and consents required to be obtained from or issued by Governmental Authorities.

“**Permitted Exceptions**” means (a) liens for Taxes not yet due and payable or which are being diligently contested in good faith, by appropriate Proceedings or other appropriate actions which are sufficient to prevent imminent foreclosure of such liens and with respect to which adequate reserves or other appropriate provisions are being maintained by Madera; (b) statutory liens of landlords and liens of carriers, warehousemen, bailees, mechanics, materialmen and other like liens imposed by Law, created in the Ordinary Course of Business and for amounts not yet due (or which are being contested in good faith, by appropriate Proceedings or other appropriate actions which are sufficient to prevent imminent foreclosure of such liens) and with respect to which adequate reserves or other appropriate provisions are being maintained by Madera; (c)

pledges or deposits made (and the liens thereon) in the Ordinary Course of Business of Madera (including, without limitation, security deposits for leases, indemnity bonds, surety bonds and appeal bonds) in connection with workers' compensation, unemployment insurance and other types of social security benefits and deposits securing liability to insurance carriers under insurance or self-insurance arrangements or to secure the performance of tenders, bids, contracts (other than for the repayment or guarantee of borrowed money or purchase money obligations), statutory obligations and other similar obligations; (d) "Permitted Encumbrances" as defined in the Loan Documents; (e) Encumbrances listed in the ALTA Loan Policy of Title Insurance issued by Chicago Title Insurance Company as Policy Number FWFM-TO22000426; and (f) Encumbrances listed in the Madera Disclosure Schedules.

"Person" means an individual, corporation, partnership, joint venture, limited liability company, Governmental Authority, unincorporated organization, trust, association, or other entity.

"Personal Data" means a natural person's name, street address, telephone number, e-mail address, photograph, social security number, driver's license number, passport number, or customer or account number, or any other piece of information that alone or together with other information allows the identification of a natural person, as well as any information that is regulated or protected by one or more Information Privacy and Security Laws, including "protected health information," as defined at 45 CFR 160.103.

"Proceeding" means any action, complaint, charge, arbitration, audit, claim, grievance, hearing, investigation, litigation, review, or suit (whether civil, criminal, administrative, investigative, or informal) commenced, brought, conducted, or heard by or before, or otherwise involving, any Governmental Authority or arbitrator.

"Real Estate Due Diligence Period" has the meaning set forth in **Section 7.09(a)**.

"Real Property" means, collectively, the Owned Real Property and the Leased Real Property.

"Release" means any actual or threatened release, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, abandonment, or disposing into or migrating through the environment (including, without limitation, ambient air, surface water, groundwater, land surface or subsurface strata).

"Relief Fund Payment Terms and Conditions" has the meaning set forth in **Section 5.32(b)**.

"Representative" means, with respect to any Person, any and all directors, officers, employees, consultants, financial advisors, counsel, accountants, and other agents of such Person.

"SAH" has the meaning set forth in the preamble.

"Section 5920" has the meaning set forth in **Section 7.06(b)**.

"Signature Date" has the meaning set forth in the preamble.

“**Stimulus Funds**” has the meaning set forth in **Section 5.32(a)**.

“**Subsidiary Organizational Documents**” has the meaning set forth in **Section 5.03**.

“**Survey**” has the meaning set forth in **Section 7.09(c)**.

“**Tax Return**” means any return, declaration, report, claim for refund, information return, or statement or other document related to Taxes, including any schedule or attachment thereto, and including any amendment thereof.

“**Taxes**” means all federal, state, local, foreign and other income, gross receipts, sales, use, production, ad valorem, transfer, franchise, registration, profits, license, lease, service, service use, withholding, payroll, employment, unemployment, estimated, excise, severance, environmental, stamp, occupation, premium, property (real or personal), real property gains, windfall profits, customs, duties or other taxes of any kind whatsoever, together with any interest, additions or penalties with respect thereto and any interest in respect of such additions or penalties.

“**Tax-Exempt Bonds**” has the meaning set forth in **Section 5.09**.

“**Technology Systems**” has the meaning set forth in **Section 5.18(g)**.

“**Title Commitment**” has the meaning set forth in **Section 7.09(b)**.

“**Title Company**” has the meaning set forth in **Section 7.09(b)**.

“**Title Policy**” has the meaning set forth in **Section 7.09(b)**.

“**Trademarks**” has the meaning set forth in the definition of Intellectual Property.

“**Trade Secrets**” has the meaning set forth in the definition of Intellectual Property.

“**Transaction**” means the transactions contemplated by this Agreement.

“**Transaction Documents**” means this Agreement and the other agreements, instruments and documents entered into by Madera and SAH with respect to the Transaction. The Transaction Documents do not include the Loan Documents.

“**Trinity Health**” has the meaning set forth in the Recitals.

“**Trinity Health Benefit Plans**” has the meaning set forth in **Section 7.08(c)**.

“**Trinity Parties**” means Trinity Health, SAH and SAMC.

“**WARN Act**” means the federal Worker Adjustment and Retraining Notification Act of 1988, and similar state, local and foreign laws related to plant closings, relocations, mass layoffs and employment losses.

“**Withdrawal Liability**” has the meaning set forth in **Section 5.27(d)**.

Section 1.02 Rules of Interpretation. In this Agreement and its Schedules and Exhibits:

(a) The singular includes the plural and vice versa. reference to a gender includes each other gender. “Hereunder,” “hereof,” “hereto,” and words of similar import will be deemed references to this Agreement as a whole and not to a particular Section or other provision hereof. “Including” (and with correlative meaning “include”) means including without limiting the generality of a description preceding such term. With respect to the determination of a period of time, “from” means “from and including” and “to” means “to but excluding.” Where specific language is used to clarify by example a general statement, the specific language does not modify, limit or restrict in any manner the construction of the general statement to which it relates.

(b) Reference to a copy of a document means a copy that is complete and correct. Reference to a list, or any like compilation, means that the list or compilation is complete and correct. Reference to a day or days will be deemed to refer to a calendar day or calendar days, as applicable, unless otherwise specifically provided. References to a Section, Schedule or Exhibit refers to such Section, Schedule or Exhibit of this Agreement, unless otherwise specified. Reference to a statute refers to the statute, any amendments or successor legislation and all rules and regulations promulgated under or implementing the statute, as in effect at the relevant time. Reference to a contract, instrument or other document as of a given date means the contract, instrument or other document and any amendments, supplements and modifications as of such date. All accounting terms used herein will be interpreted and all accounting determinations hereunder will be made in accordance with GAAP.

(c) The contents of the Schedules and Exhibits are an integral part of this Agreement and reference to “this Agreement” includes the Schedules and Exhibits. Headings and captions are for convenience of reference only and will not affect the construction or interpretation of this Agreement, the Schedules or Exhibits.

(d) If a Party or its representative transmits a document to the other Party and such document posted in the due diligence data room, remains posted as of the Effective Time, and is contained in the archive delivered pursuant to **Section 7.11**, such document will be deemed to have been “delivered,” “furnished” or “made available” (or any phrase of similar import) to the other Party and its representatives.

(e) The Disclosure Schedules are arranged in clauses corresponding to the clauses of this Agreement, but the disclosures in any clause of the Disclosure Schedules will qualify any other clause in this Agreement to the extent such disclosure reasonably appears to be relevant to such other clause, whether or not a specific cross-reference appears. Disclosure of any fact or item in the Disclosure Schedules will not necessarily mean that such item or fact, individually or in the aggregate, is material or adverse or that such item or fact has had or is expected to have a Material Adverse Effect or that such item or fact is required to be disclosed pursuant to this Agreement. The disclosure of any information concerning an item or fact in the Disclosure Schedules does not imply that any other, undisclosed item or fact that has a greater significance or value is material.

**ARTICLE II
MEMBERSHIP OF MADERA AND SAMC**

Section 2.01 Membership of Madera. Subject to the terms and conditions set forth in this Agreement and for the consideration described herein, prior to the Closing and effective as of the Effective Time, Madera shall (a) pursuant to Section 5310 of the Nonprofit Corporation Law admit SAH as a member of Madera with the result being that SAH will be the sole member of Madera pursuant to Section 5056 of the Nonprofit Corporation Law, and (b) adopt and file with the California Secretary of State the amended and restated articles of incorporation (the “**Amended and Restated Articles of Incorporation of Madera**”) in the form attached as **Exhibit D-1** and adopt the amended and restated bylaws in the form attached as **Exhibit D-2** (the “**Amended and Restated Bylaws of Madera**”). The Amended and Restated Articles of Incorporation of Madera and Amended and Restated Bylaws of Madera will establish Madera as a California nonprofit public benefit corporation with SAH as its sole corporate member and will serve as the governing documents for Madera as of and following the Effective Time unless and until amended pursuant to their terms. Except as otherwise set forth herein, upon the Effective Time of the Transaction, all of the Assets shall remain as assets and properties of Madera and all outstanding liabilities of Madera shall remain as liabilities of Madera.

Section 2.02 Membership of SAMC. On the terms and subject to the conditions set forth in this Agreement, as soon as feasible following the Effective Time, Trinity Health and SAMC shall endeavor to (a) adopt and file with the California Secretary of State the amended and restated articles of incorporation (the “**Amended and Restated Articles of Incorporation of SAMC**”) in the form attached as **Exhibit E-1** and (b) and adopt the amended and restated bylaws in the form attached as **Exhibit E-2** (the “**Amended and Restated Bylaws of SAMC**”). The Amended and Restated Articles of Incorporation of SAMC and Amended and Restated Bylaws of SAMC will, among other things, provide that SAH is the sole member (as defined in Section 5056(a) of the California Corporations Code) of SAMC.

Section 2.03 Participation in Trinity Health Corporate Services and Initiatives. As soon as practicable after the Effective Time, Madera and the Controlled Subsidiaries will participate in Trinity Health initiatives and receive corporate services from Trinity Health or its designee (e.g., professional liability and other insurances, retirement programs, information technology, supply chain, compliance, and clinical quality initiatives, etc.) in the same manner as other Trinity Health wholly controlled subsidiaries. The Parties will work together in good faith to coordinate the transition of corporate services from Madera or its Affiliates to Trinity or its designee.

**ARTICLE III
POST-EFFECTIVE DATE COVENANTS AND CONSIDERATION**

Section 3.01 Governance. As of and following the Effective Time, each of SAMC and Madera shall maintain a separate governing board to be comprised of the same individuals who are serving as the members of the governing board of SAH.

(a) Trinity Health and SAH will, as of the Effective Time, appoint the following individuals to the board of directors of each of SAH, SAMC and Madera: (1) two individuals who

are current members of the Madera Board of Trustees who are recommended by the Madera Board of Trustees for appointment to the SAH, SAMC and Madera Boards of Directors and approved by Trinity Health and SAH, as applicable; and (2) those individuals who are current members of the SAMC Board of Directors.

(b) Effective immediately prior to the Effective Time, the members of Madera's Board of Trustees who are not being appointed to the Boards of Directors of SAH, SAMC and Madera on and after the Effective Time shall resign and be replaced as of the Effective Time by the individuals appointed pursuant to **Section 3.01(a)** above. The Board of Directors of SAH, SAMC and Madera shall serve until such time as such directors shall be replaced as provided in the Organizational Documents of SAH, SAMC and Madera, as such may be amended from time to time.

(c) SAH will invite those current members of Madera's Board of Trustees who are not appointed to the Boards of Directors of SAH, SAMC and Madera as of the Effective Time and pursuant to **Section 3.01(a)** to serve on an advisory board at Madera reporting to the Board of Directors of SAH.

Section 3.02 Catholic Identity. Following the Effective Time, each of SAH and SAMC will have a Catholic identity and SAH will operate Madera in a manner consistent with the Ethical and Religious Directives for Catholic Health Care Services as promulgated by the United States Conference of Catholic Bishops.

Section 3.03 Mission and Charity Care. As of the Effective Time, Trinity Health and SAH will require that Madera and the Controlled Subsidiaries adopt a mission, vision and core values that include continuing Madera's service to the poor and commitment to charity care. In furtherance of the foregoing, Trinity Health and SAH shall require that Madera adopt a charity care policy effective as of the Effective Time that is no less favorable than Madera's charity care policy existing immediately prior to the Effective Time. Additionally, SAH will continue to operate Madera for the benefit of the community and provide treatment for indigent patients and support programs that benefit the community, each in a manner at least as favorable as community benefit and charity care policies in place at Madera on the date immediately preceding the Effective Time. Following the Effective Time, Trinity Health and SAH will ensure, and Madera will cooperate with SAH in ensuring, that Madera continues to provide charity care at such levels as required by the Attorney General. Trinity Health and SAH will ensure, and Madera will cooperate with Trinity Health and SAH in ensuring, that Madera continues to provide community benefit programs at such levels as required by the Attorney General.

Section 3.04 Donor Restricted Funds. Trinity Health will comply with and cause Madera and the Controlled Subsidiaries to comply with any donor restrictions applicable to charitable remainder trusts, donor restricted endowment funds, and other funds donated prior to and after the Effective Time.

Section 3.05 Hospital. SAH shall endeavor but not be required to operate the Hospital as a licensed general acute care hospital pursuant to the terms set forth in **Schedule 9.01(a)**

Section 3.06 Medical Staff. Following the Closing Date, the Hospital will continue to have an independent medical staff accountable to the advisory board of Madera described in **Section 3.01(c)** and the medical staff, admitting privileges and medical staff bylaws of the Hospital will remain in place unless and until amended or changed according to the terms of the Hospital medical staff bylaws. The officers and committee chairs of the Hospital medical staff shall continue to serve in such roles until their replacements are made in accordance with the Hospital medical staff bylaws.

Section 3.07 Community Benefit and Population Health Management. Following the Closing Date, the Hospital will continue to operate for the benefit of the community and serve the poor and underserved. Trinity Health and SAH shall preserve Madera's longstanding and unwavering commitment to improving the health of those in the communities it serves. Additionally, and to the extent consistent with the changing needs of the communities served as determined solely by Trinity Health and SAH, the changing environment in which healthcare is provided, and applicable Law, the Hospital will continue, either directly or through its subsidiaries: (i) offering medical education residency and fellowship programs, (ii) supporting wellness, health education and other community programs consistent with Hospital's past policies and practices, (iii) participating in medical research programs and innovation activities, (iv) participating in governmental healthcare programs, (v) identifying community needs in the service area and potential clinical improvements or enhancements, (vi) supporting and enhancing education and community programs, and (vii) maintaining community physicians in Hospital's service area, (viii) supporting behavioral health needs of the community, and (ix) positioning the Hospital to be a leader in population health management in the communities served by the Hospital.

Section 3.08 Medicare and Medi-Cal Participation. Following the Closing Date, Madera will, and SAH will cause Madera to, continue to participate in the Medicare and Medi-Cal programs.

Section 3.09 Capital Commitment. Effective as of the Effective Time, Trinity Health and SAH make each of the following capital commitments for the benefit of Madera (collectively, the "**Capital Commitment**"), as further described in **Section 3.10** and **Section 3.11**. Any and all amounts to be expended for the Capital Commitment shall be subject to and made in accordance with Trinity Health's capital budget approval process. Funding for the Capital Commitment may be funded by cash reserves of Madera or through amounts drawn by Madera through Trinity Health's intercompany loan program.

Section 3.10 Seismic. If required, capital necessary to complete improvements to meet 2030 seismic requirements at the Hospital.

Section 3.11 Additional Capital. Additional capital of \$3,000,000 per year for a period of three years for routine replacement equipment and strategic growth projects with such annual capital allocation amounts following the initial three years being determined in accordance with Trinity Health's capital allocation process.

Section 3.12 Epic. Promptly after the Closing, in addition to the capital commitments in **Section 3.09**, **Section 3.10** and **Section 3.11**, the Trinity Parties will install Trinity Health's instance of the Epic electronic health records system at the Hospital and all clinical locations of

Madera, train Madera employees to use the Epic electronic health records system and provide such additional capital as needed for such installation and training. The cost and expense of such training and staffing may be funded by cash reserves of Madera or through amounts drawn by Madera through Trinity Health's intercompany loan program.

Section 3.13 Transition of Indebtedness. As soon as practical following the Closing, the parties will transition all indebtedness of Madera, including any amounts outstanding under the Loan Documents, to Trinity Health's intercompany loan program under which Madera will remain responsible for repayment of such amounts to Trinity Health but on terms and conditions similar to the intercompany debt repayment obligations owed by other wholly controlled subsidiaries of Trinity Health. The benefits to Madera under the Loan Documents and such intercompany loan program are separate from and in addition to the Capital Commitment.

ARTICLE IV CLOSING

Section 4.01 Closing. Consummation of the Transaction shall take place at a closing ("**Closing**") remotely via exchange of documents and signature pages on the date (the "**Closing Date**") that is as promptly as practical (but not more than five (5) Business Days) after all of the conditions to Closing set forth in **Article VIII** are either satisfied or waived (other than conditions which, by their nature, are to be satisfied on the Closing Date or as of the Effective Time), or such other date to which the Parties mutually agree upon in writing. If the Closing Date would fall within three Business Days of the last day of the month, then the Parties will conduct the Closing on the last day of the month (if it is a Business Day) or the first day of the following month. The Closing shall be effective as of 12:00:01 AM Pacific Time on the day immediately following the Closing Date (the "Effective Time") (or on the Closing Date if the Closing Date is on the first day of the month). All proceedings to take place at the Closing will be deemed to have been taken simultaneously except as otherwise provided herein.

Section 4.02 Closing Deliverables.

(a) At or prior to the Closing Date, Madera shall deliver or cause to be delivered to the Trinity Parties each of the following, duly executed by Madera as applicable:

(i) the Amended and Restated Articles of Incorporation of Madera, ready to file with the Secretary of State of the State of California.

(ii) the Amended and Restated Bylaws of Madera effective as of the Effective Time;

(iii) certificates of existence and good standing of Madera issued by the California Secretary of State.

(iv) a certificate from an authorized officer of Madera certifying that attached thereto are true and correct copies of the Organizational Documents of Madera in effect immediately prior to the Closing Date and resolutions of the Board of Directors of Madera: (A) authorizing and approving the execution, delivery and performance of this Agreement and the

transaction, and (B) authorizing and approving those officers of Madera who are executing this Agreement to execute this Agreement and any additional documents required to consummate the Transaction on Madera's behalf, and (C) containing an incumbency signature for each officer executing this Agreement and any additional documents required to consummate the Transaction;

(v) documents, instruments, affidavits, indemnifications, and undertakings reasonably required by the Title Company to issue the Title Policies;

(vi) written resignations, effective as of the Effective Time, of the officers and directors of Madera as set forth in **Section 3.01(b)**;

(vii) all other agreements, documents, instruments or certificates by Madera, in form and substance reasonably satisfactory to Trinity Health and SAH, required to be delivered in accordance with this Agreement.

(b) At or prior to Closing, the Trinity Parties shall deliver to Madera the following:

(i) certificates of existence and good standing of SAH and SAMC issued by the Secretary of State of the State of California;

(ii) certified copies of the Articles of Incorporation of SAH and SAMC, issued by and duly filed with the Secretary of State of the State of California;

(iii) certified copies of the Bylaws of SAH effective as of the Closing;

(iv) a certificate from authorized officers of each of the Trinity Parties certifying that attached thereto are true and correct copies of the resolutions of the applicable governing body of each of the Trinity Parties: (A) authorizing and approving the execution, delivery and performance of this Agreement and the transaction, and (B) authorizing and approving those officers of the Trinity Parties who are executing this Agreement to execute this Agreement and any additional documents required to consummate the Transaction on behalf of the Trinity Parties, and (C) containing an incumbency signature for each officer executing this Agreement and any additional documents required to consummate the Transaction; and

(v) documents, instruments, affidavits, indemnifications, and undertakings required by the Title Company to issue the Title Policies.

(vi) Title Polic(ies) covering the Owned Real Property in accordance with Section 7.09 in a form and substance reasonably satisfactory to SAH;

(vii) all other agreements, documents, instruments or certificates by the Trinity Parties, in form and substance reasonably satisfactory to Madera, required to be delivered in accordance with this Agreement.

ARTICLE V REPRESENTATIONS AND WARRANTIES OF MADERA

Except as set forth in the Disclosure Schedules described herein or as otherwise set forth below, Madera represents and warrants to the Trinity Parties that the statements contained in this **Article V** are true and correct subject to any updates in the Disclosure Schedules delivered to the Trinity Parties prior to the Closing Date as provided in **Section 7.10**.

Section 5.01 Organization and Qualification. Madera and the Exempt Subsidiaries are California nonprofit public benefit corporations and the other Controlled Subsidiaries are California corporations (collectively, the “**Madera Parties**”), each duly organized, validly existing, and in good standing under the laws of the State of California. Madera has all requisite corporate power and authority to conduct its business as it is now being conducted, and to own, lease and operate the assets and properties used in the conduct of its business. Neither Madera nor any Controlled Subsidiary owns or leases property or conducts business in any state other than California that would require it to qualify as a foreign entity in such other jurisdiction. Each Controlled Subsidiary is duly organized, validly existing, and in good standing under the laws of its state of organization and has the requisite power to conduct its business as it is now being conducted, and to own, lease, and operate the assets and properties used in the conduct of its business.

Section 5.02 Authority of Madera. Madera has all necessary corporate power and authority to enter into this Agreement and the other Transaction Documents to which Madera is a party, to carry out its obligations hereunder and thereunder and to consummate the Transaction. The execution and delivery by Madera of this Agreement and any other Transaction Document to which Madera is a party, the performance by Madera of its obligations hereunder and thereunder and the consummation by Madera of the Transaction have been duly authorized by all requisite corporate action on the part of Madera. This Agreement has been duly executed and delivered by Madera, and (assuming due authorization, execution and delivery by the Trinity Parties) this Agreement constitutes a legal, valid and binding obligation of Madera, enforceable against Madera in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors’ rights generally and by general principles of equity (regardless of whether enforcement is sought in a Proceeding at law or in equity). No other corporate authorization or Proceeding on the part of Madera is necessary to authorize this Agreement and the Transaction. When each other Transaction Document to which Madera is or will be a party has been duly executed and delivered by Madera (assuming due authorization, execution and delivery by each other party thereto), such Transaction Document will constitute a legal and binding obligation of Madera enforceable against it in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors’ rights generally and by general principles of equity (regardless of whether enforcement is sought in a Proceeding at law or in equity).

Section 5.03 Organizational Documents. Madera has made available true and complete copies of its current Organizational Documents and the Organizational Documents of Madera and the Controlled Subsidiaries, and all amendments thereto, as well as any other document of any

nature that has the ability to affect the control or governance of the Controlled Subsidiaries (“**Subsidiary Organizational Documents**”). Each of the Subsidiary Organizational Documents and all amendments thereto have been duly adopted and approved in accordance with its respective provisions and in accordance with all applicable Laws. Neither Madera nor any of the Controlled Subsidiaries is in default under or in violation of any provision of their respective Organizational Documents.

Section 5.04 **Capitalization.**

(a) Madera has no corporate member (as defined in Section 5056(a) of the California Corporations Code). **Schedule 5.04(a)** sets forth a complete and accurate list of all of the directors of Madera and such directorship interests are free and clear of all Encumbrances. Upon consummation of the Transaction, SAH shall own all of the issued and outstanding membership interests in Madera, free and clear of all Encumbrances.

(b) There are no outstanding or authorized membership interests, options, warrants, convertible securities or other rights, agreements, arrangements or commitments of any character relating to any membership interests in any Controlled Subsidiary or obligating Madera or any Controlled Subsidiary to issue or sell any membership interests, or any other interest, in Madera or any Controlled Subsidiary. Other than the Organizational Documents, there are no voting trusts, proxies or other agreements or understandings in effect with respect to the voting or transfer of any of Madera’s or Controlled Subsidiary membership interests.

(c) The organizational chart attached as **Schedule 5.04(c)** is an accurate and complete description of the ownership structure of Madera, the Controlled Subsidiaries, and the Joint Ventures and the respective ownership interests of Madera, the Controlled Subsidiaries, and the Joint Ventures in other Persons. Neither Madera, nor the Joint Ventures or the Controlled Subsidiaries have any ownership interests in any Person not identified on such organizational chart (other than shares of publicly traded securities or similar non-controlling interests held solely for investment purposes). The Madera Parties’ ownership interests in the Joint Ventures as set forth on **Schedule 5.04(c)**, including the percentage of equity or other ownership interests so owned: (i) are fully owned by Madera or an applicable Controlled Subsidiary, (ii) are duly authorized, validly issued, fully paid and non-assessable, and (iii) are not subject to any liens, options, warrants, calls, commitments, agreements or other rights to purchase some or all of any interest in the Joint Ventures except as otherwise provided in applicable Organizational Documents, which rights to purchase have not been exercised. None of the Madera Parties has any outstanding obligations to make any capital commitments to any Controlled Subsidiary or Joint Venture, nor to Madera’s Knowledge are there any planned capital commitments or projects with respect to a Controlled Subsidiary or Joint Venture that are reasonably expected to require a capital commitment from any Madera Party.

(d) **Schedule 5.04(d)** is a list of ownership interests held by Madera, the Joint Ventures or the Controlled Subsidiaries in any Person other than the Joint Ventures, the Controlled Subsidiaries or shares of publicly traded securities or similar non-controlling interests held solely for investment purposes. The ownership interest listed in **Schedule 5.04(d)** were acquired in compliance with applicable Law and are free of all Encumbrances (other than Permitted Exceptions).

Section 5.05 Tax-Exempt Status. Madera and each Exempt Subsidiary is exempt from federal income taxation pursuant to Section 501(a) of the Code, as an organization described in Section 501(c)(3) of the Code and is not a “private foundation” as defined in Section 509(a) of the Code, in each case as evidenced by a determination letter from the IRS, and each is also recognized as exempt from state income taxation. None of Madera or any Exempt Subsidiary has within the past six most recent fiscal years received any written correspondence or notice from any taxing authority that any of its exemptions from Tax (including specifically, under Section 501(a) of the Code by virtue of being an organization described in Section 501(c)(3) of the Code and for real, personal and sales tax liability in the jurisdiction in which the organization is located) have been or may be revoked, modified or under consideration or review. Neither Madera nor any Exempt Subsidiary has taken any action that may cause it to lose its exemption from taxation under Section 501(a) of the Code. Madera is in compliance with the requirements of Section 501(r) of the Code, to the extent applicable to the operations of such entity. Those certain Owned Real Properties identified in **Schedule 5.05** are each exempt from real property taxes in the taxing jurisdiction in which such properties are located.

Section 5.06 No Conflicts; Consents. The execution, delivery and performance by Madera of this Agreement and the other Transaction Documents to which it is a party, and the consummation of the Transaction thereby, do not and will not: (a) conflict with or result in a violation or breach of, or default under, any provision of the Organizational Documents of the Madera Parties; (b) conflict with or result in a violation or breach of any provision of any Law or Governmental Order applicable to the Madera Parties; (c) except as set forth on **Schedule 5.06** and to Madera’s Knowledge, (i) require the consent, notice or other action by any Person under, (ii) conflict with, (iii) result in a violation or breach of, (iv) constitute a default or an event that, with or without notice or lapse of time or both, would constitute a default under, (v) result in the acceleration of or create in any party the right to accelerate, terminate, modify or cancel, any Contract or Permit to which any of the Madera Parties is a party or by which any of the Madera Parties, or to which any of their assets are subject; or (d) result in creation or imposition of any Encumbrance on Madera or the Assets. No consent, approval, Permit, Governmental Order, declaration or filing with, or notice to, any Governmental Authority is required by or with respect to the Madera Parties in connection with the execution and delivery of this Agreement or any of the other Transaction Documents and the consummation of the Transaction, except for such matters as are set forth in **Schedule 5.06**.

Section 5.07 Financial Statements. True, complete and correct copies of the following have been made available: (a) the audited balance sheets of Madera as of June 30, 2021, 2020 and 2019; (b) the audited statement of operations and changes in net assets of Madera and statement of cash flows of Madera for the fiscal years then ended; and (c) the unaudited balance sheet of Madera and the unaudited income statement of Madera for each of the subsequent months available through the Signature Date (collectively (a)-(c) being the “**Financial Statements**”). The Financial Statements have been prepared in accordance with GAAP applied on a consistent basis throughout the period involved, subject to year-end adjustments and the absence of notes. The Financial Statements fairly present in all material respects the financial condition of Madera as of the respective dates they were prepared and the results of the operations of Madera for the periods indicated, subject to year-end adjustments and the absence of notes. The balance sheet of Madera as of December 31, 2021, are referred to herein, collectively, as the “**Balance Sheet**” and the date

thereof as the “**Balance Sheet Date.**” Madera has established and maintains a system of “internal controls over financial reporting” sufficient to provide reasonable assurance (i) regarding the reliability of Madera’s financial reporting and the preparation of financial statements for external purposes in accordance with GAAP, (ii) that receipts and expenditures of Madera are being made only in accordance with the authorization of Madera’s management, and (iii) regarding prevention or timely detection of the unauthorized acquisition, use or disposition of Madera’s assets that could have a Material Adverse Effect.

Section 5.08 Books and Records. The books and records of Madera and each Controlled Subsidiary have been made available, are complete and correct in all material respects, and have been maintained in accordance with sound business practices. The books and records of Madera are in the possession of Madera.

Section 5.09 Undisclosed Liabilities. Madera has no liabilities, obligations or commitments, whether absolute or contingent, accrued or unaccrued, matured or unmatured (“**Liabilities**”), except (a) those which are adequately reflected or reserved against in the Balance Sheet as of the Balance Sheet Date, and (b) those which have been incurred in the Ordinary Course of Business consistent with past practice since the Balance Sheet Date and which are not, individually or in the aggregate, material to Madera.

Section 5.10 Bonds and Indebtedness. **Schedule 5.10** sets forth a list of all Indebtedness of Madera and the Controlled Subsidiaries, including the debtor or borrower, creditor or lender, outstanding principal amount, interest rate, maturity date, the collateral (if any) securing such Indebtedness, and any prepayment, make-whole, breakage, or other similar premiums, payments, fees, costs, or penalties applicable thereto. The Madera Parties have no Indebtedness outstanding for which, the income therefrom is exempt from federal and state income taxes nor are any of the Assets Bond Financed Property. There are no covenants or restrictions that are applicable to Madera and the Controlled Subsidiaries regarding the future use, operation and ownership of the assets or property of Madera or the Controlled Subsidiaries.

Section 5.11 Absence of Certain Changes, Events and Conditions. Since the Balance Sheet Date, Madera and the Controlled Subsidiaries have been operated in the ordinary course in all material respects and, there has not been any:

(a) event, occurrence, or development that has resulted in, individually or in the aggregate, a Material Adverse Effect with respect to Madera;

(b) amendment of Madera’s Organizational Documents or the Subsidiary Organizational Documents, except as provided herein;

(c) issuance, sale, or other disposition of, or creation of any Encumbrance on, any ownership interest in Madera, or grant of any options, warrants or other rights to purchase or obtain (including upon conversion, exchange, or exercise) any ownership interest in Madera;

(d) material change in any method of accounting or accounting practice of Madera, except as required by GAAP;

- (e) material change in Madera's cash management practices and its policies, practices, and procedures with respect to collection of accounts receivable, establishment of reserves for uncollectible accounts, accrual of accounts receivable, inventory control, prepayment of expenses, payment of trade accounts payable, accrual of other expenses, deferral of revenue and acceptance of customer deposits;
- (f) transfer or assignment of any cash shown or reflected in the Balance Sheet in excess of \$50,000 other than in the Ordinary Course of Business;
- (g) acceleration, termination, amendment, or entry into any Contract that would constitute a Material Contract;
- (h) entry into any Contract that limits or otherwise restricts Madera or any Controlled Subsidiary or any successor thereto from engaging or competing in any line of business or in any location;
- (i) incurrence, assumption or guarantee of any Indebtedness except unsecured current obligations and Liabilities incurred in the Ordinary Course of Business and consistent with past practice;
- (j) transfer, assignment, sale, or other disposition of any of the assets shown or reflected in the Balance Sheet, other than inventory, supplies or in the Ordinary Course of Business;
- (k) settlement of pending or threatened Proceedings for amounts in excess of \$50,000, whether or not in the Ordinary Course of Business;
- (l) transfer or assignment of or grant of any license or sublicense under or with respect to any Intellectual Property or IP Agreements except non-exclusive licenses or sublicenses granted in the Ordinary Course of Business consistent with past practice;
- (m) damage, destruction, or loss to any asset in excess of \$50,000, whether or not covered by insurance;
- (n) change in any of Madera's insurance policies;
- (o) failure to report to any insurance carrier any incidents, acts, errors, or omissions that are covered by insurance, involve liability beyond any applicable deductibles, and relate to any patient services, visitors, or employees of Madera or any Controlled Subsidiary;
- (p) receipt of any reservation of rights or denial letters by Madera or any Controlled Subsidiary from any insurance carrier that provides insurance coverage for Madera or any Controlled Subsidiary;
- (q) any capital expenditure, capital investment in, or any loan to, any other Person not disclosed or reserved for in the Financial Statements by Madera except in accordance with an approved capital budget or in the Ordinary Course of Business;

(r) except for Permitted Exceptions, imposition of any Encumbrance upon any of the Assets;

(s) increase in the compensation, bonus paid or payable, whether monetary or otherwise, or in the benefits provided to any employees of Madera or the Controlled Subsidiaries other than increases made in the Ordinary Course of Business (including those under existing labor agreements), grant to any employee of Madera or a Controlled Subsidiary of any increase in severance or termination pay or any right to receive any severance or termination pay, or the adoption, amendment or termination of any Madera Benefit Plans or collectively bargaining or other agreement with a union, in each case whether written or oral, or action to accelerate the vesting or payment of any compensation or benefit for any current or former employee, officer, independent contractor or consultant of Madera or one of the Controlled Subsidiaries;

(t) adoption of any plan of merger, consolidation, reorganization, liquidation, or dissolution or filing of a petition in bankruptcy under any provisions of federal or state bankruptcy Law or consent to the filing of any bankruptcy petition against it under any similar Law by Madera;

(u) purchase, lease, or other acquisition of the right to own, use or lease any property or assets for an amount in excess of \$100,000, individually (in the case of a lease, per annum) or \$250,000 in the aggregate (in the case of a lease, for the entire term of the lease, not including any option term) by Madera or a Controlled Subsidiary, in each case except for purchases in accordance with an approved capital budget or in the Ordinary Course of Business;

(v) acquisition by merger or consolidation with, or by purchase of a substantial portion of the assets, stock, or other equity of, or by any other manner, any business, or any Person by Madera;

(w) any loan to (or forgiveness of any loan to), or entry into any other transaction with, any of its members or current or former directors, managers, officers, and employees;

(x) entry into a new line of business or abandonment or discontinuance of existing lines of business;

(y) payment, discharge, or satisfaction of any liability or obligation, other than by payment, discharge, or satisfaction in the Ordinary Course of Business;

(z) cancellation or waiver of any claims or rights in respect to any Asset or Madera or any Controlled Subsidiary exceeding, in the aggregate, \$100,000;

(aa) except for routine claims for reimbursement made in the Ordinary Course of Business, payment of any amount to any Governmental Authority or any other third party for any claim, obligation, liability, loss, damage, or expenses, of whatever kind or nature, incurred or imposed or based upon any Law related to the provision of health care items or services or Environmental Law; or

(bb) any Contract to do any of the foregoing, or any action or omission that would result in any of the foregoing.

Section 5.12 Accounts Receivable. Madera has provided to the Trinity Parties a complete and accurate aging of all accounts receivable and other receivables of Madera and the Controlled Subsidiaries as of the Balance Sheet Date. All accounts receivable and other receivables that are reflected on the Financial Statements or in such schedule as of the Closing Date represent valid obligations arising from sales actually made or services actually performed in the Ordinary Course of Business and reflect a bond fide obligation for the payment of goods or services provided by Madera or the Controlled Subsidiaries and, to Madera's Knowledge, are not subject to any contests, claims, counterclaims or setoffs. All accounts receivable and other receivables of Madera and the Controlled Subsidiaries recorded in the Financial Statements have been appropriately reduced to their estimated net realizable value.

Section 5.13 Inventory. The quantities of each item of Inventory are reasonable in the present circumstances of Madera or the Controlled Subsidiaries, as applicable, and consistent with past practice. All inventory of Madera and the Controlled Subsidiaries, whether or not reflected in the Financial Statements, consists of a quality usable and salable in the Ordinary Course of Business, except for obsolete items and items of below standard quality, and all such Inventory has been written off or written down to net realizable value in the Financial Statements or on the accounting records of Madera and the Controlled Subsidiaries as of the Closing Date, as the case may be. Inventories are stated at the lower of cost or net realizable value.

Section 5.14 Material Contracts.

(a) **Schedule 5.14(a)** lists each of the following Contracts to which a Madera Party is a party (together with the Contracts described in **Section 5.14(b)** below, the "**Material Contracts**"):

(i) each Contract involving aggregate consideration over the entire term of such Contract in excess of 200,000 and which, in each case, cannot be cancelled by the Madera Party, as applicable, without penalty or without more than 90 days' notice;

(ii) all Contracts that require a Madera Party to purchase its total requirements of any product or service from a third party or that contain "take or pay" provisions;

(iii) all Contracts that provide for the assumption of any Tax or environmental liabilities of any Person;

(iv) all Contracts providing for the indemnification of any officer, director, trustee, or employee of Madera Party;

(v) all Contracts entered into in the past seven years that relate to the acquisition or divestiture of any business, a material amount of equity or assets of any other Person or any real property (whether by merger, sale of stock or equity, sale of assets or otherwise);

(vi) any Contracts that provide for any joint venture, partnership or similar arrangement involving the provision of health care services;

(vii) all collective bargaining agreements or Contracts with any union, works council or labor organization;

(viii) except for agreements relating to trade receivables, all Contracts relating to Indebtedness (including, without limitation, guarantees);

(ix) all Contracts that provide for exclusivity or limit or purport to limit the ability of Madera or a Controlled Subsidiary to compete in any line of business or with any Person or in any geographic area or during any period of time;

(x) all broker, distributor, dealer, manufacturer's representative, franchise, agency, sales promotion, market research, marketing consulting and advertising Contracts;

(xi) all employment agreements;

(xii) all employment agreements and Contracts with independent contractors, consultants or any other healthcare provider or referral source (or similar arrangements), including all Contracts with a physician, a physician-owned entity or medical group practice;

(xiii) all Contracts with any Governmental Authority;

(xiv) all managed care contracts and third-party payor agreements;

(xv) all Contracts with any officer, director or employee of a Madera Party; and

(xvi) all Contracts with a health care facility.

(b) Each Material Contract is valid and binding on Madera or a Controlled Subsidiary, as applicable, in accordance with its terms and is in full force and effect; (ii) to Madera's Knowledge, no party is in breach of or default under (or is alleged to be in breach of or default under), or has provided or received any notice of any intention to terminate, any Material Contract; and (iii) to Madera's Knowledge, no event or circumstance has occurred that, with notice or lapse of time or both, would constitute an event of default under any Material Contract or result in a termination thereof or would cause or permit the acceleration or other changes of any right or obligation or the loss of any benefit thereunder. Complete and correct copies of each Material Contract (including all modifications, amendments, and supplements thereto and waivers thereunder) have been provided to SAH.

Section 5.15 Title to Assets. Madera has good and valid title to, or a valid leasehold interest in, the Assets. All of the Assets (including leasehold interests) are free and clear of Encumbrances except for Permitted Encumbrances. All of the material, tangible Assets, whether owned or leased, are in the possession or control of Madera.

Section 5.16 Condition and Sufficiency of the Assets. Subject to ordinary wear and tear, the buildings, plants, structures, furniture, fixtures, machinery, equipment, vehicles and other items of tangible personal property included in the Assets are in substantially good operating condition and repair, without patent defects and are adequate for the uses to which they are being put, and none of such buildings, plants, structures, furniture, fixtures, machinery, equipment,

vehicles and other items of tangible personal property is in need of maintenance or repairs except for ordinary, routine maintenance and repairs that are not material in nature or cost. The Assets are sufficient for the continued conduct of the business of the Madera Parties after the Effective Time in substantially the same manner as conducted prior to the Effective Time and constitute all of the rights, property, and assets necessary to conduct the business of the Madera Parties.

Section 5.17 Real Property.

(a) **Schedule 5.17(a)** lists all real property owned by Madera or a Controlled Subsidiary (collectively, the “**Owned Real Property**”). Madera or a Controlled Subsidiary has good and marketable fee simple title to the Owned Real Property, free and clear of all Encumbrances, except Permitted Exceptions. SAH has been provided with copies of all title insurance commitments, title insurance policies, zoning reports or letters and surveys (if any) with respect to the Owned Real Property in the Madera Parties’ possession or control, if any.

(b) **Schedule 5.17(b)** lists all real property leased by Madera or a Controlled Subsidiary as lessee (collectively, the “**Leased Real Property**”) and all leases, lease amendments, licenses and lease guaranties related to such Leased Real Property (the “**Lessee Leases**”), and all leases for the Owned Real Property for which Madera or a Controlled Subsidiary is the lessor, together with all amendments, subleases, licenses and lease guaranties related to such leases (the “**Lessor Leases**” and together with the Lessee Leases, collectively, the “**Leases**”). Madera or a Controlled Subsidiary holds a valid leasehold estate in all such Leased Real Property, and such leasehold interests are free and clear of all Encumbrances other than Permitted Exceptions. Copies of each of the Leases have been made available. The Leases are valid and binding, except for the Equitable Exceptions, and have not been amended, modified, or assigned, except as otherwise set forth on **Schedule 5.17(b)**. There are no current defaults, defenses, offsets, or claims by Madera or any Controlled Subsidiary or, to Madera’s Knowledge, by the other party under any of the Leases. To Madera’s Knowledge, no event has occurred which constitutes or, with the passing of time or giving of notice, or both, would constitute, a material default under any of the Leases. Neither Madera nor any Controlled Subsidiary has subleased, licensed, or otherwise granted any Person the right to use or occupy such Leased Real Property. To Madera’s Knowledge, there are no subleases, licenses, or other transfers of any right to occupy any premises leased under the Lessor Leases.

(c) Neither Madera nor any Controlled Subsidiary occupies or uses in the conduct of its business any real property or improvements which are not Owned Real Property or Leased Real Property. Except for the Permitted Exceptions and the tenants under the Lessor Leases, no party other than the Madera or a Controlled Subsidiary has any interest in the Owned Real Property or is using any part of the Owned Real Property and there are no outstanding options, rights of first offer or rights of first refusal to purchase the Owned Real Property or any portion thereof or interest therein.

(d) Neither Madera nor any Controlled Subsidiary has received any written notice of existing, pending or threatened: (i) condemnation Proceedings affecting the Real Property; or (ii) zoning, building code or other moratorium Proceedings, the subject matter of which would have a material and adverse effect on Madera’s use of the Real Property as it is currently operated.

Neither the whole nor any material portion of any Real Property has been damaged or destroyed by fire or other casualty.

(e) To Madera's Knowledge, there is no assessment presently unpaid and delinquent for local improvements or otherwise which has or may become a lien against the Real Property. Further, none of the Madera Parties have received any written notice of any existing or contemplated public improvements, which may result in special assessments against the Real Property.

(f) To Madera's Knowledge, all certificates of occupancy and all other material permits, consents and certificates required by all Governmental Authorities having jurisdiction and the requisite certificates of the local board of fire underwriters (or other body exercising similar functions) have been issued for, and in connection with the operation of, the Real Property, have been issued and paid for.

(g) There is no pending litigation, administrative action or examination, claim, or demand involving or relating to the Real Property the subject matter of which remains uncured or unresolved.

(h) No Madera Party has received any written notice from the holder of any mortgage or deed of trust presently encumbering the Real Property, any insurance company which has issued a policy with respect to the Real Property or, from any board of fire underwriters (or other body exercising similar functions) claiming any defects or deficiencies in the Real Property or requiring the performance of any material repairs, or alterations to the Real Property.

(i) To Madera's Knowledge, there are no due and payable utility charges that are delinquent. The Real Property is served by all utilities reasonably required to enable Madera and the Controlled Subsidiaries to operate in accordance with past practices.

(j) **Schedule 5.17(j)** identifies all those construction or capital projects currently in progress with respect to the Real Property for which all final approvals needed from Governmental Authorities have not been obtained.

Section 5.18 Intangible Personal Property; Software.

(a) **Schedule 5.18(a)** contains a correct, current, and complete list of (I) all IP Registrations, specifying as to each, as applicable: the title, mark, or design; the record owner and inventor(s), if any; the jurisdiction by or in which it has been issued, registered, or filed; the patent, registration, or application serial number; the issue, registration, or filing date; and the current status (ii) all unregistered Trademarks included in the Intellectual Property; (iii) all proprietary software of Madera; and (iv) all other Intellectual Property material used or held for use in by the Madera Parties. All required filings and fees related to the IP Registrations have been timely filed with and paid to the relevant Governmental Authorities and authorized registrars, and all IP Registrations are otherwise in good standing. Madera has provided SAH with true and complete copies of file histories, documents, certificates, office actions, correspondence and other materials related to all IP Registrations. Madera owns or holds adequate licenses or other rights to use all

Intellectual Property used in or necessary for the operation of its business as now conducted without payment to a third party.

(b) **Schedule 5.18(b)** contains a correct, current, and complete list of all IP Agreements. Madera has provided SAH with true and complete copies (or in the case of any oral agreements, a complete and correct written description) of all such IP Agreements, including all modifications, amendments, and supplements thereto and waivers thereunder. Each IP Agreement is valid and binding on Madera in accordance with its terms and is in full force and effect. Neither Madera nor, to Madera's Knowledge, any other party thereto is, or is alleged to be, in breach of or default under, or has provided or received any notice of breach of, default under, or intention to terminate (including by non-renewal), any IP Agreement.

(c) Madera is the sole and exclusive legal and beneficial, and with respect to the IP Registrations, record, owner of all right, title and interest in and to the Intellectual Property and has the valid and enforceable right to use all other Intellectual Property used or held for use in or necessary for the conduct of Madera's business as currently conducted or as proposed to be conducted, in each case, free and clear of Encumbrances. Madera has entered into binding, valid and enforceable, written Contracts with each current and former employee and independent contractor whereby such employee or independent contractor (i) acknowledges the Madera's exclusive ownership of all Intellectual Property invented, created or developed by such employee or independent contractor within the scope of his or her employment or engagement with the Madera; (ii) grants to Madera a present, irrevocable assignment of any ownership interest such employee or independent contractor may have in or to such Intellectual Property; and (iii) irrevocably waives any right or interest, including any moral rights, regarding such Intellectual Property, to the extent permitted by applicable Law. Madera has provided SAH with true and complete copies of all such Contracts.

Neither the execution, delivery, or performance of this Agreement, nor the consummation of the Transaction, will result in the loss or impairment of or payment of any additional amounts with respect to, nor require the consent of any other Person in respect of, Madera's right to own or use any Intellectual Property or any Intellectual Property subject to any IP Agreement.

(d) All of the Intellectual Property is valid and enforceable, and all IP Registrations are subsisting and in full force and effect. To Madera has taken all necessary steps to maintain and enforce the Intellectual Property and to preserve the confidentiality of all Trade Secrets included in the Intellectual Property, including by requiring all Persons having access thereto to execute binding, written non-disclosure agreements.

(e) To Madera's Knowledge, the conduct of Madera's and the Controlled Subsidiaries' business as currently and formerly conducted, and the products, processes, and services of Madera, have not infringed, misappropriated, or otherwise violated the Intellectual Property or other rights of any Person. To Madera's Knowledge, no Person has infringed, misappropriated, or otherwise violated any Intellectual Property. To Madera's Knowledge, the use by Madera and the Controlled Subsidiaries of any software that is proprietary to Madera or a Controlled Subsidiary does not conflict with, misappropriate, or infringe upon the rights or ownership interests of any other Person and the use by Madera and the Controlled Subsidiaries of any third-party software does not conflict with, misappropriate, or infringe upon the rights or ownership interests of any other Person.

(f) Neither Madera nor any Controlled Subsidiary is infringing any patent, trade name, trademark, service mark, copyright, trade secret, technology, know-how, or process belonging to any other Person. No Madera Party has received any written notice of any such claim of infringement and, to Madera's Knowledge, no actions have been instituted or are pending or threatened, which challenge the validity of the ownership or use by Madera or any Controlled Subsidiary of any intellectual property used in connection with the operations of Madera and the Controlled Subsidiaries.

(g) The computer hardware, servers, networks, platforms, peripherals, data communication lines, and other material information technology equipment and related systems, including any outsourced systems and processes, that are owned or used by Madera or the Controlled Subsidiaries ("**Technology Systems**") are reasonably sufficient for the immediate needs of Madera's business. To Madera's Knowledge there has been no unauthorized access, use, intrusion, or breach of security, or failure, breakdown, performance reduction, or other adverse event affecting any Technology Systems, that has caused or could reasonably be expected to cause any: (i) substantial disruption of or interruption in or to the use of such Technology Systems or the conduct of the Madera's business; (ii) loss, destruction, damage, or harm of or to Madera or its operations, personnel, property, or other assets; or (iii) liability of any kind to Madera or the Controlled Subsidiaries. Madera has taken reasonable actions, consistent with applicable industry practices and Information Privacy and Security Laws, to protect the integrity and security of the Technology Systems and the data and other information stored or processed thereon. Madera (i) maintains commercially reasonable backup and data recovery, disaster recovery, and business continuity plans, procedures, and facilities; (ii) acts in compliance therewith; and (iii) tests such plans and procedures on a regular basis, and such plans and procedures have been proven effective upon such testing.

Section 5.19 Legal Proceedings; Governmental Orders.

(a) There are no Proceedings pending or, to Madera's Knowledge, threatened against or by Madera or the Controlled Subsidiaries. To Madera's Knowledge, no event has occurred, or circumstances exist that are reasonably expected to give rise to, or serve as a basis for, any Proceeding.

(b) To Madera's Knowledge, no event has occurred or circumstance exists that is reasonably expected to give rise to or serve as a basis for the commencement of any Proceeding against Madera or any Controlled Subsidiary.

(c) There are no outstanding Governmental Orders and no unsatisfied judgments, penalties, or awards against or affecting Madera, the Controlled Subsidiaries, or any Assets.

Section 5.20 Compliance with Laws; Permits.

(a) Madera and the Controlled Subsidiaries are not in material violation of Laws applicable to their businesses, properties and assets including, without limitation, the False Claims Act (31 U.S.C. § 3729, et seq.), the Civil Monetary Penalties Law (42 U.S.C. § 1320a-7a), federal and state anti-kickback statutes (including 42 U.S.C. § 1320a 7b), federal and state referral laws (including 42 U.S.C. §1395nn), criminal false claims statutes (e.g. 18 U.S.C. §§ 287 and 1001),

and the Beneficiary Inducement Statute (42 U.S.C. §1320a-7a(a)(5)). No Madera Party has received any written notice or other written communication from any Governmental Authority or any other Person acting on behalf of any Governmental Authority, of (i) any actual or alleged violation of any such Laws nor to Madera's Knowledge does there exist any facts that are reasonably expected to provide a basis for such claims, or (ii) any actual or alleged obligation on the part of Madera or any of the Controlled Subsidiaries to undertake, or to bear all or any portion of the cost of, any remedial action of any nature.

(b) Neither Madera nor any of the Controlled Subsidiaries has been audited, surveyed, or otherwise examined in connection with any Government Program or any third-party payor other than audits, surveys or reviews that occur in the Ordinary Course of Business.

(c) All Permits required for Madera or the Controlled Subsidiaries to conduct their businesses or for the ownership and use of the Assets have been obtained by Madera or the applicable Controlled Subsidiary and are valid and in full force and effect. All fees and charges with respect to such Permits as of the date hereof have been paid in full. **Schedule 5.20(c)** lists all current Permits issued to Madera or a Controlled Subsidiary, including the names of the Permits and their respective dates of issuance and expiration. Copies of all such Permits have been made available. To Madera's Knowledge, no event has occurred that, with or without notice or lapse of time or both, would reasonably be expected to result in the revocation, suspension, lapse, or limitation of any Permit set forth in **Schedule 5.20(c)**. During the Lookback Period, none of the Madera Parties has received any written notice from any Governmental Authority or any other Person acting on behalf of any Governmental Authority, of (i) any actual, alleged, or potential violation of or failure to comply with any term or requirement of any Permit, or (ii) any actual, proposed, or potential revocation, withdrawal, suspension, termination of, or modification to any Permit.

(d) Madera has provided to SAH a correct and complete a copy of the most recent state licensing reports pertaining to the Permits listed on **Schedule 5.20(c)** or Madera or any of the Controlled Subsidiaries and lists of related material deficiencies and plans of correction, if any, has been made available. Madera and the Controlled Subsidiaries are in compliance in all material respects with applicable fire code regulations. Madera and the Controlled Subsidiaries have cured or submitted a plan of correction with respect to the deficiencies noted in any such licensure surveys and fire marshal reports and anticipate that such cures and/or plans of correction have been or will be accepted by the appropriate Governmental Authority as of the Closing Date or will be accepted thereafter in the Ordinary Course of Business.

(e) There are no outstanding patient complaints with respect to Madera or the Controlled Subsidiaries which have been substantiated by a Governmental Authority and which have not been cured or are not the subject of a plan of correction accepted by the applicable Governmental Authority. All fines imposed, if any, against Madera or any Controlled Subsidiary with respect to any patient complaints have been paid in full.

(f) The ancillary departments, healthcare related facilities and other operations comprising the Hospital that are required by Law to be specifically licensed are duly licensed by the appropriate Governmental Entities.

(g) Madera does not have any outstanding loan, grant, or loan guarantee pursuant to the Hill-Burton Act (42 U.S.C. §291a, *et seq.*).

Section 5.21 Medicare Participation/Accreditation.

(a) Madera and the Controlled Subsidiaries are eligible without restriction for participation in the Medicare, MediCal, and TRICARE plan programs (collectively, the “**Government Programs**”) and have current and valid provider contracts with the Government Programs. Madera and the Controlled Subsidiaries are each in compliance with the applicable conditions of participation for the Government Programs in all material respects. There is neither pending, nor, to Madera’s Knowledge, threatened, any Proceeding or investigation under the Government Programs involving Madera or any Controlled Subsidiary other than routine audits. Madera has made available true and complete copies of the most recent Government Program survey reports as to each of Madera and the Controlled Subsidiaries, and all plans of correction, if any, which any of Madera or the Controlled Subsidiaries was required to submit in response to such surveys, and all such plans of correction have been accepted by the applicable Government Program and all have been or are in the process of being implemented.

(b) Each of Madera and the Controlled Subsidiaries has timely filed (through any applicable extension period) all required Government Program cost reports for all the fiscal years through and including the most recently completed fiscal year. All of such cost reports filed by Madera and the Controlled Subsidiaries are complete and correct in all material respects, and no Madera Party has received, reimbursement in excess of the amounts provided by Law or any applicable Contract. True and complete copies of all such cost reports for the three most recent fiscal years of Madera and the Controlled Subsidiaries have been made available. Except for routine claims and appeals for reimbursement made in the Ordinary Course of Business, there are no claims, actions or appeals pending before any commission, board, or agency, including any fiscal intermediary or carrier, the Provider Reimbursement Review Board or the Administrator of the Centers for Medicare and Medicaid Services, with respect to Government Program claims filed on behalf of Madera or any of the Controlled Subsidiaries. To Madera’s Knowledge, no event has occurred, or circumstances exist that (with or without notice of lapse of time) would reasonably be expected to give rise to any material disallowance under any cost report submitted by any of Madera or the Controlled Subsidiaries.

(c) The billing practices of Madera and the Controlled Subsidiaries with respect to all third party payors, including the Government Programs and private insurance companies, have been performed in the Ordinary Course of Business and are in compliance with all applicable Law and billing requirements of such third party payors and Government Programs, and none of Madera or the Controlled Subsidiaries have knowingly billed or received any material payment or reimbursement in excess of amounts allowed by Law other than underpayments and overpayments arising in the Ordinary Course of Business.

(d) The Hospital is duly accredited with no material contingencies by the Health Facilities Accreditations Program (“**HFAP**”) or by any other accrediting bodies. Madera has made available each accreditation survey report and deficiency list prepared by the ACHC for the past three years and the Hospital’s most recent statement of deficiencies and plan of correction have

been accepted by the accrediting body and have been implemented or are in the process of being implemented.

Section 5.22 Compliance Programs.

(a) During the Lookback Period, Madera and the Controlled Subsidiaries have maintained and adhered to in all respects a compliance program designed to promote compliance with all Laws and ethical standards, to improve the quality and performance of operations, and to detect, prevent, and address violations of legal or ethical standards applicable to the operations of Madera and the Controlled Subsidiaries, as applicable.

(b) During the Lookback Period, upon hiring employees and monthly thereafter, searches of the Office of Inspector General's List of Excluded Individuals/Entities are performed by Madera or its designee to confirm that all of the Madera Parties' owners, officers, directors, employees, independent contractors, consultants, medical staff members, and other Persons providing any services under any Contract with a Madera Party are not, as of the date of such search, excluded, debarred or otherwise ineligible to participate in the Government Programs. No Madera Party has received written notice that (i) any Person providing services under a Contract with any of Madera and the Controlled Subsidiaries, or (ii) any owner, officer, director, employee, contractor, or medical staff member of a Madera Party is charged with or has been convicted of a criminal offense related to the Government Programs, but has not yet been excluded, debarred, or otherwise declared ineligible to participate in such programs or is proposed for exclusion therefrom.

(c) Madera has made available all records, audit reports and logs maintained by or behalf of Madera and the Controlled Subsidiaries in connection with their respective compliance programs. There are no actual or potential violations by any of the Madera Parties or any of their directors, officers, or employees of any Law applicable to the Government Programs for which criminal penalties, civil monetary penalties or exclusion may be authorized.

Section 5.23 Corporate Integrity Agreements.

(a) No Madera Party (i) is a party to a corporate integrity agreement or to a Certification of Compliance Agreement with the Office of the Inspector General of the United States Department of Health and Human Services, (ii) has reporting obligations pursuant to any settlement agreement entered into with any Governmental Authority, (iii) to Madera's Knowledge, is the subject of any Government Program investigation, or (iv) has reporting obligations pursuant to any settlement agreement entered into with any Governmental Authority.

(b) No Madera Party (i) has been a defendant in any unsealed qui tam/False Claims Act litigation, (ii) has been served with or received any search warrant, subpoena, civil investigation demand, contact letter or telephone or personal contact by or from any Governmental Authority, or (iii) has received any complaints through any compliance "hotlines" from employees, independent contractors, vendors, physicians, or any other Persons that would indicate that any Madera Party, or any of their directors, officers, or employees has violated any Law which has not been (or are not being) addressed in accordance with the applicable party's compliance program.

Section 5.24 **HIPAA.**

(a) No Madera Party that is a “**Covered Entity**” (as defined in HIPAA) is in material violation of the applicable rules and regulations promulgated under HIPAA pursuant to 45 CFR Parts 160, 162, and 164 (subparts A, D and E) and the changes thereto imposed by HITECH. No such Madera Party has been the subject of an enforcement action by or resolution agreement with the U.S. Department of Health & Human Services, Office for Civil Rights or any other Governmental Authority related to any applicable Information Privacy and Security Laws. No such Madera Party (i) is, to Madera’s Knowledge, under investigation by any Governmental Authority for violation of any Information Privacy and Security Laws; or (ii) has received any written notices or audit requests from the any Governmental Authority relating to any such violations.

(b) A list of all breach notifications made by each of Madera and the Controlled Subsidiaries pursuant to any Information Privacy and Security Laws for the past four years is set forth on **Schedule 5.24(b)**.

(c) Each of Madera and the Controlled Subsidiaries has entered into a Business Associate Agreement in each instance in which Madera or the Controlled Subsidiary, as applicable, engages a Business Associate (as defined at 45 C.F.R. § 160.103), as required by and in accordance with HIPAA.

Section 5.25 **Affiliate Transactions.**

(a) No officer or director of any of the Madera Parties (“**Madera Interested Person**”), and with the exception of stock held as an investment in a publicly-traded corporation, directly or indirectly: (i) holds a financial interest in any corporation, partnership, proprietorship or other entity which does business with (*i.e.*, sells to or purchases products or services from) any Madera Party; (ii) has any cause of action or claim against any Madera Party; or (iii) holds a beneficial interest in any Contract to which a Madera Party is a party or by which a Madera Party may be bound;

(b) None of the Madera Parties is indebted, either directly or indirectly, to any Madera Interested Person in any amount whatsoever, other than current obligations for payments of fees, salaries, bonuses, and other fringe benefits for past services rendered; and

(c) No Madera Interested Person is indebted to any Madera Party.

Section 5.26 **Environmental Matters.** Except as disclosed on **Schedule 5.26:**

(a) No Madera Party is or at any time has been in violation of Environmental Laws.

(b) Madera and the Controlled Subsidiaries have obtained and are, and at all times have been in compliance with, all Environmental Permits necessary for the conduct of business of Madera and the Controlled Subsidiaries as currently conducted or the ownership, lease, operation or use of the Assets. All such Environmental Permits are in full force and effect, are held in the name of the appropriate entity, and are not subject to any unsatisfied conditions. No revocation,

termination, limitation, withdrawal, or inability to renew any of such Permits is pending or, to Madera's Knowledge, threatened. All appropriate filings and registrations where necessary for the renewal or reissuance of such Environmental Permits have been timely submitted to the appropriate Governmental Authority. No fact or condition exists which could cause such Environmental Permits to not be renewed, or to be renewed with materially different terms, by the appropriate Governmental Authority in the Ordinary Course of Business. To the extent permitted by Law, all such Environmental Permits shall be available for use immediately following the Closing. A correct and complete list of all such Environmental Permits is set forth on **Schedule 5.26(b)**.

(c) None of the Owned Real Property or Leased Real Property was or is listed on, or has been proposed for listing on, the National Priorities List (or CERCLIS) under CERCLA, or any similar state list.

(d) There has been no Release of Hazardous Materials in violation of Environmental Law or in a manner that would result in any Liabilities under Environmental Law or any Environmental Claim, either against Madera or a Controlled Subsidiary or with respect to the Assets, and no Madera Party has received any Environmental Notice, nor is otherwise aware, that Hazardous Materials are present at or on any of the Assets in such a way which could reasonably be expected to result in an Environmental Claim against, or a violation of Environmental Law or term of any Environmental Permit by, or any Liabilities under Environmental Law to, Madera or a Controlled Subsidiary.

(e) All aboveground or underground storage tanks currently or formerly located on the Owned Real Property and Leased Real Property are properly registered with the appropriate Governmental Authorities, comply with Environmental Laws, or were removed and closed in compliance with Environmental Laws, as applicable, including any financial assurance requirements imposed by Environmental Law. To the extent permitted by Law, all such financial assurance shall be immediately available for use immediately following the Closing.

(f) Neither Madera nor any of the Controlled Subsidiaries has generated, managed, Released, transported, stored, treated, or disposed of, or arranged for the management, transportation, storage, treatment, or disposal of, any Hazardous Materials in violation of Environmental Law or, to Madera's Knowledge, in a manner that could reasonably be expected to result in any Liabilities under Environmental Law. To Madera's Knowledge, no facility or location used by Madera or any Controlled Subsidiary, or by any predecessors as to which Madera or any Controlled Subsidiary may retain liability, has been placed or is proposed for placement on the National Priorities List (or the Superfund Enterprise Management System) under CERCLA or any similar state or local list. No Madera Party has received any Environmental Notice regarding actual or potential Liabilities with respect to such off-site Hazardous Materials treatment, storage, or disposal facilities or locations.

(g) Neither Madera nor any Controlled Subsidiary has retained or assumed, by contract or operation of Law, any Liabilities, or obligations of third parties under Environmental Law or concerning any Environmental Claim.

(h) Such of the following as are in the possession or control of Madera or a Controlled Subsidiary have been made available: (i) any and all environmental reports, studies, audits, records, sampling data, site assessments, risk assessments, economic models, correspondence with Governmental Authorities and other similar documents with respect to the Owned Real Property or the Leased Real Property, any other property currently or formerly owned or operated by Madera or any Controlled Subsidiary, or related to compliance with Environmental Laws, Environmental Claims or an Environmental Notice or the Release of Hazardous Materials that are in the possession or control of Madera or any Controlled Subsidiary; and (ii) any and all material documents concerning planned or anticipated capital expenditures required to reduce, offset, limit or otherwise control pollution and/or emissions, manage waste or otherwise ensure compliance with current or future Environmental Laws (including, without limitation, costs of remediation, pollution control equipment and operational changes).

(i) To Madera's Knowledge, there are no conditions, events or circumstances concerning the Release or regulation of Hazardous Materials that prevent, impede, or materially increase the costs associated with the ownership, lease, operation, performance or use of the Owned Real Property or Leased Real Property as currently carried out

Section 5.27 Employee Benefit Matters.

(a) **Schedule 5.27(a)** includes a list of each material Benefit Plan that is sponsored, maintained, participated in or contributed to by, or required to be sponsored, maintained, participated in or contributed to by, Madera, a Controlled Subsidiary or any ERISA Affiliate of Madera or a Controlled Subsidiary, for the benefit of, or relating to, any current or former employee, director, officer, owner, or independent contractor of Madera or a Controlled Subsidiary or beneficiaries or dependents thereof, or with respect to which Madera or a Controlled Subsidiary has any material liability (each a "**Madera Benefit Plan**"). With respect to each Madera Benefit Plan, Madera has made available a true, correct and complete copy of the following (where applicable): (i) each writing constituting a part of such Madera Benefit Plan, including all plan documents and amendments thereto (or, with respect to any unwritten Madera Benefit Plans, accurate descriptions thereof); (ii) any trust agreement, insurance contract, annuity contract, voluntary employees' beneficiary association as defined in Section 501(c)(9) of the Code, or other funding instrument related to such Madera Benefit Plan; (iii) the three most recent annual reports (Forms 5500 series), including all schedules and audited financial statements attached thereto, if any; (iv) the three most recent actuarial reports; (v) the current summary plan description and any summary of material modifications thereto; (vi) any notices to or other material communications with any participants or any Governmental Authority, commission or regulatory body relative to the Madera Benefit Plan in the past three years; (vii) the most recent determination letter or opinion letter issued by the IRS; (viii) all rulings, no-action letters or advisory opinions from the IRS, U.S. Department of Labor, the Pension Benefit Guarantee Corporation ("**PBGC**"), or any other federal or state authority that pertain to the Madera Benefit Plan and any open requests therefor; and (ix) the Form PBGC-1 filed for each of the three most recent plan years. "**ERISA Affiliate**" means, with respect to any entity, trade or business, any other entity, trade, or business that is or was at the relevant time a member of a group described in Section 414(b), (c), (m) or (o) of the Code or Section 4001(b)(1) of ERISA that includes or included the first entity, trade, or business that is a

member of the same “controlled group” as the first entity, trade, or business pursuant to Section 4001(a)(14) of ERISA.

(b) Each Madera Benefit Plan has been maintained, funded, and administered, in all material respects, in accordance with its terms and with all applicable Laws (including ERISA and the Code to the extent applicable) and the terms of all collective bargaining agreements. Each Madera Benefit Plan that is intended to be qualified under Section 401(a) of the Code has been timely amended for all applicable legal requirements in order to maintain such tax-qualified status, is subject to a current favorable determination letter (to the extent a current favorable determination letter may be issued pursuant to IRS Announcement 2015-19) or may rely upon an opinion or advisory letter issued by the IRS with respect to such Madera Benefit Plan, and no such favorable determination letter or opinion letter has been revoked or, to Madera’s Knowledge, has revocation been threatened, and, to Madera’s Knowledge, there are no existing circumstances nor have any events occurred since the date of the most recent determination letter or opinion letter that could adversely affect the tax-qualified status of any such Madera Benefit Plan or the related trust or increase the costs relating thereto.

(c) **Schedule 5.27(c)** sets forth a list of each “employee pension benefit plan” (as defined in Section 3(2) of ERISA) that is subject to Sections 412 or 4971 of the Code, Section 302 of ERISA or Title IV of ERISA (not including any Multiemployer Plan) and that Madera, any Controlled Subsidiary or any ERISA Affiliate of either Madera or a Controlled Subsidiary sponsors, maintains or contributes to, or has any obligation to contribute to, or has any liability or potential liability under or with respect to. With respect to each plan listed in **Schedule 5.27(c)**: (i) such plan is not currently, and is not reasonably expected to be, in “at risk status” within the meaning of Section 430(i) of the Code or Section 303(i) of ERISA; (ii) a copy of the most recent Annual Funding Notice and Certification of AFTAP has been delivered to SAH; (iii) an election has not been made under Section 430(c)(2)(D) of the Code or Section 303(c)(2)(D) of ERISA; (iv) no reportable event within the meaning of Section 4043(c) of ERISA (for which the disclosure requirements of Regulation Section 4043.1 et seq., promulgated by the PBGC, have not been waived) has occurred, and the consummation of the Transaction will not result in the occurrence of any such reportable event; (v) none of Madera, a Controlled Subsidiary or any of their ERISA Affiliates has incurred any liability under Title IV of ERISA other than for the payment of premiums to the PBGC, all of which have been paid when due; (vi) such plan has not applied for or received a waiver of the minimum funding standards imposed by Section 412 of the Code; (vii) no notice of intent to terminate the plan has been given under Section 4041 of ERISA; (viii) the PBGC has not instituted Proceedings to terminate the plan or to appoint a trustee or administrator of any such plan, and, to Madera’s Knowledge, no circumstances exist that constitute grounds under Title IV of ERISA for any such Proceeding; (ix) for each year beginning on or after January 1, 2008, Madera and each Controlled Subsidiary, as applicable, have made contributions to each Madera Benefit Plan and each ERISA Affiliate has made contributions to its respective Benefit Plans that is not less than the minimum required contribution under Section 430 of the Code; (x) there is no “amount of unfunded benefit liabilities” as defined in Section 4001(a)(18) of ERISA as of the last day of such plan’s most recent fiscal year; (xi) there is not now, and there are no existing circumstances that would give rise to, any requirement for the posting of security with respect to the plan under Sections 401(a)(29) and 436(f) of the Code or the imposition of any lien on the assets of either Madera or a Controlled Subsidiary under ERISA or the Code; (xii) none of Madera,

a Controlled Subsidiary or any of their ERISA Affiliates has engaged in any transaction described in Section 4069 of ERISA; and (xii) there is no lien pursuant to Sections 303(k) or 4068 of ERISA or Section 430(k) of the Code in favor of, or enforceable by the PBGC or any other entity with respect to any of the assets of Madera or any Controlled Subsidiary. **“Annual Funding Notice”** means the annual funding notice required by Section 101(f) of ERISA. **“Certification of AFTAP”** means the certification of an enrolled actuary meeting the requirements imposed under Treasury Regulations Section 1.436-1 that includes, without limitation, a certification of the applicable plan’s “adjusted funding target attainment percentage” within the meaning of Section 436(j) of the Code.

(d) No Madera Benefit Plan or Benefit Plan of an ERISA Affiliate is a Multiemployer Plan or a Multiple Employer Plan, nor has Madera, a Controlled Subsidiary or one of their ERISA Affiliates has at any time sponsored, established, maintained, participated in, contributed to, or been obligated to contribute to any Multiemployer Plan or Multiple Employer Plan. **“Multiemployer Plan”** has the meaning set forth in Sections 3(37) and 4001(a) (3) of ERISA. **“Multiple Employer Plan”** means a plan that has two or more contributing sponsors, at least two of whom are not under common control within the meaning of Section 4063 of ERISA and Section 413(c) of the Code. With respect to each Multiemployer Plan set forth in **Schedule 5.27(d)**: (i) neither Madera or a Controlled Subsidiary nor any of their ERISA Affiliates has engaged in any transaction that constitutes a withdrawal under Section 4201 et seq. of ERISA; (ii) if Madera, a Controlled Subsidiary or any of their ERISA Affiliates have incurred any liability or responsibility under Title IV of ERISA, including Withdrawal Liability, or any other provision of ERISA, the Code or any other applicable Law, the liability or responsibility has been satisfied in full and all Withdrawal Liability payments have been duly and timely made; (iii) if Madera, a Controlled Subsidiary or any of their ERISA Affiliates were to experience a withdrawal or partial withdrawal from such Multiemployer Plan, no Withdrawal Liability would be incurred; and (iv) neither Madera or a Controlled Subsidiary nor any of their ERISA Affiliates have received any notification, nor have any reason to believe, that any such plan is in reorganization, is insolvent, has been terminated, or would be in reorganization, be insolvent or be terminated. **“Withdrawal Liability”** means liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as those terms are defined in Part I of Subtitle E of Title IV of ERISA.

(e) No Madera Benefit Plan is a “church plan” as defined in Section 414(e) of the Code and Section 3(33) of ERISA that is a non-electing employee benefit plan under Section 4(b)(2) of ERISA (**“Church Plan”**).

(f) Each Madera Benefit Plan or ERISA Affiliate Plan that is an employee welfare benefit plan within the meaning of Section 3(1) of ERISA: (i) that is a “group health plan” (as such term is defined in Section 5000(b)(1) of the Code) has complied in all material respects with the applicable requirements of COBRA (or any similar state or local Law); and (ii) has complied in all material respects with the applicable provisions of the Patient Protection and Affordable Care Act (P.L. 111-148), as amended by the Health Care and Education Reconciliation Act of 2010 (P.L. 111 152), and as subsequently amended from time to time thereafter, and the regulations thereunder. Further, Madera, the Controlled Subsidiaries and their ERISA Affiliates do not maintain, contribute to or have any present or future obligation to make any contribution or

payment to, or with respect to, or have any other liability with respect to any Benefit Plan or other arrangement that provides health, life or other welfare-type benefits following retirement or other termination of employment (other than death benefits when termination occurs upon death) to any Person other than as required under COBRA or any similar state or local Law. Madera, the Controlled Subsidiaries and their ERISA Affiliates have never represented, promised or contracted (whether in oral or written form) to any employee (either individually or to employees as a group) or any other Person that such employee(s) or other Person would be provided with post-termination life insurance, health or other welfare benefits, except to the extent required by applicable Law. Further, there has been no communication to current or former employees, directors, officers, owners, or independent contractors of Madera, the Controlled Subsidiaries and their ERISA Affiliates (or any spouse or dependent thereof) which could reasonably be interpreted to promise or guarantee such individual(s) retiree health or life insurance or other retiree death benefits on a permanent basis.

(g) Neither the negotiation, execution and delivery of this Agreement nor the consummation of the Transaction will (either solely as a result thereof or as a result of the Transaction in conjunction with any other event, including as a result of any termination of employment), except as otherwise contemplated pursuant to the terms of this Agreement, result in: (i) the acceleration or creation of any rights of any person to benefits under any Madera Benefit Plan (including, without limitation, the acceleration of the accrual, vesting, or time of the payment of any benefits under any Madera Benefit Plan) or the acceleration or creation of any rights under any severance, parachute, or change in control agreement; (ii) any limitation on the right of Madera or the Controlled Subsidiaries or their ERISA Affiliates to amend, merge, terminate or receive a reversion of assets from any Madera Benefit Plan or related trust; (iii) an increase the amount or value of compensation or benefits under any Madera Benefit Plan; (iv) the forfeiture of compensation or benefits under any Madera Benefit Plan; (v) SAH, Trinity Health or one of their Affiliates being required to make a contribution to, or pay benefits or provide rights under any Madera Benefit Plan; (vi) a conflict with the terms of any Madera Benefit Plan; (vii) any person becoming entitled to severance or termination pay; (viii) the acceleration of the funding (through a grantor trust or otherwise) of compensation or benefits under any Madera Benefit Plan; (ix) any other material obligation pursuant to any Madera Benefit Plan; or (x) any breach or violation of, or a default under, any Madera Benefit Plan. Without limiting the generality of the foregoing, no amount paid or payable (whether in cash, in property, or in the form of benefits) in connection with the Transaction (either solely as a result thereof or as a result of the Transaction in conjunction with any other event, including as a result of any termination of employment) will be an “excess parachute payments” within the meaning of Section 280G(b) of the Code. **Schedule 5.27(g)** sets forth the maximum aggregate amount of any such “excess parachute payments.”

(h) No claim, action, lawsuit, charge, complaint, grievance, audit, Proceeding, hearing, investigation, or arbitration relating to any Madera Benefit Plan (other than routine claims for benefits or routine audits of plan financial statements) or the assets of any trust under any Madera Benefit Plan is pending or to Madera’s Knowledge, threatened, and, to Madera’s Knowledge, no set of circumstances exists that may reasonably give rise to a claim, action, lawsuit, charge, complaint, grievance, audit, proceeding, hearing, investigation or arbitration, relating to a Madera Benefit Plan or against a Madera Benefit Plan, any fiduciaries thereof with respect to their duties to the Madera Benefit Plan, or the assets of any of trust under any Madera Benefit Plan.

(i) All contributions (including all employer contributions and employee salary reduction contributions), premiums and other payments due with respect to each Madera Benefit Plan have been timely made by Madera and any Controlled Subsidiary, and all contributions, premiums and other payments with respect to each Madera Benefit Plan for any period ending on or before the Closing Date that are not yet due from Madera and any Controlled Subsidiary have been made to each such Madera Benefit Plan or accrued. No asset of Madera or any Controlled Subsidiary is subject to any lien under Code Section 401(a)(29) or 412(n), ERISA Section 302(f) or 4068 or arising out of any action filed under ERISA Section 4301(b).

(j) There is no matter pending (other than routine filings) with respect to any Madera Benefit Plan before the IRS, Department of Labor, PBGC, or any other Governmental Authority.

(k) Each Madera Benefit Plan that is a “nonqualified deferred compensation plan” (as defined for purposes of Section 409A(d)(1) of the Code) and each award thereunder has: (i) been maintained and operated since January 1, 2005, in material compliance with Section 409A of the Code and all applicable IRS guidance thereunder, to the extent Section 409A of the Code is applicable to such plan, so as to avoid any tax, penalty or interest under Section 409A of the Code and, since January 1, 2009, been in documentary and operational compliance with Section 409A of the Code and all applicable IRS guidance promulgated thereunder; or (ii) as to any such plan in existence prior to January 1, 2005, not been “materially modified” (within the meaning of IRS Notice 2005-1) at any time after October 3, 2004. No amounts under any Madera Benefit Plan have been subject to the interest and additional tax set forth under Code Section 409A(a)(1)(B). Neither Madera nor any Controlled Subsidiary has any actual or potential obligation to reimburse or otherwise “gross-up” any Person for the interest or additional tax set forth under Section 409A of the Code, nor has Madera or a Controlled Subsidiary been obligated during the Lookback Period to report any corrections made with respect to any such Madera Benefit Plan to any Governmental Authority.

(l) Neither Madera or any Controlled Subsidiary nor any of their ERISA Affiliates has any plan or commitment to create, adopt or approve any new Benefit Plan or to modify or change any existing Benefit Plan that would affect any current or former employee, director, officer, owner, or independent contractor of Madera or a Controlled Subsidiary, except as required by Law.

Section 5.28 Employment Matters.

(a) Neither Madera nor any Controlled Subsidiary is a party to, or otherwise bound by, any collective bargaining or other agreement with a labor organization representing any of the employees providing services to Madera or any Controlled Subsidiary. During the Lookback Period, there has not been, nor, to Madera’s Knowledge, has there been any threat of, any labor strike, slowdown, work stoppage, lockout, concerted refusal to work overtime or other similar labor activity or dispute affecting any of the employees providing services to Madera or any Controlled Subsidiary. During the Lookback Period, no labor organization or group of employees has filed any representation against Madera or any Controlled Subsidiary or made any written or oral demand for recognition by Madera or any Controlled Subsidiary. To Madera’s Knowledge, no union organizing, certification or recognition efforts are in progress or threatened and no other question concerning representation exists with respect to any of Madera’s or any Controlled Subsidiary’s employees.

(b) During the Lookback Period, Madera and the Controlled Subsidiaries have not been in material violation of any applicable Laws pertaining to employment and employment practices, including, but not limited to, those Laws which relate to wages, hours, concerted activity, equal employment opportunity, non-discrimination, immigration, classification of employees, workers compensation, collective bargaining, occupational health and safety plant closing, the COVID-19 pandemic, and the payment and withholding of social security and other employment Taxes. Without limiting the generality of the foregoing, to Madera's Knowledge, (i) Madera and the Controlled Subsidiaries are not liable for the payment of any compensation, damages, Taxes, fines, penalties, or other amounts, however designated, for failure to comply with any of the foregoing Laws; (ii) during the Lookback Period Madera and the Controlled Subsidiaries have complied with all I-9 and e-verify verification requirements and have copies of required employment authorization documents for all employees; (iii) with respect to the Transaction, any notice required under any applicable Law or collective bargaining agreement has been given, and all bargaining obligations with any employee representative have been satisfied; and (iv) each individual who has rendered services to Madera or a Controlled Subsidiary and who has been classified by Madera or a Controlled Subsidiary as an independent contractor or other non-employee for any purpose, including for purposes of taxation and tax reporting and under the Madera Employee Benefit Plans, has been properly so characterized.

(c) **Schedule 5.28(c)** lists all written employment agreements to which either Madera or a Controlled Subsidiary is a party and copies of all of such written employment agreements have been made available prior to the Signature Date. Additionally, **Schedule 5.28(c)** lists all oral employment agreements to which either Madera or a Controlled Subsidiary is a party and a written description of all such oral employment agreements have been made available prior to the Signature Date. All employees of Madera and the Controlled Subsidiaries for which there is no employment agreement listed in **Schedule 5.28(c)** are "at will" employees. The employment agreements of Madera and the Controlled Subsidiaries comply with all applicable Laws or will be amended for the sole and exclusive purpose of bringing them into compliance with all applicable Laws prior to the Closing Date.

(d) To Madera's Knowledge, (i) there is no unfair labor practice charge or complaint or other material employment-related charge, complaint, dispute, grievance, investigation, inquiry, obligation of any kind or arbitration, pending or threatened in any forum, with respect to Madera and the Controlled Subsidiaries, and (ii) no events have occurred or situations exist that are reasonably expected to give rise to any such charge, complaint, grievance or liability, relating to an alleged violation or breach by any Madera or any Controlled Subsidiary (or their officers or managers) of any Law or contract.

(e) Madera and the Controlled Subsidiaries have not implemented any plant closing or engaged in any employee layoff activities within the last three years that violated or could implicate WARN Act, they have no plans to undertake any action that would trigger the WARN Act.

Section 5.29 Taxes.

(a) Madera and each Controlled Subsidiary have filed (taking into account any valid extensions) all Tax Returns applicable to such party and the applicable party has paid all Taxes

shown thereon as due and owing. Such Tax Returns are true, complete, and correct in all respects. Madera and each Controlled Subsidiary have withheld and paid all Taxes required to have been withheld and paid in connection with amounts paid or owing to any employee, independent contractor, creditor, or other third party, and all IRS Forms W-2 and 1099 required with respect thereto have been properly completed and timely filed. There is no material dispute or claim concerning any Tax liability of Madera or any Controlled Subsidiary either claimed or raised in writing by any Governmental Authority that has not been settled or otherwise resolved.

(b) Neither Madera nor any Controlled Subsidiary as applicable has received any written correspondence or notice from any taxing authority that any of its exemptions from Tax (including specifically, under Section 501(a) of the Code by virtue of being an organization described in Section 501(c)(3) of the Code and for real, personal and sales tax liability in any jurisdiction in which the organization is located or has nexus) have been or may be revoked, modified or under consideration, review or audit. No Madera Party has taken any action that would reasonably be expected to cause a Madera Party to lose its exemption from taxation under Section 501(c)(3) of the Code, as applicable.

(c) Neither Madera nor any Controlled Subsidiary, as applicable, has received a currently pending written nexus inquiry or a notice of any claim by a taxing authority in a jurisdiction where it does not file Tax Returns that it is or may be required to pay Taxes or to file Tax Returns in such jurisdiction or with such taxing authority. Neither Madera nor any Controlled Subsidiary has nexus or a requirement to file Tax Returns or pay Taxes in a jurisdiction where it does not file Tax Returns.

(d) All Tax deficiencies asserted, or Tax assessments made, against Madera or any Controlled Subsidiary as a result of any examinations by any taxing authority have been fully paid.

(e) Neither Madera nor any Controlled Subsidiary is a party to any action by any taxing authority. There are no pending or, to Madera's Knowledge, threatened actions by any taxing authority.

(f) There are no Encumbrances (other than Permitted Encumbrances) for delinquent and unpaid Taxes upon any of the Assets nor, to Madera's Knowledge, is any taxing authority in the process of imposing any Encumbrances (other than Permitted Encumbrances) for Taxes on any of the Assets.

(g) Neither Madera nor any Controlled Subsidiary is a "foreign person" as that term is used in Treasury Regulations Section 1.1445-2.

(h) Neither Madera nor any Controlled Subsidiary has ever entered into a "reportable transaction" within the meaning of Treasury Regulations Section 1.6011-4.

(i) There are no Tax rulings, requests for rulings, or closing agreements relating to Taxes for which either Madera or any Controlled Subsidiary may be liable that could affect Madera's or any Controlled Subsidiary's liability for Taxes for any taxable period ending after the Closing Date. Neither Madera nor any Controlled Subsidiary will be required to include or accelerate the recognition of any item in income, or exclude or defer any deduction or other Tax

benefit, in each case in any taxable period (or portion thereof) after Closing, as a result of (i) any change in method of accounting under Section 481 of the Code (or any comparable provision of state, local, or foreign Tax law) or use of an improper method of accounting, (ii) any closing agreement under Section 7121 of the Code, (iii) any intercompany transaction, (iv) an installment sale or open transaction, (v) any election under Section 108(i) of the Code, or (vi) the receipt of any prepaid amount, in each case prior to Closing.

Section 5.30 Insurance.

(a) **Schedule 5.30(a)** sets forth a true and complete list of all current insurance or self-insurance policies to provide insurance protection to Madera and the Controlled Subsidiaries, including, without limitation, fire, liability, product liability, errors and omissions, medical professional liability, workers' compensation, vehicular (often referred to as automobile liability), directors' and officers' liability, employment practices, fiduciary liability, cyber and any and all other forms of insurance maintained by or on behalf of Madera or any Controlled Subsidiary to provide insurance protection for the assets and business thereof (collectively, the "**Madera Insurance Policies**"). Madera has provided SAH with a list of all professional and general liability claims and the claims history related to Madera or any Controlled Subsidiary for all of the Madera Insurance Policies.

(b) There are no claims related to Madera or any Controlled Subsidiary under any such Madera Insurance Policies as to which coverage has been questioned, denied, or disputed or in respect of which there is an outstanding reservation of rights. During the Lookback Period, no Madera Party has received any written notice of, cancellation of, or a material involuntary alteration of coverage under, any of such Madera Insurance Policies. All Madera Insurance Policies are in full force and effect and enforceable in accordance with their terms and have not been subject to any lapse in coverage. None of Madera or any Controlled Subsidiary is in default under, or has otherwise failed to comply with, in any material respect, any provision contained in any such Madera Insurance Policies. The Madera Insurance Policies are sufficient for compliance with all applicable Laws and Contracts to which either Madera or any Controlled Subsidiary is a party. Copies of the Madera Insurance Policies have been made available.

Section 5.31 Medical Staff. The Hospital has an open medical staff other than with respect to hospital-based service lines where the medical staff has been closed for purposes of granting an exclusive contract. Madera made available a true and complete copy of medical staff privilege and membership application forms used by the Hospital, including a description of medical staff privileges, copies of all current medical staff bylaws, rules and regulations, and amendments thereto, copies of all credentials and appeals procedures not incorporated therein, and copies of all written Contracts between the Hospital and physicians, physician groups, or other members of its medical staff. There are no pending or, to Madera's Knowledge, threatened appeals, challenges, disciplinary or corrective actions, or disputes involving applicants, staff members, or health professionals at the Hospital. No member of the medical staff of the Hospital (i) is currently excluded, debarred or otherwise ineligible to participate in Government Programs, (ii) has been convicted of a criminal offense related to the provision of health care items or services but has not yet been excluded, debarred or otherwise declared ineligible to participate in the Government

Programs, or (iii) to Madera's Knowledge is under an investigation that may result in exclusion from participation in the Government Programs.

Section 5.32 CARES Act Funding.

(a) **Schedule 5.32(a)** sets forth (a) a list of all applications, filings or requests made by Madera and the Controlled Subsidiaries with applicable Governmental Authorities to seek funding pursuant to the Coronavirus Aid, Relief and Economic Security Act, H.R. 748, 116th Congress (2020) (the "**CARES Act**"), the Paycheck Protection Program and Health Enhancement Act, H.R. 266, 116th Congress (2020), and the programs, rules and regulations promulgated thereunder, including any applications, filings or requests for accelerated or advanced payments from Government Programs, and (b) the amounts received by Madera and the Controlled Subsidiaries from Governmental Authorities in connection with such applications, filings or requests, including such accelerated or advanced payments and CARES Act Provider Relief Funds ("**Stimulus Funds**"). Neither Madera nor any of the Controlled Subsidiaries have (a) taken any employment Tax credits related to costs of providing employees with paid sick leave and expanded family and medical leave under Section 5102 or Section 3102 of the Families First Coronavirus Response Act, (b) taken any employee retention employment Tax credits under Section 2301 of the CARES Act, or (iii) deferred the deposit or payment of any employment Taxes under Section 2302 of the CARES Act. Madera and the Controlled Subsidiaries has, and have provided SAH with, documentation of pandemic-related costs incurred necessary to support the Stimulus Funds received by Madera and the Controlled Subsidiaries.

(b) Madera and the Controlled Subsidiaries have maintained accounting records associated with the Stimulus Funds in compliance with the Relief Fund Payment Terms and Conditions (defined below) and related guidance available. Madera and the Controlled Subsidiaries have utilized all such Stimulus Funds received by them in accordance with all applicable Laws and the applicable Relief Fund Payment Terms and Conditions. Madera and the Controlled Subsidiaries have satisfied all eligibility requirements to receive the Stimulus Funds and are in compliance with all repayment terms applicable to the Stimulus Funds. "**Relief Fund Payment Terms and Conditions**" means the terms and conditions established by the United States Department of Health and Services for the receipt of any funds from the Public Health and Social Services Emergency or other CARES Act programs.

Section 5.33 Brokers. No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the Transaction or any other Transaction Document based upon arrangements made by or on behalf of Madera or any of its Affiliates.

Section 5.34 Full Disclosure. No representation or warranty by Madera in this Agreement and no statement contained in the Disclosure Schedules to this Agreement or any certificate or other document furnished or to be furnished to a Trinity Party pursuant to this Agreement contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements contained therein, in light of the circumstances in which they are made, not misleading.

Section 5.35 No Other Representations and Warranties. Except for the representations and warranties contained in this **Article V**, neither Madera nor any other Person has made or makes any other express or implied representation or warranty, either written or oral, on behalf of Madera.

ARTICLE VI REPRESENTATIONS AND WARRANTIES OF THE TRINITY PARTIES

Except as set forth in the Disclosure Schedules described herein or as otherwise set forth below, the Trinity Health represents and warrants to Madera that the statements contained in this **Article VI** are true and correct.

Section 6.01 Organization and Qualification. Each Trinity Party is a nonprofit corporation, duly organized, validly existing and in good standing under the laws of its state of incorporation.

Section 6.02 Authority. Each Trinity Party has all necessary corporate power and authority to enter into this Agreement and the other Transaction Documents to which such Trinity Party is a party, to carry out its obligations hereunder and thereunder and to consummate the Transaction. The execution and delivery by each Trinity Party of this Agreement and any other Transaction Document to which such Trinity Party is a party, the performance by such Trinity Party of its obligations hereunder and thereunder and the consummation by such Trinity Party of the Transaction has been duly authorized by all requisite corporate action on the part of such Trinity Party. This Agreement has been duly executed and delivered by each Trinity Party, and (assuming due authorization, execution and delivery by Madera) this Agreement constitutes a legal, valid and binding obligation of each Trinity Party, enforceable against each Trinity Party in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors' rights generally and by general principles of equity (regardless of whether enforcement is sought in a Proceeding at law or in equity). When each other Transaction Document to which a Trinity Party is or will be a party has been duly executed and delivered by such Trinity Party (assuming due authorization, execution and delivery by each other party thereto), such Transaction Document will constitute a legal and binding obligation of such Trinity Party enforceable against it in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors' rights generally and by general principles of equity (regardless of whether enforcement is sought in a Proceeding at law or in equity).

Section 6.03 Tax-Exempt Status. Each of Trinity Health and SAMC is exempt from federal income taxation pursuant to Section 501(a) of the Code, as an organization described in Section 501(c)(3) of the Code and is not a "private foundation" as defined in Section 509(a) of the Code, in each case as evidenced by a determination letter from the IRS, and each is also recognized as exempt from state income taxation. Neither Trinity Health nor SAMC has within the past six most recent fiscal years received any written correspondence or notice from any taxing authority that any of its exemptions from Tax (including specifically, under Section 501(a) of the Code by virtue of being an organization described in Section 501(c)(3) of the Code and for real, personal and sales tax liability in the jurisdiction in which the organization is located) have been or may be revoked, modified or under consideration or review. Neither Trinity Health nor SAMC has taken

any action that is reasonably expected to cause it to lose its exemption from taxation under Section 501(a) of the Code. SAMC is in compliance with the requirements of Section 501(r) of the Code. No Trinity Party has received any written correspondence or notice from any taxing authority that its exemption from Tax under Section 501(a) of the Code by virtue of being an organization described in Section 501(c)(3) of the Code has been or may be revoked, modified or under consideration, review or audit. To Trinity Health's Knowledge, neither Trinity Health nor SAMC has taken any action that is reasonably expected to cause such Trinity Party to lose its exemption from taxation under Section 501(c)(3) of the Code.

Section 6.04 No Conflicts; Consents. The execution, delivery and performance by each Trinity Party of this Agreement and the other Transaction Documents to which it is a party, and the consummation of the Transaction contemplated hereby and thereby, do not and will not: (a) result in a violation or breach of any provision of the articles of incorporation or bylaws of such Trinity Party; (b) conflict with or result in a violation or breach of any provision of any Law or Governmental Order applicable to such Trinity Party; or (c) to the Knowledge of the Trinity Parties, require the consent, notice or other action by any Person under any agreement to which any Trinity Party is a party, except in the cases of clauses (b) and (c), where the violation, breach, conflict, default, acceleration or failure to give notice has not had and is not reasonably expected to constitute a Material Adverse Effect with respect to such Trinity Party. No consent, approval, Permit, Governmental Order, declaration or filing with, or notice to, any Governmental Authority is required by or with respect to any Trinity Party in connection with the execution and delivery of this Agreement and the other Transaction Documents and the consummation of the Transaction contemplated hereby and thereby, except for such consents, approvals, Permits, Governmental Orders, declarations, filings or notices which has not had and is not reasonably expected to constitute a Material Adverse Effect with respect to any Trinity Party.

Section 6.05 Brokers. No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the Transaction or any other Transaction Document based upon arrangements made by or on behalf of any Trinity Party.

Section 6.06 Legal Proceedings. There are no Proceedings pending or, to SAH's Knowledge, threatened against or by any Trinity Party or any Affiliate of any Trinity Party that challenge or seek to prevent, enjoin, or otherwise delay the Transaction. No event has occurred nor do any circumstances exist that may give rise to, or serve as a basis for, any such Proceeding except for such Proceedings that have not had and are not reasonably expected to constitute a Material Adverse Effect with respect to any Trinity Party.

Section 6.07 Financial Capacity. Trinity Health has the financial capacity to ensure that the Trinity Parties can perform all of their obligations under this Agreement. The Trinity Parties are not insolvent and will not be rendered insolvent as a result of the consummation of the Transaction.

Section 6.08 No Other Representations and Warranties. Except for the representations and warranties contained in this **Article VI**, neither the Trinity Parties nor any other Person has made or makes any other express or implied representation or warranty, either written or oral, on behalf of the Trinity Parties.

ARTICLE VII COVENANTS

Section 7.01 Conduct of Operations Prior to the Effective Time.

(a) During the Interim Period, except as otherwise provided in this Agreement or consented to in writing by Trinity Health or SAH, Madera shall, and shall cause each Controlled Subsidiary to: (i) conduct its business in the Ordinary Course of Business consistent with past practices; and (ii) use best efforts to maintain and preserve intact its current organization and operations and to preserve the rights, franchises, goodwill, and relationships of the employees, physicians, patients, suppliers, regulators and others having relationships with Madera and the Controlled Subsidiaries. Without limiting the foregoing, during the Interim Period, Madera shall, and shall cause the Controlled Subsidiaries to:

(i) preserve and maintain all of their Permits in good standing;

(ii) pay their debts, Taxes, and other obligations when due;

(iii) maintain the properties and assets that they own, operate or use in the same condition as they were on the date of this Agreement, subject to reasonable wear and tear, without limitation, (i) making all routine capital expenditures in accordance with the historical practices or capital budgets of such operations;

(iv) take all commercially reasonable actions necessary and appropriate to render the Assets free and clear of all security interests, claims, charges, and Encumbrances (other than the Permitted Exceptions, as applicable) and to obtain appropriate releases, consents, estoppels, and other instruments as are reasonable or necessary to effectuate the Transaction;

(v) continue in full force and effect without modification all Madera Insurance Policies, except as required by applicable Law;

(vi) take all commercially reasonable actions consistent with past practices that are necessary and appropriate to cure any deficiencies cited by any Governmental Authority, the Government Programs, or ACHC in the most recent surveys conducted by each (other than those subject to a bona fide dispute), or develop and timely implement a plan of correction that is acceptable to such Governmental Authority, the Government Programs, and the ACHC;

(vii) other than actions taken in the Ordinary Course of Business, maintain and preserve their respective business organizations, not terminate the employment of respective present employees or members of their executive management team;

(viii) continue to timely pay all accounts payable in the Ordinary Course of Business;

(ix) defend and protect their properties and assets from infringement or usurpation;

(x) perform all of its obligations under all Contracts relating to or affecting their properties, assets, or business;

(xi) maintain their books and records in accordance with past practice; and

(xii) comply in all material respects with all applicable Laws.

(b) During the Interim Period, Madera shall not and shall cause the Controlled Subsidiaries to not, do the following without the prior written consent of Trinity Health or SAH, which consent shall not be unreasonably withheld or delayed:

(i) fail to pay any debt or obligation when due and payable;

(ii) fail to make any routine or scheduled capital expenditure in accordance with historical practices or capital budgets;

(iii) incur any additional Indebtedness;

(iv) take any other action outside the Ordinary Course of Business; or

(v) take or permit any action that would cause any of the changes, events, or conditions described in **Section 5.11** to occur.

Section 7.02 Access to Information. During the Interim Period, Madera shall, and shall cause Controlled Subsidiaries to (i) afford the Trinity Parties and their Representatives full access to and the right to inspect the Owned Real Property, properties, assets, books and records, Contracts and other documents and data related to Madera and the Controlled Subsidiaries; (ii) furnish to the Trinity Parties and their Representatives such financial, operating and other data and information related to Madera and the Controlled Subsidiaries as the Trinity Parties or any of their Representatives may reasonably request; and (iii) instruct the Representatives of the Madera Parties to fully cooperate with the Trinity Parties in their investigation of Madera and the Controlled Subsidiaries . Any investigation pursuant to this **Section 7.02** shall be conducted in such manner as not to interfere unreasonably with the conduct of the business of Madera and the Controlled Subsidiaries. No investigation by a Trinity Party or other information received by a Trinity Party shall operate as a waiver or otherwise affect any representation, warranty, or agreement made by Madera in this Agreement.

Section 7.03 No Solicitation of Other Bids.

(a) During the Interim Period, Madera shall not, and shall not, authorize or permit any of its Affiliates or any of its or their Representatives to, directly or indirectly, (i) encourage, solicit, initiate, facilitate or continue inquiries regarding an Acquisition Proposal; (ii) enter into discussions or negotiations with, or provide any information to, any Person concerning a possible Acquisition Proposal; or (iii) enter into any agreements or other instruments (whether or not binding) regarding an Acquisition Proposal. Madera shall immediately cease and cause to be terminated and shall cause its Affiliates and all of its and their Representatives to immediately cease and cause to be terminated, all existing discussions or negotiations with any Persons

conducted heretofore with respect to, or that could lead to, an Acquisition Proposal. For purposes hereof, “**Acquisition Proposal**” shall mean any inquiry, proposal or offer from any Person (other than a Trinity Party or any of their Affiliates) concerning (i) a merger, consolidation, liquidation, recapitalization or other business combination transaction involving Madera; (ii) the transfer, issuance or acquisition of any directorship or ownership interests in Madera; or (iii) the sale, lease, exchange or other disposition of any material portion of the Madera’s properties or assets.

(b) In addition to the other obligations under this **Section 7.03(b)**, during the Interim Period, Madera shall promptly (and in any event within three Business Days after receipt thereof by Madera or its Representatives) advise the Trinity Parties orally and in writing of any Acquisition Proposal, any request for information with respect to any Acquisition Proposal, or any inquiry with respect to or which could reasonably be expected to result in an Acquisition Proposal, the material terms and conditions of such request, Acquisition Proposal or inquiry, and the identity of the Person making the same.

(c) Madera agrees that the rights and remedies for noncompliance with this **Section 7.03** shall include having such provision specifically enforced by any court having equity jurisdiction, it being acknowledged and agreed that any such breach or threatened breach shall cause irreparable injury to Trinity Health and SAH and that money damages would not provide an adequate remedy to SAH.

Section 7.04 Notice of Certain Events.

(a) During the Interim Period, each Party shall promptly notify the other Parties in writing of:

(i) any fact, circumstance, event or action the existence, occurrence or taking of which (A) has had or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (B) has resulted in, or is reasonably be expected to result in, any representation or warranty made by Madera hereunder not being true and correct or (C) has resulted in, or is reasonably be expected to result in, the failure of any of the conditions set forth in **Article IX** to be satisfied;

(ii) any notice or other communication from any Person alleging that the consent of such Person is or may be required in connection with the Transaction;

(iii) any notice or other communication from any Governmental Authority in connection with, or that could otherwise have an impact on, the Transaction; and

(iv) any Proceedings commenced or, to Madera’s Knowledge, threatened against, relating to, or involving or otherwise affecting Madera that, if pending on the date of this Agreement, would have been required to have been disclosed pursuant to **Section 5.19** or that relates to the consummation of the Transaction.

(b) A Party’s receipt of information pursuant to this **Section 7.04(b)** shall not operate as a waiver or otherwise affect any representation, warranty or agreement given or made by any

other Party in this Agreement (including **Section 7.02**) and shall not be deemed to amend or supplement the Disclosure Schedules.

Section 7.05 Resignations. Madera shall deliver to SAH written resignations, effective as of the Closing Date, of the officers and directors set forth on **Schedule 7.05** of the Disclosure Schedules.

Section 7.06 Efforts to Consummate.

(a) Subject to the terms and conditions of this Agreement, the Parties shall (and shall cause their respective Affiliates to) use commercially reasonable efforts to take all actions and to do all things necessary, proper or advisable to consummate the Transaction as promptly as practicable, including using commercially reasonable efforts to (a) provide all required notices to third parties, (b) make any filing with and obtain any consent, authorization, order or approval of, or any exemption by, any Governmental Authority that is required to be made or obtained in connection with the Transaction as described more specifically on **Schedule 7.06**, and including, without limitation, those listed in **Section 7.06(b)**, (c) obtain any consent, waiver, approval or authorization from any other third party required in order to maintain in full force and effect any of the contracts, licenses or other rights of the Madera Parties, including hospital licenses, following the Effective Time, and (d) cause the conditions in **Article IX** applicable to it to be satisfied at or prior to Closing; provided, however, that such commercially reasonable efforts do not require the Trinity Parties to accept any conditions or commitments imposed by the Attorney General other than those conditions and commitments set forth on **Schedule 9.01(a)**.

(b) As soon as reasonably practicable following the Signature Date, Madera shall notify the California Attorney General (the “**Attorney General**”) in writing of the Transaction in accordance with Sections 5920 of the California Corporations Code (“**Section 5920**”). Madera shall submit to the Attorney General the written notice in substantially the same form as reviewed and approved by the Trinity Parties. Madera shall use its best efforts to provide such other information as the Attorney General shall request and shall generally use its best efforts to expeditiously obtain the Attorney General’s approval of the Transaction. Madera shall fully coordinate with the Trinity Parties in all such efforts and shall fully and promptly inform the Trinity Parties of all relevant communications with the staff of the Attorney General. The Trinity Parties shall provide such information and communications to the Attorney General as Madera may reasonably request and shall otherwise cooperate with Madera in obtaining the Attorney General’s approval of the Transaction solely with conditions and commitments that are acceptable to the Trinity Parties as further described in **Section 9.01(a)**. Each Party shall be entitled to participate, to the extent practicable, in conversations with personnel in the Office of the Attorney General in connection with the Transaction.

(c) During the Interim period, Trinity Health shall use its best efforts to obtain any church and canonical approvals, including of the public juridic person, Catholic Health Ministries, required in connection with any acceptance of sponsorship arising from the Transaction.

(d) Each Party shall promptly supply to the other Parties any information that the other Parties may require in order to effectuate any filings or applications pursuant to this **Section 7.06(d)**. Except where prohibited by applicable Law, each Party shall consult with the other Parties

prior to taking a position with respect to any such filing, shall permit the other Parties to review and discuss in advance, and shall consider in good faith the view of the other Parties in connection with, any analyses, appearances, presentations, memoranda, briefs, white papers, arguments, opinions and proposals before making or submitting any of the foregoing to any Governmental Authority, shall coordinate with the other Parties in preparing and exchanging such information and shall promptly provide the other Parties with copies of all filings, presentations or submissions made by it with any Governmental Authority in connection with this Agreement or the Transactions.

(e) During the Interim Period, the Trinity Parties shall use their best efforts to file Form 1023 with the IRS seeking exemption from federal income taxes for SAH and shall make a copy of such filing available to Madera.

Section 7.07 Updated Financial Statements. Within twenty calendar days following the end of each calendar month ending prior to the Closing Date, Madera will provide to the Trinity Parties true and complete copies of its unaudited financial statements, in each case prepared in a manner consistent with the Financial Statements described in **Section 6.07** hereof, and which shall fairly present the financial condition and results of operations of Madera as of, and for the month ended on, the date thereof and which shall properly reflect all liabilities incurred by Madera since the date of the Financial Statements described in **Section 6.07**. The last such updated financial statements to be delivered shall be as of and for the month in which the Closing occurs; provided, however, that such updated financial statements shall be provided following the Closing of the Transaction.

Section 7.08 Employment Matters.

(a) As of the Effective Time, all employees of Madera and the Controlled Subsidiaries employed as of the Closing Date, including any such employees who are on an authorized leave of absence for any reason (the “**Madera Employees**”) shall remain employees of Madera or a Controlled Subsidiary, (ii) SAH, Trinity Health or one of their designated Affiliates, as applicable, will assume the existing employment agreements of employees of Madera and the Controlled Subsidiaries set forth on **Schedule 7.08(a)(ii)** that have not been terminated prior to the Closing Date; provided, however, all benefits under such employment agreements shall be offered under the plans and programs of SAH, Trinity Health or their designated Affiliate, as applicable, that are offered to similarly situated employees of SAH, Trinity Health or their designated Affiliate, as applicable (the “**Madera Executives**” whom, together with the Madera Employees are the “**Continuing Employees**”); and (iii) all current employment policies of Madera and the Controlled Subsidiaries will remain in effect after the Closing Date until the same are amended, modified, replaced or terminated. Madera will not be required to take any action as a condition of Closing that would result in the application of the WARN Act or any similar state law to Madera.

(b) Nothing contained in this **Section 7.08** or elsewhere in this Agreement shall obligate SAH, Trinity Health, Madera, the Controlled Subsidiaries or any of their Affiliates to continue to employ any Continuing Employees for any length of time, except as provided in the last sentence of **Section 7.08(a)**, and, except as provided in an employment agreement of a Madera Executive, the employment of any such Continuing Employees shall be terminable at will at any time. Further, except as provided in an employment agreement of a Madera Executive or the last

sentence of **Section 7.08(a)**, nothing contained in this **Section 7.08** or elsewhere in this Agreement will be deemed to prevent or restrict in any way the right of SAH, Trinity Health, Madera, the Controlled Subsidiaries or any of their Affiliates to reassign, promote or demote any of the Continuing Employees after the Closing Date or to change adversely or favorably the title, powers, duties, responsibilities, functions, locations, salaries, other compensation or terms or conditions of employment of such employees.

(c) As soon as reasonably practicable, and consistent with the obligations under applicable collective bargaining agreements in effect at the Closing Date, the Continuing Employees shall be provided benefits comparable to those provided to other similarly situated employees of SAH, Trinity Health or one of their designated Affiliates, as applicable. Service credit and seniority will be granted to the Continuing Employees under the Benefit Plans of SAH, Trinity Health and their Affiliates, including, but not limited to, any retirement, 403(b), 401(k), profit sharing, health and welfare (other than any post-employment health or post-employment welfare plan eligibility unless required by collective bargaining agreement), life, disability, vacation or paid time-off, severance and similar plans of SAH, Trinity Health or one of their designated Affiliates, as applicable, in which the Continuing Employees are eligible to participate after the Closing Date (the “**Trinity Health Benefit Plans**”) for their continuous employment with Madera, the Controlled Subsidiaries and their Affiliates from their most recent hire date by Madera, a Controlled Subsidiary or one of their Affiliates, as applicable, through the Closing Date for purposes of (i) satisfying any and all eligibility and participation requirements under such Trinity Health Benefit Plans; (ii) determining the vested status of the employees under such Trinity Health Benefit Plans; and (iii) determining the amount and duration of any benefits under such Trinity Health Benefit Plans, to the extent that service or seniority is a consideration in calculating benefits, but no credit for any service will be required that would result in a duplication of benefits, such as pension or retirement benefits, or an accrual of such a benefit for a period of time prior to the Closing Date. By way of clarification and not limitation, for purposes of any Trinity Health Benefit Plan that is a tax-favored retirement plan, Continuing Employees that continue to be employed by SAH, Trinity Health or one of their Affiliates through the date they become eligible to participate in the Trinity Health Benefit Plan will be granted the same number of full years of service credited as of the Closing Date under a Madera Benefit Plan in which they participate that is a tax-favored retirement plan, and in which they have the most full years of service credited if they participate in more than one such Madera Benefit Plan, immediately prior to the Closing Date. Notwithstanding the foregoing, such service credit will be granted only to the extent service with SAH, Trinity Health or one of their designated Affiliates, as applicable, is recognized under any such plan, program, policy or arrangement, and will not be granted to the extent such treatment would result in duplicative benefits for the same period of service, or to the extent such service is prior to a specific date before which service would not have been credited for employees of SAH, Trinity Health or one of their designated Affiliates, as applicable. In addition, such service credit will be provided only to the extent that Madera provides to SAH comprehensive and complete records of such prior service that includes the duration of service and the hours worked. In no event will a Continuing Employee be credited with more than one year of service for any single fiscal year under the Trinity Health Benefit Plans. This **Section 7.08(c)** shall not be construed to require SAH, Trinity Health or one of their designated Affiliates, as applicable, to offer any particular compensation and/or benefit package to its employees generally.

(d) No provision of this **Section 7.08** shall be treated as an amendment to any Madera Benefit Plan or any employee benefit plan, program, policy, arrangement, or agreement of SAH, Trinity Health or one of their Affiliates. Notwithstanding anything else contained in this **Section 7.08**, the Parties do not intend for this **Section 7.08**, or any term, provision, condition or agreement contained in this Agreement, expressed or implied, to amend any plans or arrangements or create any rights or obligations except as between the Parties to this Agreement and their respective permitted successors and assigns, and no Person, including, but not limited to any past, present or future director, officer, employee or other service provider Madera, the Controlled Subsidiaries, SAH, Trinity Health or any of their Affiliates (or such Person's spouse, dependent or beneficiary) will be treated as a third-party beneficiary of this Agreement.

Section 7.09 Real Estate Title and Survey Matters.

(a) The Trinity Parties acknowledge that SAMC obtained a title policy and conducted surveys in connection with the transactions contemplated by the Loan Documents. Following the Signature Date and through the Closing Date, SAH shall have the right to conduct inspections and investigations of the Real Property in order to confirm the accuracy of the representations and warranties made by Madera in this Agreement with respect to the Real Property, and the compliance by Madera with the covenants made by Madera with respect to the Real Property. SAH shall conduct all investigations of the Real Property in a manner that will not unreasonably interfere with the operations of the owner of such property or any tenant thereof or harm or damage the Real Property. SAH shall restore the Real Property to substantially its condition prior to any such investigation or testing immediately after conducting the same and repair any damage caused by SAH or its agents. SAH shall indemnify and hold Madera harmless from any damage to persons or property arising from the work or investigations conducted on the Real Property by SAH or SAH's agents or contractors.

(b) The Trinity Parties have obtained a current title commitment (the "**Title Commitment**") issued by Chicago Title Insurance Company (the "**Title Company**"), with respect to the Owned Real Property listed in **Schedule 7.09(a)** (the "**Insured Real Property**"). On the Closing Date, the Trinity Parties shall, at their cost, cause the Title Company to issue a pro forma extended coverage owner's title policy with respect to the Insured Real Property, subject only to the Permitted Exceptions and naming Madera as the insured (the "**Title Policy**") in an amount equal to the value of the Insured Real Property. No mortgage (other than the Deed of Trust dated as of April 1, 2022 in favor of Saint Agnes Medical Center as beneficiary), monetary encumbrance, or lien (except the lien of real estate taxes not yet due and payable) shown on any Title Commitment shall be considered a Permitted Exception, and Madera shall discharge of record each mortgage, monetary encumbrance, and lien affecting any Insured Real Property at or prior to the Closing Date. As soon as possible after the Closing Date, the Trinity Parties shall, at their cost, cause the Title Company to furnish to the Trinity Parties the Title Policy.

(c) The Trinity Parties have, at their expense, obtained current as built ALTA/NSPS surveys of the Insured Real Property (each a "**Survey**"), certified to the owner of each such property, SAH, and the Title Company.

(d) Immediately prior to the Closing Date, the Trinity Parties may downdate the Title Commitment and update the Survey to confirm that no changes have occurred since the most recent Title Commitment and Survey received prior to the Signing Date.

Section 7.10 Updated Disclosure Schedules. Not later than ten days prior to the Closing Date, each Party shall disclose to each other in writing any updates, supplements, or modifications to the Disclosure Schedules for which such Party is responsible under this Agreement such that the Disclosure Schedules are current through that date. Each Party shall further update such Disclosure Schedules as necessary so that they are current through the Effective Time. If any update, supplement, or modification to a Disclosure Schedule would cause the failure of a condition in clause (c), (e) or (f) of Section 9.02 (each, a “**Material Schedule Supplement**”) then the disclosing Party must provide such updated, supplemented or modified Material Schedule Supplement to the other Party within ten days of the occurrence of the facts or circumstances giving rise to such Material Schedule Supplement, and the Party receiving a Material Schedule Supplement may terminate this Agreement in accordance with **Section 10.01**.

Section 7.11 Archive Copy of Data Room. Madera shall, within thirty (30) days following the Closing Date, deliver to Trinity Health a complete archive copy of the electronic data room used for diligence in the Transaction, with its contents as of the Closing Date.

ARTICLE VIII ADDITIONAL COVENANTS

Section 8.01 Transfer Taxes. All transfer, documentary stamps, controlling interest transfer tax, or similar taxes (including any penalties and interest) incurred in connection with the transfer of the Owned Real Property and consummation of the Transaction pursuant to this Agreement, if any, and the other Transaction Documents shall be borne and paid by Madera when due. At Closing, Madera shall file the required Change in Control and Ownership of Legal Entities (Form BOE-100-B) with the California State Board of Equalization. All recording fees in connection with causing title to the Owned Real Property to be in the condition required by this Agreement shall be borne and paid by Madera when due.

Section 8.02 Insurance.

(a) From and after the Signature Date through: (i) the end of the statute of limitations period applicable to an insurable claim in the case of a “claims-made” policy; and (ii) the Closing Date for an “occurrence-based” policy, Madera, on behalf of itself and the Controlled Subsidiaries, shall at its expense maintain or caused to be maintained in effect policies of insurance (together with evidence of paid premiums with respect to such binders) providing substantially the same coverage as in effect on the Signature Date as listed on **Schedule 5.30** which insure potential liability of the Madera Parties arising from the conduct of their business operations for any acts, omissions, events, claims or occurrences arising out of or otherwise related thereto prior to the Effective Time, including, without limitation, any general liability insurance policies. In the event that Madera does not replace or maintain a policy that is a “claims-made” policy, Madera will negotiate an extended reporting period for a period of not less than the end of the applicable statute of limitations period or six years, whichever is greater, following the Closing Date.

(b) Prior to the Closing, Madera shall, as promptly as possible, notify such carriers of any claims affecting such policies.

(c) If any of the policies of insurance described in **Schedule 5.30** are due to expire or renew prior to the Closing Date, Madera will provide the binder of insurance that demonstrates that the policy terms and conditions have not been changed, and that the full premium has been paid, and Madera shall have the right to review these policies prior to the Closing Date. Additionally, Madera will obtain and provide tail insurance for any policy that is on a claims-made basis and provide the Trinity Parties with evidence of such tail insurance.

(d) For any and all insurance policies described in **Schedule 5.30** with a provision that may cause a policy to be cancelled or go into automatic “run-off” (*e.g.*, management liability such as directors and officers, fiduciary, employment practices, and cyber) due to a change in control of ownership, Madera will provide the Trinity Parties with evidence that tail, either through endorsement to an existing policy or under a separate policy affording the same terms and conditions that were in place prior to the Closing, has been purchased for a minimum of six years. Such binder and evidence of payment for this tail will be presented to the Trinity Parties prior to the Closing Date.

Section 8.03 Public Announcements. Unless otherwise required by applicable Law (based upon the reasonable advice of counsel), no Party to this Agreement shall make any public announcements in respect of this Agreement or the Transaction or otherwise communicate with any news media without the prior written consent of the other Party (which consent shall not be unreasonably withheld or delayed), and the Parties shall cooperate as to the timing and contents of any such announcement; provided, however, upon receiving advice of counsel, disclosure is otherwise required by a Party or its Affiliates by applicable law, rules of any stock or other securities market, or continuing disclosure obligations set forth in such Party’s financing documents, such Party and its Affiliates shall be entitled to make such disclosure so long as the party uses commercially reasonable efforts consistent with such applicable, laws rules or obligations to consult with the other Parties with respect to the text of such disclosure.

Section 8.04 Confidentiality. Subject to **Section 8.03**, the Parties acknowledge and agree that the Confidentiality Agreement remains in full force and effect and, in addition, covenants and agrees to keep confidential, in accordance with the provisions of the Confidentiality Agreement, information provided to the other Party pursuant to this Agreement. If this Agreement is, for any reason, terminated prior to the Closing, the Confidentiality Agreement and the provisions of this **Section 8.04** shall nonetheless continue in full force and effect.

ARTICLE IX CONDITIONS TO CLOSING

Section 9.01 Conditions to Obligations of All Parties. The obligations of each party to consummate the Transaction shall be subject to the fulfillment, at or prior to the Closing, of each of the following conditions:

(a) The approval of the Attorney General with respect to the Transaction shall have been obtained with conditions and commitments imposed by the Attorney General acceptable to

each of the Parties in their sole discretion; provided, however, that the conditions and commitments set forth on **Schedule 9.01(a)** shall be deemed approved by the Parties.

(b) No Governmental Authority shall have enacted, issued, promulgated, enforced, or entered into any Governmental Order which is in effect and has the effect of making the Transaction illegal, otherwise restraining, or prohibiting consummation of the Transaction or causing the Transaction to be rescinded following completion thereof.

(c) No Proceeding that would prevent the Transaction or, that could lead to a Proceeding under any antitrust law that would prevent the Transaction, shall have been commenced against any Party. No injunction or restraining order that restrains or prohibits the Transaction shall have been issued by any Governmental Authority or be in effect.

(d) The Parties shall have received documentation, assurances, or other satisfactory evidence from all Governmental Authorities that, upon the Effective Time, all Permits required by Law for Madera to operate the Hospital will have been received by Madera or will continue without interruption in the name of Hospital or in the names in which the licenses are currently issued without further action on the part of Madera.

(e) all approvals, consents, waivers, and estoppels of any third parties under Material Contracts or Leases which are necessary, in the opinion of the Parties, to effectively complete the Transaction or to operate Madera in the Ordinary Course of Business after the Closing Date (other than those relating to immaterial contracts, leases and licenses such as copier or postage meter leases), shall have been obtained.

(f) Madera shall not (i) be in receivership or dissolution, (ii) have made any assignment for the benefit of creditors, (iii) have admitted inability to pay debts as they mature, (iv) have been adjudicated insolvent or bankrupt, or (v) have filed a petition in voluntary bankruptcy, a petition or answer seeking reorganization, or an arrangement with creditors under the federal bankruptcy Law or any other similar Law or statute of the United States or any state, nor shall any such petition have been filed against Madera.

Section 9.02 Conditions to Obligations of the Trinity Parties. The obligations of the Trinity Parties to consummate the Transaction shall be subject to the fulfillment or the Trinity Parties' waiver, at or prior to the Closing, of each of the following conditions:

(a) The representations and warranties set forth in **Article V** shall be true, accurate and complete and correct as of the Closing Date, as though then made, except (i) for changes contemplated by this Agreement and (ii) to the extent a representation or warranty is made as of a specific date. For purposes of this **Section 9.02(a)**, all such representations and warranties (x) will be read without regard to any materiality or Material Adverse Effect qualifiers therein and (y) after taking clause (x) into account, will be deemed to be true, accurate and complete and correct unless the failure of any such representations or warranties to be true, accurate and complete and correct is not reasonably expected to constitute a Material Adverse Effect with respect to Madera.

(b) All of the agreements, covenants, and conditions that Madera is required to perform or to comply with pursuant to this Agreement at or prior to the Closing Date must have been duly performed and complied with in all material respects.

(c) The Trinity Parties shall have received from Madera a bring-down certificate to the effect of **Section 9.02(a)** and **Section 9.02(b)**.

(d) from the Signature Date, there shall not have occurred any Material Adverse Effect with respect to Madera nor any of the Controlled Subsidiaries, nor shall any event or events have occurred that, individually or in the aggregate, with or without the lapse of time, could be reasonably expected to result in a Material Adverse Effect with respect to Madera or the Controlled Subsidiaries.

(e) from the Signature Date, Madera shall not have incurred operating losses greater than three million dollars (\$3,000,000) per month, nor shall any event or events have occurred that, individually or in the aggregate, with or without the lapse of time, could be reasonably expected to result in such losses. Operating losses exclude (i) losses resulting or arising from pandemics other than the COVID-19 virus or any variants thereof, earthquakes, hurricanes, floods or other natural disasters and (ii) audit adjustments in connection with the fiscal year end solely to the extent that such adjustments are consistent with GAAP.

(f) from the Signature Date, Madera shall not have suffered liabilities that were not known to the Trinity Parties on or prior to the Signature Date greater than \$1,000,000, individually or in the aggregate, or that create an Encumbrance (other than a Permitted Exception) on the Assets (regardless of whether arising following the Signature Date or from not being disclosed or otherwise known prior to the Signature Date), nor shall any event or events have occurred that, individually or in the aggregate, with or without the lapse of time, could be reasonably expected to result in such liabilities or Encumbrance.

(g) The Trinity Parties shall have received all of the documents, agreements, certificates, and deliverables required to be executed or delivered by Madera pursuant to **Section 4.02**.

(h) The Trinity Parties shall have received written confirmation acceptable to the Trinity Parties that any church and canonical approvals, including of the public juridic person, Catholic Health Ministries, required in connection with the acceptance of sponsorship arising from the Transaction have been obtained.

(i) The Trinity Parties shall have received the Title Policy in accordance with **Section 7.09**.

(j) The Trinity Parties shall have received resignations of the officers and directors of Madera pursuant to **Section 7.05**.

(k) the California Attorney General has not required a material change to (i) this Agreement; or (ii) document to be delivered in accordance with **Article V** that, in any case, is not acceptable to SAH or Trinity in their discretion.

(l) SAH shall have received documentation, assurances, or other satisfactory evidence that the Medicare and Medi-Cal certifications of each of each of Madera and the Controlled Subsidiaries, as applicable, will be in effect as of the Effective Time.

(m) The Trinity Parties shall have received documentation that: (i) all Indebtedness of Madera and the Controlled Subsidiaries other than Assumed Indebtedness shall have been paid, redeemed, satisfied, cancelled or discharged and none of Madera and the Controlled Subsidiaries shall have any liability therefor as of the Effective Time (in which case any inaccuracy of any representation or warranty related to Indebtedness or Assumed Indebtedness will be deemed to have been cured), and (ii) all Encumbrances (if any) except for Permitted Exceptions have been removed and discharged.

(n) Trinity shall have received resignations of the officers and directors of Madera pursuant to **Section 7.05**.

(o) the Paolinelli Employment Agreement and Foote Employment Agreement shall each not have been further amended, superseded, or replaced following the amendments enacted on the Signature Date.

(p) Madera shall have furnished the Trinity Parties with:

(i) complete and accurate copies of the Disclosure Schedules for which Madera is responsible under this Agreement current as of the Closing Date that are reasonably acceptable to Trinity; and

(ii) such other customary instruments of transfer, assumption, filings, or documents, in form and substance reasonably satisfactory to SAH, as may be required to give effect to this Agreement.

Section 9.03 Conditions Precedent to Obligations of Madera. The obligations of Madera to consummate the Transaction shall be subject to the fulfillment or Madera's waiver, at or prior to the Closing, of each of the following conditions:

(a) The representations and warranties set forth in **Article VI** shall be true, accurate and complete and correct as of the Closing Date, as though then made, except (i) for changes contemplated by this Agreement and (ii) to the extent a representation or warranty is made as of a specific date. For purposes of this **Section 9.03(a)**, all such representations and warranties (x) will be read without regard to any materiality or Material Adverse Effect qualifiers therein and (y) after taking clause (x) into account, will be deemed to be true, accurate and complete and correct unless the failure of any such representations or warranties to be true, accurate and complete and correct is not reasonably expected to constitute a Material Adverse Effect with respect to any Trinity Party.

(b) All of the agreements, covenants, and obligations that any of the Trinity Parties is required to perform or to comply with pursuant to this Agreement at or prior to the Closing Date must have been duly performed and complied with in all material respects.

(c) Madera shall have received from the Trinity Parties a bring-down certificate to the effect of **Section 9.03(a)** and **Section 9.03(b)**.

(d) The Trinity Parties shall have executed and delivered to Madera all of the documents, agreements, certificates, and deliverables required to be executed or delivered by Madera pursuant to **Section 4.02**.

(e) None of the Trinity Parties shall (i) be in receivership or dissolution, (ii) have made any assignment for the benefit of creditors, (iii) have admitted inability to pay debts as they mature, (iv) have been adjudicated insolvent or bankrupt, or (v) have filed a petition in voluntary bankruptcy, a petition or answer seeking reorganization, or an arrangement with creditors under the federal bankruptcy Law or any other similar Law or statute of the United States or any state, nor shall any such petition have been filed against any of the Trinity Parties.

(f) All approvals, consents, waivers, and estoppels of any third parties to effectively complete the Transaction, including without limitation any required approvals of Governmental Authorities, shall have been obtained by the Trinity Parties.

(g) The Trinity Parties shall have furnished Madera with:

(i) complete and accurate copies of the Disclosure Schedules for which the Trinity Parties are responsible under this Agreement current as of the Closing Date; and

(ii) such other customary instruments of transfer, assumption, filings, or documents, in form and substance reasonably satisfactory to Madera, as may be required to give effect to this Agreement.

ARTICLE X TERMINATION

Section 10.01 Termination. This Agreement may be terminated at any time prior to the Closing as follows:

(a) by the mutual written consent of the Parties;

(b) by the Trinity Parties by written notice to Madera if:

(i) The Trinity Parties are not then in breach of any provision of this Agreement and there has been a breach, inaccuracy in or failure to perform any representation, warranty, covenant or agreement made by Madera pursuant to this Agreement that would give rise to the failure of any of the conditions specified in **Article IX** and such breach, inaccuracy or failure has not been cured by Madera by December 31, 2022 or such later date as mutually agreed upon in writing by the Parties (the “**End Date**”); or

(ii) In addition to the rights specified in **Section 10.01(d)(iii)** below, any of the conditions set forth in **Section 9.01** shall not have been fulfilled by the End Date, unless such failure shall be due to the failure of Trinity or SAH to materially perform or comply with any of

the covenants, agreements, or conditions hereof to be performed or complied with by it prior to the Closing;

(c) by Madera by written notice to the Trinity Parties if:

(i) Madera is not then in breach of any provision of this Agreement and there has been a material breach, inaccuracy in or failure to perform any representation, warranty, covenant, or agreement made by any of the Trinity Parties pursuant to this Agreement that would give rise to the failure of any of the conditions specified in Article IX and such breach, inaccuracy or failure has not been or cannot be cured by the End Date; or

(ii) any of the material conditions set forth in **Section 9.01** or **Section 9.03** shall not have been fulfilled by the End Date, unless such failure shall be due to the failure of Madera to perform or comply with any of the covenants, agreements, or conditions hereof to be performed or complied with by it prior to the Closing; or

(d) by the Trinity Parties or Madera by written notice to the other in the event that:

(i) any Law makes consummation of the Transaction illegal or otherwise prohibited;

(ii) any Governmental Authority shall have issued a Governmental Order restraining or enjoining the Transaction, and such Governmental Order shall have become final and non-appealable; or

(iii) the Attorney General provides either written or verbal, formal or informal notice to either Party that its approval of the Transaction will be contingent on any conditions or commitments that are not expressly included on **Schedule 9.01(a)**.

Section 10.02 Effect of Termination. In the event of the termination of this Agreement in accordance with this **Article X**, this Agreement shall forthwith become void and there shall be no liability on the part of any Party hereto except:

(a) as set forth in this **Article X**, **Section 8.04**, and **Article XII** hereof; and

(b) that nothing herein shall relieve any Party hereto from liability for damages resulting from any breach of any provision hereof.

ARTICLE XI PROTECTIVE PROVISIONS

Section 11.01 Non-Reliance. The Trinity Parties acknowledge and agree that they are accepting Assets without any warranties except for the representations and warranties made by Madera to the Trinity Parties as set forth in **Article V**. The Trinity Parties acknowledge and agree that none of the Trinity Parties has received or is relying upon any representation or warranty, expressed or implied, by operation of law or otherwise, as to the accuracy or completeness of any information regarding the Madera Parties or their respective assets or liabilities furnished or made

available to any of the Trinity Parties or their representatives, except as to the representations and warranties made by Madera to the Trinity Parties as set forth in **Article V**.

Section 11.02 Non-Survival. The representations, warranties, covenants and agreements in this Agreement and any certificate delivered pursuant hereto by a Party, and all rights and remedies with respect thereto, will terminate at the Effective Time such that no claim for breach of any representation, warranty, covenant or agreement may be brought after the Effective Time with respect thereto and there will be no liability in respect thereof, except that this **Section 11.02** will not limit responsibility for performance of covenants and agreements of the Parties which by their terms contemplate performance in whole or in part after the Closing.

Section 11.03 D&O. For six (6) years after the Closing Date, none of the Trinity Parties will take any action that would result in Madera failing to maintain insurance policies covering periods of time on and after the Effective Date of the same type and nature of (and with terms that are not materially less favorable than and at coverage levels that are not lower than) the insurance policies set forth on **Schedule 5.30**. Additionally, for six (6) years after the Closing Date, none of the Trinity Parties will take any action to amend the provisions set forth in the Amended and Restated Articles of Incorporation of Madera and Amended and Restated Bylaws of Madera pertaining to the liability of Madera's directors and officers or the indemnification of (and advancement of expenses to) directors, officers, employees, agents and representatives of Madera; provided, however, that the Trinity Parties may make any changes to such documents as necessary to comply with any changes in applicable Law.

Section 11.04 Pre-Closing Remedies. The Parties acknowledge and agree that, prior to the Closing Date, the sole and exclusive remedy of the Parties arising out of this Agreement or the Transaction will be (a) each Party's right to terminate this Agreement pursuant to **Section 10.01** or bring any claim to terminate this Agreement, and (b) each Party's rights pursuant to **Section 12.09**; *provided, however*, that nothing in this **Section 11.04** will in any way limit or restrict any rights under the Loan Documents.

ARTICLE XII MISCELLANEOUS

Section 12.01 Expenses. Except as otherwise expressly provided in this Agreement (including **Section 7.06** and **Section 7.09** hereof), all costs and expenses, including, without limitation, fees and disbursements of counsel, financial advisors, and accountants, incurred in connection with this Agreement and the Transaction shall be paid by the Party incurring such costs and expenses, whether or not the Closing shall have occurred.

Section 12.02 Notices. All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given: (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); or (c) on the date sent by e-mail (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next Business Day if sent after normal business hours of the recipient. Such communications must be sent to the respective Parties at the following addresses (or at such other address for a Party as shall be specified in a notice given in accordance with this **Section 12.02**):

If to Madera:

Madera Community Hospital
1250 E Almond Ave.
Madera, CA 93637
Attn: Chief Executive Officer
Email: kpaolinelli@maderahospital.org

With a copy to:

Jason A. Farber, Esq., Kennard Noyes, Esq.
Davis Wright Tremaine LLP
920 Fifth Avenue, Suite 3300
Seattle, WA 98104
Email: jasonfarber@dwt.com, kennardnoyes@dwt.com

If to the Trinity Parties:

Saint Agnes Health
1303 East Herndon Avenue
Fresno, California 93720
Attn: President & Chief Executive Officer
Email: Nancy.Hollingsworth@samc.com

With a copy to:

Trinity Health Corporation
20555 Victor Parkway
Livonia, MI 48152
Attn: Executive Vice President and Chief Legal Officer
Email: Linda.Ross@trinity-health.org, with a copy to SOP@trinity-health.org

Section 12.03 Severability. If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. Subject to, and, upon such determination that any term or other provision is invalid, illegal, or unenforceable, the Parties hereto shall negotiate in good faith to modify this Agreement so as to affect the original intent of the Parties as closely as possible in a mutually acceptable manner in order that the Transaction be consummated as originally contemplated to the greatest extent possible.

Section 12.04 Entire Agreement. This Agreement and the other Transaction Documents constitute the sole and entire agreement of the Parties to this Agreement with respect to the subject matter contained herein and therein, and supersede all prior and contemporaneous representations, warranties, understandings, and agreements, both written and oral, with respect to such subject matter. In the event of any inconsistency between the statements in the body of this Agreement and those in the other Transaction Documents, the Exhibits and Disclosure Schedules (other than

an exception expressly set forth as such in the Disclosure Schedules), the statements in the body of this Agreement will control. The Parties expressly acknowledge and agree that the Loan Documents are not a part of this Agreement and shall continue to be enforceable in accordance with the terms and conditions thereof.

Section 12.05 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the Parties hereto and their respective successors and permitted assigns. No Party may assign its rights or obligations hereunder without the prior written consent of the other Parties, which consent shall not be unreasonably withheld or delayed; provided, however, that prior to the Closing Date, SAH may, without the prior written consent of Madera, assign all or any portion of its rights under this Agreement to one or more of its direct or indirect wholly owned or wholly controlled subsidiaries. No assignment shall relieve the assigning Party of any of its obligations hereunder.

Section 12.06 No Third Party Beneficiaries. This Agreement is for the sole benefit of the Parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other Person or entity any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of this Agreement.

Section 12.07 Amendment and Modification; Waiver. This Agreement may only be amended, modified, or supplemented by an agreement in writing signed by each Party hereto. No waiver by any Party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the Party so waiving. No waiver by any Party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power, or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege.

Section 12.08 Governing Law; Submission to Jurisdiction.

(a) This Agreement shall be governed by and construed in accordance with the internal laws of the State of California without giving effect to any choice or conflict of Law provision or rule (whether of the State of California or any other jurisdiction) that would cause the application of Laws of any jurisdiction other than those of the State of California.

(b) ANY LEGAL SUIT, ACTION OR PROCEEDING ARISING OUT OF OR BASED UPON THIS AGREEMENT, THE OTHER TRANSACTION DOCUMENTS OR THE TRANSACTION MAY BE INSTITUTED IN THE FEDERAL COURTS OF THE UNITED STATES OF AMERICA OR THE COURTS OF THE STATE OF CALIFORNIA IN EACH CASE LOCATED IN THE CITY OF FRESNO AND THE COUNTY OF FRESNO, AND EACH PARTY IRREVOCABLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF SUCH COURTS IN ANY SUCH SUIT, ACTION OR PROCEEDING. SERVICE OF PROCESS, SUMMONS, NOTICE OR OTHER DOCUMENT BY MAIL TO SUCH PARTY'S ADDRESS SET FORTH HEREIN SHALL BE EFFECTIVE SERVICE OF PROCESS FOR ANY SUIT, ACTION OR OTHER PROCEEDING BROUGHT IN ANY SUCH COURT. THE PARTIES

IRREVOCABLY AND UNCONDITIONALLY WAIVE ANY OBJECTION TO THE LAYING OF VENUE OF ANY SUIT, ACTION OR ANY PROCEEDING IN SUCH COURTS AND IRREVOCABLY WAIVE AND AGREE NOT TO PLEAD OR CLAIM IN ANY SUCH COURT THAT ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

(c) EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT OR THE OTHER TRANSACTION DOCUMENTS IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND, THEREFORE, EACH SUCH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LEGAL ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE OTHER TRANSACTION DOCUMENTS OR THE TRANSACTION. EACH PARTY TO THIS AGREEMENT CERTIFIES AND ACKNOWLEDGES THAT (I) NO REPRESENTATIVE OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT SEEK TO ENFORCE THE FOREGOING WAIVER IN THE EVENT OF A LEGAL ACTION, (II) SUCH PARTY HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (III) SUCH PARTY MAKES THIS WAIVER VOLUNTARILY, AND (IV) SUCH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS **Section 12.08(c)**.

Section 12.09 Specific Performance. The Parties agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the Parties shall be entitled to seek specific performance of the terms hereof, in addition to any other remedy to which they are entitled at Law or in equity.

Section 12.10 Trinity and Madera Parties. Each of the Trinity Parties will cause each of the other Trinity Parties to take, or refrain from taking, all actions as may be necessary or appropriate to give effect to the Transactions and the provisions of this Agreement. Madera will cause each of the other Madera Parties to take, or refrain from taking, all actions as may be necessary or appropriate to give effect to the Transactions and the provisions of this Agreement.

Section 12.11 Counterparts and Electronic Signatures. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same Agreement. A signed copy of this Agreement delivered by facsimile, e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement. Each Party agrees that the electronic signatures, whether digital or encrypted, of the Parties included in this Agreement are intended to authenticate this writing and to have the same force and effect as manual signatures. Electronic Signature means any electronic sound, symbol, or process attached to or logically associated with a record and executed and adopted by a party with the intent to sign such record, including facsimile or email electronic signatures, pursuant to the California Uniform Electronic Transactions Act (Cal. Civ. Code § 1633.1 et seq.) as amended from time to time.

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, and intending to be legally bound, each of the Parties hereto has caused this Agreement to be executed as of the Signature Date.

MADERA COMMUNITY HOSPITAL



Printed Name: Deidre da Silva
Title: Chair, Board of Trustees

TRINITY HEALTH CORPORATION

By: _____
Printed Name: _____
Title: _____

SAINT AGNES HEALTH

By: _____
Printed Name: _____
Title: _____

**SAINT AGNES MEDICAL CENTER,
solely for purposes of Sections 2.02,
4.02(b)(iv) and 6.02**


By: _____
Printed Name: _____
Title: _____

IN WITNESS WHEREOF, and intending to be legally bound, each of the Parties hereto has caused this Agreement to be executed as of the Signature Date.

MADERA COMMUNITY HOSPITAL

TRINITY HEALTH CORPORATION

By: _____

By: 

Printed Name: _____


Printed Name: Michael A. Slubowski


Title: _____

Title: President & CEO

SAINT AGNES HEALTH

**SAINT AGNES MEDICAL CENTER,
solely for purposes of Sections 2.02,
4.02(b)(iv) and 6.02**

By: 

By: 

Printed Name: Michael A. Slubowski

Printed Name: Nancy Hollingsworth

Title: President & CEO,

Title: President and CEO

*TRINITY HEALTH CORPORATION,
SOLE MEMBER OF SAINT
AGNES HEALTH AND
AUTHORIZED REPRESENTATIVE*

EXHIBITS

Exhibit A.....	Controlled Subsidiaries
Exhibit B	Exempt Subsidiaries
Exhibit C	Joint Ventures
Exhibit D-1.....	Madera Amended and Restated Articles of Incorporation
Exhibit D-2.....	Madera Amended and Restated Bylaws
Exhibit E-1	SAMC Amended and Restated Articles of Incorporation
Exhibit E-2	SAMC Amended and Restated Bylaws

EXHIBIT A
Controlled Subsidiaries

1. Medical Practice Management, Inc., a California corporation
2. Affiliated Physician Practice, Inc., a California professional corporation
3. Madera Community Hospital Foundation, a California nonprofit public benefit corporation
4. Central Valley Health, a California nonprofit public benefit corporation

EXHIBIT B
Exempt Subsidiaries

1. Madera Community Hospital Foundation, a California nonprofit public benefit corporation
2. Central Valley Health, a California nonprofit public benefit corporation

EXHIBIT C
Joint Ventures

1. None

SCHEDULE 1A
Madera Knowledge Parties

Karen Paolinelli, MSN, RN, FNP-C, PA-C, Chief Executive Officer
Mark Foote, Chief Financial Officer

SCHEDULE 1B
Trinity Knowledge Parties

1. Nancy Hollingsworth, President and Chief Executive Officer, Saint Agnes Medical Center
2. Rick Wolf, General Counsel, Saint Agnes Medical Center
3. Linda S. Ross, Executive Vice President and Chief Legal Officer, Trinity Health Corporation
4. Daniel P. Isacksen, Executive Vice President and Chief Financial Officer, Trinity Health Corporation

SCHEDULE 9.01(a)
California Attorney General Conditions

I.

For five (5) fiscal years from the Closing Date of the Affiliation Agreement, Saint Agnes Health, Trinity Health, and all future owners, managers, lessees, licensees, or operators of Madera Community Hospital shall be required to provide written notice to the Attorney General sixty (60) 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 Madera Community Hospital; or
- b) Transfer control, responsibility, management, or governance of Madera Community Hospital. The substitution or addition of a new corporate member or members of Saint Agnes Health, or Trinity Health that transfers the control of, responsibility for, or governance of Madera Community Hospital shall be deemed a transfer for purposes of this Condition. The substitution or addition of one or more members of the governing bodies of Madera, or any arrangement, written or oral, that would transfer voting control of the members of the governing bodies of Saint Agnes Health, or Trinity Health shall also be deemed a transfer for purposes of this Condition.

II.

For five (5) years from the closing date of the Affiliation Agreement, the parties identified in Condition I will endeavor but not be required to operate and maintain Madera Community Hospital as a licensed general acute care hospital (as defined in California Health and Safety Code Section 1250) and 24-hour emergency medical services.

III.

For five (5) years from the closing date of the Affiliation Agreement, Saint Agnes Health and Trinity Health shall:

- a) Be certified to participate in the traditional Medi-Cal program at Madera Community Hospital and provide emergency or non-emergency services at Madera Community Hospital to Medi-Cal beneficiaries as required in these Conditions;
- b) Maintain and have Medi-Cal Managed Care contracts with [to be determined] or its successor to provide emergency or non-emergency services at Madera Community Hospital 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 other similarly situated hospitals offering substantially the same services, unless the contract is terminated by either party for cause or not extended or renewed by a Medi-Cal Managed Care Plan on its own initiative; and
- c) Maintain its participation in the Medicare program, by maintaining a Medicare Provider Number and providing emergency or non-emergency services to Medicare beneficiaries, both traditional Medicare and Medicare Managed Care.

IV.

For five (5) fiscal years from the Closing Date, Saint Agnes Health and Trinity Health shall provide an annual amount of Charity Care (as defined below) at Madera Community Hospital equal to or greater than \$[an amount to be agreed upon by the parties] (the Minimum Charity Care Amount). For purposes hereof, the term “charity care” shall mean the amount of charity care costs (not charges) incurred by Saint Agnes Health and Trinity Health in connection with the operation and provision of services at Madera Community Hospital. The definition and methodology for calculating “Charity Care” and the methodology for calculating “costs” shall be the same as that used by the California Department of Health Care Access and Information for annual hospital reporting purposes.

Saint Agnes Health and Trinity Health’s obligation under this Condition shall be prorated on a daily basis if the closing date of the Affiliation Agreement is a date other than the first day of Saint Agnes Health’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 Madera, CA Base Period: 1982-84=100 (as published by U.S. Bureau of Labor Statistics).

If the actual amount of charity care provided at Madera Community Hospital 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, Saint Agnes Health or Trinity Health shall pay an amount equal to the deficiency to one or more tax-exempt entities that provide direct healthcare services to residents in Madera Community Hospital’s service area (___ ZIP codes), as defined on page ___ of the Madera Community Hospital Health Care Impact Statement, dated _____, and attached hereto as Exhibit 2. Such payment(s) shall be made within six months following the end of such fiscal year.

V.

For five (5) fiscal years from the closing date of the Affiliation Agreement, Saint Agnes Health and Trinity Health shall provide an annual amount of Community Benefit Services at Madera Community Hospital equal to or greater than \$[an amount to be agreed upon by the parties] (the Minimum Community Benefit Services Amount) exclusive of any funds from grants.

Saint Agnes Health and Trinity Health’s obligation under this Condition shall be prorated on a daily basis if the effective date of the Affiliation Agreement is a date other than the first day of Saint Agnes Health’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 Madera, CA Base Period: 1982-84=100 (as published by U.S. Bureau of Labor Statistics).

If the actual amount of community benefit services provided at Madera Community Hospital 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, Madera Community Hospital or Saint Agnes Health shall pay an amount equal to the deficiency to one or more tax exempt entities that provide community benefit services for residents in Madera Community Hospital’s service area (___ ZIP codes), as defined on page ___ of the Madera Community Hospital Health Care Impact Statement, dated _____, and attached hereto as Exhibit 2. Such payment(s) shall be made within six months following the end of such fiscal year.

VI.

For five (5) years from the closing date of the Affiliation Agreement, Saint Agnes Health and Trinity Health shall commit the necessary investments required to meet and maintain OSHPD seismic compliance requirements at Madera Community Hospital under the Alfred E. Alquist Hospital Facilities Seismic Safety Act of 1983, as amended by the California Hospital Facilities Seismic Safety Act, (Health & Saf. Code, §§129675-130070) and as such Acts may be subsequently amended, modified, or replaced.

VII.

Saint Agnes Health and Trinity Health shall maintain privileges for current medical staff at Madera Community Hospital who are in good standing as of the closing date of the Affiliation Agreement. Further, the closing of the Affiliation Agreement shall not change the medical staff officers, committee chairs, or independence of the medical staff, and such persons shall remain in good standing for the remainder of their tenure as medical staff officers or committee chairs at Madera Community Hospital.

VIII.

There shall be no discrimination against any lesbian, gay, bisexual, transgender, or queer individuals at Madera Community Hospital. This prohibition must be explicitly set forth in Madera Community Hospital's written policies applicable at Madera Community Hospital, adhered to, and strictly enforced.

IX.

1. Definitions.

The "Closing Date" is _____.

"Commercial or Government-Sponsored Product" means a commercial or government-sponsored product (e.g., Medicare Advantage plans or Medi-Cal managed care plans) offered by a Payer.

"Payer" means a company that provides health insurance policies or makes hospital networks accessible for Madera County residents. The term "Payer" includes self-funded employers that do the foregoing, as well as independent physician associations who in turn provide capitated services, under a limited or restricted Knox-Keene license from the Department of Managed Health Care, to any Payer who sells any commercial, Medicare, and Medi-Cal healthcare plans of any kind or makes any networks available to self-insured employers, union trusts, and/or state and local government entities. Examples of Payers include Aetna Health of California, Aetna Health Management, Aetna Life Insurance Co., Anthem Blue Cross Inc./Blue Cross of California, California Physician Services (d/b/a Blue Shield of California), Cigna HealthCare of California, Inc., Cigna Health and Life Insurance Co., Heritage, HealthCare Partners, Health Net of California, Inc., United Healthcare of California (and their subdivisions, subsidiaries, successors, assigns, and affiliates), and IPAs such as [to be determined]. However, the term "Payer" does not include (a) Kaiser Foundation Health Plan Inc., Kaiser Foundation Hospitals, The Permanente Medical Groups or Kaiser Permanente Insurance Corporation, individually or collectively, or (b) any commercial health plans or networks co-branded with any healthcare provider (although "Payers" can include capitated IPAs affiliated with healthcare providers that contract, or seek to contract, with non-healthcare provider affiliated Payers).

"Viability" shall be achieved when, for two successive calendar years, Madera Community Hospital shall have earned operating profits as a share of net revenues equal to or in excess of 3%, provided that revenues shall include recurring sources of government funding, including DSH and QAF funding, but shall not

include nonrecurring or temporary government funding, including but not limited, CARES Act funding or other funding related to the COVID crisis. Trinity Health shall attest that the calculation of operating margin for Madera Community Hospital shall reflect an allocation of corporate overhead expenses consistent with the principles utilized to determine such allocations for all Trinity hospitals.

2. For five years after the Closing Date, Trinity Health will not condition the participation of Saint Agnes Medical Center, on the participation of Madera Community Hospital with any Payer, provided that this provision will not prohibit a consensual agreement between Saint Agnes, Madera Community Hospital and a Payer to a contract involving both Saint Agnes Medical Center and Madera Community Hospital. This prohibition on conditioning of participation also includes:

(a) Saint Agnes Medical Center engaging a Payer in “all-or-nothing” contracting for hospital services by expressly or impliedly requiring the Payer to contract with Madera Community Hospital as a condition to permitting the Payer to contract with Saint Agnes Medical Center, including by conditioning the participation of Saint Agnes Medical Center in a Commercial or Government-Sponsored Product on any of the following:

(i) the participation of Madera Community Hospital in the same or any other Commercial or Government-Sponsored Product offered by the Payer, provided that this provision will not prohibit a consensual agreement between Saint Agnes Medical Center, Madera Community Hospital and a Payer to a contract involving both Saint Agnes Medical Center and Madera Community Hospital,

(ii) the status of (including the decision on whether to include or exclude) Madera Community Hospital in the Payer’s center of excellence program (or other program designed to differentiate hospitals based on their quality of care, their cost, or other consideration), or the exclusion of any third party’s hospital in the Payer’s center of excellence program (or other similar program), provided that this provision shall not prevent Saint Agnes Medical Center or Madera Community Hospital from objecting to, or refusing to participate in, a center of excellence or similar program on the grounds that it does not include transparent criteria applied objectively and consistently to the affected hospitals; or

(b) Saint Agnes Medical Center penalizing a Payer for contracting with Saint Agnes Medical Center but not Madera Community Hospital, by setting Saint Agnes Medical Center’s rates in the event that the Payer contracts with Saint Agnes and not with Madera Community Hospital at a rate more than 50% higher than the rate paid to Saint Agnes in the event that the Payer contracts with Saint Agnes Medical Center and Madera Community Hospital.

(c) Saint Agnes Medical Center interfering with, or otherwise engaging in any action, direct or indirect, to prevent the introduction or promotion of new narrow, tiered, or steering Commercial or Government-Sponsored Products or value-based benefit designs for Commercial or Government-Sponsored Products (i.e., benefit designs that attempt to reward providers for affordability and/or quality) at Madera Community Hospital, including reference pricing, provided that Saint Agnes Medical Center or Madera Community Hospital may object to, or refuse to participate in, any such arrangements if they are not transparent, objective and consistently applied.

However, these conditions shall not apply until after Madera Community Hospital has achieved Viability for two successive years. After this “Viability condition” has been met, these provisions shall only apply to any new contract entered into after that date but shall not affect the legality of any previously negotiated

contract. Any delay in the application of these prohibitions because Madera Community Hospital has not achieved Viability will not extend the period of time during which this provision applies.

3. For five years from the Closing Date, the maximum that Trinity Health may charge a Payer for any Commercial Product of a Payer for out-of-network emergency department hospital services that are being performed at Madera Community Hospital will be governed by the applicable payment provisions in the Contract Terms that are in effect between Madera Community Hospital and that Payer, subject to any renewal or new Contract Terms that are negotiated in compliance with these Competitive Impact Conditions, as long as these payment terms do not exceed 275% of Medicare fee for service.

4. For five years after the Closing Date, the maximum that Trinity Health may charge a Payer for any Medi-Cal Product of a Payer for hospital services that are being performed at Madera Community Hospital will be governed by the applicable payment provisions in the Contract Terms that are in effect between Madera Community Hospital and that Payer, subject to any renewal or new Contract Terms that are negotiated in compliance with these Competitive Impact Conditions, as long as these payment terms do not exceed 150% of Medi-Cal fee for service.

5. For five years after the Closing Date, the maximum that Trinity Health may charge a Payer for any Medicare Advantage Product of a Payer for hospital services that are being performed at Madera Community Hospital will be governed by the applicable payment provisions in the Contract Terms that are in effect between Madera Community Hospital and that Payer, subject to any renewal or new Contract Terms that are negotiated in compliance with these Competitive Impact Conditions, as long as these payment terms do not exceed 110% of Medicare fee for service.

6. For five years after the Closing Date, Saint Agnes Medical Center will not enter into any amendment to any agreement with a Payer that would violate any of Competitive Impact Conditions #2 - #5.

7. Retaliation or threats of retaliation based on any Payer, entity, or individual having provided information in conjunction with these conditions to the Monitor is prohibited.

8. The Attorney General will have the right to appoint a person selected as described in this Competitive Impact Condition #8 (the "Monitor") to perform the services described in Competitive Impact Condition #2-#7.

(a) *Selection:* The Attorney General has the sole discretion to select the Monitor, subject to consultation with Saint Agnes Health and subject to the following criteria and conditions. To be qualified to serve as a Monitor, a candidate must disclose to the Attorney General and to Saint Agnes Health any potential conflict of interest, be experienced with hospital operations and managed care contracting, if not also knowledgeable as to managed care contracting in California, and be knowledgeable about federal and California antitrust law. Saint Agnes Health will disclose candidates it proposes to serve as the Monitor to the Attorney General and the Attorney General will disclose candidates it proposes to serve as the Monitor to Saint Agnes Health. The Attorney General and Saint Agnes Health shall consider diversity, equity, and inclusion in proposing candidates to serve as the Monitor. The Attorney General will give due consideration to any candidates proposed by Saint Agnes Health. Any interviews of any candidates will be jointly conducted by Saint Agnes Health and the Attorney General. Within 90 days from the Closing Date, the Attorney General shall select the Monitor. Not later than thirty (30) days after the Attorney General's selection of the Monitor, Saint Agnes Health shall execute an agreement that, subject to the prior approval of the Attorney General, confers on the Monitor those rights, powers, and authorities necessary to permit the Monitor to perform his/her duties and responsibilities described in Competitive Impact Condition #9(b) below. Saint Agnes Health may require the Monitor and each of the Monitor's staff and experts

to sign a customary confidentiality agreement; provided however, that such agreement shall not restrict the Monitor from providing any information to the Attorney General. Saint Agnes Health will be solely responsible for the reasonable expenses of the selected Monitor, including staff and experts of the Monitor, in performing the services described in Competitive Impact Condition #9(b) below.

(b) *Powers:* The Monitor shall have the following powers to the extent necessary to monitor compliance with Competitive Impact Conditions #2-#7: to investigate Saint Agnes Health's compliance with such Competitive Impact Conditions; to take complaints from Payers, Saint Agnes Health, or from the Attorney General (with reasonable notice to be provided thereafter to all parties); to reasonably inspect records and compel disclosure of confidential documents as necessary to investigate such compliance, subject to any demonstrated legally recognized privilege and appropriate confidentiality protections; to interview witnesses (if Saint Agnes Health or Madera Community Hospital employees, then subject to reasonable prior notice and the opportunity for Saint Agnes to have counsel present); to hire staff and experts; and to make recommendations concerning enforcement to the Attorney General.

(c) *Duty to Cooperate:* Saint Agnes Health shall cooperate with the Monitor in the reasonable performance of the Monitor's work and shall take no action to interfere with or impede the Monitor's ability to reasonably monitor compliance with these conditions.

(d) *Reporting:* Saint Agnes Health shall provide annual reports to the Monitor of Saint Agnes Health's efforts to comply with Competitive Impact Conditions #2-6. Within a reasonable time from the date the Monitor receives these reports, the Monitor will be obligated to report in writing to the Attorney General and Saint Agnes Health as to any and all concerns as set out in these annual reports regarding Saint Agnes Health's performance of its obligations under Competitive Impact Conditions #2-#6. All such reports shall be provided to Saint Agnes Health.

X.

Within sixty (60) days from the Closing Date of the Affiliation Agreement and for five (5) years from the Closing Date of the Affiliation Agreement, the entities listed in Condition I shall take the following steps:

- a. **Emergency Services, Stabilization and Transfer, and Non-Interference with Health Practitioner's Judgment:** The entities listed in Condition I, shall comply with the Emergency Medical Treatment and Active Labor Act (EMTALA), 42 U.S.C. §§ 1395cc, 1395dd; Health & Safety Code § 1317; and 42 C.F.R § 489.24, and in instances of emergency medical conditions as defined by those provisions, shall permit medical staff to (i) make clinical decisions consistent with the standard of care and their independent professional judgment, respecting the needs and wishes of each individual patient; (ii) inform patients of all of their healthcare options; (iii) prescribe any interventions that are medically necessary and appropriate; (iv) transfer or refer patients to other facilities whenever they determine it is in the patient's interests; and (v) provide any item or service they deem in their professional judgment to be necessary and appropriate without restriction, and without seeking approval from any non-provider, including any items or services where referral or transfer to another facility would, in their sole professional judgment, risk material deterioration to the patient's condition. The entities listed in Condition I shall revise their written policies, tools, procedures, guidelines, and training materials and shall train existing medical staff to ensure compliance with the Emergency Medical Treatment and Active Labor Act (EMTALA), 42 U.S.C. §§ 1395cc, 1395dd; Health & Safety Code § 1317; and 42 C.F.R § 489.24 and the provisions herein and shall submit their written policies, tools, procedures, guidelines, and training materials to the Attorney General.

- b. Treatment of Sexual Assault Survivors: The entities listed in Condition I, shall comply with Health & Safety Code section 1281 and Penal Code sections 13823.11 and 13823.5.
- c. For five (5) years from the Closing Date of the Affiliation Agreement, the entities listed in Condition I, will endeavor but not be required to maintain the following services at Madera Community Hospital's general acute care hospital, rural clinics, and other outpatient settings:
 - i. Mammography and Breast Health Services;
 - ii. Preventative Healthcare, including Pap Smears;
 - iii. Labor and Delivery Department, including Maternity Services such as Breastfeeding Support;
 - iv. Gynecology and Gynecological Surgery to treat common female reproductive health conditions, including Hysterectomy, Salpingo-oophorectomy, D/C, Diagnostic laparoscopy, Endometrial Ablation, LEEP procedure, Cystocele repair, Anterior/Posterior Repair, Myomectomy, and Ovarian Cystectomy; and
 - v. Contraception, including oral, implantable, injectable, and IUD insertion.
- d. Notice of Policy-Based Restrictions: The entities listed in Condition I shall make publicly available in both English and Spanish, and provide to patients in person, notice of any non-emergency healthcare services that will either not be available, that will be discontinued, or that might otherwise be subject to policy-based restrictions or limitations, including but not limited to treatment and services for the following: family planning and reproductive healthcare consultations, prescriptions, treatments, and procedures; sterilization consultations, prescriptions, treatments, and procedures; gender affirming care consultations, prescriptions, treatments, and procedures; palliative and end-of-life care, including End-of-Life Option Act drugs; and any other healthcare services that may or will be limited or discontinued due to policy-based restrictions. For any services restricted or limited by policies that are subject to prior review and approval by a hospital committee, the entities listed in Condition I shall also make publicly available in both English and Spanish, and provide to patients in person, information pertaining to the committee's process and procedures, factors or criteria considered by a committee in approving or denying a service, and the timing for notification regarding the decision to approve or deny a service. The notice, as well as policies and procedures and other information contemplated herein, must be published on Madera Community Hospital's website in English and Spanish in a location readily accessible to the public, without a required login or other restriction.
- e. The entities listed in Condition I, shall provide information regarding alternative health care providers and locations, and transportation assistance, to current or presenting patients who are in need of or are otherwise seeking restricted services, to another healthcare provider or location where the services may be provided. At a minimum, the information shall be readily available in written form, in English and in Spanish, as needed, with the name, address, telephone number(s), and last known business hours of appropriate healthcare providers that are consistent with the patient's clinical status, along with any related medical records, upon request to any member of the public or patients of Madera Community Hospital or their representatives. The Madera Community Hospital service area healthcare providers on the list of providers shall be State of California licensed healthcare providers or providers operating within a statutory exception to state licensure. At a minimum, the information shall include the nearest access to transportation services and healthcare providers within the Madera Community Hospital service area, or if not available within

the Madera Community Hospital service area, access to the next nearest available alternative outside of the Madera Community Hospital service area or in Fresno, California or other neighboring county. The transportation services contemplated herein are not intended to replace ambulance or other medical transport services where appropriate given the patient's clinical status, including under instances of emergency medical conditions as contemplated in subdivision a, immediately above. The entities listed in Condition I shall submit their information regarding alternative providers and transportation assistance materials to the Attorney General within sixty (60) days from the Closing Date of the Affiliation Agreement, every six (6) months thereafter, and as part of the annual report contemplated in Condition XI.

- f. The entities in Condition I shall comply with nondiscrimination provisions of 42 U.S.C. § 300a-7, subdivision (c)(1) and Health & Safety Code, section 123420, subdivision (a). In addition and notwithstanding these provisions, the entities in Condition I shall neither deny nor restrict employment, privileging or credentialing at Madera Community Hospital for a health practitioner based on that practitioner's prior or current practice, performance or participation in the provision of abortion services, contraception services, or other reproductive health services, including gender-affirming care or treatment, in private practice or healthcare settings outside of Madera Community Hospital.

XI.

For five (5) fiscal years from the closing date of the Affiliation Agreement, Saint Agnes Health and Trinity Health shall submit to the Attorney General, no later than six months after the conclusion of each fiscal year, a report describing, in detail, compliance with each Condition set forth herein. The Chairman(s) of the Board of Directors of Saint Agnes Health and the Chief Executive Officers of Saint Agnes Health and Madera Community Hospital shall each certify that the report is true, accurate, and complete, and provide documentation of the review and approval of the report by these Boards of Directors.

XII.

At the request of the Attorney General, all of the entities listed in Condition I 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.

XIII.

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 D-1

Madera Amended and Restated Articles of Incorporation

**CERTIFICATE OF AMENDED AND RESTATED
ARTICLES OF INCORPORATION OF
MADERA COMMUNITY HOSPITAL**

The undersigned hereby certify that:

Section 1. They are the President and the Secretary, respectively, of MADERA COMMUNITY HOSPITAL, a California nonprofit public benefit corporation (the "Corporation").

Section 2. The Corporation's Articles of Incorporation, filed with the California Secretary of State _____, are amended and restated in the entirety to read as set forth in Exhibit A attached and made a part of this Certificate.

Section 3. The Corporation's Board of Directors approved the amendment and restatement of the Corporation's Articles of Incorporation on _____, at a meeting duly noticed and held, at which a quorum was present.

Section 4. The Corporation's sole corporate member, Saint Agnes Health, has approved the amendment and restatement of the Corporation's Articles of Incorporation.

We 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.

Date: _____

President

Secretary

EXHIBIT A
To Certificate of Amended and Restated
Articles of Incorporation of
Madera Community Hospital

AMENDED AND RESTATED ARTICLES OF INCORPORATION
OF
MADERA COMMUNITY HOSPITAL
A California Nonprofit Public Benefit Corporation

Article I:
Name

1. The name of the Corporation is:

Madera Community Hospital

Article II
Registered Agent

2. The California Registered Corporate Agents Name is C T Corporation System

Article III
Business Address

3. The initial street and mailing address of the Corporation is 1250 E. Almond Avenue, Madera, California, 93637.

Article IV
Definitions

4. For the purposes of these Articles of Incorporation, the following defined terms shall have the following meanings:
 - 4.1. "Affiliate" means a corporation or other entity that is subject to the direct or indirect Control or Ownership (as defined in the Bylaws) of the Corporation.
 - 4.2. "Articles of Incorporation" means the Articles of Incorporation of the Corporation, as amended or restated from time to time.
 - 4.3. "Board" or "Board of Directors" means the Board of Directors of the Corporation, and the term "Director" means an individual member of the Board.
 - 4.4. "Catholic Health Ministries" or "CHM" means Catholic Health Ministries, a public juridic person that is the religious sponsor of the Corporation under the canon law of the Roman Catholic Church.
 - 4.5. "Catholic Identity" means the theological, ethical, and canonical underpinnings of a Catholic-sponsored organization without which the entity cannot be considered a Roman Catholic church-related ministry.

Trinity Health Second Tier Affiliate
Madera Community Hospital _____

- 4.6. "Corporation" shall mean Madera Community Hospital, a California nonprofit public benefit corporation.
- 4.7. "Governance Documents" means the Articles of Incorporation, Bylaws, System Authority Matrix, Code of Regulations or equivalent organizational documents of a corporation or other entity.
- 4.8. "Health System" or "Trinity Health System" means the health system which consists of Trinity Health and its subsidiaries and Affiliates.
- 4.9. "Internal Revenue Code" shall mean the Internal Revenue Code of 1986, as amended from time to time.
- 4.10. "Member" shall refer to Saint Agnes Health, a California nonprofit public benefit corporation, which is the sole member of the Corporation.
- 4.11. "Significant Finance Matters" shall refer to the following matters which pursuant to the System Authority Matrix are subject to the approval of Trinity Health: (a) capital expenditures and dispositions; (b) incurrence of additional debt; and (c) execution of contracts and leases.
- 4.12. "System Authority Matrix" refers to the document that sets forth an allocation of corporate governance authority that is binding on the Corporation and its Affiliates as part of the Health System, as may be amended by Trinity Health from time to time.
- 4.13. "Trinity Health" means Trinity Health Corporation, an Indiana nonprofit corporation, its successors and assigns.

Article V
Purposes

- 5. This Corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for charitable purposes.¹ The Corporation shall be organized and operated exclusively for, and its property is irrevocably dedicated to, religious, charitable, scientific, and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, and within the meaning of Section 214 of the California Revenue and Taxation Code². The Corporation shall have no power to act in a manner which is not exclusively within the contemplation of Section 501(c)(3) of the Internal Revenue Code, and the Corporation shall not engage directly or indirectly in any activity which would prevent it from qualifying, and continuing to qualify, as a Corporation as described in Section 501(c)(3) of the Internal Revenue Code. Without limiting the generality of the foregoing, the purposes for which the Corporation is organized are to advance, promote, support, and carry out the purposes of Trinity Health or its successor, and to further the apostolate and charitable works of Catholic Health Ministries on behalf of and as an integral part of the Roman Catholic Church in the United States. Without limiting the generality of the foregoing, the specific purposes of the Corporation shall include the following:

¹ California Corporations Code Section 5130.

² California Board of Equalization Property Tax Rule 143(c), "REQUIREMENTS FOR IRREVOCABLE DEDICATION CLAUSE AND DISSOLUTION CLAUSE FOR ORGANIZATIONAL CLEARANCE CERTIFICATE FOR WELFARE EXEMPTION".

- 5.1. To engage in the delivery of and to carry on, sponsor or participate, directly or through one or more affiliates, in any activities related to the delivery of health care and health care related services of every kind, nature and description which, in the opinion of the Board of Directors of the Corporation, are appropriate in carrying out the health care mission of the Member and Catholic Health Ministries. The Corporation shall take all such actions including, but not limited to, support and assistance of affiliates, as may be necessary or desirable to accomplish the foregoing purpose within the restrictions and limitations of these Articles of Incorporation, the Bylaws of the Corporation or applicable law, including, without limitation, promoting and carrying on scientific research and educational activities related to the care of the sick and promotion of health, and establishing, maintaining, owning, managing, operating, transferring, conveying, supporting, assisting and acquiring institutions, facilities and programs in several states, directly or through one or more affiliates, including, but not limited to, hospitals and clinics, which shall provide diagnosis and treatment to inpatients and outpatients and shall provide such support services as, but not limited to, extended care, shared services, pastoral care, home care, long-term care, operation of senior residences, care of the elderly and the handicapped, care of the economically needy, child care, social services, mental health and substance abuse services.
- 5.2. To promote, support and further any and all charitable, scientific, religious and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code;
- 5.3. To coordinate and oversee the activities of Affiliates, and to allocate the assets, liabilities and resources of the Corporation and its Affiliates within the Health System;
- 5.4. To acquire, purchase, own, loan and borrow, erect, maintain, hold, use, control, manage, invest, exchange, convey, transfer, sell, mortgage, lease and rent all real and personal property of every kind and nature, which may be necessary or incidental to the accomplishment of any and all of the above purposes;
- 5.5. To accept, receive and hold, in trust or otherwise, all contributions, legacies, bequests, gifts and benefactions which may be left, made or given to the Corporation, or its predecessor or constituent corporations, by any person, persons or organizations;
- 5.6. To take all such actions as may be necessary or desirable to accomplish the foregoing purposes within the restrictions and limitations of these Articles of Incorporation, the Bylaws of the Corporation and applicable law, provided that no substantial part of the activities of the Corporation shall be to carry out propaganda, or to otherwise attempt to influence legislation; and the Corporation shall not participate or intervene in any political campaign on behalf of or in opposition of any candidate for public office (by the publishing or distribution of statements or otherwise), in violation of any provisions applicable to corporations exempt from taxation under Section 501(c)(3) of the Internal Revenue Code and the regulations promulgated thereunder as they now exist or as they may be amended;
- 5.7. The Corporation shall not be operated for the pecuniary gain or profit, incidental or otherwise, of any private individual, and no part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, its Directors, Officers or other private individuals, except the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered to or for the Corporation and to make payments and distributions in furtherance of the purposes set forth herein consistent with applicable law; and
- 5.8. Notwithstanding any other provisions of these Articles of Incorporation, the Corporation shall not carry on any activity not permitted to be carried on by: (i) a corporation exempt

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from federal income tax under Section 501(c)(3) of the Internal Revenue Code, or (ii) a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code.

- 5.9. The Corporation is organized and, in carrying out the purposes referenced above, the Corporation at all times shall be operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of the Corporation and its Controlled Affiliates. For this purpose, the "Controlled Affiliates" are hospitals and health care delivery organizations which are both (a) closely related to the Corporation, in purpose or function through common control, ownership, lease or management, and (b) classified as a publicly supported organization as described in Section 509(a)(1) or 509(a)(2) of the Code.

Article VI
Catholic Identity

6. The activities of the Corporation shall be carried out in a manner consistent with the teachings of the Roman Catholic Church and "Founding Principles of Catholic Health Ministries" or successor documents which set forth principles describing how the apostolic and charitable works of Catholic Health Ministries are to be carried out, as well as the values and principles inherent in the medical-moral teachings of the Roman Catholic Church (such as the *Ethical and Religious Directives for Catholic Health Care Services* as promulgated from time to time by the United States Conference of Catholic Bishops (or any successor organization), as amended from time to time). Under Canon Law, Catholic Health Ministries shall retain its canonical stewardship with respect to those facilities, real or personal property, and other assets that constitute the temporal goods belonging, by operation of Canon Law, to Catholic Health Ministries. No alienation, within the meaning of Canon Law, of property considered to be stable patrimony of Catholic Health Ministries shall occur without prior approval of Catholic Health Ministries.

Article VII
Membership

7. Saint Agnes Health is the sole member of the Corporation. The Member shall be entitled to all rights and powers of a member under California law, these Articles of Incorporation and the Bylaws of the Corporation. Certain rights and powers related to the Corporation are reserved to the Member under the Corporation's Governance Documents. Action by the Corporation shall not be taken or authorized until the Member shall have exercised its reserved powers in the manner provided in the Governance Documents. The following powers are reserved to the Member and Trinity Health:
- 7.1. As reserved to the Member:
- 7.1.1. Approve the amendment or restatement of the Articles of Incorporation and Bylaws of the Corporation, in whole or in part, recommend the same to Trinity Health for adoption;
 - 7.1.2. Appoint and remove members of the Corporation's Board of Directors;
 - 7.1.3. Appoint and remove the President of the Corporation;
 - 7.1.4. Approve the strategic plan of the Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption as part of the consolidated strategic plan of the Regional Health Ministry in which the Corporation participates;

- 7.1.5. Approve those Significant Finance Matters which pursuant to the System Authority Matrix are subject to the authority of the Member, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;
 - 7.1.6. Approve the annual operating and capital budgets of the Corporation, and recommend the same to Trinity Health for adoption as part of the consolidated operating and capital budgets of the Regional Health Ministry in which the Corporation participates;
 - 7.1.7. Approve any merger, consolidation, transfer or relinquishment of membership rights, or the sale of all or substantially all of the operating assets of the Corporation (certain transactions and transfers of real property and immovable goods may also be subject to the approval of Catholic Health Ministries), and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;
 - 7.1.8. Approve any dissolution, winding up or abandonment of operations, liquidation, filing of action in bankruptcy, receivership or similar action affecting the Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;
 - 7.1.9. Approve any formation or dissolution of Affiliates, partnerships, cosponsorships, joint membership arrangements, and other joint ventures involving the Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;
 - 7.1.10. Approve any pledge or encumbrance of assets whether pursuant to a sale, capital lease, mortgage, disposition, hypothecation, or other transaction in excess of limits established by Trinity Health (pledges or encumbrances of certain real property and immovable goods may also be subject to the approval of Catholic Health Ministries), and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;
 - 7.1.11. Approve any change to the structure or operations of the Corporation which would affect its status as a nonprofit entity, exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, and recommend the same to Trinity Health for approval; and
 - 7.1.12. Approve all other matters and take all other actions reserved to members of nonprofit corporations (or shareholders of for-profit-corporations, as the case may be) by the laws of the state in which the Corporation is domiciled or as reserved in the Governance Documents of the Corporation.
- 7.2. As reserved to Trinity Health:
- 7.2.1. Adopt, amend, modify or restate the Articles [Certificate] of Incorporation and Bylaws of the Corporation, in whole or in part, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;
 - 7.2.2. Approve those Significant Finance Matters which pursuant to the System Authority Matrix are subject to the authority of Trinity Health, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

- 7.2.3. Approve any merger, consolidation, transfer or relinquishment of membership rights, or the sale of all or substantially all of the operating assets of the Corporation (certain transactions and transfers of real property and immovable goods may also be subject to the approval of Catholic Health Ministries), or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;
- 7.2.4. Approve any dissolution, winding up or abandonment of operations, liquidation, filing of action in bankruptcy, receivership or similar action affecting the Corporation, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;
- 7.2.5. Approve any formation or dissolution of Affiliates, partnerships, cosponsorships, joint membership arrangements, and other joint ventures involving the Corporation, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;
- 7.2.6. Approve any pledge or encumbrance of assets whether pursuant to a sale, capital lease, mortgage, disposition, hypothecation, or other transaction in excess of limits established by Trinity Health (pledges or encumbrances of certain real property and immovable goods may also be subject to the approval of Catholic Health Ministries), or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;
- 7.2.7. Approve any change to the structure or operation of the Corporation which would affect its status as a nonprofit entity, exempt from taxation under Section 501(c) of the Internal Revenue Code, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;
- 7.2.8. Appoint and remove the independent fiscal auditor of the Corporation;
- 7.2.9. In recognition of the benefits accruing to the Corporation from Trinity Health, and in accordance to any other rights reserved to Trinity Health under applicable law or Governance Documents of the Corporation, Trinity Health shall have the power to transfer assets of the Corporation, or to require the Corporation to transfer assets, to Trinity Health or an entity Controlled by, Controlling or under common Control with Trinity Health, whether within or without the state of domicile of the Corporation, to the extent necessary to accomplish Trinity Health's goals and objectives. The Corporation shall not be required to violate its corporate or charitable purposes, the terms of any restricted gifts, the covenants of its debt instruments, or the law of any applicable jurisdiction as a result of any asset transfers to be made to or directed by the Member or Trinity Health pursuant to this provision; and
- 7.2.10. Neither the Corporation, nor any of its Affiliates, shall transfer assets to entities other than Trinity Health without the approval of Trinity Health, except for (i) transfers previously approved by Trinity Health, either individually or as part of Trinity Health's budget process, (ii) transfers to any entity which is a direct or indirect subsidiary of Trinity Health and that is subject to the reserved powers set forth in these Articles, or (iii) transfers in the ordinary course of business.

Article XIII
Indemnification

- 8. The Corporation shall, to the maximum extent allowed by law and in accordance with California Corporations Code Section 5238 (or any successor provision), indemnify those persons who are

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serving or have served as members, trustees, directors, officers, employees, committee members, or agents of the Corporation, and those who are serving or have served at the request of the Corporation as a trustee, director, officer, employee, committee member, or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorney's fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred in connection with such action, suit, or proceeding.

Article IX
Dissolution

9. Subject to any approvals described in these Articles of Incorporation or the Bylaws of the Corporation, upon the dissolution and final liquidation of the Corporation, all of its assets, after paying or making provision for payment of all its known debts, obligations and liabilities, and returning, transferring or conveying assets held by the Corporation conditional upon their return, transfer or conveyance upon dissolution of the Corporation, shall be distributed to the Member of this Corporation or its successor, so long as such distributee is organized and operated exclusively for charitable purposes and which has established its tax exempt status under section 501(c)(3) of the Internal Revenue Code³. Any such assets not disposed of in accordance with the foregoing shall be distributed to Trinity Health or its successor, so long as such distributee is organized and operated exclusively for charitable purposes and which has established its tax exempt status under section 501(c)(3) of the Internal Revenue Code⁴. Any assets not so disposed of in accordance with the foregoing shall be distributed to one or more corporations, trusts, funds or organizations which at the time appear in the Official Catholic Directory published annually by P.J. Kenedy & Sons or any successor publication, or are controlled by any such corporation, trust, fund or organization that so appears, and are organized and operated exclusively for charitable purposes and which has established its tax exempt status under section 501(c)(3) of the Internal Revenue Code⁵, as in the sole judgment of the Catholic Health Ministries have purposes most closely aligned to those of the Corporation, subject to any approvals described in these Articles of Incorporation or the Bylaws of the Corporation and applicable law. Any assets not so disposed of shall be disposed of by a court of competent jurisdiction exclusively to one or more corporations, trusts, funds or other organizations as said court shall determine, which at the time are organized and operated exclusively for charitable purposes and which have established their tax exempt status under section 501(c)(3) of the Internal Revenue Code⁶. No private individual shall share in the distribution of any Corporation assets upon dissolution of the Corporation.

³ California Board of Equalization Property Tax Rule 143(d), "REQUIREMENTS FOR IRREVOCABLE DEDICATION CLAUSE AND DISSOLUTION CLAUSE FOR ORGANIZATIONAL CLEARANCE CERTIFICATE FOR WELFARE EXEMPTION"

⁴ Id.

⁵ Id.

⁶ Id.

EXHIBIT D-2

Madera Amended and Restated Bylaws

AMENDED AND RESTATED BYLAWS
OF
MADERA COMMUNITY HOSPITAL
A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION
FRESNO, CALIFORNIA

Effective Date: _____, 20__

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Article I. DEFINITIONS

For the purposes of these Bylaws, the following defined terms shall have the following meanings:

“Affiliate” means a corporation or other entity that is subject to the direct or indirect Control or Ownership of the Corporation.

“Articles of Incorporation” means the Articles of Incorporation of the Corporation, as amended or restated from time to time.

“Board” or “Board of Directors” means the Board of Directors of the Corporation, and the term “Director” means an individual member of the Board.

“Catholic Health Ministries” or “CHM” means Catholic Health Ministries, a public juridic person that is the religious sponsor of the Corporation under the canon law of the Roman Catholic Church.

“Catholic Identity” means the theological, ethical, and canonical underpinnings of a Catholic-sponsored organization without which the entity cannot be considered a Roman Catholic Church-related ministry.

“Code” shall mean the Internal Revenue Code of 1986, as amended from time to time.

“Control” or “Ownership” will be deemed to exist:

(i) as to a corporation: (a) through ownership of the majority of voting stock or the ownership of the class of stock which exercises reserved powers, if it is a stock corporation; or (b) through serving as member and having the power to appoint (including through appointing one’s own directors or officers who then serve *ex officio* as to the Affiliate) the majority of the voting members or the class of members which exercises reserved powers, if it is a corporation with members; or (c) through having the power to appoint (including through appointing one’s own directors or officers who then serve *ex officio* as to the Affiliate) the majority of the voting directors or trustees or the controlling class of directors or trustees, if it is a corporation without members; or

(ii) as to a partnership or other joint venture: through the possession of sufficient controls over the activities of the partnership or joint venture that the entity having control is permitted to consolidate the activities of the partnership or joint venture on its financial statements under generally accepted accounting principles.

The terms “Controlled,” “Controlling,” “Owned” or “Owning” shall be subsumed within the definitions of “Control” or “Ownership.”

“Corporation” shall mean Madera Community Hospital, a California nonprofit public benefit corporation, unless, from its context or use, it clearly has a different meaning.

“Governance Documents” means the Articles of Incorporation, Certificate of Incorporation, Bylaws, System Authority Matrix, Code of Regulations or equivalent organizational documents of a corporation or other entity.

“Health System” or “Trinity Health System” means the health system which consists of Trinity Health and its subsidiaries and Affiliates.

“Member” shall refer to Saint Agnes Health, a California nonprofit public benefit corporation, which is the sole member of the Corporation.

“Ministry or Ministries” means any or all Regional Health Ministries, National Health Ministries and Mission Health Ministries as described in the System Authority Matrix.

“Operating Unit” shall have the definition set forth in Section 5.04 of these Bylaws.

“Regional Health Ministry” or “RHM” is Ministry within the Health System that maintains a governing body that has day to day management oversight of a designated portion of the Health System, subject to certain authorities that are reserved to Trinity Health. RHMs may be based on a geographical market or dedicated to a service line or business.

“Significant Finance Matters” shall refer to the following matters which pursuant to the System Authority Matrix are subject to the approval of Trinity Health: (a) capital expenditures and dispositions; (b) incurrence of additional debt; and (c) execution of contracts and leases.

“System Authority Matrix” refers to the document that sets forth an allocation of corporate governance authority that is binding on the Corporation and its Affiliates as part of the Health System, a copy of which is attached and incorporated into these Bylaws as Exhibit A, and as may be amended by Trinity Health from time to time.

“Trinity Health” means Trinity Health Corporation, an Indiana nonprofit corporation, its successors and assigns.

Article II. PURPOSES

Section 2.01 Purposes

The purposes of the Corporation are set forth in the Articles of Incorporation of the Corporation.

Section 2.02 Catholic Identity

The activities of the Corporation shall be carried out in a manner consistent with the teachings of the Roman Catholic Church and “Founding Principles of Catholic Health Ministries” or successor documents which set forth principles describing how the apostolic and charitable works of Catholic Health Ministries are to be carried out, as well as the values and principles inherent in the medical-moral teachings of the Roman Catholic Church (such as the *Ethical and Religious Directives for Catholic Health Care Services* as promulgated from time to time by the United States Conference of Catholic Bishops (or any successor organization) and as interpreted by the local Ordinary, as amended from time to time).

Section 2.03 Mission Statement

The Mission and Core Values of the Corporation shall be as adopted and approved from time to time by Catholic Health Ministries. The mission statement may by action of the Corporation’s Board of Directors be supplemented by reference to the purposes of the Corporation. The mission statement of the Corporation shall be as follows:

“We, Madera Community Hospital and Trinity Health, serve together in the spirit of the Gospel as a compassionate and transforming healing presence within our communities.”

The mission statement may by action of the Corporation’s Board of Directors be supplemented by reference to the purposes of the Corporation.

Section 2.04 Alienation of Property

Under Canon Law, Catholic Health Ministries shall retain its canonical stewardship with respect to those facilities, real or personal property, and other assets that constitute the temporal goods belonging, by operation of Canon Law, to Catholic Health Ministries. No alienation, within the meaning of Canon Law, of property considered to be stable patrimony of Catholic Health Ministries shall occur without prior approval of Catholic Health Ministries.

Article III. MEMBER

Section 3.01 Sole Member

The sole member of the Corporation is Saint Agnes Health, a California nonprofit public benefit corporation, or its successors or assigns.

Section 3.02 Member Authority

The following actions shall be reserved exclusively to the Member of the Corporation. Subject to the reserved powers of Trinity Health, the Member may initiate and implement any proposal with respect to any of the following, or if any proposal with respect to any of the following is otherwise initiated, it shall not become effective unless the requisite approvals and other actions shall have been taken by the Member and Trinity Health, as required pursuant to the Corporation’s Governance Documents:

- (a) Approve the amendment or restatement of the Articles of Incorporation and Bylaws of the Corporation, in whole or in part, and recommend the same to Trinity Health for adoption;
- (b) Appoint, evaluate and remove members of the Corporation's Board of Directors;
- (c) Appoint, evaluate and remove the President of the Corporation;
- (d) Approve the strategic plan of the Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption as part of the consolidated strategic plan of the Regional Health Ministry in which the Corporation participates;
- (e) Approve those Significant Finance Matters which pursuant to the System Authority Matrix are subject to the authority of the Member, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;
- (f) Approve the annual operating and capital budgets of the Corporation, and recommend the same to Trinity Health for adoption as part of the consolidated operating and capital budgets of the Regional Health Ministry in which the Corporation participates;
- (g) Approve any merger, consolidation, transfer or relinquishment of membership rights, or the sale of all or substantially all of the operating assets of the Corporation (certain transactions and transfers of real property and immovable goods may also be subject to the approval of Catholic Health Ministries), and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;
- (h) Approve any dissolution, winding up or abandonment of operations, liquidation, filing of action in bankruptcy, receivership or similar action affecting the Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;
- (i) Approve any formation or dissolution of Affiliates, partnerships, cosponsorships, joint membership arrangements, and other joint ventures involving the Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;
- (j) Approve any pledge or encumbrance of assets whether pursuant to a sale, capital lease, mortgage, disposition, hypothecation, or other transaction in excess of limits established by Trinity Health (pledges or encumbrances of certain real property and immovable goods may also be subject to the approval of Catholic Health Ministries), and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

- (k) Approve any change to the structure or operations of the Corporation which would affect its status as a nonprofit entity, exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, and recommend the same to Trinity Health for approval; and
- (l) Approve all other matters and take all other actions reserved to members of nonprofit corporations (or shareholders of for-profit corporations, as the case may be) by the laws of the state in which the Corporation is domiciled or as reserved in the Governance Documents of the Corporation.

Section 3.03 Reserved Powers of Trinity Health

The following actions shall be reserved exclusively to Trinity Health. Trinity Health may initiate and implement any proposal with respect to any of the following, or if a proposal with respect to any of the following is otherwise initiated, it shall not become effective unless the requisite approval and other actions shall have been taken by Trinity Health, as required pursuant to the Corporation's Governance Documents:

- (a) Adopt, amend, modify or restate the Articles of Incorporation and Bylaws of the Corporation, in whole or in part, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;
- (b) Approve those Significant Finance Matters which pursuant to the System Authority Matrix are subject to the authority of Trinity Health, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;
- (c) Approve any merger, consolidation, transfer or relinquishment of membership rights, or the sale of all or substantially all of the operating assets of the Corporation (certain transactions and transfers of real property and immovable goods may also be subject to the approval of Catholic Health Ministries), or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;
- (d) Approve any dissolution, winding up or abandonment of operations, liquidation, filing of action in bankruptcy, receivership or similar action affecting the Corporation, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;
- (e) Approve any formation or dissolution of Affiliates, partnerships, cosponsorships, joint membership arrangements, and other joint ventures involving the Corporation, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;
- (f) Approve any pledge or encumbrance of assets whether pursuant to a sale, capital lease, mortgage, disposition, hypothecation, or other transaction in excess of limits established by Trinity Health (pledges or encumbrances of

certain real property and immovable goods may also be subject to the approval of Catholic Health Ministries), or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

- (g) Approve any change to the structure or operation of the Corporation which would affect its status as a nonprofit entity, exempt from taxation under Section 501(c) of the Internal Revenue Code, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;
- (h) Appoint and remove the independent fiscal auditor of the Corporation;
- (i) In recognition of the benefits accruing to the Corporation from Trinity Health, and in accordance to any other rights reserved to Trinity Health under applicable law or Governance Documents of the Corporation, Trinity Health shall have the power to transfer assets of the Corporation, or to require the Corporation to transfer assets, to Trinity Health or an entity Controlled by, Controlling or under common Control with Trinity Health, whether within or without the state of domicile of the Corporation, to the extent necessary to accomplish Trinity Health's goals and objectives. The Corporation shall not be required to violate its corporate or charitable purposes, the terms of any restricted gifts, the covenants of its debt instruments, or the law of any applicable jurisdiction as a result of any asset transfers to be made to or directed by the Member or Trinity Health pursuant to this provision; and
- (j) Neither the Corporation, nor any of its Affiliates, shall transfer assets to entities other than Trinity Health without the approval of Trinity Health, except for (i) transfers previously approved by Trinity Health, either individually or as part of Trinity Health's budget process, (ii) transfers to any entity which is a direct or indirect subsidiary of Trinity Health and that is subject to the reserved powers set forth in Sections 3.02 and 3.03 of these Bylaws, or (iii) transfers in the ordinary course of business.

Section 3.04 Meetings of the Member

Meetings of the Member shall be held at the principal office of the Member or as otherwise provided in the bylaws of the Member at such time and date determined in accordance with the bylaws of the Member. Notice of meetings of the Member shall be given in accordance with the bylaws of the Member.

Article IV. BOARD OF DIRECTORS

Section 4.01 Duties and Powers

With the exception of the powers reserved to the Member, Trinity Health or Catholic Health Ministries under the Corporation's Governance Documents or applicable law, the

Board of Directors shall govern, regulate and direct the affairs and business of the Corporation, carry out such policies and guidelines as adopted by the Member and Trinity Health and carry out such responsibilities as shall be delegated to it by the Member and Trinity Health, all in a manner consistent with the Mission and Core Values of the Corporation. Additional descriptions of the duties and powers of the Board of Directors are set forth in the System Authority Matrix. Among the matters under the direction of the Corporation's Board of Directors are the following actions:

- (a) Elect the officers of the Corporation (except the President);
- (b) Approve the Medical/Dental staff credentials for the hospital facilities owned and operated by the Corporation;
- (c) Oversee the Corporation's relationship with the Medical/Dental staff as contemplated in Article V of these Bylaws;
- (d) Adopt, amend, or repeal the Medical/Dental staff bylaws;
- (e) Adopt and amend from time to time rules, regulations, and policies for the conduct of the operations and affairs of the Corporation;
- (f) Develop and monitor the Corporation's quality improvement programs and approve quality and safety standards that shall be consistent with Trinity Health System quality and safety standards;
- (g) Conduct an annual review of the Corporation's quality and safety performance; and
- (h) Recommend to the Member or Trinity Health matters relating to the Corporation that require the approval or other action of the Member or Trinity Health pursuant to the Corporation's Governance Documents.

Section 4.02 Appointments and Composition

The Member shall appoint a Board of Directors on the basis of qualifications and criteria established by the Member. Except as otherwise authorized by action of the Member, the members of the Corporation's Board of Directors shall include: (i) at least one representative of the Member, designated by the Member (who shall serve ex officio with vote) (the "Member Director"), and, unless the President of the Corporation is designated as the Member Director, the President of the Corporation (who shall serve ex officio with vote), (ii) at least one physician, and (iii) members of the local community or members or associates of a Roman Catholic religious congregation who need not reside in the local community. Any exception to the Board composition requires the approval of the Member. The size of the Board shall be between nine (9) and seventeen (17) members.

Section 4.03 Term

Directors shall serve a three-year term, or such shorter term as may be determined by the Member in order to achieve continuity in board composition. Ex officio members of the Board of Directors shall cease to be Directors upon the termination of their service in the office resulting in their ex officio service on the Board of Directors. Other than ex officio members, no Directors may serve for more than nine (9) consecutive years, unless appointed to complete the unexpired term of another Director, in which case a Director may serve for up to ten (10) consecutive years. Former Directors are eligible for reappointment after a one-year absence from service.

Section 4.04 Annual Meeting of the Board of Directors

An annual meeting of the Board of Directors shall be held during the six months prior to the end of the calendar year for the purpose of the appointment of officers and the transaction of such other business as may properly come before the meeting. Notice of the annual meeting shall be given not less than ten (10) nor more than sixty (60) days before the date of the meeting. The meeting notice shall specify the date, time and place of the meeting. Presence at any such meeting shall be deemed to be waiver of notice of said meeting.

Section 4.05 Regular Meetings and Notice

Regular meetings of the Board of Directors shall be held as determined by the Board but no less frequently than quarterly at such time, place and date as determined from time to time by the Board of Directors. An agenda, indicating items requiring a vote of the members of the Board of Directors, together with copies of reports, statements and other supporting information shall be mailed by the President prior to meetings. No notice of regular meetings shall be required other than the resolution setting the time, place and date of the meeting.

Section 4.06 Special Meetings and Notice

Special meetings of the Board may be called by or at the request of the Chair, by written request of any two (2) members of the Board, or by the Member. The special meeting shall be held within five (5) days after receipt of such request. Notice of the special meeting shall be given in writing, personally, by telephone, electronic transmission or by facsimile transmission at least forty-eight (48) hours prior to the special meeting. The notice of any special meeting shall state the purpose for which it is called. No other business shall be transacted at the special meeting except for that business stated in the notice.

Section 4.07 Waiver of Notice

Attendance of a Director at a meeting constitutes a waiver of notice of the meeting except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Notice also may be waived in writing, either before or after the meeting.

Section 4.08 Quorum and Valid Director Action

At all meetings of the Board, a simple majority of the Directors then in office shall constitute a quorum for the transaction of business. The vote of a majority of the Directors present and voting at any meeting at which a quorum is present shall constitute the act of the Board, unless the vote of a larger number is specifically required by law, or by the Articles of Incorporation, Bylaws or policies of the Corporation.

Section 4.09 Written Consents

Any action required or permitted to be taken by vote at any meeting of the Board or of any committee thereof may be taken without a meeting, if before or after the action, all members of the Board or committee consent in writing. Should state law permit written consent to an action to be taken by less than all members of the Board or committee, then such action may be made by written consent by a majority of the members of the Board or committee. The written consents shall be filed with the minutes of proceedings of the Board or committee. Such consents shall have the same effect as a vote of the Board or committee for all purposes.

Section 4.10 Communication Equipment

Members of the Board of Directors, or any committee designated by the Board, may participate in a meeting of the Board or committee by means of teleconference, video conference or similar communications equipment by virtue of which all persons participating in the meeting may hear each other if all participants are advised of the communications equipment and the names of the participants in the conference are divulged to all participants. Participation in a meeting pursuant to this section shall constitute presence in person at such meeting.

Section 4.11 Resignation

Any Director may resign by written notice to the Chair of the Board. The Chair of the Board may resign by written notice to the Corporation's President who shall promptly thereafter notify the entire Board of Directors. Resignations shall be effective upon receipt or at a subsequent time if specified in the notice of resignation.

Section 4.12 Removal

Any Director may be removed with or without cause at any time by the Member. The failure of any Director to attend three (3) consecutive meetings, or four (4) meetings in any given year, without appropriate excuse, shall constitute automatic resignation of his or her office as a Director without further action by the Member or the Corporation.

Section 4.13 Periodic Performance Review

The Board of Directors shall periodically review its own performance and issue reports to Trinity Health summarizing the results of its review.

Article V. MEDICAL/DENTAL STAFF

Section 5.01 Medical/Dental Staff Bylaws

The Medical/Dental staff of the hospital operated by the Corporation shall be organized pursuant to the bylaws of the Medical/Dental staff. The bylaws shall (i) describe the organization of the medical staff, (ii) describe the qualifications and criteria for Medical/Dental staff appointment and privilege determinations, (iii) state the duties and privileges of each category of the Medical/Dental staff, (iv) include procedures for recommendations by the Medical/Dental staff on the appointment of members of the Medical/Dental staff, the delineation of their staff privileges and the initiation of corrective action taken against any member, and (v) state the requirements for completion and documentation of patient histories and physical exams. The Medical/Dental staff bylaws also shall contain procedures for the resolution of disputes that may arise regarding the granting, denial or limitation of staff privileges or corrective action taken against any member of the Medical/Dental staff, including a hearing and appeal process and the circumstances in which such hearing/appeal rights will be made available. Bylaws, rules, regulations, and policies of the Medical/Dental staff may be proposed and adopted by the Medical/Dental staff of the hospital (or other health care provider that has a Medical/Dental staff), but the bylaws, rules, regulations, policies, and amendments thereto shall not become effective until approved by the Corporation's Board of Directors.

The Board of Directors shall have final responsibility for (i) appointment and reappointment of the members of the Medical/Dental staff and delineation of their staff privileges; (ii) taking such corrective action relating to Medical/Dental staff members as it deems appropriate; (iii) ratifying the selection of Medical/Dental staff officers made by the Medical/Dental staff; (iv) ratifying the selection of heads of the departments of the Medical/Dental staff; (v) reviewing and monitoring the quality improvement programs developed by the Medical/Dental staff; and (vi) determining which categories of practitioners are eligible for appointment to the Medical/Dental Staff. The Medical/Dental staff bylaws are not deemed to be a contract and are not intended to create contractual rights or responsibilities. The Board of Directors reserves the authority to take any direct action with respect to any Medical/Dental staff appointee action it deems to be in the best interests of the hospital operated by the Corporation, whether initiated by the Medical/Dental staff or not, and the decision of the Board shall be final.

Section 5.02 Medical/Dental Staff of Operating Units

The powers described in this Article V may be delegated to the governing body of an unincorporated operating division of governance and management of the Corporation ("Operating Unit") where such Operating Unit governing body is responsible for the operation of a hospital under applicable state law or standards of accrediting agencies. Such delegation may be accomplished by resolution or by setting forth the powers and duties of such governing body in the bylaws of the Operating Unit.

Article VI. COMMITTEES

Section 6.01 Committees

The Executive Committee of the Board of Directors and such other committees as state law may require shall be standing committees of the Corporation. The Board of Directors

may establish such additional standing or special committees from time to time as it shall deem appropriate to conduct the activities of the Corporation and shall define the powers and responsibilities of such committees. Those other committees shall serve at the pleasure of the Board. The Corporation shall not have a separate audit committee as matters related to the audit of the Corporation's finances are consolidated at the Trinity Health level. The Board shall establish the purpose, composition, term and other operating matters relative to each such other committee. Each committee shall keep minutes in some manner reasonably intended to record the business that occurred at the meeting and shall forward these minutes to the Board of Directors.

Section 6.02 Executive Committee

There shall be an Executive Committee, consisting of the Chair of the Board, who shall serve as chair of the Executive Committee, the President, and at least two (2) other Directors selected by vote of the Board of Directors. All members of the Executive Committee must be members of the Board of Directors. The Executive Committee shall meet on the call of the Chair or President. Except as otherwise provided by resolution of the Board or as limited by law, the Executive Committee shall exercise the power and authority of the Board when necessary or advisable between meetings of the Board and shall exercise such other powers as may be assigned from time to time by the Board. The Executive Committee shall report on its actions at the next meeting of the Board and such actions shall be subject to revision and alteration of the Board; provided, however, that the rights of third parties shall not be affected by any such revision or alteration.

Section 6.03 Service on Committees

The committees shall establish rules and regulations for meetings and shall meet at such times as are necessary, provided that a reasonable notice of all meetings shall be given to committee members. No act of a committee shall be valid unless approved by the vote or written consent of a majority of its members. Committees shall keep regular minutes of their proceedings and report the same to the Board from time to time as the Board may require. Members of the committees (except the Executive Committee) shall be appointed for one (1) year by the Chair of the Board of Directors as soon as possible after the annual meeting of the Board. Members of the committees shall serve on their respective committees through the next annual meeting or until their respective successors are appointed. The Chair of the Board shall fill vacancies on committees (except the Executive Committee) and appointees shall serve through the next annual meeting or until their successor is appointed. The President shall be an ex officio member of all committees, except for any committee that reviews compliance or executive compensation matters.

Section 6.04 Quorum, Meetings, Rules and Procedures

A quorum for any meeting of a committee shall be a simple majority of the committee members or as otherwise required by applicable law, except that any ex officio members of the committee shall not be included in calculating the quorum requirement unless they are present at the meeting, in which event they shall be included towards meeting the quorum requirement. The affirmative vote of a majority of the quorum is necessary to take action of the committee, including the affirmative vote of at least one (1) member of the

Board present at the meeting of the committee in order to take any action other than recommendation by the committee to the Board or Executive Committee. Minutes of all committee meetings shall be kept and forwarded to the Board. Each committee shall adopt rules for its own governance not inconsistent with these Bylaws or the acts of the Board.

Section 6.05 Committee Composition

The members and all chairs of committees other than the Executive Committee shall be appointed by the Chair of the Board. The chair of each committee shall be a Director. Committees, other than the Executive Committee, may include persons other than members of the Board of Directors; provided that each standing committee shall have at least two (2) Director members in addition to the Chair and President who shall serve ex officio; and provided further, that no authority of the Board may be delegated to a committee unless the majority of the members of such committee with Board delegated authority are members of the Board of Directors and otherwise in accordance with applicable law.

Article VII. OFFICERS

Section 7.01 Officers

The officers of the Corporation shall be the Chair, President, Secretary and Treasurer. Additionally, upon recommendation of the President, the Board of Directors may appoint a Vice Chair, an Assistant Secretary, an Assistant Treasurer, and such other officers of the Corporation as shall be deemed necessary and appropriate from time to time. Officers shall hold their respective offices until their successors are chosen and qualified.

Section 7.02 Appointment and Election of Officers

The President of the Corporation shall be appointed, evaluated, reappointed and/or removed by the Member. The President shall be Chief Executive Officer of the Corporation and any vacancy in the office of President shall be filled by the Member. The Chair shall serve a term of one (1) year and may be elected for a total of only three (3) consecutive complete one year terms. The Chair, Treasurer and Secretary of the Corporation shall be elected at the annual meeting of the Directors by the Board of Directors. The Treasurer and Secretary need not be members of the Board.

Section 7.03 Vacancies

Vacancies, occurring for any reason, shall be filled in the same manner as appointment or election and the officer so appointed or elected shall hold office until a successor is chosen and qualified.

Section 7.04 Chair

The Chair shall preside at the Board meetings and shall be an ex-officio voting member of all committees.

Section 7.05 President

The President shall have general and active management responsibility for the business of the Corporation and shall see that all orders and resolutions of the Board of Directors and the policies of the Member are carried into effect, consistent with the Mission and Core Values of the Corporation. The President shall be responsible for the appointment, evaluation, compensation and removal of the respective executive officers of those corporations of which the Corporation is the member or other controlling shareholder or owner. The President shall be a voting ex officio member of all committees and shall have the general powers and duties of supervision and management usually vested in the office of President of a corporation.

Section 7.06 Secretary

The Secretary of the Corporation shall issue, or cause to be issued, notices of all Board meetings, shall be responsible for the keeping and the reporting of adequate records of all transactions of the Board, and shall record the minutes of all meetings of the Board of Directors. The Secretary shall further perform such other duties incident to his or her office and as the Board of Directors may from time to time determine.

Section 7.07 Treasurer

The Treasurer of the Corporation shall be responsible for all funds of the Corporation, shall make reports to the Board of Directors as requested by the Board of Directors, and shall see that an accounting system is maintained in such a manner as to give a true and accurate accounting of the financial transactions of the Corporation. The Treasurer shall further perform such other duties incident to his or her office as the Board of Directors may from time to time determine. The Treasurer may delegate any of the functions, powers, duties, and responsibilities to any agent or employee of the Corporation. In the event of such delegation, the Treasurer shall thereafter be relieved of all responsibility for the proper performance or exercise thereof.

Article VIII. INDEMNIFICATION AND STANDARD OF CARE

Section 8.01 Indemnification

The Corporation shall, to the maximum extent allowed by law, indemnify those persons (including religious congregations and their members or other canonical persons and their members) who

- (a) are serving or have served as members, trustees, directors, sponsors, officers, employees, committee or subcommittee members, or agents of the Corporation, or
- (b) are serving or have served at the request of the Corporation as a member, trustee, director, sponsor, officer, employee, committee or subcommittee member, agent, manager, or partner of another corporation, partnership, joint venture, trust, employee benefit plan, limited liability company or other enterprise, whether for profit or nonprofit,

against expenses (including attorney's fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred in connection with such action, suit, or proceeding.

Section 8.02 Insurance

Except as may be limited by law, the Corporation may purchase and maintain insurance on behalf of any person (including religious congregations and their members or other canonical persons and their members) who

- (a) is or was a member, trustee, director, sponsor, officer, employee, committee or subcommittee member, or agent of the Corporation, or
- (b) is or was serving at the request of the Corporation as a member, trustee, director, sponsor, officer, employee, committee or subcommittee member, agent, manager, or partner of another corporation, partnership, joint venture, trust, employee benefit plan, limited liability company or other enterprise, whether for profit or nonprofit,

to protect against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not this Corporation would have power to indemnify him or her against such liability under state law.

Section 8.03 Standard of Care

Each Director shall stand in a fiduciary relation to the Corporation and shall perform his or her duties as a Director, including his or her duties as a member of any committee of the Board upon which he or she may serve, in good faith, in a manner he or she reasonably believes to be in the best interests of the Corporation, the Member and Trinity Health, and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances.

Section 8.04 Justifiable Reliance

In performing his or her duties, a Director (including when such Director is acting as an officer of the Corporation) shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:

- (a) One or more officers or employees of the Corporation whom the Director reasonably believes to be reliable and competent in the matters presented.
- (b) Counsel, public accountants or other persons on matters that the Director reasonably believes to be within the professional or expert competence of such person.
- (c) A committee of the Board upon which he or she does not serve, duly designated in accordance with law, as to matters within its designated

authority, which committee the Director reasonably believes to merit confidence.

A Director shall not be considered to be acting in good faith if he or she has knowledge concerning the matter in question that would cause his or her reliance to be unwarranted.

Section 8.05 Consideration of Factors

In discharging the duties of their respective positions, the Board of Directors, committees of the Board and individual Directors may, in considering the best interests of the Corporation, the Member and Trinity Health, consider the effects of any action upon employees, upon suppliers and customers of the Corporation and upon communities in which offices or other establishments of the Corporation, the Member and Trinity Health are located, and all other pertinent factors. The consideration of those factors shall not constitute a violation of the standards described herein.

Section 8.06 Presumption

Absent breach of fiduciary duty, lack of good faith or self-dealing, actions taken as a Director or any failure to take any actions shall be presumed to be in the best interests of the Corporation, the Member and Trinity Health.

Section 8.07 Personal Liability of Directors

No Director shall be personally liable for monetary damages for any action taken, or any failure to take any action, unless the Director has breached or failed to perform the duties of his or her office under the standards described herein, has engaged in self-dealing, or the action or inaction constitutes willful misconduct or recklessness. The provisions of this Section shall not apply to the responsibility or liability of a Director pursuant to any criminal statute or the liability of a Director for the payment of taxes pursuant to local, state or federal law.

Nothing in this Article is intended to preclude or limit the application of any other provision of law that may provide a more favorable standard or higher level of protection for the Corporation's Directors.

Article IX. SUBSIDIARIES AND VOLUNTARY HOSPITAL SERVICE ORGANIZATIONS

Section 9.01 Authority

In accordance with policies of Trinity Health, including without limitation those referenced in the System Authority Matrix, each organization of which the Corporation is the sole or majority member or owner shall have reserved certain powers to be exercised by this Corporation.

Section 9.02 Voluntary Hospital Service Organizations

The Board of Directors may authorize the establishment or dissolution of voluntary service organizations, such as an auxiliary to the Corporation or any Operating Unit of the Corporation. Such organization may be a non-profit corporation or voluntary association. No service organization may be established without approval of the Board of Directors, subject to the reserved powers of the Member and Trinity Health and any guidelines or policies established by Trinity Health with respect to voluntary organizations.

Article X. OPERATING UNITS

Section 10.01 Authority

The Board of Directors of the Corporation may organize the operations of the Corporation into one or more other Operating Units of governance and management that shall have such powers and shall carry out such responsibilities as shall be delegated to them pursuant to the policies of the Corporation and Trinity Health in effect from time to time.

Article XI. MISCELLANEOUS

Section 11.01 Fiscal Year

The fiscal year of the Corporation shall end on the 30th day of June of each year and shall begin on the 1st day of July of each year.

Section 11.02 Required Records

The officers, agents and employees of the Corporation shall maintain such books, records and accounts of the Corporation's business and affairs as may be from time to time required by the Board of Directors, or required by the laws of the state in which the Corporation is domiciled.

Section 11.03 Confidentiality

Except as otherwise publicly disclosed, or in order to appropriately conduct the Corporation's business, the records and reports of the Corporation shall be held in confidence by those persons with access to them.

Section 11.04 Conflict of Interest

Each of the Corporation's officers and Directors shall at all times act in a manner that furthers the Corporation's charitable purposes and shall exercise care that he or she does not act in a manner that furthers his or her private interests to the detriment of the Corporation's corporate or community benefit purposes. The Corporation's officers and Directors shall fully disclose to the Corporation any potential or actual conflicts of interest, if such conflicts cannot be avoided, so that such conflicts are dealt with in the best interests of the Corporation. Conflicts of interest shall be resolved in accordance with the Corporation's conflict of interest policy. The Corporation and all its officers and Directors shall comply with any policies of the Corporation and Trinity Health regarding conflicts of interest, as well as the requirements of applicable state law regarding such conflicts, and

shall complete any and all disclosure forms as may be deemed necessary or useful by the Corporation for identifying potential conflicts of interest.

Article XII. AMENDMENT AND REVIEW

Section 12.01 Amendment

These Bylaws may be amended only in accordance with Article III of these Bylaws.

Section 12.02 Periodic Review

These Bylaws shall be reviewed periodically by the Board of Directors and any recommended revisions shall be forwarded to the Member and Trinity Health for action.

EXHIBIT A

System Authority Matrix

Trinity Health holds the reserved power to adopt and amend the following System Authority Matrix, without approval by the Corporation's Board of Directors.

EXHIBIT E-1

SAMC Amended and Restated Articles of Incorporation

**CERTIFICATE OF AMENDED AND RESTATED
ARTICLES OF INCORPORATION OF
SAINT AGNES MEDICAL CENTER**

The undersigned hereby certify that:

Section 1. They are the President and the Secretary, respectively, of SAINT AGNES MEDICAL CENTER, a California nonprofit public benefit corporation (the "Corporation").

Section 2. The Corporation's Articles of Incorporation, filed with the California Secretary of State _____, are amended and restated in the entirety to read as set forth in Exhibit A attached and made a part of this Certificate.

Section 3. The Corporation's Board of Directors approved the amendment and restatement of the Corporation's Articles of Incorporation on _____, at a meeting duly noticed and held, at which a quorum was present.

Section 4. The Corporation's sole corporate member, Trinity Health Corporation, has approved the amendment and restatement of the Corporation's Articles of Incorporation.

We 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.

Date: _____

Nancy Hollingsworth, RN, MSN, MBA
President and Chief Executive Officer

Richard P. Wolf, Jr., Esq.
Secretary

EXHIBIT A
To Certificate of Amended and Restated
Articles of Incorporation of
Saint Agnes Medical Center

1. The present name of the Corporation is Saint Agnes Medical Center, which was incorporated on August 14, 1958. The former name of the Corporation, until 1989, was Saint Agnes Hospital.
2. These Amended and Restated Articles of Incorporation integrate and amend the previous Articles of Incorporation of the Corporation and are executed pursuant to the provisions of the California Nonprofit Public Benefit Corporation Law, as amended.
3. The text of these Amended and Restated Articles of Incorporation (these "Articles of Incorporation") is as follows:

AMENDED AND RESTATED ARTICLES OF INCORPORATION
OF
SAINT AGNES MEDICAL CENTER
A California Nonprofit Public Benefit Corporation

Article I:
Name

1. The name of the Corporation is:

Saint Agnes Medical Center

Article II
Registered Agent

2. The California Registered Corporate Agents Name is C T Corporation System

Article III
Business Address

3. The initial street and mailing address of the Corporation is 1303 E. Herndon Avenue, Fresno, California, 93720.

Article IV
Definitions

4. For the purposes of these Articles of Incorporation, the following defined terms shall have the following meanings:
 - 4.1. "Affiliate" means a corporation or other entity that is subject to the direct or indirect Control or Ownership (as defined in the Bylaws) of the Corporation.
 - 4.2. "Articles of Incorporation" means the Articles of Incorporation of the Corporation, as amended or restated from time to time.

Trinity Health Second Tier Affiliate
Saint Agnes Medical Center

- 4.3. "Board" or "Board of Directors" means the Board of Directors of the Corporation, and the term "Director" means an individual member of the Board.
- 4.4. "Catholic Health Ministries" or "CHM" means Catholic Health Ministries, a public juridic person that is the religious sponsor of the Corporation under the canon law of the Roman Catholic Church.
- 4.5. "Catholic Identity" means the theological, ethical, and canonical underpinnings of a Catholic-sponsored organization without which the entity cannot be considered a Roman Catholic church-related ministry.
- 4.6. "Corporation" shall mean Saint Agnes Medical Center, a California nonprofit public benefit corporation.
- 4.7. "Governance Documents" means the Articles of Incorporation, Bylaws, System Authority Matrix, Code of Regulations or equivalent organizational documents of a corporation or other entity.
- 4.8. "Health System" or "Trinity Health System" means the health system which consists of Trinity Health and its subsidiaries and Affiliates.
- 4.9. "Internal Revenue Code" shall mean the Internal Revenue Code of 1986, as amended from time to time.
- 4.10. "Member" shall refer to Saint Agnes Health, a California nonprofit public benefit corporation, which is the sole member of the Corporation.
- 4.11. "Significant Finance Matters" shall refer to the following matters which pursuant to the System Authority Matrix are subject to the approval of Trinity Health: (a) capital expenditures and dispositions; (b) incurrence of additional debt; and (c) execution of contracts and leases.
- 4.12. "System Authority Matrix" refers to the document that sets forth an allocation of corporate governance authority that is binding on the Corporation and its Affiliates as part of the Health System, as may be amended by Trinity Health from time to time.
- 4.13. "Trinity Health" means Trinity Health Corporation, an Indiana nonprofit corporation, its successors and assigns.

Article V **Purposes**

5. This Corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for charitable purposes.¹ The Corporation shall be organized and operated exclusively for, and its property is irrevocably dedicated to, religious, charitable, scientific, and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, and within the meaning of Section

¹ California Corporations Code Section 5130.

214 of the California Revenue and Taxation Code². The Corporation shall have no power to act in a manner which is not exclusively within the contemplation of Section 501(c)(3) of the Internal Revenue Code, and the Corporation shall not engage directly or indirectly in any activity which would prevent it from qualifying, and continuing to qualify, as a Corporation as described in Section 501(c)(3) of the Internal Revenue Code. Without limiting the generality of the foregoing, the purposes for which the Corporation is organized are to advance, promote, support, and carry out the purposes of Trinity Health or its successor, and to further the apostolate and charitable works of Catholic Health Ministries on behalf of and as an integral part of the Roman Catholic Church in the United States. Without limiting the generality of the foregoing, the specific purposes of the Corporation shall include the following:

- 5.1. To engage in the delivery of and to carry on, sponsor or participate, directly or through one or more affiliates, in any activities related to the delivery of health care and health care related services of every kind, nature and description which, in the opinion of the Board of Directors of the Corporation, are appropriate in carrying out the health care mission of the Member and Catholic Health Ministries. The Corporation shall take all such actions including, but not limited to, support and assistance of affiliates, as may be necessary or desirable to accomplish the foregoing purpose within the restrictions and limitations of these Articles of Incorporation, the Bylaws of the Corporation or applicable law, including, without limitation, promoting and carrying on scientific research and educational activities related to the care of the sick and promotion of health, and establishing, maintaining, owning, managing, operating, transferring, conveying, supporting, assisting and acquiring institutions, facilities and programs in several states, directly or through one or more affiliates, including, but not limited to, hospitals and clinics, which shall provide diagnosis and treatment to inpatients and outpatients and shall provide such support services as, but not limited to, extended care, shared services, pastoral care, home care, long-term care, operation of senior residences, care of the elderly and the handicapped, care of the economically needy, child care, social services, mental health and substance abuse services.
- 5.2. To promote, support and further any and all charitable, scientific, religious and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code;
- 5.3. To coordinate and oversee the activities of Affiliates, and to allocate the assets, liabilities and resources of the Corporation and its Affiliates within the Health System;
- 5.4. To acquire, purchase, own, loan and borrow, erect, maintain, hold, use, control, manage, invest, exchange, convey, transfer, sell, mortgage, lease and rent all real and personal property of every kind and nature, which may be necessary or incidental to the accomplishment of any and all of the above purposes;
- 5.5. To accept, receive and hold, in trust or otherwise, all contributions, legacies, bequests, gifts and benefactions which may be left, made or given to the Corporation, or its predecessor or constituent corporations, by any person, persons or organizations;
- 5.6. To take all such actions as may be necessary or desirable to accomplish the foregoing purposes within the restrictions and limitations of these Articles of Incorporation, the Bylaws of the Corporation and applicable law, provided that no substantial part of the activities of the Corporation shall be to carry out propaganda, or to otherwise attempt to

² California Board of Equalization Property Tax Rule 143(c), "REQUIREMENTS FOR IRREVOCABLE DEDICATION CLAUSE AND DISSOLUTION CLAUSE FOR ORGANIZATIONAL CLEARANCE CERTIFICATE FOR WELFARE EXEMPTION".

influence legislation; and the Corporation shall not participate or intervene in any political campaign on behalf of or in opposition of any candidate for public office (by the publishing or distribution of statements or otherwise), in violation of any provisions applicable to corporations exempt from taxation under Section 501(c)(3) of the Internal Revenue Code and the regulations promulgated thereunder as they now exist or as they may be amended;

- 5.7. The Corporation shall not be operated for the pecuniary gain or profit, incidental or otherwise, of any private individual, and no part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, its Directors, Officers or other private individuals, except the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered to or for the Corporation and to make payments and distributions in furtherance of the purposes set forth herein consistent with applicable law; and
- 5.8. Notwithstanding any other provisions of these Articles of Incorporation, the Corporation shall not carry on any activity not permitted to be carried on by: (i) a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, or (ii) a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code.
- 5.9. The Corporation is organized and, in carrying out the purposes referenced above, the Corporation at all times shall be operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of the Corporation and its Controlled Affiliates. For this purpose, the "Controlled Affiliates" are hospitals and health care delivery organizations which are both (a) closely related to the Corporation, in purpose or function through common control, ownership, lease or management, and (b) classified as a publicly supported organization as described in Section 509(a)(1) or 509(a)(2) of the Code.

Article VI **Catholic Identity**

6. The activities of the Corporation shall be carried out in a manner consistent with the teachings of the Roman Catholic Church and "Founding Principles of Catholic Health Ministries" or successor documents which set forth principles describing how the apostolic and charitable works of Catholic Health Ministries are to be carried out, as well as the values and principles inherent in the medical-moral teachings of the Roman Catholic Church (such as the *Ethical and Religious Directives for Catholic Health Care Services* as promulgated from time to time by the United States Conference of Catholic Bishops (or any successor organization), as amended from time to time). Under Canon Law, Catholic Health Ministries shall retain its canonical stewardship with respect to those facilities, real or personal property, and other assets that constitute the temporal goods belonging, by operation of Canon Law, to Catholic Health Ministries. No alienation, within the meaning of Canon Law, of property considered to be stable patrimony of Catholic Health Ministries shall occur without prior approval of Catholic Health Ministries.

Article VII **Membership**

7. Saint Agnes Health is the sole member of the Corporation. The Member shall be entitled to all rights and powers of a member under California law, these Articles of Incorporation and the Bylaws of the Corporation. Certain rights and powers related to the Corporation are reserved to the Member under the Corporation's Governance Documents. Action by the Corporation shall not be taken or authorized until the Member shall have exercised its reserved powers in the manner provided in the Governance Documents. The following powers are reserved to the Member and Trinity Health:

Trinity Health Second Tier Affiliate
Saint Agnes Medical Center

7.1. As reserved to the Member:

- 7.1.1. Approve the amendment or restatement of the Articles of Incorporation and Bylaws of the Corporation, in whole or in part, recommend the same to Trinity Health for adoption;
- 7.1.2. Appoint and remove members of the Corporation's Board of Directors;
- 7.1.3. Appoint and remove the President of the Corporation;
- 7.1.4. Approve the strategic plan of the Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption as part of the consolidated strategic plan of the Regional Health Ministry in which the Corporation participates;
- 7.1.5. Approve those Significant Finance Matters which pursuant to the System Authority Matrix are subject to the authority of the Member, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;
- 7.1.6. Approve the annual operating and capital budgets of the Corporation, and recommend the same to Trinity Health for adoption as part of the consolidated operating and capital budgets of the Regional Health Ministry in which the Corporation participates;
- 7.1.7. Approve any merger, consolidation, transfer or relinquishment of membership rights, or the sale of all or substantially all of the operating assets of the Corporation (certain transactions and transfers of real property and immovable goods may also be subject to the approval of Catholic Health Ministries), and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;
- 7.1.8. Approve any dissolution, winding up or abandonment of operations, liquidation, filing of action in bankruptcy, receivership or similar action affecting the Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;
- 7.1.9. Approve any formation or dissolution of Affiliates, partnerships, cosponsorships, joint membership arrangements, and other joint ventures involving the Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;
- 7.1.10. Approve any pledge or encumbrance of assets whether pursuant to a sale, capital lease, mortgage, disposition, hypothecation, or other transaction in excess of limits established by Trinity Health (pledges or encumbrances of certain real property and immovable goods may also be subject to the approval of Catholic Health Ministries), and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;
- 7.1.11. Approve any change to the structure or operations of the Corporation which would affect its status as a nonprofit entity, exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, and recommend the same to Trinity Health for approval; and

7.1.12. Approve all other matters and take all other actions reserved to members of nonprofit corporations (or shareholders of for-profit corporations, as the case may be) by the laws of the state in which the Corporation is domiciled or as reserved in the Governance Documents of the Corporation.

7.2. As reserved to Trinity Health:

7.2.1. Adopt, amend, modify or restate the Articles [Certificate] of Incorporation and Bylaws of the Corporation, in whole or in part, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

7.2.2. Approve those Significant Finance Matters which pursuant to the System Authority Matrix are subject to the authority of Trinity Health, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

7.2.3. Approve any merger, consolidation, transfer or relinquishment of membership rights, or the sale of all or substantially all of the operating assets of the Corporation (certain transactions and transfers of real property and immovable goods may also be subject to the approval of Catholic Health Ministries), or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

7.2.4. Approve any dissolution, winding up or abandonment of operations, liquidation, filing of action in bankruptcy, receivership or similar action affecting the Corporation, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

7.2.5. Approve any formation or dissolution of Affiliates, partnerships, cosponsorships, joint membership arrangements, and other joint ventures involving the Corporation, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

7.2.6. Approve any pledge or encumbrance of assets whether pursuant to a sale, capital lease, mortgage, disposition, hypothecation, or other transaction in excess of limits established by Trinity Health (pledges or encumbrances of certain real property and immovable goods may also be subject to the approval of Catholic Health Ministries), or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

7.2.7. Approve any change to the structure or operation of the Corporation which would affect its status as a nonprofit entity, exempt from taxation under Section 501(c) of the Internal Revenue Code, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

7.2.8. Appoint and remove the independent fiscal auditor of the Corporation;

7.2.9. In recognition of the benefits accruing to the Corporation from Trinity Health, and in accordance to any other rights reserved to Trinity Health under applicable law or Governance Documents of the Corporation, Trinity Health shall have the power to transfer assets of the Corporation, or to require the Corporation to transfer assets, to Trinity Health or an entity Controlled by, Controlling or under common Control with Trinity Health, whether within or without the state of domicile of the Corporation, to the extent necessary to accomplish Trinity Health's goals and objectives. The Corporation shall not be required to violate its corporate or charitable purposes, the

terms of any restricted gifts, the covenants of its debt instruments, or the law of any applicable jurisdiction as a result of any asset transfers to be made to or directed by the Member or Trinity Health pursuant to this provision; and

- 7.2.10. Neither the Corporation, nor any of its Affiliates, shall transfer assets to entities other than Trinity Health without the approval of Trinity Health, except for (i) transfers previously approved by Trinity Health, either individually or as part of Trinity Health's budget process, (ii) transfers to any entity which is a direct or indirect subsidiary of Trinity Health and that is subject to the reserved powers set forth in these Articles, or (iii) transfers in the ordinary course of business.

Article XIII **Indemnification**

8. The Corporation shall, to the maximum extent allowed by law and in accordance with California Corporations Code Section 5238 (or any successor provision), indemnify those persons who are serving or have served as members, trustees, directors, officers, employees, committee members, or agents of the Corporation, and those who are serving or have served at the request of the Corporation as a trustee, director, officer, employee, committee member, or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorney's fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred in connection with such action, suit, or proceeding.

Article IX **Dissolution**

9. Subject to any approvals described in these Articles of Incorporation or the Bylaws of the Corporation, upon the dissolution and final liquidation of the Corporation, all of its assets, after paying or making provision for payment of all its known debts, obligations and liabilities, and returning, transferring or conveying assets held by the Corporation conditional upon their return, transfer or conveyance upon dissolution of the Corporation, shall be distributed to the Member of this Corporation or its successor, so long as such distributee is organized and operated exclusively for charitable purposes and which has established its tax exempt status under section 501(c)(3) of the Internal Revenue Code³. Any such assets not disposed of in accordance with the foregoing shall be distributed to Trinity Health or its successor, so long as such distributee is organized and operated exclusively for charitable purposes and which has established its tax exempt status under section 501(c)(3) of the Internal Revenue Code⁴. Any assets not so disposed of in accordance with the foregoing shall be distributed to one or more corporations, trusts, funds or organizations which at the time appear in the Official Catholic Directory published annually by P.J. Kenedy & Sons or any successor publication, or are controlled by any such corporation, trust, fund or organization that so appears, and are organized and operated exclusively for charitable purposes and which has established its tax exempt status under section 501(c)(3) of the Internal Revenue Code⁵, as in the sole judgment of the Catholic Health Ministries have purposes most closely aligned to those of the Corporation, subject to any approvals described in these Articles of Incorporation or the Bylaws of the Corporation and applicable law. Any assets not so disposed of shall be disposed of by a court of competent jurisdiction exclusively to one or more corporations,

³ California Board of Equalization Property Tax Rule 143(d), "REQUIREMENTS FOR IRREVOCABLE DEDICATION CLAUSE AND DISSOLUTION CLAUSE FOR ORGANIZATIONAL CLEARANCE CERTIFICATE FOR WELFARE EXEMPTION"

⁴ Id.

⁵ Id.

trusts, funds or other organizations as said court shall determine, which at the time are organized and operated exclusively for charitable purposes and which have established their tax exempt status under section 501(c)(3) of the Internal Revenue Code⁶. No private individual shall share in the distribution of any Corporation assets upon dissolution of the Corporation.

⁶ Id.

Trinity Health Second Tier Affiliate
Saint Agnes Medical Center

EXHIBIT E-2

SAMC Amended and Restated Bylaws

INCORPORATED SECOND-TIER SUBSIDIARY BYLAWS
BYLAWS
OF
SAINT AGNES MEDICAL CENTER
A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION
FRESNO, CA

Effective Date: _____, 20__

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Article I. DEFINITIONS

For the purposes of these Bylaws, the following defined terms shall have the following meanings:

“Affiliate” means a corporation or other entity that is subject to the direct or indirect Control or Ownership of the Corporation.

“Articles of Incorporation” means the Articles of Incorporation of the Corporation, as amended or restated from time to time.

“Board” or “Board of Directors” means the Board of Directors of the Corporation, and the term “Director” means an individual member of the Board.

“Catholic Health Ministries” or “CHM” means Catholic Health Ministries, a public juridic person that is the religious sponsor of the Corporation under the canon law of the Roman Catholic Church.

“Catholic Identity” means the theological, ethical, and canonical underpinnings of a Catholic-sponsored organization without which the entity cannot be considered a Roman Catholic Church-related ministry.

“Code” shall mean the Internal Revenue Code of 1986, as amended from time to time.

“Control” or “Ownership” will be deemed to exist:

(i) as to a corporation: (a) through ownership of the majority of voting stock or the ownership of the class of stock which exercises reserved powers, if it is a stock corporation; or (b) through serving as member and having the power to appoint (including through appointing one’s own directors or officers who then serve *ex officio* as to the Affiliate) the majority of the voting members or the class of members which exercises reserved powers, if it is a corporation with members; or (c) through having the power to appoint (including through appointing one’s own directors or officers who then serve *ex officio* as to the Affiliate) the majority of the voting directors or trustees or the controlling class of directors or trustees, if it is a corporation without members; or

(ii) as to a partnership or other joint venture: through the possession of sufficient controls over the activities of the partnership or joint venture that the entity having control is permitted to consolidate the activities of the partnership or joint venture on its financial statements under generally accepted accounting principles.

The terms “Controlled,” “Controlling,” “Owned” or “Owning” shall be subsumed within the definitions of “Control” or “Ownership.”

“Corporation” shall mean Saint Agnes Medical Center, a California nonprofit public benefit corporation, unless, from its context or use, it clearly has a different meaning.

“Governance Documents” means the Articles of Incorporation, Certificate of Incorporation, Bylaws, System Authority Matrix, Code of Regulations or equivalent organizational documents of a corporation or other entity.

“Health System” or “Trinity Health System” means the health system which consists of Trinity Health and its subsidiaries and Affiliates.

“Member” shall refer to Saint Agnes Health which is the sole member of the Corporation.

“Ministry or Ministries” means any or all Regional Health Ministries, National Health Ministries and Mission Health Ministries as described in the System Authority Matrix.

“Operating Unit” shall have the definition set forth in Section 5.04 of these Bylaws.

“Regional Health Ministry” or “RHM” is Ministry within the Health System that maintains a governing body that has day to day management oversight of a designated portion of the Health System, subject to certain authorities that are reserved to Trinity Health. RHMs may be based on a geographical market or dedicated to a service line or business.

“Significant Finance Matters” shall refer to the following matters which pursuant to the System Authority Matrix are subject to the approval of Trinity Health: (a) capital expenditures and dispositions; (b) incurrence of additional debt; and (c) execution of contracts and leases.

“System Authority Matrix” refers to the document that sets forth an allocation of corporate governance authority that is binding on the Corporation and its Affiliates as part of the Health System, a copy of which is attached and incorporated into these Bylaws as Exhibit A, and as may be amended by Trinity Health from time to time.

“Trinity Health” means Trinity Health Corporation, an Indiana nonprofit corporation, its successors and assigns.

Article II. PURPOSES

Section 2.01 Purposes

The purposes of the Corporation are set forth in the Articles of Incorporation of the Corporation.

Section 2.02 Catholic Identity

The activities of the Corporation shall be carried out in a manner consistent with the teachings of the Roman Catholic Church and “Founding Principles of Catholic Health Ministries” or successor documents which set forth principles describing how the apostolic and charitable works of Catholic Health Ministries are to be carried out, as well as the values and principles inherent in the medical-moral teachings of the Roman Catholic Church (such as the *Ethical and Religious Directives for Catholic Health Care Services* as promulgated from time to time by the United States Conference of Catholic Bishops (or any successor organization) and as interpreted by the local Ordinary, as amended from time to time).

Section 2.03 Mission Statement

The Mission and Core Values of the Corporation shall be as adopted and approved from time to time by Catholic Health Ministries. The mission statement may by action of the Corporation’s Board of Directors be supplemented by reference to the purposes of the Corporation. The mission statement of the Corporation shall be as follows:

“We, Saint Agnes Medical Center and Trinity Health, serve together in the spirit of the Gospel as a compassionate and transforming healing presence within our communities.”

The mission statement may by action of the Corporation’s Board of Directors be supplemented by reference to the purposes of the Corporation.

Section 2.04 Alienation of Property

Under Canon Law, Catholic Health Ministries shall retain its canonical stewardship with respect to those facilities, real or personal property, and other assets that constitute the temporal goods belonging, by operation of Canon Law, to Catholic Health Ministries. No alienation, within the meaning of Canon Law, of property considered to be stable patrimony of Catholic Health Ministries shall occur without prior approval of Catholic Health Ministries.

Article III. MEMBER

Section 3.01 Sole Member

The sole member of the Corporation is Saint Agnes Health, a California nonprofit public benefit corporation, or its successors or assigns.

Section 3.02 Member Authority

The following actions shall be reserved exclusively to the Member of the Corporation. Subject to the reserved powers of Trinity Health, the Member may initiate and implement any proposal with respect to any of the following, or if any proposal with respect to any of the following is otherwise initiated, it shall not become effective unless the requisite approvals and other actions shall have been taken by the Member and Trinity Health, as required pursuant to the Corporation’s Governance Documents:

- (a) Approve the amendment or restatement of the Articles of Incorporation and Bylaws of the Corporation, in whole or in part, and recommend the same to Trinity Health for adoption;
- (b) Appoint, evaluate and remove members of the Corporation's Board of Directors;
- (c) Appoint, evaluate and remove the President of the Corporation;
- (d) Approve the strategic plan of the Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption as part of the consolidated strategic plan of the Regional Health Ministry in which the Corporation participates;
- (e) Approve those Significant Finance Matters which pursuant to the System Authority Matrix are subject to the authority of the Member, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;
- (f) Approve the annual operating and capital budgets of the Corporation, and recommend the same to Trinity Health for adoption as part of the consolidated operating and capital budgets of the Regional Health Ministry in which the Corporation participates;
- (g) Approve any merger, consolidation, transfer or relinquishment of membership rights, or the sale of all or substantially all of the operating assets of the Corporation (certain transactions and transfers of real property and immovable goods may also be subject to the approval of Catholic Health Ministries), and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;
- (h) Approve any dissolution, winding up or abandonment of operations, liquidation, filing of action in bankruptcy, receivership or similar action affecting the Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;
- (i) Approve any formation or dissolution of Affiliates, partnerships, cosponsorships, joint membership arrangements, and other joint ventures involving the Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;
- (j) Approve any pledge or encumbrance of assets whether pursuant to a sale, capital lease, mortgage, disposition, hypothecation, or other transaction in excess of limits established by Trinity Health (pledges or encumbrances of certain real property and immovable goods may also be subject to the approval of Catholic Health Ministries), and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

- (k) Approve any change to the structure or operations of the Corporation which would affect its status as a nonprofit entity, exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, and recommend the same to Trinity Health for approval; and
- (l) Approve all other matters and take all other actions reserved to members of nonprofit corporations (or shareholders of for-profit corporations, as the case may be) by the laws of the state in which the Corporation is domiciled or as reserved in the Governance Documents of the Corporation.

Section 3.03 Reserved Powers of Trinity Health

The following actions shall be reserved exclusively to Trinity Health. Trinity Health may initiate and implement any proposal with respect to any of the following, or if a proposal with respect to any of the following is otherwise initiated, it shall not become effective unless the requisite approval and other actions shall have been taken by Trinity Health, as required pursuant to the Corporation's Governance Documents:

- (a) Adopt, amend, modify or restate the Articles of Incorporation and Bylaws of the Corporation, in whole or in part, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;
- (b) Approve those Significant Finance Matters which pursuant to the System Authority Matrix are subject to the authority of Trinity Health, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;
- (c) Approve any merger, consolidation, transfer or relinquishment of membership rights, or the sale of all or substantially all of the operating assets of the Corporation (certain transactions and transfers of real property and immovable goods may also be subject to the approval of Catholic Health Ministries), or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;
- (d) Approve any dissolution, winding up or abandonment of operations, liquidation, filing of action in bankruptcy, receivership or similar action affecting the Corporation, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;
- (e) Approve any formation or dissolution of Affiliates, partnerships, cosponsorships, joint membership arrangements, and other joint ventures involving the Corporation, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;
- (f) Approve any pledge or encumbrance of assets whether pursuant to a sale, capital lease, mortgage, disposition, hypothecation, or other transaction in excess of limits established by Trinity Health (pledges or encumbrances of

certain real property and immovable goods may also be subject to the approval of Catholic Health Ministries), or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

- (g) Approve any change to the structure or operation of the Corporation which would affect its status as a nonprofit entity, exempt from taxation under Section 501(c) of the Internal Revenue Code, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;
- (h) Appoint and remove the independent fiscal auditor of the Corporation;
- (i) In recognition of the benefits accruing to the Corporation from Trinity Health, and in accordance to any other rights reserved to Trinity Health under applicable law or Governance Documents of the Corporation, Trinity Health shall have the power to transfer assets of the Corporation, or to require the Corporation to transfer assets, to Trinity Health or an entity Controlled by, Controlling or under common Control with Trinity Health, whether within or without the state of domicile of the Corporation, to the extent necessary to accomplish Trinity Health's goals and objectives. The Corporation shall not be required to violate its corporate or charitable purposes, the terms of any restricted gifts, the covenants of its debt instruments, or the law of any applicable jurisdiction as a result of any asset transfers to be made to or directed by the Member or Trinity Health pursuant to this provision; and
- (j) Neither the Corporation, nor any of its Affiliates, shall transfer assets to entities other than Trinity Health without the approval of Trinity Health, except for (i) transfers previously approved by Trinity Health, either individually or as part of Trinity Health's budget process, (ii) transfers to any entity which is a direct or indirect subsidiary of Trinity Health and that is subject to the reserved powers set forth in Sections 3.02 and 3.03 of these Bylaws, or (iii) transfers in the ordinary course of business.

Section 3.04 Meetings of the Member

Meetings of the Member shall be held at the principal office of the Member or as otherwise provided in the bylaws of the Member at such time and date determined in accordance with the bylaws of the Member. Notice of meetings of the Member shall be given in accordance with the bylaws of the Member.

Article IV. BOARD OF DIRECTORS

Section 4.01 Duties and Powers

With the exception of the powers reserved to the Member, Trinity Health or Catholic Health Ministries under the Corporation's Governance Documents or applicable law, the

Board of Directors shall govern, regulate and direct the affairs and business of the Corporation, carry out such policies and guidelines as adopted by the Member and Trinity Health and carry out such responsibilities as shall be delegated to it by the Member and Trinity Health, all in a manner consistent with the Mission and Core Values of the Corporation. Additional descriptions of the duties and powers of the Board of Directors are set forth in the System Authority Matrix. Among the matters under the direction of the Corporation's Board of Directors are the following actions:

- (a) Elect the officers of the Corporation (except the President);
- (b) Approve the Medical/Dental staff credentials for the hospital facilities owned and operated by the Corporation;
- (c) Oversee the Corporation's relationship with the Medical/Dental staff as contemplated in Article V of these Bylaws;
- (d) Adopt, amend, or repeal the Medical/Dental staff bylaws;
- (e) Adopt and amend from time to time rules, regulations, and policies for the conduct of the operations and affairs of the Corporation;
- (f) Develop and monitor the Corporation's quality improvement programs and approve quality and safety standards that shall be consistent with Trinity Health System quality and safety standards;
- (g) Conduct an annual review of the Corporation's quality and safety performance; and
- (h) Recommend to the Member or Trinity Health matters relating to the Corporation that require the approval or other action of the Member or Trinity Health pursuant to the Corporation's Governance Documents.

Section 4.02 Appointments and Composition

The Member shall appoint a Board of Directors on the basis of qualifications and criteria established by the Member. Except as otherwise authorized by action of the Member, the members of the Corporation's Board of Directors shall include: (i) at least one representative of the Member, designated by the Member (who shall serve ex officio with vote) (the "Member Director"), and, unless the President of the Corporation is designated as the Member Director, the President of the Corporation (who shall serve ex officio with vote), (ii) at least one physician, and (iii) members of the local community or members or associates of a Roman Catholic religious congregation who need not reside in the local community. Any exception to the Board composition requires the approval of the Member. The size of the Board shall be between nine (9) and seventeen (17) members.

Section 4.03 Term

Directors shall serve a three-year term, or such shorter term as may be determined by the Member in order to achieve continuity in board composition. Ex officio members of the Board of Directors shall cease to be Directors upon the termination of their service in the office resulting in their ex officio service on the Board of Directors. Other than ex officio members, no Directors may serve for more than nine (9) consecutive years, unless appointed to complete the unexpired term of another Director, in which case a Director may serve for up to ten (10) consecutive years. Former Directors are eligible for reappointment after a one-year absence from service.

Section 4.04 Annual Meeting of the Board of Directors

An annual meeting of the Board of Directors shall be held during the six months prior to the end of the calendar year for the purpose of the appointment of officers and the transaction of such other business as may properly come before the meeting. Notice of the annual meeting shall be given not less than ten (10) nor more than sixty (60) days before the date of the meeting. The meeting notice shall specify the date, time and place of the meeting. Presence at any such meeting shall be deemed to be waiver of notice of said meeting.

Section 4.05 Regular Meetings and Notice

Regular meetings of the Board of Directors shall be held as determined by the Board but no less frequently than quarterly at such time, place and date as determined from time to time by the Board of Directors. An agenda, indicating items requiring a vote of the members of the Board of Directors, together with copies of reports, statements and other supporting information shall be mailed by the President prior to meetings. No notice of regular meetings shall be required other than the resolution setting the time, place and date of the meeting.

Section 4.06 Special Meetings and Notice

Special meetings of the Board may be called by or at the request of the Chair, by written request of any two (2) members of the Board, or by the Member. The special meeting shall be held within five (5) days after receipt of such request. Notice of the special meeting shall be given in writing, personally, by telephone, electronic transmission or by facsimile transmission at least forty-eight (48) hours prior to the special meeting. The notice of any special meeting shall state the purpose for which it is called. No other business shall be transacted at the special meeting except for that business stated in the notice.

Section 4.07 Waiver of Notice

Attendance of a Director at a meeting constitutes a waiver of notice of the meeting except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Notice also may be waived in writing, either before or after the meeting.

Section 4.08 Quorum and Valid Director Action

At all meetings of the Board, a simple majority of the Directors then in office shall constitute a quorum for the transaction of business. The vote of a majority of the Directors present and voting at any meeting at which a quorum is present shall constitute the act of the Board, unless the vote of a larger number is specifically required by law, or by the Articles of Incorporation, Bylaws or policies of the Corporation.

Section 4.09 Written Consents

Any action required or permitted to be taken by vote at any meeting of the Board or of any committee thereof may be taken without a meeting, if before or after the action, all members of the Board or committee consent in writing. Should state law permit written consent to an action to be taken by less than all members of the Board or committee, then such action may be made by written consent by a majority of the members of the Board or committee. The written consents shall be filed with the minutes of proceedings of the Board or committee. Such consents shall have the same effect as a vote of the Board or committee for all purposes.

Section 4.10 Communication Equipment

Members of the Board of Directors, or any committee designated by the Board, may participate in a meeting of the Board or committee by means of teleconference, video conference or similar communications equipment by virtue of which all persons participating in the meeting may hear each other if all participants are advised of the communications equipment and the names of the participants in the conference are divulged to all participants. Participation in a meeting pursuant to this section shall constitute presence in person at such meeting.

Section 4.11 Resignation

Any Director may resign by written notice to the Chair of the Board. The Chair of the Board may resign by written notice to the Corporation's President who shall promptly thereafter notify the entire Board of Directors. Resignations shall be effective upon receipt or at a subsequent time if specified in the notice of resignation.

Section 4.12 Removal

Any Director may be removed with or without cause at any time by the Member. The failure of any Director to attend three (3) consecutive meetings, or four (4) meetings in any given year, without appropriate excuse, shall constitute automatic resignation of his or her office as a Director without further action by the Member or the Corporation.

Section 4.13 Periodic Performance Review

The Board of Directors shall periodically review its own performance and issue reports to Trinity Health summarizing the results of its review.

Article V. MEDICAL/DENTAL STAFF

Section 5.01 Medical/Dental Staff Bylaws

The Medical/Dental staff of the hospital operated by the Corporation shall be organized pursuant to the bylaws of the Medical/Dental staff. The bylaws shall (i) describe the organization of the medical staff, (ii) describe the qualifications and criteria for Medical/Dental staff appointment and privilege determinations, (iii) state the duties and privileges of each category of the Medical/Dental staff, (iv) include procedures for recommendations by the Medical/Dental staff on the appointment of members of the Medical/Dental staff, the delineation of their staff privileges and the initiation of corrective action taken against any member, and (v) state the requirements for completion and documentation of patient histories and physical exams. The Medical/Dental staff bylaws also shall contain procedures for the resolution of disputes that may arise regarding the granting, denial or limitation of staff privileges or corrective action taken against any member of the Medical/Dental staff, including a hearing and appeal process and the circumstances in which such hearing/appeal rights will be made available. Bylaws, rules, regulations, and policies of the Medical/Dental staff may be proposed and adopted by the Medical/Dental staff of the hospital (or other health care provider that has a Medical/Dental staff), but the bylaws, rules, regulations, policies, and amendments thereto shall not become effective until approved by the Corporation's Board of Directors.

The Board of Directors shall have final responsibility for (i) appointment and reappointment of the members of the Medical/Dental staff and delineation of their staff privileges; (ii) taking such corrective action relating to Medical/Dental staff members as it deems appropriate; (iii) ratifying the selection of Medical/Dental staff officers made by the Medical/Dental staff; (iv) ratifying the selection of heads of the departments of the Medical/Dental staff; (v) reviewing and monitoring the quality improvement programs developed by the Medical/Dental staff; and (vi) determining which categories of practitioners are eligible for appointment to the Medical/Dental Staff. The Medical/Dental staff bylaws are not deemed to be a contract and are not intended to create contractual rights or responsibilities. The Board of Directors reserves the authority to take any direct action with respect to any Medical/Dental staff appointee action it deems to be in the best interests of the hospital operated by the Corporation, whether initiated by the Medical/Dental staff or not, and the decision of the Board shall be final.

Section 5.02 Medical/Dental Staff of Operating Units

The powers described in this Article V may be delegated to the governing body of an unincorporated operating division of governance and management of the Corporation ("Operating Unit") where such Operating Unit governing body is responsible for the operation of a hospital under applicable state law or standards of accrediting agencies. Such delegation may be accomplished by resolution or by setting forth the powers and duties of such governing body in the bylaws of the Operating Unit.

Article VI. COMMITTEES

Section 6.01 Committees

The Executive Committee of the Board of Directors and such other committees as state law may require shall be standing committees of the Corporation. The Board of Directors

may establish such additional standing or special committees from time to time as it shall deem appropriate to conduct the activities of the Corporation and shall define the powers and responsibilities of such committees. Those other committees shall serve at the pleasure of the Board. The Corporation shall not have a separate audit committee as matters related to the audit of the Corporation's finances are consolidated at the Trinity Health level. The Board shall establish the purpose, composition, term and other operating matters relative to each such other committee. Each committee shall keep minutes in some manner reasonably intended to record the business that occurred at the meeting and shall forward these minutes to the Board of Directors.

Section 6.02 Executive Committee

There shall be an Executive Committee, consisting of the Chair of the Board, who shall serve as chair of the Executive Committee, the President, and at least two (2) other Directors selected by vote of the Board of Directors. All members of the Executive Committee must be members of the Board of Directors. The Executive Committee shall meet on the call of the Chair or President. Except as otherwise provided by resolution of the Board or as limited by law, the Executive Committee shall exercise the power and authority of the Board when necessary or advisable between meetings of the Board and shall exercise such other powers as may be assigned from time to time by the Board. The Executive Committee shall report on its actions at the next meeting of the Board and such actions shall be subject to revision and alteration of the Board; provided, however, that the rights of third parties shall not be affected by any such revision or alteration.

Section 6.03 Service on Committees

The committees shall establish rules and regulations for meetings and shall meet at such times as are necessary, provided that a reasonable notice of all meetings shall be given to committee members. No act of a committee shall be valid unless approved by the vote or written consent of a majority of its members. Committees shall keep regular minutes of their proceedings and report the same to the Board from time to time as the Board may require. Members of the committees (except the Executive Committee) shall be appointed for one (1) year by the Chair of the Board of Directors as soon as possible after the annual meeting of the Board. Members of the committees shall serve on their respective committees through the next annual meeting or until their respective successors are appointed. The Chair of the Board shall fill vacancies on committees (except the Executive Committee) and appointees shall serve through the next annual meeting or until their successor is appointed. The President shall be an ex officio member of all committees, except for any committee that reviews compliance or executive compensation matters.

Section 6.04 Quorum, Meetings, Rules and Procedures

A quorum for any meeting of a committee shall be a simple majority of the committee members or as otherwise required by applicable law, except that any ex officio members of the committee shall not be included in calculating the quorum requirement unless they are present at the meeting, in which event they shall be included towards meeting the quorum requirement. The affirmative vote of a majority of the quorum is necessary to take action of the committee, including the affirmative vote of at least one (1) member of the

Board present at the meeting of the committee in order to take any action other than recommendation by the committee to the Board or Executive Committee. Minutes of all committee meetings shall be kept and forwarded to the Board. Each committee shall adopt rules for its own governance not inconsistent with these Bylaws or the acts of the Board.

Section 6.05 Committee Composition

The members and all chairs of committees other than the Executive Committee shall be appointed by the Chair of the Board. The chair of each committee shall be a Director. Committees, other than the Executive Committee, may include persons other than members of the Board of Directors; provided that each standing committee shall have at least two (2) Director members in addition to the Chair and President who shall serve ex officio; and provided further, that no authority of the Board may be delegated to a committee unless the majority of the members of such committee with Board delegated authority are members of the Board of Directors and otherwise in accordance with applicable law.

Article VII. OFFICERS

Section 7.01 Officers

The officers of the Corporation shall be the Chair, President, Secretary and Treasurer. Additionally, upon recommendation of the President, the Board of Directors may appoint a Vice Chair, an Assistant Secretary, an Assistant Treasurer, and such other officers of the Corporation as shall be deemed necessary and appropriate from time to time. Officers shall hold their respective offices until their successors are chosen and qualified.

Section 7.02 Appointment and Election of Officers

The President of the Corporation shall be appointed, evaluated, reappointed and/or removed by the Member. The President shall be Chief Executive Officer of the Corporation and any vacancy in the office of President shall be filled by the Member. The Chair shall serve a term of one (1) year and may be elected for a total of only three (3) consecutive complete one year terms. The Chair, Treasurer and Secretary of the Corporation shall be elected at the annual meeting of the Directors by the Board of Directors. The Treasurer and Secretary need not be members of the Board.

Section 7.03 Vacancies

Vacancies, occurring for any reason, shall be filled in the same manner as appointment or election and the officer so appointed or elected shall hold office until a successor is chosen and qualified.

Section 7.04 Chair

The Chair shall preside at the Board meetings and shall be an ex-officio voting member of all committees.

Section 7.05 President

The President shall have general and active management responsibility for the business of the Corporation and shall see that all orders and resolutions of the Board of Directors and the policies of the Member are carried into effect, consistent with the Mission and Core Values of the Corporation. The President shall be responsible for the appointment, evaluation, compensation and removal of the respective executive officers of those corporations of which the Corporation is the member or other controlling shareholder or owner. The President shall be a voting ex officio member of all committees and shall have the general powers and duties of supervision and management usually vested in the office of President of a corporation.

Section 7.06 Secretary

The Secretary of the Corporation shall issue, or cause to be issued, notices of all Board meetings, shall be responsible for the keeping and the reporting of adequate records of all transactions of the Board, and shall record the minutes of all meetings of the Board of Directors. The Secretary shall further perform such other duties incident to his or her office and as the Board of Directors may from time to time determine.

Section 7.07 Treasurer

The Treasurer of the Corporation shall be responsible for all funds of the Corporation, shall make reports to the Board of Directors as requested by the Board of Directors, and shall see that an accounting system is maintained in such a manner as to give a true and accurate accounting of the financial transactions of the Corporation. The Treasurer shall further perform such other duties incident to his or her office as the Board of Directors may from time to time determine. The Treasurer may delegate any of the functions, powers, duties, and responsibilities to any agent or employee of the Corporation. In the event of such delegation, the Treasurer shall thereafter be relieved of all responsibility for the proper performance or exercise thereof.

Article VIII. INDEMNIFICATION AND STANDARD OF CARE

Section 8.01 Indemnification

The Corporation shall, to the maximum extent allowed by law, indemnify those persons (including religious congregations and their members or other canonical persons and their members) who

- (a) are serving or have served as members, trustees, directors, sponsors, officers, employees, committee or subcommittee members, or agents of the Corporation, or
- (b) are serving or have served at the request of the Corporation as a member, trustee, director, sponsor, officer, employee, committee or subcommittee member, agent, manager, or partner of another corporation, partnership, joint venture, trust, employee benefit plan, limited liability company or other enterprise, whether for profit or nonprofit,

against expenses (including attorney's fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred in connection with such action, suit, or proceeding.

Section 8.02 Insurance

Except as may be limited by law, the Corporation may purchase and maintain insurance on behalf of any person (including religious congregations and their members or other canonical persons and their members) who

- (a) is or was a member, trustee, director, sponsor, officer, employee, committee or subcommittee member, or agent of the Corporation, or
- (b) is or was serving at the request of the Corporation as a member, trustee, director, sponsor, officer, employee, committee or subcommittee member, agent, manager, or partner of another corporation, partnership, joint venture, trust, employee benefit plan, limited liability company or other enterprise, whether for profit or nonprofit,

to protect against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not this Corporation would have power to indemnify him or her against such liability under state law.

Section 8.03 Standard of Care

Each Director shall stand in a fiduciary relation to the Corporation and shall perform his or her duties as a Director, including his or her duties as a member of any committee of the Board upon which he or she may serve, in good faith, in a manner he or she reasonably believes to be in the best interests of the Corporation, the Member and Trinity Health, and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances.

Section 8.04 Justifiable Reliance

In performing his or her duties, a Director (including when such Director is acting as an officer of the Corporation) shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:

- (a) One or more officers or employees of the Corporation whom the Director reasonably believes to be reliable and competent in the matters presented.
- (b) Counsel, public accountants or other persons on matters that the Director reasonably believes to be within the professional or expert competence of such person.
- (c) A committee of the Board upon which he or she does not serve, duly designated in accordance with law, as to matters within its designated

authority, which committee the Director reasonably believes to merit confidence.

A Director shall not be considered to be acting in good faith if he or she has knowledge concerning the matter in question that would cause his or her reliance to be unwarranted.

Section 8.05 Consideration of Factors

In discharging the duties of their respective positions, the Board of Directors, committees of the Board and individual Directors may, in considering the best interests of the Corporation, the Member and Trinity Health, consider the effects of any action upon employees, upon suppliers and customers of the Corporation and upon communities in which offices or other establishments of the Corporation, the Member and Trinity Health are located, and all other pertinent factors. The consideration of those factors shall not constitute a violation of the standards described herein.

Section 8.06 Presumption

Absent breach of fiduciary duty, lack of good faith or self-dealing, actions taken as a Director or any failure to take any actions shall be presumed to be in the best interests of the Corporation, the Member and Trinity Health.

Section 8.07 Personal Liability of Directors

No Director shall be personally liable for monetary damages for any action taken, or any failure to take any action, unless the Director has breached or failed to perform the duties of his or her office under the standards described herein, has engaged in self-dealing, or the action or inaction constitutes willful misconduct or recklessness. The provisions of this Section shall not apply to the responsibility or liability of a Director pursuant to any criminal statute or the liability of a Director for the payment of taxes pursuant to local, state or federal law.

Nothing in this Article is intended to preclude or limit the application of any other provision of law that may provide a more favorable standard or higher level of protection for the Corporation's Directors.

Article IX. SUBSIDIARIES AND VOLUNTARY HOSPITAL SERVICE ORGANIZATIONS

Section 9.01 Authority

In accordance with policies of Trinity Health, including without limitation those referenced in the System Authority Matrix, each organization of which the Corporation is the sole or majority member or owner shall have reserved certain powers to be exercised by this Corporation.

Section 9.02 Voluntary Hospital Service Organizations

The Board of Directors may authorize the establishment or dissolution of voluntary service organizations, such as an auxiliary to the Corporation or any Operating Unit of the Corporation. Such organization may be a non-profit corporation or voluntary association. No service organization may be established without approval of the Board of Directors, subject to the reserved powers of the Member and Trinity Health and any guidelines or policies established by Trinity Health with respect to voluntary organizations.

Article X. OPERATING UNITS

Section 10.01 Authority

The Board of Directors of the Corporation may organize the operations of the Corporation into one or more other Operating Units of governance and management that shall have such powers and shall carry out such responsibilities as shall be delegated to them pursuant to the policies of the Corporation and Trinity Health in effect from time to time.

Article XI. MISCELLANEOUS

Section 11.01 Fiscal Year

The fiscal year of the Corporation shall end on the 30th day of June of each year and shall begin on the 1st day of July of each year.

Section 11.02 Required Records

The officers, agents and employees of the Corporation shall maintain such books, records and accounts of the Corporation's business and affairs as may be from time to time required by the Board of Directors, or required by the laws of the state in which the Corporation is domiciled.

Section 11.03 Confidentiality

Except as otherwise publicly disclosed, or in order to appropriately conduct the Corporation's business, the records and reports of the Corporation shall be held in confidence by those persons with access to them.

Section 11.04 Conflict of Interest

Each of the Corporation's officers and Directors shall at all times act in a manner that furthers the Corporation's charitable purposes and shall exercise care that he or she does not act in a manner that furthers his or her private interests to the detriment of the Corporation's corporate or community benefit purposes. The Corporation's officers and Directors shall fully disclose to the Corporation any potential or actual conflicts of interest, if such conflicts cannot be avoided, so that such conflicts are dealt with in the best interests of the Corporation. Conflicts of interest shall be resolved in accordance with the Corporation's conflict of interest policy. The Corporation and all its officers and Directors shall comply with any policies of the Corporation and Trinity Health regarding conflicts of interest, as well as the requirements of applicable state law regarding such conflicts, and

shall complete any and all disclosure forms as may be deemed necessary or useful by the Corporation for identifying potential conflicts of interest.

Article XII. AMENDMENT AND REVIEW

Section 12.01 Amendment

These Bylaws may be amended only in accordance with Article III of these Bylaws.

Section 12.02 Periodic Review

These Bylaws shall be reviewed periodically by the Board of Directors and any recommended revisions shall be forwarded to the Member and Trinity Health for action.

EXHIBIT A

System Authority Matrix

Trinity Health holds the reserved power to adopt and amend the following System Authority Matrix, without approval by the Corporation's Board of Directors.

Exhibit 3-B

Madera Amended and Restated Articles of Incorporation

**CERTIFICATE OF AMENDED AND RESTATED
ARTICLES OF INCORPORATION OF
MADERA COMMUNITY HOSPITAL**

The undersigned hereby certify that:

Section 1. They are the President and the Secretary, respectively, of MADERA COMMUNITY HOSPITAL, a California nonprofit public benefit corporation (the "Corporation").

Section 2. The Corporation's Articles of Incorporation, filed with the California Secretary of State _____, are amended and restated in the entirety to read as set forth in Exhibit A attached and made a part of this Certificate.

Section 3. The Corporation's Board of Directors approved the amendment and restatement of the Corporation's Articles of Incorporation on _____, at a meeting duly noticed and held, at which a quorum was present.

Section 4. The Corporation's sole corporate member, Saint Agnes Health, has approved the amendment and restatement of the Corporation's Articles of Incorporation.

We 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.

Date: _____

President

Secretary

EXHIBIT A
To Certificate of Amended and Restated
Articles of Incorporation of
Madera Community Hospital

AMENDED AND RESTATED ARTICLES OF INCORPORATION
OF
MADERA COMMUNITY HOSPITAL
A California Nonprofit Public Benefit Corporation

Article I:
Name

1. The name of the Corporation is:

Madera Community Hospital

Article II
Registered Agent

2. The California Registered Corporate Agents Name is C T Corporation System

Article III
Business Address

3. The initial street and mailing address of the Corporation is 1250 E. Almond Avenue, Madera, California, 93637.

Article IV
Definitions

4. For the purposes of these Articles of Incorporation, the following defined terms shall have the following meanings:
 - 4.1. "Affiliate" means a corporation or other entity that is subject to the direct or indirect Control or Ownership (as defined in the Bylaws) of the Corporation.
 - 4.2. "Articles of Incorporation" means the Articles of Incorporation of the Corporation, as amended or restated from time to time.
 - 4.3. "Board" or "Board of Directors" means the Board of Directors of the Corporation, and the term "Director" means an individual member of the Board.
 - 4.4. "Catholic Health Ministries" or "CHM" means Catholic Health Ministries, a public juridic person that is the religious sponsor of the Corporation under the canon law of the Roman Catholic Church.
 - 4.5. "Catholic Identity" means the theological, ethical, and canonical underpinnings of a Catholic-sponsored organization without which the entity cannot be considered a Roman Catholic church-related ministry.

- 4.6. "Corporation" shall mean Madera Community Hospital, a California nonprofit public benefit corporation.
- 4.7. "Governance Documents" means the Articles of Incorporation, Bylaws, System Authority Matrix, Code of Regulations or equivalent organizational documents of a corporation or other entity.
- 4.8. "Health System" or "Trinity Health System" means the health system which consists of Trinity Health and its subsidiaries and Affiliates.
- 4.9. "Internal Revenue Code" shall mean the Internal Revenue Code of 1986, as amended from time to time.
- 4.10. "Member" shall refer to Saint Agnes Health, a California nonprofit public benefit corporation, which is the sole member of the Corporation.
- 4.11. "Significant Finance Matters" shall refer to the following matters which pursuant to the System Authority Matrix are subject to the approval of Trinity Health: (a) capital expenditures and dispositions; (b) incurrence of additional debt; and (c) execution of contracts and leases.
- 4.12. "System Authority Matrix" refers to the document that sets forth an allocation of corporate governance authority that is binding on the Corporation and its Affiliates as part of the Health System, as may be amended by Trinity Health from time to time.
- 4.13. "Trinity Health" means Trinity Health Corporation, an Indiana nonprofit corporation, its successors and assigns.

Article V
Purposes

- 5. This Corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for charitable purposes.¹ The Corporation shall be organized and operated exclusively for, and its property is irrevocably dedicated to, religious, charitable, scientific, and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, and within the meaning of Section 214 of the California Revenue and Taxation Code². The Corporation shall have no power to act in a manner which is not exclusively within the contemplation of Section 501(c)(3) of the Internal Revenue Code, and the Corporation shall not engage directly or indirectly in any activity which would prevent it from qualifying, and continuing to qualify, as a Corporation as described in Section 501(c)(3) of the Internal Revenue Code. Without limiting the generality of the foregoing, the purposes for which the Corporation is organized are to advance, promote, support, and carry out the purposes of Trinity Health or its successor, and to further the apostolate and charitable works of Catholic Health Ministries on behalf of and as an integral part of the Roman Catholic Church in the United States. Without limiting the generality of the foregoing, the specific purposes of the Corporation shall include the following:

¹ California Corporations Code Section 5130.

² California Board of Equalization Property Tax Rule 143(c), "REQUIREMENTS FOR IRREVOCABLE DEDICATION CLAUSE AND DISSOLUTION CLAUSE FOR ORGANIZATIONAL CLEARANCE CERTIFICATE FOR WELFARE EXEMPTION".

- 5.1. To engage in the delivery of and to carry on, sponsor or participate, directly or through one or more affiliates, in any activities related to the delivery of health care and health care related services of every kind, nature and description which, in the opinion of the Board of Directors of the Corporation, are appropriate in carrying out the health care mission of the Member and Catholic Health Ministries. The Corporation shall take all such actions including, but not limited to, support and assistance of affiliates, as may be necessary or desirable to accomplish the foregoing purpose within the restrictions and limitations of these Articles of Incorporation, the Bylaws of the Corporation or applicable law, including, without limitation, promoting and carrying on scientific research and educational activities related to the care of the sick and promotion of health, and establishing, maintaining, owning, managing, operating, transferring, conveying, supporting, assisting and acquiring institutions, facilities and programs in several states, directly or through one or more affiliates, including, but not limited to, hospitals and clinics, which shall provide diagnosis and treatment to inpatients and outpatients and shall provide such support services as, but not limited to, extended care, shared services, pastoral care, home care, long-term care, operation of senior residences, care of the elderly and the handicapped, care of the economically needy, child care, social services, mental health and substance abuse services.
- 5.2. To promote, support and further any and all charitable, scientific, religious and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code;
- 5.3. To coordinate and oversee the activities of Affiliates, and to allocate the assets, liabilities and resources of the Corporation and its Affiliates within the Health System;
- 5.4. To acquire, purchase, own, loan and borrow, erect, maintain, hold, use, control, manage, invest, exchange, convey, transfer, sell, mortgage, lease and rent all real and personal property of every kind and nature, which may be necessary or incidental to the accomplishment of any and all of the above purposes;
- 5.5. To accept, receive and hold, in trust or otherwise, all contributions, legacies, bequests, gifts and benefactions which may be left, made or given to the Corporation, or its predecessor or constituent corporations, by any person, persons or organizations;
- 5.6. To take all such actions as may be necessary or desirable to accomplish the foregoing purposes within the restrictions and limitations of these Articles of Incorporation, the Bylaws of the Corporation and applicable law, provided that no substantial part of the activities of the Corporation shall be to carry out propaganda, or to otherwise attempt to influence legislation; and the Corporation shall not participate or intervene in any political campaign on behalf of or in opposition of any candidate for public office (by the publishing or distribution of statements or otherwise), in violation of any provisions applicable to corporations exempt from taxation under Section 501(c)(3) of the Internal Revenue Code and the regulations promulgated thereunder as they now exist or as they may be amended;
- 5.7. The Corporation shall not be operated for the pecuniary gain or profit, incidental or otherwise, of any private individual, and no part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, its Directors, Officers or other private individuals, except the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered to or for the Corporation and to make payments and distributions in furtherance of the purposes set forth herein consistent with applicable law; and
- 5.8. Notwithstanding any other provisions of these Articles of Incorporation, the Corporation shall not carry on any activity not permitted to be carried on by: (i) a corporation exempt

from federal income tax under Section 501(c)(3) of the Internal Revenue Code, or (ii) a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code.

- 5.9. The Corporation is organized and, in carrying out the purposes referenced above, the Corporation at all times shall be operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of the Corporation and its Controlled Affiliates. For this purpose, the "Controlled Affiliates" are hospitals and health care delivery organizations which are both (a) closely related to the Corporation, in purpose or function through common control, ownership, lease or management, and (b) classified as a publicly supported organization as described in Section 509(a)(1) or 509(a)(2) of the Code.

Article VI
Catholic Identity

6. The activities of the Corporation shall be carried out in a manner consistent with the teachings of the Roman Catholic Church and "Founding Principles of Catholic Health Ministries" or successor documents which set forth principles describing how the apostolic and charitable works of Catholic Health Ministries are to be carried out, as well as the values and principles inherent in the medical-moral teachings of the Roman Catholic Church (such as the *Ethical and Religious Directives for Catholic Health Care Services* as promulgated from time to time by the United States Conference of Catholic Bishops (or any successor organization), as amended from time to time). Under Canon Law, Catholic Health Ministries shall retain its canonical stewardship with respect to those facilities, real or personal property, and other assets that constitute the temporal goods belonging, by operation of Canon Law, to Catholic Health Ministries. No alienation, within the meaning of Canon Law, of property considered to be stable patrimony of Catholic Health Ministries shall occur without prior approval of Catholic Health Ministries.

Article VII
Membership

7. Saint Agnes Health is the sole member of the Corporation. The Member shall be entitled to all rights and powers of a member under California law, these Articles of Incorporation and the Bylaws of the Corporation. Certain rights and powers related to the Corporation are reserved to the Member under the Corporation's Governance Documents. Action by the Corporation shall not be taken or authorized until the Member shall have exercised its reserved powers in the manner provided in the Governance Documents. The following powers are reserved to the Member and Trinity Health:
- 7.1. As reserved to the Member:
- 7.1.1. Approve the amendment or restatement of the Articles of Incorporation and Bylaws of the Corporation, in whole or in part, recommend the same to Trinity Health for adoption;
 - 7.1.2. Appoint and remove members of the Corporation's Board of Directors;
 - 7.1.3. Appoint and remove the President of the Corporation;
 - 7.1.4. Approve the strategic plan of the Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption as part of the consolidated strategic plan of the Regional Health Ministry in which the Corporation participates;

- 7.1.5. Approve those Significant Finance Matters which pursuant to the System Authority Matrix are subject to the authority of the Member, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;
 - 7.1.6. Approve the annual operating and capital budgets of the Corporation, and recommend the same to Trinity Health for adoption as part of the consolidated operating and capital budgets of the Regional Health Ministry in which the Corporation participates;
 - 7.1.7. Approve any merger, consolidation, transfer or relinquishment of membership rights, or the sale of all or substantially all of the operating assets of the Corporation (certain transactions and transfers of real property and immovable goods may also be subject to the approval of Catholic Health Ministries), and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;
 - 7.1.8. Approve any dissolution, winding up or abandonment of operations, liquidation, filing of action in bankruptcy, receivership or similar action affecting the Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;
 - 7.1.9. Approve any formation or dissolution of Affiliates, partnerships, cosponsorships, joint membership arrangements, and other joint ventures involving the Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;
 - 7.1.10. Approve any pledge or encumbrance of assets whether pursuant to a sale, capital lease, mortgage, disposition, hypothecation, or other transaction in excess of limits established by Trinity Health (pledges or encumbrances of certain real property and immovable goods may also be subject to the approval of Catholic Health Ministries), and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;
 - 7.1.11. Approve any change to the structure or operations of the Corporation which would affect its status as a nonprofit entity, exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, and recommend the same to Trinity Health for approval; and
 - 7.1.12. Approve all other matters and take all other actions reserved to members of nonprofit corporations (or shareholders of for-profit-corporations, as the case may be) by the laws of the state in which the Corporation is domiciled or as reserved in the Governance Documents of the Corporation.
- 7.2. As reserved to Trinity Health:
- 7.2.1. Adopt, amend, modify or restate the Articles [Certificate] of Incorporation and Bylaws of the Corporation, in whole or in part, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;
 - 7.2.2. Approve those Significant Finance Matters which pursuant to the System Authority Matrix are subject to the authority of Trinity Health, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

- 7.2.3. Approve any merger, consolidation, transfer or relinquishment of membership rights, or the sale of all or substantially all of the operating assets of the Corporation (certain transactions and transfers of real property and immovable goods may also be subject to the approval of Catholic Health Ministries), or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;
- 7.2.4. Approve any dissolution, winding up or abandonment of operations, liquidation, filing of action in bankruptcy, receivership or similar action affecting the Corporation, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;
- 7.2.5. Approve any formation or dissolution of Affiliates, partnerships, cosponsorships, joint membership arrangements, and other joint ventures involving the Corporation, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;
- 7.2.6. Approve any pledge or encumbrance of assets whether pursuant to a sale, capital lease, mortgage, disposition, hypothecation, or other transaction in excess of limits established by Trinity Health (pledges or encumbrances of certain real property and immovable goods may also be subject to the approval of Catholic Health Ministries), or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;
- 7.2.7. Approve any change to the structure or operation of the Corporation which would affect its status as a nonprofit entity, exempt from taxation under Section 501(c) of the Internal Revenue Code, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;
- 7.2.8. Appoint and remove the independent fiscal auditor of the Corporation;
- 7.2.9. In recognition of the benefits accruing to the Corporation from Trinity Health, and in accordance to any other rights reserved to Trinity Health under applicable law or Governance Documents of the Corporation, Trinity Health shall have the power to transfer assets of the Corporation, or to require the Corporation to transfer assets, to Trinity Health or an entity Controlled by, Controlling or under common Control with Trinity Health, whether within or without the state of domicile of the Corporation, to the extent necessary to accomplish Trinity Health's goals and objectives. The Corporation shall not be required to violate its corporate or charitable purposes, the terms of any restricted gifts, the covenants of its debt instruments, or the law of any applicable jurisdiction as a result of any asset transfers to be made to or directed by the Member or Trinity Health pursuant to this provision; and
- 7.2.10. Neither the Corporation, nor any of its Affiliates, shall transfer assets to entities other than Trinity Health without the approval of Trinity Health, except for (i) transfers previously approved by Trinity Health, either individually or as part of Trinity Health's budget process, (ii) transfers to any entity which is a direct or indirect subsidiary of Trinity Health and that is subject to the reserved powers set forth in these Articles, or (iii) transfers in the ordinary course of business.

Article XIII
Indemnification

- 8. The Corporation shall, to the maximum extent allowed by law and in accordance with California Corporations Code Section 5238 (or any successor provision), indemnify those persons who are

serving or have served as members, trustees, directors, officers, employees, committee members, or agents of the Corporation, and those who are serving or have served at the request of the Corporation as a trustee, director, officer, employee, committee member, or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorney's fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred in connection with such action, suit, or proceeding.

Article IX
Dissolution

9. Subject to any approvals described in these Articles of Incorporation or the Bylaws of the Corporation, upon the dissolution and final liquidation of the Corporation, all of its assets, after paying or making provision for payment of all its known debts, obligations and liabilities, and returning, transferring or conveying assets held by the Corporation conditional upon their return, transfer or conveyance upon dissolution of the Corporation, shall be distributed to the Member of this Corporation or its successor, so long as such distributee is organized and operated exclusively for charitable purposes and which has established its tax exempt status under section 501(c)(3) of the Internal Revenue Code³. Any such assets not disposed of in accordance with the foregoing shall be distributed to Trinity Health or its successor, so long as such distributee is organized and operated exclusively for charitable purposes and which has established its tax exempt status under section 501(c)(3) of the Internal Revenue Code⁴. Any assets not so disposed of in accordance with the foregoing shall be distributed to one or more corporations, trusts, funds or organizations which at the time appear in the Official Catholic Directory published annually by P.J. Kenedy & Sons or any successor publication, or are controlled by any such corporation, trust, fund or organization that so appears, and are organized and operated exclusively for charitable purposes and which has established its tax exempt status under section 501(c)(3) of the Internal Revenue Code⁵, as in the sole judgment of the Catholic Health Ministries have purposes most closely aligned to those of the Corporation, subject to any approvals described in these Articles of Incorporation or the Bylaws of the Corporation and applicable law. Any assets not so disposed of shall be disposed of by a court of competent jurisdiction exclusively to one or more corporations, trusts, funds or other organizations as said court shall determine, which at the time are organized and operated exclusively for charitable purposes and which have established their tax exempt status under section 501(c)(3) of the Internal Revenue Code⁶. No private individual shall share in the distribution of any Corporation assets upon dissolution of the Corporation.

³ California Board of Equalization Property Tax Rule 143(d), "REQUIREMENTS FOR IRREVOCABLE DEDICATION CLAUSE AND DISSOLUTION CLAUSE FOR ORGANIZATIONAL CLEARANCE CERTIFICATE FOR WELFARE EXEMPTION"

⁴ Id.

⁵ Id.

⁶ Id.

Exhibit 3-C

Madera Amended and Restated Bylaws

AMENDED AND RESTATED BYLAWS
OF
MADERA COMMUNITY HOSPITAL
A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION
FRESNO, CALIFORNIA

Effective Date: _____, 20__

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Article I. DEFINITIONS

For the purposes of these Bylaws, the following defined terms shall have the following meanings:

“Affiliate” means a corporation or other entity that is subject to the direct or indirect Control or Ownership of the Corporation.

“Articles of Incorporation” means the Articles of Incorporation of the Corporation, as amended or restated from time to time.

“Board” or “Board of Directors” means the Board of Directors of the Corporation, and the term “Director” means an individual member of the Board.

“Catholic Health Ministries” or “CHM” means Catholic Health Ministries, a public juridic person that is the religious sponsor of the Corporation under the canon law of the Roman Catholic Church.

“Catholic Identity” means the theological, ethical, and canonical underpinnings of a Catholic-sponsored organization without which the entity cannot be considered a Roman Catholic Church-related ministry.

“Code” shall mean the Internal Revenue Code of 1986, as amended from time to time.

“Control” or “Ownership” will be deemed to exist:

(i) as to a corporation: (a) through ownership of the majority of voting stock or the ownership of the class of stock which exercises reserved powers, if it is a stock corporation; or (b) through serving as member and having the power to appoint (including through appointing one’s own directors or officers who then serve *ex officio* as to the Affiliate) the majority of the voting members or the class of members which exercises reserved powers, if it is a corporation with members; or (c) through having the power to appoint (including through appointing one’s own directors or officers who then serve *ex officio* as to the Affiliate) the majority of the voting directors or trustees or the controlling class of directors or trustees, if it is a corporation without members; or

(ii) as to a partnership or other joint venture: through the possession of sufficient controls over the activities of the partnership or joint venture that the entity having control is permitted to consolidate the activities of the partnership or joint venture on its financial statements under generally accepted accounting principles.

The terms “Controlled,” “Controlling,” “Owned” or “Owning” shall be subsumed within the definitions of “Control” or “Ownership.”

“Corporation” shall mean Madera Community Hospital, a California nonprofit public benefit corporation, unless, from its context or use, it clearly has a different meaning.

“Governance Documents” means the Articles of Incorporation, Certificate of Incorporation, Bylaws, System Authority Matrix, Code of Regulations or equivalent organizational documents of a corporation or other entity.

“Health System” or “Trinity Health System” means the health system which consists of Trinity Health and its subsidiaries and Affiliates.

“Member” shall refer to Saint Agnes Health, a California nonprofit public benefit corporation, which is the sole member of the Corporation.

“Ministry or Ministries” means any or all Regional Health Ministries, National Health Ministries and Mission Health Ministries as described in the System Authority Matrix.

“Operating Unit” shall have the definition set forth in Section 5.04 of these Bylaws.

“Regional Health Ministry” or “RHM” is Ministry within the Health System that maintains a governing body that has day to day management oversight of a designated portion of the Health System, subject to certain authorities that are reserved to Trinity Health. RHMs may be based on a geographical market or dedicated to a service line or business.

“Significant Finance Matters” shall refer to the following matters which pursuant to the System Authority Matrix are subject to the approval of Trinity Health: (a) capital expenditures and dispositions; (b) incurrence of additional debt; and (c) execution of contracts and leases.

“System Authority Matrix” refers to the document that sets forth an allocation of corporate governance authority that is binding on the Corporation and its Affiliates as part of the Health System, a copy of which is attached and incorporated into these Bylaws as Exhibit A, and as may be amended by Trinity Health from time to time.

“Trinity Health” means Trinity Health Corporation, an Indiana nonprofit corporation, its successors and assigns.

Article II. PURPOSES

Section 2.01 Purposes

The purposes of the Corporation are set forth in the Articles of Incorporation of the Corporation.

Section 2.02 Catholic Identity

The activities of the Corporation shall be carried out in a manner consistent with the teachings of the Roman Catholic Church and “Founding Principles of Catholic Health Ministries” or successor documents which set forth principles describing how the apostolic and charitable works of Catholic Health Ministries are to be carried out, as well as the values and principles inherent in the medical-moral teachings of the Roman Catholic Church (such as the *Ethical and Religious Directives for Catholic Health Care Services* as promulgated from time to time by the United States Conference of Catholic Bishops (or any successor organization) and as interpreted by the local Ordinary, as amended from time to time).

Section 2.03 Mission Statement

The Mission and Core Values of the Corporation shall be as adopted and approved from time to time by Catholic Health Ministries. The mission statement may by action of the Corporation’s Board of Directors be supplemented by reference to the purposes of the Corporation. The mission statement of the Corporation shall be as follows:

“We, Madera Community Hospital and Trinity Health, serve together in the spirit of the Gospel as a compassionate and transforming healing presence within our communities.”

The mission statement may by action of the Corporation’s Board of Directors be supplemented by reference to the purposes of the Corporation.

Section 2.04 Alienation of Property

Under Canon Law, Catholic Health Ministries shall retain its canonical stewardship with respect to those facilities, real or personal property, and other assets that constitute the temporal goods belonging, by operation of Canon Law, to Catholic Health Ministries. No alienation, within the meaning of Canon Law, of property considered to be stable patrimony of Catholic Health Ministries shall occur without prior approval of Catholic Health Ministries.

Article III. MEMBER

Section 3.01 Sole Member

The sole member of the Corporation is Saint Agnes Health, a California nonprofit public benefit corporation, or its successors or assigns.

Section 3.02 Member Authority

The following actions shall be reserved exclusively to the Member of the Corporation. Subject to the reserved powers of Trinity Health, the Member may initiate and implement any proposal with respect to any of the following, or if any proposal with respect to any of the following is otherwise initiated, it shall not become effective unless the requisite approvals and other actions shall have been taken by the Member and Trinity Health, as required pursuant to the Corporation’s Governance Documents:

- (a) Approve the amendment or restatement of the Articles of Incorporation and Bylaws of the Corporation, in whole or in part, and recommend the same to Trinity Health for adoption;
- (b) Appoint, evaluate and remove members of the Corporation's Board of Directors;
- (c) Appoint, evaluate and remove the President of the Corporation;
- (d) Approve the strategic plan of the Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption as part of the consolidated strategic plan of the Regional Health Ministry in which the Corporation participates;
- (e) Approve those Significant Finance Matters which pursuant to the System Authority Matrix are subject to the authority of the Member, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;
- (f) Approve the annual operating and capital budgets of the Corporation, and recommend the same to Trinity Health for adoption as part of the consolidated operating and capital budgets of the Regional Health Ministry in which the Corporation participates;
- (g) Approve any merger, consolidation, transfer or relinquishment of membership rights, or the sale of all or substantially all of the operating assets of the Corporation (certain transactions and transfers of real property and immovable goods may also be subject to the approval of Catholic Health Ministries), and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;
- (h) Approve any dissolution, winding up or abandonment of operations, liquidation, filing of action in bankruptcy, receivership or similar action affecting the Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;
- (i) Approve any formation or dissolution of Affiliates, partnerships, cosponsorships, joint membership arrangements, and other joint ventures involving the Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;
- (j) Approve any pledge or encumbrance of assets whether pursuant to a sale, capital lease, mortgage, disposition, hypothecation, or other transaction in excess of limits established by Trinity Health (pledges or encumbrances of certain real property and immovable goods may also be subject to the approval of Catholic Health Ministries), and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

- (k) Approve any change to the structure or operations of the Corporation which would affect its status as a nonprofit entity, exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, and recommend the same to Trinity Health for approval; and
- (l) Approve all other matters and take all other actions reserved to members of nonprofit corporations (or shareholders of for-profit corporations, as the case may be) by the laws of the state in which the Corporation is domiciled or as reserved in the Governance Documents of the Corporation.

Section 3.03 Reserved Powers of Trinity Health

The following actions shall be reserved exclusively to Trinity Health. Trinity Health may initiate and implement any proposal with respect to any of the following, or if a proposal with respect to any of the following is otherwise initiated, it shall not become effective unless the requisite approval and other actions shall have been taken by Trinity Health, as required pursuant to the Corporation's Governance Documents:

- (a) Adopt, amend, modify or restate the Articles of Incorporation and Bylaws of the Corporation, in whole or in part, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;
- (b) Approve those Significant Finance Matters which pursuant to the System Authority Matrix are subject to the authority of Trinity Health, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;
- (c) Approve any merger, consolidation, transfer or relinquishment of membership rights, or the sale of all or substantially all of the operating assets of the Corporation (certain transactions and transfers of real property and immovable goods may also be subject to the approval of Catholic Health Ministries), or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;
- (d) Approve any dissolution, winding up or abandonment of operations, liquidation, filing of action in bankruptcy, receivership or similar action affecting the Corporation, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;
- (e) Approve any formation or dissolution of Affiliates, partnerships, cosponsorships, joint membership arrangements, and other joint ventures involving the Corporation, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;
- (f) Approve any pledge or encumbrance of assets whether pursuant to a sale, capital lease, mortgage, disposition, hypothecation, or other transaction in excess of limits established by Trinity Health (pledges or encumbrances of

certain real property and immovable goods may also be subject to the approval of Catholic Health Ministries), or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

- (g) Approve any change to the structure or operation of the Corporation which would affect its status as a nonprofit entity, exempt from taxation under Section 501(c) of the Internal Revenue Code, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;
- (h) Appoint and remove the independent fiscal auditor of the Corporation;
- (i) In recognition of the benefits accruing to the Corporation from Trinity Health, and in accordance to any other rights reserved to Trinity Health under applicable law or Governance Documents of the Corporation, Trinity Health shall have the power to transfer assets of the Corporation, or to require the Corporation to transfer assets, to Trinity Health or an entity Controlled by, Controlling or under common Control with Trinity Health, whether within or without the state of domicile of the Corporation, to the extent necessary to accomplish Trinity Health's goals and objectives. The Corporation shall not be required to violate its corporate or charitable purposes, the terms of any restricted gifts, the covenants of its debt instruments, or the law of any applicable jurisdiction as a result of any asset transfers to be made to or directed by the Member or Trinity Health pursuant to this provision; and
- (j) Neither the Corporation, nor any of its Affiliates, shall transfer assets to entities other than Trinity Health without the approval of Trinity Health, except for (i) transfers previously approved by Trinity Health, either individually or as part of Trinity Health's budget process, (ii) transfers to any entity which is a direct or indirect subsidiary of Trinity Health and that is subject to the reserved powers set forth in Sections 3.02 and 3.03 of these Bylaws, or (iii) transfers in the ordinary course of business.

Section 3.04 Meetings of the Member

Meetings of the Member shall be held at the principal office of the Member or as otherwise provided in the bylaws of the Member at such time and date determined in accordance with the bylaws of the Member. Notice of meetings of the Member shall be given in accordance with the bylaws of the Member.

Article IV. BOARD OF DIRECTORS

Section 4.01 Duties and Powers

With the exception of the powers reserved to the Member, Trinity Health or Catholic Health Ministries under the Corporation's Governance Documents or applicable law, the

Board of Directors shall govern, regulate and direct the affairs and business of the Corporation, carry out such policies and guidelines as adopted by the Member and Trinity Health and carry out such responsibilities as shall be delegated to it by the Member and Trinity Health, all in a manner consistent with the Mission and Core Values of the Corporation. Additional descriptions of the duties and powers of the Board of Directors are set forth in the System Authority Matrix. Among the matters under the direction of the Corporation's Board of Directors are the following actions:

- (a) Elect the officers of the Corporation (except the President);
- (b) Approve the Medical/Dental staff credentials for the hospital facilities owned and operated by the Corporation;
- (c) Oversee the Corporation's relationship with the Medical/Dental staff as contemplated in Article V of these Bylaws;
- (d) Adopt, amend, or repeal the Medical/Dental staff bylaws;
- (e) Adopt and amend from time to time rules, regulations, and policies for the conduct of the operations and affairs of the Corporation;
- (f) Develop and monitor the Corporation's quality improvement programs and approve quality and safety standards that shall be consistent with Trinity Health System quality and safety standards;
- (g) Conduct an annual review of the Corporation's quality and safety performance; and
- (h) Recommend to the Member or Trinity Health matters relating to the Corporation that require the approval or other action of the Member or Trinity Health pursuant to the Corporation's Governance Documents.

Section 4.02 Appointments and Composition

The Member shall appoint a Board of Directors on the basis of qualifications and criteria established by the Member. Except as otherwise authorized by action of the Member, the members of the Corporation's Board of Directors shall include: (i) at least one representative of the Member, designated by the Member (who shall serve ex officio with vote) (the "Member Director"), and, unless the President of the Corporation is designated as the Member Director, the President of the Corporation (who shall serve ex officio with vote), (ii) at least one physician, and (iii) members of the local community or members or associates of a Roman Catholic religious congregation who need not reside in the local community. Any exception to the Board composition requires the approval of the Member. The size of the Board shall be between nine (9) and seventeen (17) members.

Section 4.03 Term

Directors shall serve a three-year term, or such shorter term as may be determined by the Member in order to achieve continuity in board composition. Ex officio members of the Board of Directors shall cease to be Directors upon the termination of their service in the office resulting in their ex officio service on the Board of Directors. Other than ex officio members, no Directors may serve for more than nine (9) consecutive years, unless appointed to complete the unexpired term of another Director, in which case a Director may serve for up to ten (10) consecutive years. Former Directors are eligible for reappointment after a one-year absence from service.

Section 4.04 Annual Meeting of the Board of Directors

An annual meeting of the Board of Directors shall be held during the six months prior to the end of the calendar year for the purpose of the appointment of officers and the transaction of such other business as may properly come before the meeting. Notice of the annual meeting shall be given not less than ten (10) nor more than sixty (60) days before the date of the meeting. The meeting notice shall specify the date, time and place of the meeting. Presence at any such meeting shall be deemed to be waiver of notice of said meeting.

Section 4.05 Regular Meetings and Notice

Regular meetings of the Board of Directors shall be held as determined by the Board but no less frequently than quarterly at such time, place and date as determined from time to time by the Board of Directors. An agenda, indicating items requiring a vote of the members of the Board of Directors, together with copies of reports, statements and other supporting information shall be mailed by the President prior to meetings. No notice of regular meetings shall be required other than the resolution setting the time, place and date of the meeting.

Section 4.06 Special Meetings and Notice

Special meetings of the Board may be called by or at the request of the Chair, by written request of any two (2) members of the Board, or by the Member. The special meeting shall be held within five (5) days after receipt of such request. Notice of the special meeting shall be given in writing, personally, by telephone, electronic transmission or by facsimile transmission at least forty-eight (48) hours prior to the special meeting. The notice of any special meeting shall state the purpose for which it is called. No other business shall be transacted at the special meeting except for that business stated in the notice.

Section 4.07 Waiver of Notice

Attendance of a Director at a meeting constitutes a waiver of notice of the meeting except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Notice also may be waived in writing, either before or after the meeting.

Section 4.08 Quorum and Valid Director Action

At all meetings of the Board, a simple majority of the Directors then in office shall constitute a quorum for the transaction of business. The vote of a majority of the Directors present and voting at any meeting at which a quorum is present shall constitute the act of the Board, unless the vote of a larger number is specifically required by law, or by the Articles of Incorporation, Bylaws or policies of the Corporation.

Section 4.09 Written Consents

Any action required or permitted to be taken by vote at any meeting of the Board or of any committee thereof may be taken without a meeting, if before or after the action, all members of the Board or committee consent in writing. Should state law permit written consent to an action to be taken by less than all members of the Board or committee, then such action may be made by written consent by a majority of the members of the Board or committee. The written consents shall be filed with the minutes of proceedings of the Board or committee. Such consents shall have the same effect as a vote of the Board or committee for all purposes.

Section 4.10 Communication Equipment

Members of the Board of Directors, or any committee designated by the Board, may participate in a meeting of the Board or committee by means of teleconference, video conference or similar communications equipment by virtue of which all persons participating in the meeting may hear each other if all participants are advised of the communications equipment and the names of the participants in the conference are divulged to all participants. Participation in a meeting pursuant to this section shall constitute presence in person at such meeting.

Section 4.11 Resignation

Any Director may resign by written notice to the Chair of the Board. The Chair of the Board may resign by written notice to the Corporation's President who shall promptly thereafter notify the entire Board of Directors. Resignations shall be effective upon receipt or at a subsequent time if specified in the notice of resignation.

Section 4.12 Removal

Any Director may be removed with or without cause at any time by the Member. The failure of any Director to attend three (3) consecutive meetings, or four (4) meetings in any given year, without appropriate excuse, shall constitute automatic resignation of his or her office as a Director without further action by the Member or the Corporation.

Section 4.13 Periodic Performance Review

The Board of Directors shall periodically review its own performance and issue reports to Trinity Health summarizing the results of its review.

Article V. MEDICAL/DENTAL STAFF

Section 5.01 Medical/Dental Staff Bylaws

The Medical/Dental staff of the hospital operated by the Corporation shall be organized pursuant to the bylaws of the Medical/Dental staff. The bylaws shall (i) describe the organization of the medical staff, (ii) describe the qualifications and criteria for Medical/Dental staff appointment and privilege determinations, (iii) state the duties and privileges of each category of the Medical/Dental staff, (iv) include procedures for recommendations by the Medical/Dental staff on the appointment of members of the Medical/Dental staff, the delineation of their staff privileges and the initiation of corrective action taken against any member, and (v) state the requirements for completion and documentation of patient histories and physical exams. The Medical/Dental staff bylaws also shall contain procedures for the resolution of disputes that may arise regarding the granting, denial or limitation of staff privileges or corrective action taken against any member of the Medical/Dental staff, including a hearing and appeal process and the circumstances in which such hearing/appeal rights will be made available. Bylaws, rules, regulations, and policies of the Medical/Dental staff may be proposed and adopted by the Medical/Dental staff of the hospital (or other health care provider that has a Medical/Dental staff), but the bylaws, rules, regulations, policies, and amendments thereto shall not become effective until approved by the Corporation's Board of Directors.

The Board of Directors shall have final responsibility for (i) appointment and reappointment of the members of the Medical/Dental staff and delineation of their staff privileges; (ii) taking such corrective action relating to Medical/Dental staff members as it deems appropriate; (iii) ratifying the selection of Medical/Dental staff officers made by the Medical/Dental staff; (iv) ratifying the selection of heads of the departments of the Medical/Dental staff; (v) reviewing and monitoring the quality improvement programs developed by the Medical/Dental staff; and (vi) determining which categories of practitioners are eligible for appointment to the Medical/Dental Staff. The Medical/Dental staff bylaws are not deemed to be a contract and are not intended to create contractual rights or responsibilities. The Board of Directors reserves the authority to take any direct action with respect to any Medical/Dental staff appointee action it deems to be in the best interests of the hospital operated by the Corporation, whether initiated by the Medical/Dental staff or not, and the decision of the Board shall be final.

Section 5.02 Medical/Dental Staff of Operating Units

The powers described in this Article V may be delegated to the governing body of an unincorporated operating division of governance and management of the Corporation ("Operating Unit") where such Operating Unit governing body is responsible for the operation of a hospital under applicable state law or standards of accrediting agencies. Such delegation may be accomplished by resolution or by setting forth the powers and duties of such governing body in the bylaws of the Operating Unit.

Article VI. COMMITTEES

Section 6.01 Committees

The Executive Committee of the Board of Directors and such other committees as state law may require shall be standing committees of the Corporation. The Board of Directors

may establish such additional standing or special committees from time to time as it shall deem appropriate to conduct the activities of the Corporation and shall define the powers and responsibilities of such committees. Those other committees shall serve at the pleasure of the Board. The Corporation shall not have a separate audit committee as matters related to the audit of the Corporation's finances are consolidated at the Trinity Health level. The Board shall establish the purpose, composition, term and other operating matters relative to each such other committee. Each committee shall keep minutes in some manner reasonably intended to record the business that occurred at the meeting and shall forward these minutes to the Board of Directors.

Section 6.02 Executive Committee

There shall be an Executive Committee, consisting of the Chair of the Board, who shall serve as chair of the Executive Committee, the President, and at least two (2) other Directors selected by vote of the Board of Directors. All members of the Executive Committee must be members of the Board of Directors. The Executive Committee shall meet on the call of the Chair or President. Except as otherwise provided by resolution of the Board or as limited by law, the Executive Committee shall exercise the power and authority of the Board when necessary or advisable between meetings of the Board and shall exercise such other powers as may be assigned from time to time by the Board. The Executive Committee shall report on its actions at the next meeting of the Board and such actions shall be subject to revision and alteration of the Board; provided, however, that the rights of third parties shall not be affected by any such revision or alteration.

Section 6.03 Service on Committees

The committees shall establish rules and regulations for meetings and shall meet at such times as are necessary, provided that a reasonable notice of all meetings shall be given to committee members. No act of a committee shall be valid unless approved by the vote or written consent of a majority of its members. Committees shall keep regular minutes of their proceedings and report the same to the Board from time to time as the Board may require. Members of the committees (except the Executive Committee) shall be appointed for one (1) year by the Chair of the Board of Directors as soon as possible after the annual meeting of the Board. Members of the committees shall serve on their respective committees through the next annual meeting or until their respective successors are appointed. The Chair of the Board shall fill vacancies on committees (except the Executive Committee) and appointees shall serve through the next annual meeting or until their successor is appointed. The President shall be an ex officio member of all committees, except for any committee that reviews compliance or executive compensation matters.

Section 6.04 Quorum, Meetings, Rules and Procedures

A quorum for any meeting of a committee shall be a simple majority of the committee members or as otherwise required by applicable law, except that any ex officio members of the committee shall not be included in calculating the quorum requirement unless they are present at the meeting, in which event they shall be included towards meeting the quorum requirement. The affirmative vote of a majority of the quorum is necessary to take action of the committee, including the affirmative vote of at least one (1) member of the

Board present at the meeting of the committee in order to take any action other than recommendation by the committee to the Board or Executive Committee. Minutes of all committee meetings shall be kept and forwarded to the Board. Each committee shall adopt rules for its own governance not inconsistent with these Bylaws or the acts of the Board.

Section 6.05 Committee Composition

The members and all chairs of committees other than the Executive Committee shall be appointed by the Chair of the Board. The chair of each committee shall be a Director. Committees, other than the Executive Committee, may include persons other than members of the Board of Directors; provided that each standing committee shall have at least two (2) Director members in addition to the Chair and President who shall serve ex officio; and provided further, that no authority of the Board may be delegated to a committee unless the majority of the members of such committee with Board delegated authority are members of the Board of Directors and otherwise in accordance with applicable law.

Article VII. OFFICERS

Section 7.01 Officers

The officers of the Corporation shall be the Chair, President, Secretary and Treasurer. Additionally, upon recommendation of the President, the Board of Directors may appoint a Vice Chair, an Assistant Secretary, an Assistant Treasurer, and such other officers of the Corporation as shall be deemed necessary and appropriate from time to time. Officers shall hold their respective offices until their successors are chosen and qualified.

Section 7.02 Appointment and Election of Officers

The President of the Corporation shall be appointed, evaluated, reappointed and/or removed by the Member. The President shall be Chief Executive Officer of the Corporation and any vacancy in the office of President shall be filled by the Member. The Chair shall serve a term of one (1) year and may be elected for a total of only three (3) consecutive complete one year terms. The Chair, Treasurer and Secretary of the Corporation shall be elected at the annual meeting of the Directors by the Board of Directors. The Treasurer and Secretary need not be members of the Board.

Section 7.03 Vacancies

Vacancies, occurring for any reason, shall be filled in the same manner as appointment or election and the officer so appointed or elected shall hold office until a successor is chosen and qualified.

Section 7.04 Chair

The Chair shall preside at the Board meetings and shall be an ex-officio voting member of all committees.

Section 7.05 President

The President shall have general and active management responsibility for the business of the Corporation and shall see that all orders and resolutions of the Board of Directors and the policies of the Member are carried into effect, consistent with the Mission and Core Values of the Corporation. The President shall be responsible for the appointment, evaluation, compensation and removal of the respective executive officers of those corporations of which the Corporation is the member or other controlling shareholder or owner. The President shall be a voting ex officio member of all committees and shall have the general powers and duties of supervision and management usually vested in the office of President of a corporation.

Section 7.06 Secretary

The Secretary of the Corporation shall issue, or cause to be issued, notices of all Board meetings, shall be responsible for the keeping and the reporting of adequate records of all transactions of the Board, and shall record the minutes of all meetings of the Board of Directors. The Secretary shall further perform such other duties incident to his or her office and as the Board of Directors may from time to time determine.

Section 7.07 Treasurer

The Treasurer of the Corporation shall be responsible for all funds of the Corporation, shall make reports to the Board of Directors as requested by the Board of Directors, and shall see that an accounting system is maintained in such a manner as to give a true and accurate accounting of the financial transactions of the Corporation. The Treasurer shall further perform such other duties incident to his or her office as the Board of Directors may from time to time determine. The Treasurer may delegate any of the functions, powers, duties, and responsibilities to any agent or employee of the Corporation. In the event of such delegation, the Treasurer shall thereafter be relieved of all responsibility for the proper performance or exercise thereof.

Article VIII. INDEMNIFICATION AND STANDARD OF CARE

Section 8.01 Indemnification

The Corporation shall, to the maximum extent allowed by law, indemnify those persons (including religious congregations and their members or other canonical persons and their members) who

- (a) are serving or have served as members, trustees, directors, sponsors, officers, employees, committee or subcommittee members, or agents of the Corporation, or
- (b) are serving or have served at the request of the Corporation as a member, trustee, director, sponsor, officer, employee, committee or subcommittee member, agent, manager, or partner of another corporation, partnership, joint venture, trust, employee benefit plan, limited liability company or other enterprise, whether for profit or nonprofit,

against expenses (including attorney's fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred in connection with such action, suit, or proceeding.

Section 8.02 Insurance

Except as may be limited by law, the Corporation may purchase and maintain insurance on behalf of any person (including religious congregations and their members or other canonical persons and their members) who

- (a) is or was a member, trustee, director, sponsor, officer, employee, committee or subcommittee member, or agent of the Corporation, or
- (b) is or was serving at the request of the Corporation as a member, trustee, director, sponsor, officer, employee, committee or subcommittee member, agent, manager, or partner of another corporation, partnership, joint venture, trust, employee benefit plan, limited liability company or other enterprise, whether for profit or nonprofit,

to protect against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not this Corporation would have power to indemnify him or her against such liability under state law.

Section 8.03 Standard of Care

Each Director shall stand in a fiduciary relation to the Corporation and shall perform his or her duties as a Director, including his or her duties as a member of any committee of the Board upon which he or she may serve, in good faith, in a manner he or she reasonably believes to be in the best interests of the Corporation, the Member and Trinity Health, and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances.

Section 8.04 Justifiable Reliance

In performing his or her duties, a Director (including when such Director is acting as an officer of the Corporation) shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:

- (a) One or more officers or employees of the Corporation whom the Director reasonably believes to be reliable and competent in the matters presented.
- (b) Counsel, public accountants or other persons on matters that the Director reasonably believes to be within the professional or expert competence of such person.
- (c) A committee of the Board upon which he or she does not serve, duly designated in accordance with law, as to matters within its designated

authority, which committee the Director reasonably believes to merit confidence.

A Director shall not be considered to be acting in good faith if he or she has knowledge concerning the matter in question that would cause his or her reliance to be unwarranted.

Section 8.05 Consideration of Factors

In discharging the duties of their respective positions, the Board of Directors, committees of the Board and individual Directors may, in considering the best interests of the Corporation, the Member and Trinity Health, consider the effects of any action upon employees, upon suppliers and customers of the Corporation and upon communities in which offices or other establishments of the Corporation, the Member and Trinity Health are located, and all other pertinent factors. The consideration of those factors shall not constitute a violation of the standards described herein.

Section 8.06 Presumption

Absent breach of fiduciary duty, lack of good faith or self-dealing, actions taken as a Director or any failure to take any actions shall be presumed to be in the best interests of the Corporation, the Member and Trinity Health.

Section 8.07 Personal Liability of Directors

No Director shall be personally liable for monetary damages for any action taken, or any failure to take any action, unless the Director has breached or failed to perform the duties of his or her office under the standards described herein, has engaged in self-dealing, or the action or inaction constitutes willful misconduct or recklessness. The provisions of this Section shall not apply to the responsibility or liability of a Director pursuant to any criminal statute or the liability of a Director for the payment of taxes pursuant to local, state or federal law.

Nothing in this Article is intended to preclude or limit the application of any other provision of law that may provide a more favorable standard or higher level of protection for the Corporation's Directors.

Article IX. SUBSIDIARIES AND VOLUNTARY HOSPITAL SERVICE ORGANIZATIONS

Section 9.01 Authority

In accordance with policies of Trinity Health, including without limitation those referenced in the System Authority Matrix, each organization of which the Corporation is the sole or majority member or owner shall have reserved certain powers to be exercised by this Corporation.

Section 9.02 Voluntary Hospital Service Organizations

The Board of Directors may authorize the establishment or dissolution of voluntary service organizations, such as an auxiliary to the Corporation or any Operating Unit of the Corporation. Such organization may be a non-profit corporation or voluntary association. No service organization may be established without approval of the Board of Directors, subject to the reserved powers of the Member and Trinity Health and any guidelines or policies established by Trinity Health with respect to voluntary organizations.

Article X. OPERATING UNITS

Section 10.01 Authority

The Board of Directors of the Corporation may organize the operations of the Corporation into one or more other Operating Units of governance and management that shall have such powers and shall carry out such responsibilities as shall be delegated to them pursuant to the policies of the Corporation and Trinity Health in effect from time to time.

Article XI. MISCELLANEOUS

Section 11.01 Fiscal Year

The fiscal year of the Corporation shall end on the 30th day of June of each year and shall begin on the 1st day of July of each year.

Section 11.02 Required Records

The officers, agents and employees of the Corporation shall maintain such books, records and accounts of the Corporation's business and affairs as may be from time to time required by the Board of Directors, or required by the laws of the state in which the Corporation is domiciled.

Section 11.03 Confidentiality

Except as otherwise publicly disclosed, or in order to appropriately conduct the Corporation's business, the records and reports of the Corporation shall be held in confidence by those persons with access to them.

Section 11.04 Conflict of Interest

Each of the Corporation's officers and Directors shall at all times act in a manner that furthers the Corporation's charitable purposes and shall exercise care that he or she does not act in a manner that furthers his or her private interests to the detriment of the Corporation's corporate or community benefit purposes. The Corporation's officers and Directors shall fully disclose to the Corporation any potential or actual conflicts of interest, if such conflicts cannot be avoided, so that such conflicts are dealt with in the best interests of the Corporation. Conflicts of interest shall be resolved in accordance with the Corporation's conflict of interest policy. The Corporation and all its officers and Directors shall comply with any policies of the Corporation and Trinity Health regarding conflicts of interest, as well as the requirements of applicable state law regarding such conflicts, and

shall complete any and all disclosure forms as may be deemed necessary or useful by the Corporation for identifying potential conflicts of interest.

Article XII. AMENDMENT AND REVIEW

Section 12.01 Amendment

These Bylaws may be amended only in accordance with Article III of these Bylaws.

Section 12.02 Periodic Review

These Bylaws shall be reviewed periodically by the Board of Directors and any recommended revisions shall be forwarded to the Member and Trinity Health for action.

EXHIBIT A

System Authority Matrix

Trinity Health holds the reserved power to adopt and amend the following System Authority Matrix, without approval by the Corporation's Board of Directors.

Exhibit 3-D

Schedule 9.01(a) to Affiliation Agreement

SCHEDULE 9.01(a)
California Attorney General Conditions

I.

For five (5) fiscal years from the Closing Date of the Affiliation Agreement, Saint Agnes Health, Trinity Health, and all future owners, managers, lessees, licensees, or operators of Madera Community Hospital shall be required to provide written notice to the Attorney General sixty (60) 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 Madera Community Hospital; or
- b) Transfer control, responsibility, management, or governance of Madera Community Hospital. The substitution or addition of a new corporate member or members of Saint Agnes Health, or Trinity Health that transfers the control of, responsibility for, or governance of Madera Community Hospital shall be deemed a transfer for purposes of this Condition. The substitution or addition of one or more members of the governing bodies of Madera, or any arrangement, written or oral, that would transfer voting control of the members of the governing bodies of Saint Agnes Health, or Trinity Health shall also be deemed a transfer for purposes of this Condition.

II.

For five (5) years from the closing date of the Affiliation Agreement, the parties identified in Condition I will endeavor but not be required to operate and maintain Madera Community Hospital as a licensed general acute care hospital (as defined in California Health and Safety Code Section 1250) and 24-hour emergency medical services.

III.

For five (5) years from the closing date of the Affiliation Agreement, Saint Agnes Health and Trinity Health shall:

- a) Be certified to participate in the traditional Medi-Cal program at Madera Community Hospital and provide emergency or non-emergency services at Madera Community Hospital to Medi-Cal beneficiaries as required in these Conditions;
- b) Maintain and have Medi-Cal Managed Care contracts with [to be determined] or its successor to provide emergency or non-emergency services at Madera Community Hospital 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 other similarly situated hospitals offering substantially the same services, unless the contract is terminated by either party for cause or not extended or renewed by a Medi-Cal Managed Care Plan on its own initiative; and
- c) Maintain its participation in the Medicare program, by maintaining a Medicare Provider Number and providing emergency or non-emergency services to Medicare beneficiaries, both traditional Medicare and Medicare Managed Care.

IV.

For five (5) fiscal years from the Closing Date, Saint Agnes Health and Trinity Health shall provide an annual amount of Charity Care (as defined below) at Madera Community Hospital equal to or greater than \$[an amount to be agreed upon by the parties] (the Minimum Charity Care Amount). For purposes hereof, the term “charity care” shall mean the amount of charity care costs (not charges) incurred by Saint Agnes Health and Trinity Health in connection with the operation and provision of services at Madera Community Hospital. The definition and methodology for calculating “Charity Care” and the methodology for calculating “costs” shall be the same as that used by the California Department of Health Care Access and Information for annual hospital reporting purposes.

Saint Agnes Health and Trinity Health’s obligation under this Condition shall be prorated on a daily basis if the closing date of the Affiliation Agreement is a date other than the first day of Saint Agnes Health’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 Madera, CA Base Period: 1982-84=100 (as published by U.S. Bureau of Labor Statistics).

If the actual amount of charity care provided at Madera Community Hospital 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, Saint Agnes Health or Trinity Health shall pay an amount equal to the deficiency to one or more tax-exempt entities that provide direct healthcare services to residents in Madera Community Hospital’s service area (___ ZIP codes), as defined on page ___ of the Madera Community Hospital Health Care Impact Statement, dated _____, and attached hereto as Exhibit 2. Such payment(s) shall be made within six months following the end of such fiscal year.

V.

For five (5) fiscal years from the closing date of the Affiliation Agreement, Saint Agnes Health and Trinity Health shall provide an annual amount of Community Benefit Services at Madera Community Hospital equal to or greater than \$[an amount to be agreed upon by the parties] (the Minimum Community Benefit Services Amount) exclusive of any funds from grants.

Saint Agnes Health and Trinity Health’s obligation under this Condition shall be prorated on a daily basis if the effective date of the Affiliation Agreement is a date other than the first day of Saint Agnes Health’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 Madera, CA Base Period: 1982-84=100 (as published by U.S. Bureau of Labor Statistics).

If the actual amount of community benefit services provided at Madera Community Hospital 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, Madera Community Hospital or Saint Agnes Health shall pay an amount equal to the deficiency to one or more tax exempt entities that provide community benefit services for residents in Madera Community Hospital’s service area (___ ZIP codes), as defined on page ___ of the Madera Community Hospital Health Care Impact Statement, dated _____, and attached hereto as Exhibit 2. Such payment(s) shall be made within six months following the end of such fiscal year.

VI.

For five (5) years from the closing date of the Affiliation Agreement, Saint Agnes Health and Trinity Health shall commit the necessary investments required to meet and maintain OSHPD seismic compliance requirements at Madera Community Hospital under the Alfred E. Alquist Hospital Facilities Seismic Safety Act of 1983, as amended by the California Hospital Facilities Seismic Safety Act, (Health & Saf. Code, §§129675-130070) and as such Acts may be subsequently amended, modified, or replaced.

VII.

Saint Agnes Health and Trinity Health shall maintain privileges for current medical staff at Madera Community Hospital who are in good standing as of the closing date of the Affiliation Agreement. Further, the closing of the Affiliation Agreement shall not change the medical staff officers, committee chairs, or independence of the medical staff, and such persons shall remain in good standing for the remainder of their tenure as medical staff officers or committee chairs at Madera Community Hospital.

VIII.

There shall be no discrimination against any lesbian, gay, bisexual, transgender, or queer individuals at Madera Community Hospital. This prohibition must be explicitly set forth in Madera Community Hospital's written policies applicable at Madera Community Hospital, adhered to, and strictly enforced.

IX.

1. Definitions.

The "Closing Date" is _____.

"Commercial or Government-Sponsored Product" means a commercial or government-sponsored product (e.g., Medicare Advantage plans or Medi-Cal managed care plans) offered by a Payer.

"Payer" means a company that provides health insurance policies or makes hospital networks accessible for Madera County residents. The term "Payer" includes self-funded employers that do the foregoing, as well as independent physician associations who in turn provide capitated services, under a limited or restricted Knox-Keene license from the Department of Managed Health Care, to any Payer who sells any commercial, Medicare, and Medi-Cal healthcare plans of any kind or makes any networks available to self-insured employers, union trusts, and/or state and local government entities. Examples of Payers include Aetna Health of California, Aetna Health Management, Aetna Life Insurance Co., Anthem Blue Cross Inc./Blue Cross of California, California Physician Services (d/b/a Blue Shield of California), Cigna HealthCare of California, Inc., Cigna Health and Life Insurance Co., Heritage, HealthCare Partners, Health Net of California, Inc., United Healthcare of California (and their subdivisions, subsidiaries, successors, assigns, and affiliates), and IPAs such as [to be determined]. However, the term "Payer" does not include (a) Kaiser Foundation Health Plan Inc., Kaiser Foundation Hospitals. The Permanente Medical Groups or Kaiser Permanente Insurance Corporation, individually or collectively, or (b) any commercial health plans or networks co-branded with any healthcare provider (although "Payers" can include capitated IPAs affiliated with healthcare providers that contract, or seek to contract, with non-healthcare provider affiliated Payers).

"Viability" shall be achieved when, for two successive calendar years, Madera Community Hospital shall have earned operating profits as a share of net revenues equal to or in excess of 3%, provided that revenues shall include recurring sources of government funding, including DSH and QAF funding, but shall not

include nonrecurring or temporary government funding, including but not limited, CARES Act funding or other funding related to the COVID crisis. Trinity Health shall attest that the calculation of operating margin for Madera Community Hospital shall reflect an allocation of corporate overhead expenses consistent with the principles utilized to determine such allocations for all Trinity hospitals.

2. For five years after the Closing Date, Trinity Health will not condition the participation of Saint Agnes Medical Center, on the participation of Madera Community Hospital with any Payer, provided that this provision will not prohibit a consensual agreement between Saint Agnes, Madera Community Hospital and a Payer to a contract involving both Saint Agnes Medical Center and Madera Community Hospital. This prohibition on conditioning of participation also includes:

(a) Saint Agnes Medical Center engaging a Payer in “all-or-nothing” contracting for hospital services by expressly or impliedly requiring the Payer to contract with Madera Community Hospital as a condition to permitting the Payer to contract with Saint Agnes Medical Center, including by conditioning the participation of Saint Agnes Medical Center in a Commercial or Government-Sponsored Product on any of the following:

(i) the participation of Madera Community Hospital in the same or any other Commercial or Government-Sponsored Product offered by the Payer, provided that this provision will not prohibit a consensual agreement between Saint Agnes Medical Center, Madera Community Hospital and a Payer to a contract involving both Saint Agnes Medical Center and Madera Community Hospital,

(ii) the status of (including the decision on whether to include or exclude) Madera Community Hospital in the Payer’s center of excellence program (or other program designed to differentiate hospitals based on their quality of care, their cost, or other consideration), or the exclusion of any third party’s hospital in the Payer’s center of excellence program (or other similar program), provided that this provision shall not prevent Saint Agnes Medical Center or Madera Community Hospital from objecting to, or refusing to participate in, a center of excellence or similar program on the grounds that it does not include transparent criteria applied objectively and consistently to the affected hospitals; or

(b) Saint Agnes Medical Center penalizing a Payer for contracting with Saint Agnes Medical Center but not Madera Community Hospital, by setting Saint Agnes Medical Center’s rates in the event that the Payer contracts with Saint Agnes and not with Madera Community Hospital at a rate more than 50% higher than the rate paid to Saint Agnes in the event that the Payer contracts with Saint Agnes Medical Center and Madera Community Hospital.

(c) Saint Agnes Medical Center interfering with, or otherwise engaging in any action, direct or indirect, to prevent the introduction or promotion of new narrow, tiered, or steering Commercial or Government-Sponsored Products or value-based benefit designs for Commercial or Government-Sponsored Products (i.e., benefit designs that attempt to reward providers for affordability and/or quality) at Madera Community Hospital, including reference pricing, provided that Saint Agnes Medical Center or Madera Community Hospital may object to, or refuse to participate in, any such arrangements if they are not transparent, objective and consistently applied.

However, these conditions shall not apply until after Madera Community Hospital has achieved Viability for two successive years. After this “Viability condition” has been met, these provisions shall only apply to any new contract entered into after that date but shall not affect the legality of any previously negotiated

contract. Any delay in the application of these prohibitions because Madera Community Hospital has not achieved Viability will not extend the period of time during which this provision applies.

3. For five years from the Closing Date, the maximum that Trinity Health may charge a Payer for any Commercial Product of a Payer for out-of-network emergency department hospital services that are being performed at Madera Community Hospital will be governed by the applicable payment provisions in the Contract Terms that are in effect between Madera Community Hospital and that Payer, subject to any renewal or new Contract Terms that are negotiated in compliance with these Competitive Impact Conditions, as long as these payment terms do not exceed 275% of Medicare fee for service.

4. For five years after the Closing Date, the maximum that Trinity Health may charge a Payer for any Medi-Cal Product of a Payer for hospital services that are being performed at Madera Community Hospital will be governed by the applicable payment provisions in the Contract Terms that are in effect between Madera Community Hospital and that Payer, subject to any renewal or new Contract Terms that are negotiated in compliance with these Competitive Impact Conditions, as long as these payment terms do not exceed 150% of Medi-Cal fee for service.

5. For five years after the Closing Date, the maximum that Trinity Health may charge a Payer for any Medicare Advantage Product of a Payer for hospital services that are being performed at Madera Community Hospital will be governed by the applicable payment provisions in the Contract Terms that are in effect between Madera Community Hospital and that Payer, subject to any renewal or new Contract Terms that are negotiated in compliance with these Competitive Impact Conditions, as long as these payment terms do not exceed 110% of Medicare fee for service.

6. For five years after the Closing Date, Saint Agnes Medical Center will not enter into any amendment to any agreement with a Payer that would violate any of Competitive Impact Conditions #2 - #5.

7. Retaliation or threats of retaliation based on any Payer, entity, or individual having provided information in conjunction with these conditions to the Monitor is prohibited.

8. The Attorney General will have the right to appoint a person selected as described in this Competitive Impact Condition #8 (the "Monitor") to perform the services described in Competitive Impact Condition #2-#7.

(a) *Selection:* The Attorney General has the sole discretion to select the Monitor, subject to consultation with Saint Agnes Health and subject to the following criteria and conditions. To be qualified to serve as a Monitor, a candidate must disclose to the Attorney General and to Saint Agnes Health any potential conflict of interest, be experienced with hospital operations and managed care contracting, if not also knowledgeable as to managed care contracting in California, and be knowledgeable about federal and California antitrust law. Saint Agnes Health will disclose candidates it proposes to serve as the Monitor to the Attorney General and the Attorney General will disclose candidates it proposes to serve as the Monitor to Saint Agnes Health. The Attorney General and Saint Agnes Health shall consider diversity, equity, and inclusion in proposing candidates to serve as the Monitor. The Attorney General will give due consideration to any candidates proposed by Saint Agnes Health. Any interviews of any candidates will be jointly conducted by Saint Agnes Health and the Attorney General. Within 90 days from the Closing Date, the Attorney General shall select the Monitor. Not later than thirty (30) days after the Attorney General's selection of the Monitor, Saint Agnes Health shall execute an agreement that, subject to the prior approval of the Attorney General, confers on the Monitor those rights, powers, and authorities necessary to permit the Monitor to perform his/her duties and responsibilities described in Competitive Impact Condition #9(b) below. Saint Agnes Health may require the Monitor and each of the Monitor's staff and experts

to sign a customary confidentiality agreement; provided however, that such agreement shall not restrict the Monitor from providing any information to the Attorney General. Saint Agnes Health will be solely responsible for the reasonable expenses of the selected Monitor, including staff and experts of the Monitor, in performing the services described in Competitive Impact Condition #9(b) below.

(b) *Powers:* The Monitor shall have the following powers to the extent necessary to monitor compliance with Competitive Impact Conditions #2-#7: to investigate Saint Agnes Health's compliance with such Competitive Impact Conditions; to take complaints from Payers, Saint Agnes Health, or from the Attorney General (with reasonable notice to be provided thereafter to all parties); to reasonably inspect records and compel disclosure of confidential documents as necessary to investigate such compliance, subject to any demonstrated legally recognized privilege and appropriate confidentiality protections; to interview witnesses (if Saint Agnes Health or Madera Community Hospital employees, then subject to reasonable prior notice and the opportunity for Saint Agnes to have counsel present); to hire staff and experts; and to make recommendations concerning enforcement to the Attorney General.

(c) *Duty to Cooperate:* Saint Agnes Health shall cooperate with the Monitor in the reasonable performance of the Monitor's work and shall take no action to interfere with or impede the Monitor's ability to reasonably monitor compliance with these conditions.

(d) *Reporting:* Saint Agnes Health shall provide annual reports to the Monitor of Saint Agnes Health's efforts to comply with Competitive Impact Conditions #2-6. Within a reasonable time from the date the Monitor receives these reports, the Monitor will be obligated to report in writing to the Attorney General and Saint Agnes Health as to any and all concerns as set out in these annual reports regarding Saint Agnes Health's performance of its obligations under Competitive Impact Conditions #2-#6. All such reports shall be provided to Saint Agnes Health.

X.

Within sixty (60) days from the Closing Date of the Affiliation Agreement and for five (5) years from the Closing Date of the Affiliation Agreement, the entities listed in Condition I shall take the following steps:

- a. **Emergency Services, Stabilization and Transfer, and Non-Interference with Health Practitioner's Judgment:** The entities listed in Condition I, shall comply with the Emergency Medical Treatment and Active Labor Act (EMTALA), 42 U.S.C. §§ 1395cc, 1395dd; Health & Safety Code § 1317; and 42 C.F.R § 489.24, and in instances of emergency medical conditions as defined by those provisions, shall permit medical staff to (i) make clinical decisions consistent with the standard of care and their independent professional judgment, respecting the needs and wishes of each individual patient; (ii) inform patients of all of their healthcare options; (iii) prescribe any interventions that are medically necessary and appropriate; (iv) transfer or refer patients to other facilities whenever they determine it is in the patient's interests; and (v) provide any item or service they deem in their professional judgment to be necessary and appropriate without restriction, and without seeking approval from any non-provider, including any items or services where referral or transfer to another facility would, in their sole professional judgment, risk material deterioration to the patient's condition. The entities listed in Condition I shall revise their written policies, tools, procedures, guidelines, and training materials and shall train existing medical staff to ensure compliance with the Emergency Medical Treatment and Active Labor Act (EMTALA), 42 U.S.C. §§ 1395cc, 1395dd; Health & Safety Code § 1317; and 42 C.F.R § 489.24 and the provisions herein and shall submit their written policies, tools, procedures, guidelines, and training materials to the Attorney General.

- b. Treatment of Sexual Assault Survivors: The entities listed in Condition I, shall comply with Health & Safety Code section 1281 and Penal Code sections 13823.11 and 13823.5.
- c. For five (5) years from the Closing Date of the Affiliation Agreement, the entities listed in Condition I, will endeavor but not be required to maintain the following services at Madera Community Hospital's general acute care hospital, rural clinics, and other outpatient settings:
 - i. Mammography and Breast Health Services;
 - ii. Preventative Healthcare, including Pap Smears;
 - iii. Labor and Delivery Department, including Maternity Services such as Breastfeeding Support;
 - iv. Gynecology and Gynecological Surgery to treat common female reproductive health conditions, including Hysterectomy, Salpingo-oophorectomy, D/C, Diagnostic laparoscopy, Endometrial Ablation, LEEP procedure, Cystocele repair, Anterior/Posterior Repair, Myomectomy, and Ovarian Cystectomy; and
 - v. Contraception, including oral, implantable, injectable, and IUD insertion.
- d. Notice of Policy-Based Restrictions: The entities listed in Condition I shall make publicly available in both English and Spanish, and provide to patients in person, notice of any non-emergency healthcare services that will either not be available, that will be discontinued, or that might otherwise be subject to policy-based restrictions or limitations, including but not limited to treatment and services for the following: family planning and reproductive healthcare consultations, prescriptions, treatments, and procedures; sterilization consultations, prescriptions, treatments, and procedures; gender affirming care consultations, prescriptions, treatments, and procedures; palliative and end-of-life care, including End-of-Life Option Act drugs; and any other healthcare services that may or will be limited or discontinued due to policy-based restrictions. For any services restricted or limited by policies that are subject to prior review and approval by a hospital committee, the entities listed in Condition I shall also make publicly available in both English and Spanish, and provide to patients in person, information pertaining to the committee's process and procedures, factors or criteria considered by a committee in approving or denying a service, and the timing for notification regarding the decision to approve or deny a service. The notice, as well as policies and procedures and other information contemplated herein, must be published on Madera Community Hospital's website in English and Spanish in a location readily accessible to the public, without a required login or other restriction.
- e. The entities listed in Condition I, shall provide information regarding alternative health care providers and locations, and transportation assistance, to current or presenting patients who are in need of or are otherwise seeking restricted services, to another healthcare provider or location where the services may be provided. At a minimum, the information shall be readily available in written form, in English and in Spanish, as needed, with the name, address, telephone number(s), and last known business hours of appropriate healthcare providers that are consistent with the patient's clinical status, along with any related medical records, upon request to any member of the public or patients of Madera Community Hospital or their representatives. The Madera Community Hospital service area healthcare providers on the list of providers shall be State of California licensed healthcare providers or providers operating within a statutory exception to state licensure. At a minimum, the information shall include the nearest access to transportation services and healthcare providers within the Madera Community Hospital service area, or if not available within

the Madera Community Hospital service area, access to the next nearest available alternative outside of the Madera Community Hospital service area or in Fresno, California or other neighboring county. The transportation services contemplated herein are not intended to replace ambulance or other medical transport services where appropriate given the patient's clinical status, including under instances of emergency medical conditions as contemplated in subdivision a, immediately above. The entities listed in Condition I shall submit their information regarding alternative providers and transportation assistance materials to the Attorney General within sixty (60) days from the Closing Date of the Affiliation Agreement, every six (6) months thereafter, and as part of the annual report contemplated in Condition XI.

- f. The entities in Condition I shall comply with nondiscrimination provisions of 42 U.S.C. § 300a-7, subdivision (c)(1) and Health & Safety Code, section 123420, subdivision (a). In addition and notwithstanding these provisions, the entities in Condition I shall neither deny nor restrict employment, privileging or credentialing at Madera Community Hospital for a health practitioner based on that practitioner's prior or current practice, performance or participation in the provision of abortion services, contraception services, or other reproductive health services, including gender-affirming care or treatment, in private practice or healthcare settings outside of Madera Community Hospital.

XI.

For five (5) fiscal years from the closing date of the Affiliation Agreement, Saint Agnes Health and Trinity Health shall submit to the Attorney General, no later than six months after the conclusion of each fiscal year, a report describing, in detail, compliance with each Condition set forth herein. The Chairman(s) of the Board of Directors of Saint Agnes Health and the Chief Executive Officers of Saint Agnes Health and Madera Community Hospital shall each certify that the report is true, accurate, and complete, and provide documentation of the review and approval of the report by these Boards of Directors.

XII.

At the request of the Attorney General, all of the entities listed in Condition I 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.

XIII.

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.

SCHEDULE 5.04
Capitalization

(a)

Madera Board of Trustees

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
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- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

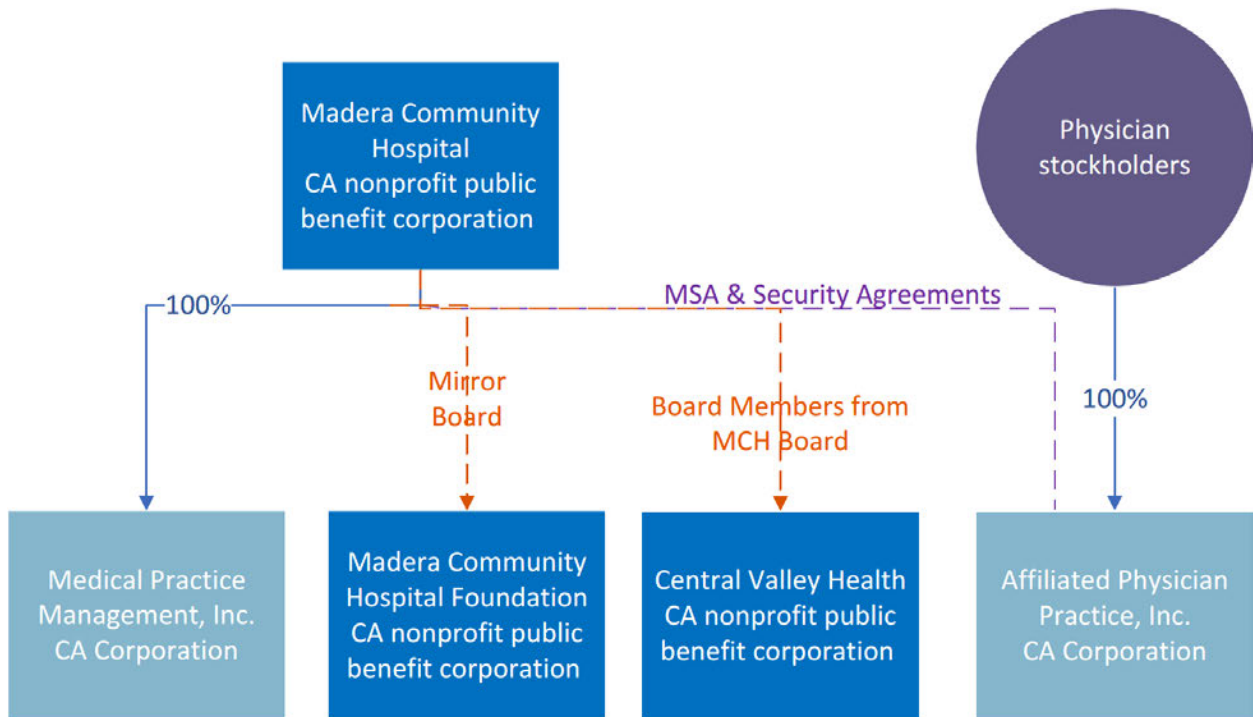
(b)

1. Guarantees by [REDACTED] in favor of Madera Community Hospital, dated October 14, 2015
2. Security Agreement, between Affiliated Physician Practice, Inc. and Madera Community Hospital, effective October 14, 2015
3. Security Agreement Pledge of Stock, between [REDACTED] Madera Community Hospital and [REDACTED] dated October 14, 2015
4. Stock Redemption Agreement, between Affiliated Physician Practice, Inc., [REDACTED] [REDACTED] dated October 14, 2015 (“Stock Redemption Agreement”)
5. Guarantees by [REDACTED] in favor of Madera Community Hospital, dated July 25, 2018

6. 2018 Security Agreement Pledge of Stock, between [REDACTED] and Madera Community Hospital, dated July 25, 2018
7. 2018 Security Agreement, between Affiliated Physician Practice, Inc. and Madera Community Hospital, effective July 25, 2018

(c)

1. Schedule 5.04(b) is incorporated by reference.



(d)

No disclosures.

SCHEDULE 5.05
Tax-Exempt Status

1. Owned Real Properties exempt from real property taxes,

Address	Parcel No.
1250 E. Almond Ave. Madera, CA 93637	012-300-012 012-300-013**
1210 E. Almond Ave. Madera, CA 93637	012-300-004
1270 E. Almond Ave. Madera, CA 93637	012-300-003
1280 E. Almond Ave. Madera, CA 93637	012-300-003
1260 E. Almond Ave. Madera, CA 93637	012-300-003
1290 E. Almond Ave. Madera, CA 93637	012-300-003
1200 East Almond Ave, Madera, CA 93637	012-300-001 012-300-002*

* This property is exempt under the exemption for "low value" properties under Cal. Rev. & Tax. Code § 155.20 whereas the other properties are exempt under the welfare exemption.

**As per the 2021-2022 Property Tax Bill, this parcel is partially exempt.

SCHEDULE 5.06
No Conflicts; Consents

(a) No disclosure

(b)

Pre-Closing filings with Governmental Authorities

1. Notice and approval from the California Attorney General in accordance with Section 5920 of the California Corporations Code.
2. New application/Change in Ownership Submission for Hospital Pharmacy Permit (Lic. # HSP30734) issued by California Board of Pharmacy to Madera Community Hospital, issue date: December 1, 1984 (with temporary or permanent pharmacy permit to be issued effective as of Closing).
3. New application/Change in Ownership Submission for Sterile Compounding License (No. LSC 99534) for Madera Community Hospital, issue date: July 8, 2009 (address: 1250 E Almond Ave, Madera CA 93637) (with temporary or permanent pharmacy permit to be issued effective as of Closing although a gap in licensure may be necessary to accommodate BOP survey).
4. Notice letter recommended but not required with respect to Radioactive Material License (Lic # 5154-20) for Madera Community Hospital, dated May 3, 2013 (address: 1250 East Almond Avenue, Madera, CA 93637).

Post-Closing filings with Governmental Authorities

5. Change in registration filing (once the new MCH Hospital Pharmacy Permit is issued) for Controlled Substance Registration Certificate (DEA Reg. # BM2550449, Schedules 2, 2N, 3, 3N, 4, 5) for Madera Community Hospital, issue date: January 27, 2021.
6. Notice letter for Permit to Operate (C-7173-1-0) issued by San Joaquin Valley Air Pollution Control District to Madera Community Hospital, expiration date: June 30, 2026
7. Notice letter for Permit to Operate issued by San Joaquin Valley Air Pollution Control District to Madera Community Hospital, expiration date: June 30, 2026
8. Notice to HFAP Accreditation for Madera Community Hospital (HFAP ID: 162869), effective date: 6/25/2020 - 6/25/2023 (address: 1250 E Almond Ave. Madera, CA 93637-5696)
9. Change of information filing for General Acute Care Hospital License (Lic# 040000191) for Madera Community Hospital, effective date: May 27, 2022 (address: 1250 E Almond Ave, Madera, CA 93637-5606).
10. New application/Change in Ownership Submission for Clinical and Public Health Laboratory License (State ID# CLF-00002111, CLIA ID# 05D0588593) for Madera Community Hospital Laboratory, effective date: December 28, 2021 (address: 1250 East Almond Avenue, Madera, CA 93637).

11. New application/Change in Ownership Submission for Clinical and Public Health Laboratory License (State ID# CLR-90000805, CLIA ID# 05D2184617) for Family Health Services - Mendota, effective date: May 21, 2022 (address: 121 Belmont Ave. Ste. 100, Mendota, CA 93640-8231).
12. New application/Change in Ownership Submission for Clinical and Public Health Laboratory License (State ID# CLR-00312795, CLIA ID# 05D0861938) for Chowchilla Medical Center, effective date: January 10, 2022 (address: 285 Hospital Dr., Chowchilla, CA 93610-2041).
13. New application/Change in Ownership Submission for Clinical and Public Health Laboratory License (State ID# CLP-90002112, CLIA ID# 05D2201036) for Affiliated Physician Practice, Inc., effective date: April 10, 2022 (address: 1280 E Almond Ave., Madera, CA 93637-5606).
14. New application/Change in Ownership Submission for Clinical and Public Health Laboratory License (State ID# CLR-00342808, CLIA ID# 05D2045072) for Family Health Services, effective date October 31, 2021 (address: 1210 E. Almond Ave., Madera, CA 93638).
15. New application/Change in Ownership Submission for Centers for Medicare & Medicaid Services (“CMS”) Clinical Laboratory Improvement Amendments (“CLIA”) Certificate of Waiver for Family Health Services-Mendota (CLIA ID# 05D2184617), effective date: May 21, 2022 (address: 121 Belmont Ave. Ste. 101, Mendota, CA 93640).
16. New application/Change in Ownership Submission for CMS CLIA Certificate of Waiver for Chowchilla Medical Center (CLIA ID# 05D0861938), effective date: February 6, 2022 (address: 285 Hospital Dr., Chowchilla, CA 93610-2041).
17. New application/Change in Ownership Submission for CMS CLIA Certificate of Waiver for Affiliated Physician Practice (CLIA ID# 05D2201036), effective date: November 18, 2020 (address: 1280 E. Almond Ave., Madera, CA 93637-5606).
18. New application/Change in Ownership Submission for CMS CLIA Certificate of Waiver for Family Health Services (CLIA ID#05D2045072), effective August 6, 2020 (address: 1210 E. Almond Avenue, Madera, CA 93638-5606).
19. New application/Change in Ownership Submission for CMS CLIA Certificate of Accreditation for Madera Community Hospital (CLIA ID# 05D0588593), effective January 3, 2021 (address: 1250 E. Almond Ave., Madera, CA 93637-5606).
20. Change of information filings for Medicare Provider Numbers:
 - a. 05-0568 Madera Community Hospital, Part A & Part B
 - b. 05-3990 Family Health Services Rural Health Clinic (in Madera), Part B
 - c. 05-8639 Chowchilla Medical Center Rural Health Clinic, Part B
 - d. 05-8715 Family Health Services-Mendota Rural Health Clinic, Part B
21. Change of information filings for Medi-Cal Provider Numbers
 - a. HSC 00568G (Madera Community Hospital) Medi-Cal hospital inpatient services

b. HSP40568G Medi-Cal hospital outpatient services

(c)

Notices to third parties

1. Aetna Agreement
2. Blue Cross Participating Hospital Agreement
3. Facility Service Agreement between Beech Street Corporation and Madera Community Hospital, dated November 1, 2008 (“Beech Street Agreement”)
4. County Medical Services Program (CMSP) Participating Physician, Physician Group and Community Health Center Agreement (Contract # CL100) between the County Medical Services Program Governing Board and Madera Community Hospital and/or entities identified in Exhibit A, dated April 13, 2017, as amended on November 1, 2019 (“County Medical Services Program Governing Board Agreement”)
5. Hospital Services Agreement between Meritage Health Plan and Madera Community Hospital, dated October 1, 2021 (“Meritage Health Agreement”).
6. Facility Participation Agreement between UnitedHealthcare Insurance Company on behalf of itself, UHC of California dba UnitedHealthcare of California, UnitedHealthcare Benefits Plan of California, and the other United Affiliates (collectively "United") and Madera Community Hospital; effective August 1, 2019 (“UHC Agreement”).
7. Letter of Participation (#: PPPW18CES01) between Cardinal Health 110, LLC, Cardinal Health 411, Inc. and Cardinal Health 112, LLC and Madera Community Hospital, effective February 1, 2021
8. Premier Member Letter of Participation (Contract No.: 00287591.0) among Madera Community Hospital and Cardinal Health 110, LLC and Cardinal Health 112, LLC effective January 1, 2016
9. Master Products Agreement by and between Madera Community Hospital and Siemens Healthcare Diagnostics Inc. dated April 8, 2013, as supplemented (Quote #5NM-2QL) on April 8, 2013
10. Flex Financial Lease
11. Health Care Information System Software Agreement between Medical Information Technology, Inc. and Madera Community Hospital, effective September 21, 2009
12. Short Form Lease Agreement (No. 0110054277) between Madera Community Hospital and Flex Financial, a division of Stryker Sales Corporation, dated July 30, 2018
13. Master Agreement, effective July 19, 2022, between CareFusion Solutions, LLC and Madera community Hospital.
14. Customer Order (# 1000203589) to Master Agreement (dated July 19, 2022) between CareFusion Solutions, LLC and Madera community Hospital, as of February 15, 2022.

Required consents from third parties

1. Anthem Blue Cross Facility Agreement between Blue Cross of California d/b/a Anthem Blue Cross and Madera Community Hospital, effective April 1, 2010 (“Anthem Blue Cross Agreement”)
2. Blue Shield of California Fee For Service Hospital Agreement between Madera Community Hospital and California Physicians' Services, dba Blue Shield of California, effective April 1, 2012, as amended on January 1, 2014 and July 1, 2015. (“Blue Shield Agreement 1”)
3. Independent Physician & Provider Agreement (Fee For Service) between California Physicians' Service, dba Blue Shield of California and Family Health Services, Rural Health Clinic, and Madera Community Hospital, dated July 9, 2019. (“Blue Shield Agreement 2”)
4. Hospital Services Agreement between Cigna HealthCare of California, Inc. and Cigna Health and Life Insurance Company and Madera Community Hospital (collectively "Cigna"), effective June 10, 2019 (“Cigna Hospital Services Agreement”)
5. Provider Group Services Agreement between Cigna HealthCare of California, Inc. and Cigna Health and Life Insurance Company (collectively "Cigna") and Madera Community Hospital, effective May 1, 2021 (“Cigna Provider Group Services Agreement”)
6. Primary Care Provider Services Agreement between ██████████ and Madera Community Hospital, effective April 1, 2021 (“FirstChoice Agreement”)
7. Provider Participation Agreement between Madera Community Hospital and Health Net of California, Inc. on behalf of itself and the subsidiaries and affiliates of Health Net, Inc., dated January 1, 2019, as amended on July 1, 2019 (“Health Net Agreement”).
8. Hospital Agreement between the San Joaquin County Health Commission and Madera Community Hospital, effective January 1, 2008, as amended on December 1, 2011 (“San Joaquin County Agreement”)
9. Hospital Services Agreement between Universal Care, Inc. dba Brand New Day and Madera Community Hospital, effective January 1, 2021, as amended on November 18, 2020 (“Universal Care Hospital Services Agreement”).
10. Medical Group Services Agreement between Universal Care, Inc., dba Brand new Day and Madera Community Hospital dba Family Health Services, Chowcella Medical Center, Family Health Services - Mendota, dated April 1, 2021 (“Universal Care Medical Group Services Agreement”).
11. Amended and Restated Solar Energy Power Purchase Agreement by and between Madera Community Hospital and GLC-(CA) Madera, LLC dated December 22, 2010

██████████ Employment Agreement

██████████ Employment Agreement

14. Citizens Business Bank Loan.

15. Citizens Business Bank Promissory Note.
16. Equipment Lease Agreement between Madera Community Hospital and Siemens Financial Services, Inc., dated April 13, 2020.
17. Siemens 10/23/2020 Equipment Lease
18. Lease Schedule (#20005452) to Siemens 10/23/2020 Equipment Lease, dated October 30, 2020
19. Lease Schedule (#20005453) to Siemens 10/23/2020 Equipment Lease, dated October 30, 2020
20. Lease Schedule (#20005455) to Siemens 10/23/2020 Equipment Lease, dated October 30, 2020
21. Leasing Schedule (#20009197) to Siemens 10/23/2020 Equipment Lease, dated April 29, 2022
22. Leasing Schedule (#20009198) to Siemens 10/23/2020 Equipment Lease, dated April 27, 2022
23. Leasing Schedule (#20009200) to Siemens 10/23/2020 Equipment Lease, dated April 28, 2022
24. Master Lease Agreement between Madera Community Hospital and First American Commercial Bancorp, Inc., dated December 29, 2017.
25. HP 2020 Equipment Lease.
26. AmeriCorp Equipment Lease
27. Apple Lease
28. VAR Equipment Lease
29. Ray Morgan Equipment Lease
30. Barrington Equipment Lease
31. Lease Agreement (# MA022812) between Winthrop Resources Corporation and Madera Community Hospital, dated February 28, 2012
32. Lease Schedule No. 003R to Lease Agreement # MA022812 (dated February 28, 2012) between TCF National Bank (aka Huntington Technology Finance) (“Lessor”) and Madera Community Hospital (“Lessee”), dated November 17, 2020
33. Customer License Agreement between Madera Community Hospital and Novarad Corporation, dated February 12, 2020
34. Service Agreement between Carestream Health, Inc. and Madera Community Hospital, dated July 3, 2018
35. Wellness Dietetic Internship Affiliation Agreement between Lagniappe Wellness Dietetic Internship and Madera Community Hospital, dated October 27, 2021
36. Affiliation Agreement between University of the Pacific and Madera Community Hospital, dated February 1, 2022

37. Software License and Support Upfront Agreement between eClinicalWorks, LLC and Madera Community Hospital, effective April 26, 2011
38. License Agreement among PenRad Technologies, Inc., Novarad Corporation, and Madera Community Hospital, effective December 1, 2020
39. Sales Order Form between Comcast Enterprise Services and Madera Community Hospital, effective December 17, 2021
40. Master Agreement by and between DrFirst.com, Inc. and Madera Community Hospital, dated March 16, 2012, and addendum dated November 21, 2019
41. Customer Agreement by and between Novard Corporation and Madera Community Hospital, dated February 12, 2020

(d)

No disclosures.

SCHEDULE 5.10
Bonds and Indebtedness

Loan Agreement	Borrower/ Lessee	Lender/Les- sor	Outstanding Principal Amount	Intere- st Rate	Maturity Date	Collateral	Prepayment, make-whole, breakage, or other similar premiums, payments, fees, costs, or penalties applicable thereto
Lease Agreement between AmeriCorp Financial, LLC (“Lessor”) and Madera Community Hospital (“Lessee”), dated January 21, 2021 (“AmeriCorp Equipment Lease”)	Madera Community Hospital	AmeriCorp Financial, LLC	\$362,097 (as of 6/1/2022)	N/A	9/1/2027	2 INTEGRITY 270 STERILIZERS	There are “make-whole” and “default penalties” provisions described in the agreement.
Lease Agreement between Apple Inc. (“Lessor”) and Madera Community Hospital (“Lessee”) (Reference No. 500-50111279), effective June 1, 2020 (“Apple Lease”)	Madera Community Hospital	Apple Inc.	\$36,797.18 (as of 6/1/2022)	N/A	10/1/2023	<ol style="list-style-type: none"> 1. 75 Apple iPhone XR-black-4G-64GB CDMA/GSM - smartphone 2. 75 AppleCare+ extended service agreement 2 years – carry-in 3. 150 Mophie Juice Pack access battery case for cell phone 4. Apple DEP Enrollment 	There are “make-whole” and “default penalties” provisions described in the agreement.
Equipment Lease Agreement (Quote No. 2018-814436939) between Beckman Coulter, Inc. (“Lessor”) and Madera Community Hospital (“Lessee”), dated January 28, 2019	Madera Community Hospital	Beckman Coulter	\$25,664.72 (as of 6/1/2022)	N/A	8/1/2024	A Purchase Money security interest in the Product under the lease agreement, and any proceeds thereof.	There are “make-whole” and “default penalties” provisions described in the agreement.

Loan Agreement	Borrower/ Lessee	Lender/Les sor	Outstanding Principal Amount	Intere st Rate	Maturity Date	Collateral	Prepayment, make-whole, breakage, or other similar premiums, payments, fees, costs, or penalties applicable thereto
Lease Agreement between Canon Financial Services, Inc. ("Lessor") and Madera Community Hospital ("Lessee"), dated July 24, 2018	Madera Community Hospital	Canon Financial services	\$37,825 (as of 6/1/2022)	N/A	10/24/2023	All equipment covered under the Lease Agreement, including (i) all attachments, accessories and accessions to, substitutions and replacement for, and product of the Equipment; (ii) all insurance, warranty and other claims against third parties with respect to the Equipment (including claims for rent upon any lease of the Equipment); (iii) all rights to chattel paper arising from the Equipment; (iv) all software and other intellectual property rights used or useful in connection therewith; (v) all proceeds (including insurance proceeds) of the foregoing; and (vi) all books and records regarding the foregoing.	There are "make-whole" and "default penalties" provisions described in the agreement.
Rental Agreement (Quote No. 1000082578) between CareFusion Solutions, LLC ("Lessor") and Madera Community Hospital ("Lessee"), effective December 1, 2016, as amended by that certain Addendum, dated December 1, 2016	Madera Community Hospital	CareFusion Solutions, LLC	\$15,355 (as of 6/1/2022)	N/A	7/1/2022	Pyxis Products and all accessions, substitutions, replacements therefore, and proceeds thereof (including insurance proceeds) to secure all obligations pursuant to the Rental Agreement.	There are "make-whole" and "default penalties" provisions described in the agreement.

Loan Agreement	Borrower/ Lessee	Lender/Les sor	Outstanding Principal Amount	Intere st Rate	Maturity Date	Collateral	Prepayment, make-whole, breakage, or other similar premiums, payments, fees, costs, or penalties applicable thereto
Rental Agreement (Quote No. 1000131801) between CareFusion Solutions, LLC (“Lessor”) and Madera Community Hospital (“Lessee”), dated December 18, 2018	Madera Community Hospital	CareFusion Solutions, LLC	\$3,540 (as of 6/1/2022)	N/A	12/1/2024	Pyxis Products and all accessions, substitutions, replacements therefore, and proceeds thereof (including insurance proceeds) to secure all obligations pursuant to the Rental Agreement.	There are “make-whole” and “default penalties” provisions described in the agreement.
Master Agreement, effective July 19, 2022, between CareFusion Solutions, LLC and Madera community Hospital. Customer Order (# 1000203589), dated February 15, 2022	Madera Community Hospital	CareFusion Solutions, LLC	Customer Order 1000203589: Not available until the equipment is shipped in the 2nd quarter of 2023 and Madera signs the acceptance certificate.	N/A	Not available until the equipment is shipped in the 2nd quarter of 2023 and Madera signs the acceptance certificate.	Rental Equipment and all accessions, substitutions, replacements therefore, and proceeds thereof (including insurance proceeds) will secure all obligations pursuant to the Customer Agreement.	There are “make-whole” and “default penalties” provisions described in the agreement.
Master Lease Agreement (No. 2017676) between First American Commercial Bancorp, Inc. and Madera Community Hospital, effective December 29, 2017 as amended by that certain Amended and Restated	Madera Community Hospital	First American Commercial Bancorp, Inc.	\$95,261.92 (as of 6/1/2022)]	N/A	10/1/2023	(i) Equipment subject to all Leases, (ii) any and all cash, deposits and/or other property of Lessee now or hereafter in the possession or control of Lessor, or any affiliate of Lessor, and (iii) any	There are “make-whole” and “default penalties” provisions described in the agreement.

Loan Agreement	Borrower/ Lessee	Lender/Les sor	Outstanding Principal Amount	Intere st Rate	Maturity Date	Collateral	Prepayment, make-whole, breakage, or other similar premiums, payments, fees, costs, or penalties applicable thereto
Equipment Schedule No. 1, dated September 13, 2018 ("First American Equipment Lease")						other collateral in which Lessee has granted to Lessor, or any affiliate of Lessor a security interest to secure any other obligations, together with all parts, accessories, accessions and attachments thereto, and all replacements, substitutions and exchanges (including trade-ins), and all proceeds of the foregoing, including goods, accounts, chattel paper, documents, instruments, general intangibles, investment property, deposit accounts, letter of credit rights and supporting obligations	
Business Lease Agreement (#5322416195125534USA 1) between Hewlett- Packard Financial Services and Madera Community Hospital, effective September 20, 2018	Madera Communit y Hospital	Hewlett- Packard Financial Services Company ¹	\$91,481.20 (as of 6/1/2022)	N/A	6/22/2024	A purchase money security interest in the Equipment and in all attachments, accessories, additions, products, replacements, and proceeds (including insurance proceeds) to and of the Equipment.	There are "make-whole" and "default penalties" provisions described in the agreement.
Lease Agreement (No. 5322416195224592USA4) between Hewlett-Packard Financial Services	Madera Communit y Hospital	Hewlett- Packard Financial	\$214,450.91 (as of 6/1/2022)	1.952 %	12/1/2025	All equipment and software now or hereafter acquired, which Secured Party has leased to or financed for Debtor,	There are "make-whole" and "default penalties" provisions described in the agreement.

¹ This lease agreement was refinanced through SHI International, Inc. on May 21, 2021.

Loan Agreement	Borrower/ Lessee	Lender/Les sor	Outstanding Principal Amount	Intere st Rate	Maturity Date	Collateral	Prepayment, make-whole, breakage, or other similar premiums, payments, fees, costs, or penalties applicable thereto
Company and Madera Community Hospital, effective December 28, 2020 ("HP 2020 Equipment Lease")		Services Company				including, but not limited to, computer, printing, imaging, copying, scanning, projection and storage equipment, any and all related peripherals, attachments, accessions, additions, general intangibles, substitutions, supplies, replacements, and any right, title or interest in any license for any software used to operate or otherwise installed in any of the foregoing, and products and proceeds of all of the foregoing (including insurance proceeds).	
Lease Agreement (# MA022812) between Winthrop Resources Corporation and Madera Community Hospital, dated February 28, 2012 Lease Schedule No. 003R to Lease Agreement # MA022812 (dated February 28, 2012) between TCF National Bank (aka Huntington Technology Finance) ("Lessor") and Madera Community Hospital	Madera Communit y Hospital	TCF National Bank (aka Huntington Technolog y Finance)	\$218,240 (as of 6/1/2022)	N/A	10/1/2025	All equipment, inventory, software and other personal property, described on Lease Schedule No. 003 of Lease Agreement Number MA022812 (the "Property"), together with all accessories, attachments, pans, repairs, upgrades, additions, and replacements attached thereto or incorporated therein; all software embedded in or acquired in an integrated transaction with the Property, all modifications, additions and replacements thereto and any substitutions therefor; and all	There are "make-whole" and "default penalties" provisions described in the agreement.

Loan Agreement	Borrower/ Lessee	Lender/Les sor	Outstanding Principal Amount	Intere st Rate	Maturity Date	Collateral	Prepayment, make-whole, breakage, or other similar premiums, payments, fees, costs, or penalties applicable thereto
("Lessee"), dated November 17, 2020						proceeds of any of the foregoing, including without limitation all insurance proceeds, rents, cash, accounts, instruments and chattel paper related thereto or arising therefrom.	
Equipment Lease Agreement between Leasing Associates of Barrington, Inc. ("Lessor") and Madera Community Hospital ("Lessee"), dated January 13, 2021 ("Barrington Equipment Lease")	Madera Communit y Hospital	Leasing Associates of Barrington	\$56,810 (as of 6/1/2022)	N/A	4/8/2026	One (1) BD Max Molecular System including all attachments and accessories,	There are "make-whole" and "default penalties" provisions described in the agreement.
Equipment Lease between Pitney Bowes ("Lessor") and Madera Community Hospital ("Lessee"), dated November 13, 2019	Madera Communit y Hospital	Pitney Bowes	\$5,039.04 (as of 6/1/2022)	N/A	3/1/2025	A purchase money security interest in the Equipment, any replacements, and any proceeds from the sale of the Equipment, to secure payment of any balance due.	There are "make-whole" and "default penalties" provisions described in the agreement.
Lease Agreement, between Madera Community Hospital and SHI International Corp, dated July 30, 2019	Madera Communit y Hospital	SHI Internation al Corp	\$46,670.67 (as of 6/1/2022)	N/A	10/1/2022	N/A	There are "make-whole" and "default penalties" provisions described in the agreement.
Installment Payment Agreement by and between SHI International, Inc. and Madera Community	Madera Communit y Hospital	SHI Internation al Inc.	\$224,220.08 (as of 6/1/2022)	N/A	10/10/202 4	N/A	There are "make-whole" and "default penalties" provisions described in the agreement.

Loan Agreement	Borrower/ Lessee	Lender/Les sor	Outstanding Principal Amount	Intere st Rate	Maturity Date	Collateral	Prepayment, make-whole, breakage, or other similar premiums, payments, fees, costs, or penalties applicable thereto
Hospital, dated October 11, 2021							
Master Products Agreement by and between Madera Community Hospital and Siemens Healthcare Diagnostics Inc. dated April 8, 2013, as supplemented (Quote #5NM-2QL) on April 8, 2013 Equipment Lease Agreement (# 24833-34148) between Madera Community Hospital and Siemens Financial Services, Inc., dated February 18, 2013, as supplemented on April 8, 2013	Madera Community Hospital	Siemens Financial Services, Inc.	\$1,108.33 (as of 6/1/2022)	N/A	Month to month	Equipment description: 1 WA-40 Plus System, 1 LabPro Connect Connection Kit, 1 LabPro Connect Open System, including any replacements, substitutions, additions, attachments (including all Debtor's rights in all licenses of all software related to any of the foregoing), and all Proceeds (as defined in the applicable Uniform Commercial Code) thereof.	There are "make-whole" and "default penalties" provisions described in the agreement.
Equipment Lease #: 20004306, between Madera Community Hospital and Siemens Financial Services, Inc., dated April 1, 2020, as supplemented by Contract Addendum dated April 13, 2020	Madera Community Hospital	Siemens Financial Services, Inc.	\$71,247.75 (as of 6/1/2022)	1.385 %	5/1/2025	Equipment description: I MOBILETT Elara Max, including any replacements, substitutions, additions, attachments (including all Debtor's rights in all licenses of all software related to any of the foregoing), and all Proceeds (as defined in the applicable	There are "make-whole" and "default penalties" provisions described in the agreement.

Loan Agreement	Borrower/ Lessee	Lender/Les sor	Outstanding Principal Amount	Intere st Rate	Maturity Date	Collateral	Prepayment, make-whole, breakage, or other similar premiums, payments, fees, costs, or penalties applicable thereto
						Uniform Commercial Code) thereof	
Equipment Lease #: 20004307, between Madera Community Hospital and Siemens Financial Services, Inc., dated April 1, 2020, as supplemented by Contract Addendum dated April 13, 2020	Madera Communit y Hospital	Siemens Financial Services, Inc.	\$52,809.05 (as of 6/1/2022)	1.385 %	5/1/2025	Equipment description: I ACUSON Redwood ultrasound system, including any replacements, substitutions, additions, attachments (including all Debtor's rights in all licenses of all software related to any of the foregoing), and all Proceeds (as defined in the applicable Uniform Commercial Code) thereof	There are "make-whole" and "default penalties" provisions described in the agreement.
Equipment Lease #: 20004308, between Madera Community Hospital and Siemens Financial Services, Inc., dated April 1, 2020, as supplemented by Contract Addendum dated April 13, 2020	Madera Communit y Hospital	Siemens Financial Services, Inc.	\$50,643.95 (as of 6/1/2022)	1.385 %	5/1/2025	Equipment description: I ACUSON Redwood ultrasound system, including any replacements, substitutions, additions, attachments (including all Debtor's rights in all licenses of all software related to any of the foregoing), and all Proceeds (as defined in the applicable Uniform Commercial Code) thereof	There are "make-whole" and "default penalties" provisions described in the agreement.
Master Equipment Lease Agreement and Leasing Schedules, between Siemens Financial Services, Inc. and Madera Community Hospital, dated October 23, 2020	Madera Communit y Hospital	Siemens Financial Services, Inc.	Leasing Schedule #: 20005452 - \$99,243.14 (as of 6/1/2022)	0.248 %	1/1/2026	1 Acuson Sequoia, together with all accessions, attachments, replacements, substitutions, modifications and additions thereto (including all Debtors rights in all licenses of all	There are "make-whole" and "default penalties" provisions described in the agreement.

Loan Agreement	Borrower/ Lessee	Lender/Les sor	Outstanding Principal Amount	Intere st Rate	Maturity Date	Collateral	Prepayment, make-whole, breakage, or other similar premiums, payments, fees, costs, or penalties applicable thereto
<p>Leasing Schedule #: 20005452, dated October 30, 2020</p> <p>Leasing Schedule #: 20005453, dated October 30, 2020</p> <p>Leasing Schedule #: 20005455, dated October 30, 2020</p> <p>Leasing Schedule (#20009197), dated April 29, 2022</p> <p>Leasing Schedule (#20009198), dated April 27, 2022</p> <p>Leasing Schedule (#20009200), dated April 28, 2022 (collectively, "Siemens 10/23/2020 Equipment Lease")</p>						<p>software related to any of the foregoing), now or hereafter acquired, and all Proceeds (as defined in the applicable Uniform Commercial Code) thereof (including insurance proceeds).</p>	
			<p>Leasing Schedule #: 20005453 - \$188,722.27 (as of 6/1/2022)]</p>			<p>1 Cios Alpha VA30, together with all accessions, attachments, replacements, substitutions, modifications and additions thereto (including all Debtors rights in all licenses of all software related to any of the foregoing), now or hereafter acquired, and all Proceeds (as defined in the applicable Uniform Commercial Code) thereof (including insurance proceeds).</p>	
			<p>Leasing Schedule #: 20005455 - \$102,170.15 (as of 6/1/2022)</p>			<p>1 MOBILETT ELARA MAX, together with all accessions, attachments, replacements, substitutions, modifications and additions thereto (including all Debtors</p>	

Loan Agreement	Borrower/ Lessee	Lender/Les sor	Outstanding Principal Amount	Intere st Rate	Maturity Date	Collateral	Prepayment, make-whole, breakage, or other similar premiums, payments, fees, costs, or penalties applicable thereto
						rights in all licenses of all software related to any of the foregoing), now or hereafter acquired, and all Proceeds (as defined in the applicable Uniform Commercial Code) thereof (including insurance proceeds).	
			Leasing Schedule (#20009197): \$502,270 (as of 6/1/2022)	2.011 %	N/A	1 Luminos Agile Max and all equipment together with all accessions, attachments, replacements, substitutions, modifications and additions thereto, now or hereafter acquired, and all Proceeds (as defined in the applicable Uniform Commercial Code ("UCC")) thereof (including insurance proceeds)	
			Leasing Schedule (#20009198): \$575,000 (as of 6/1/2022)	2.011 5%	N/A	1 Somatom Definition AS eco and all equipment together with all accessions, attachments, replacements, substitutions, modifications and additions thereto, now or hereafter acquired, and all Proceeds (as defined in the applicable Uniform	

Loan Agreement	Borrower/ Lessee	Lender/Les- sor	Outstanding Principal Amount	Intere- st Rate	Maturity Date	Collateral	Prepayment, make-whole, breakage, or other similar premiums, payments, fees, costs, or penalties applicable thereto
						Commercial Code ("UCC") thereof (including insurance proceeds)	
			Leasing Schedule (#20009200): \$212,140 (as of 6/1/2022	2.011 5%	N/A	1 Multix Fusion Max and all equipment together with all accessions, attachments, replacements, substitutions, modifications and additions thereto, now or hereafter acquired, and all Proceeds (as defined in the applicable Uniform Commercial Code ("UCC") thereof (including insurance proceeds)	
Short Form Lease Agreement, between Madera Community Hospital and Flex Financial, a division of Stryker Sales Corporation, dated July 30, 2018 ("Flex Financial Lease")	Madera Communit y Hospital	Flex Financial, a division of Stryker Sales Corporatio n	\$121,101.24 (as of 6/1/2022)	Intere- st rate equiva- lent as quote d on the Interc ontine ntal Excha nge websit e, at https:// www.	8/1/2024	All equipment covered under the lease agreement, including all components, additions, upgrades, attachments, accessions, substitutions, replacements and proceeds of such collateral.	There are "make-whole" and "default penalties" provisions described in the agreement.

Loan Agreement	Borrower/ Lessee	Lender/Les sor	Outstanding Principal Amount	Intere st Rate	Maturity Date	Collateral	Prepayment, make-whole, breakage, or other similar premiums, payments, fees, costs, or penalties applicable thereto
				theice. com/ marke tdatak eports / 180, under the USD Rates 1100 Series			
Value Rental Lease Agreement by and between Madera Community Hospital (“Lessee”) and Ray Morgan Company (“Lessor”) dated July 17, 2020 (“Ray Morgan Equipment Lease”)	Madera Community Hospital	Ray Morgan Company (financed through US Bank)	\$15,188.80 (as of 6/17/2022)	N/A	10/17/2025	2 Canon imageRUNNER ADVANCE DX 4735i	There are “make-whole” and “default penalties” provisions described in the agreement.
Master Installment Payment Agreement between VAR Technology Finance (“Lessor”) and Madera Community Hospital (“Lessee”), as supplemented on July 14, 2020 (“VAR Equipment Lease”)	Madera Community Hospital	VAR Technology Finance	\$42,409.54 (as of 6/1/2022)	N/A	9/19/2023	Forcepoint licensing and services In addition, the collateral also shall include all parts, accessories, accessions and attachments thereto, and all replacements, substitutions and exchanges (including trade-ins).	There are “make-whole” and “default penalties” provisions described in the agreement.

Loan Agreement	Borrower/ Lessee	Lender/Les sor	Outstanding Principal Amount	Intere st Rate	Maturity Date	Collateral	Prepayment, make-whole, breakage, or other similar premiums, payments, fees, costs, or penalties applicable thereto
Installment Payment Agreement between Cisco Systems Capital Corporation, Inc. and Madera Community Hospital, dated June 22, 2021	Madera Community Hospital	Cisco Systems Capital Corporation, Inc.	\$173,573.92 (as of 6/1/2022)	N/A	7/21/2024	All equipment of any make or manufacture, together with all accessories and attachments financed by or leased to Debtor by Secured Party under Lease Agreement Number IEV 125990 and all proceeds thereof.	There are "make-whole" and "default penalties" provisions described in the agreement.
Lease Agreement (500-50287331) by and between Cisco Systems Capital Corporation, Inc. and Madera Community Hospital, dated July 28, 2021	Madera Community Hospital	Cisco Systems Capital Corporation, Inc.	\$233,157.86 (as of 6/1/2022)	N/A	6/27/2024	All equipment of any make or manufacture financed by or leased to Debtor by Secured Party under Contract Number 500-50287331, together with all components, additions, upgrades, attachments, accessions, substitutions, replacements and proceeds of the foregoing.	There are "make-whole" and "default penalties" provisions described in the agreement.
Business Loan Agreement (#39607) between Madera Community Hospital ("Borrower") and Citizens Business Bank ("Lender"), dated June 25, 2018 ("Citizens Business Bank Loan") Promissory Note (Loan No. 39607) between Madera Community Hospital ("Borrower") and	Madera Community Hospital	Citizens Business Bank	\$1,836,648.88 (as of 6/1/2022)	5.125 %	12/25/2025	minimum deposit relationship of \$500,000 with Lender during the term of the loan.	There are restrictions on prepayment and prepayment fees as described in the Loan Agreement or Promissory Note.

Loan Agreement	Borrower/ Lessee	Lender/Les sor	Outstanding Principal Amount	Intere st Rate	Maturity Date	Collateral	Prepayment, make-whole, breakage, or other similar premiums, payments, fees, costs, or penalties applicable thereto
Citizens Business Bank ("Lender"), dated June 25, 2018 ("Citizens Business Bank Promissory Note")							
Amended and Restated Promissory Note, dated July 1, 2020 Guarantees by ██████████ ██████████ ██████████ in favor of Madera Community Hospital, dated October 14, 2015 Security Agreement, effective October 14, 2015 Security Agreement Pledge of Stock, between ██████████ ██████████ ██████████ and Madera Community Hospital, dated October 14, 2015 (collectively, the "APP Loan 1")	Affiliated Physician Practice, Inc. ("APP")	Madera Communit y Hospital	\$1,183,019.9 1 (as of 6/1/2022)	2%	5/15/2030	Intangible Collateral (Accounts Receivable)andTangible Collateral (Real Property, Equipment, Supplies and Inventory)as described in Attachment A to Security Agreement. All of the outstanding, issued stock of Affiliated Physician Practice, Inc..	N/A
2018 Revolving Promissory Note, dated July 25, 2018, as amended on November 1, 2018, March 6, 2019, July 22,	Affiliated Physician Practice, Inc.	Madera Communit y Hospital	\$4,200,000 (as of 6/1/2022)	2%	7/31/2032	Intangible Collateral (Accounts Receivable)andTangible Collateral (Real Property, Equipment, Supplies and Inventory)as described in	N/A

Loan Agreement	Borrower/ Lessee	Lender/Les sor	Outstanding Principal Amount	Intere st Rate	Maturity Date	Collateral	Prepayment, make-whole, breakage, or other similar premiums, payments, fees, costs, or penalties applicable thereto
<p>2019, November 21, 2019, May 1, 2020, January 1, 2021, June 1, 2021, January 1, 2022, and June 1, 2022 (“2018 Revolving Promissory Note”)</p> <p>Guarantees by [REDACTED] in favor of Madera Community Hospital, dated July 25, 2018</p> <p>2018 Security Agreement, effective July 25, 2018</p> <p>2018 Security Agreement Pledge of Stock, between [REDACTED] and Madera Community Hospital, dated July 25, 2018</p> <p>Assignment Separate from Certificate, between [REDACTED] and Madera Community Hospital, dated July 25, 2018</p> <p>Assignment Separate from Certificate, between [REDACTED]</p>						<p>Attachment A to Security Agreement.</p> <p>All of the outstanding, issued stock of Affiliated Physician Practice, Inc..</p>	

Loan Agreement	Borrower/ Lessee	Lender/Les sor	Outstanding Principal Amount	Intere st Rate	Maturity Date	Collateral	Prepayment, make-whole, breakage, or other similar premiums, payments, fees, costs, or penalties applicable thereto
<p>██████████ Madera Community Hospital, dated July 25, 2018</p> <p>(Collectively, the “APP Loan 2”)</p>							
<p>Line of Credit Agreement for Loan by and between Saint Agnes Medical Center and Madera Community Hospital dated April 1, 2022</p> <p>Promissory Note for Loan by and between Saint Agnes Medical Center and Madera Community Hospital dated April 1, 2022</p> <p>Security Agreement for Loan by and between Saint Agnes Medical Center and Madera Community Hospital dated April 1, 2022</p> <p>(collectively, “2022 SAMC Loan”)</p>	Madera Community Hospital	Saint Agnes Medical Center	\$5,012,072 (initial loan amount, \$15,000,000 total available) (as of 6/1/2022)	4.50%	12/31/2032	See Note 1 at the end of this table.	Madera may prepay (>\$100,000) the Loan Advances without penalty or premium as long as Madera is making proper payments on the obligations.

Loan Agreement	Borrower/ Lessee	Lender/Les- sor	Outstanding Principal Amount	Intere- st Rate	Maturity Date	Collateral	Prepayment, make-whole, breakage, or other similar premiums, payments, fees, costs, or penalties applicable thereto
Advanced Payment Agreement	Madera Community Hospital	Health Net of California, Inc. on behalf of itself and its affiliates	\$3,500,000	N/A	Until Health Net offsets the full amount of the Advance against the PHDP Phase 3 payment from the DHCS and any future payments to Madera, i.e., unpaid capitation payments, future PHDP payments, and/or unpaid claims for covered services rendered	PHDP Phase 3 payment from the DHCS for Madera and any future payments to Madera, i.e., unpaid capitation payments, future PHDP payments, and/or unpaid claims for covered services rendered by Madera to the members under the Health Net Agreement.	N/A

Loan Agreement	Borrower/ Lessee	Lender/Les sor	Outstanding Principal Amount	Intere st Rate	Maturity Date	Collateral	Prepayment, make-whole, breakage, or other similar premiums, payments, fees, costs, or penalties applicable thereto
					by Madera to the members under the Health Net Agreemen t		
1978 Bearer Bonds	Madera Communit y Hospital	Bearers / California State Controller	\$71,400 to the bearers \$71,400 to the CA State Controller , potentially rising to \$311,554 if assessable interest is not abated	Bearer s – N/A CA State Contr oller – 12% per annu m	Bearers – May 1, 2006 CA State Controller – Amount reportable to state in 2009 and payable to state in 2010	None	Bearers—Once escheated to the California State Controller, these amounts are no longer payable by Madera Community Hospital to Bearers, who must claim this amount directly from the Controller CA State Controller— Madera is in discussions with the California State Controller regarding abatement of the interest potentially assessable under California’s Unclaimed Property Law.

Note 1: The following collateral forming a part of that certain Real Property in the City of Madera, County of Madera, State of California (the “Property”), described as follows:

- (a) Debtor's interests in and to the real property, title to which is held in fee simple by Debtor, located in Madera, California, as described in Exhibit B attached hereto and incorporated herein by reference (the "Land"), together with all reversions and remainders, including all existing and future appurtenances, easements and rights affording access to it which may at any time be acquired by Deed of Trust in and to the premises, together with
- (b) All buildings, structures, fixtures and improvements now located or later to be constructed on the Land (the "Improvements"); together with
- (c) All existing and future easements, rights-of-way, rights of entry, appurtenances, privileges, franchises, and tenements of the Land, and any land lying in the streets, roads or avenues, open or proposed, in front of or adjoining the Land and the Improvements and in any rights-of-way, rights of ingress or egress or other interests in such land; together with
- (d) All existing and future leases, subleases, subtenancies, licenses, occupancy agreements and concessions ("Leases"), relating to the use and enjoyment of all or any part of the Land and the Improvements, and any and all guaranties and other agreements relating to or made in connection with any of such Leases; together with
- (e) All real property and improvements on it, and all appurtenances and other property and interests of any kind or character, whether described in Exhibit B or not, hereafter acquired by Debtor which may be reasonably necessary or desirable to promote the present and any reasonable future beneficial use and enjoyment of the Land and the Improvements; together with
- (f) All Goods (as such term is defined in the Uniform Commercial Code), materials, supplies, chattels, furniture, fixtures, Equipment (as such term is defined in the Uniform Commercial Code) and machinery now or later to be attached to, placed in or on, or used in connection with the use, enjoyment, occupancy or operation of all or any part of the Land and the Improvements, whether stored on the Land or elsewhere, all of which shall be considered to the fullest extent of the law to be real property; together with
- (g) All building materials, Equipment, work in process or other personal property of any kind, whether stored on the Land or elsewhere, which have been or later will be acquired for the purpose of being delivered to, incorporated into or installed in or about the Land or the Improvements; together with
- (h) All rights to deposits, whether now or later to be received from third parties (including all earnest money sales deposits) or deposited by Debtor with third parties (including all utility deposits), contract rights, development and use rights, governmental permits and licenses (to the extent assignable), applications, architectural and engineering plans, specifications and drawings and as-built drawings, which arise from or relate to construction on the Land or to any business now or later to be conducted on it, or to the Land and the Improvements generally; together with
- (i) To the extent assignable, all contracts, leases, consents or other agreements of every kind or nature affecting the use, occupancy or ownership of the Land, the Improvements, or any other of the Property (and, except as otherwise expressly provided herein), the right to receive and apply the rents, issues, profits, products, income and royalties of the Property to the payment of the Secured Obligations secured hereby); together with
- (j) All proceeds, and all claims to and demands for them, of the voluntary or involuntary conversion of any of the Land, the Improvements or the other property described above into cash or liquidated claims, including proceeds of all present and future title, fire, hazard or casualty insurance policies and all condemnation awards or payments now or later to be made by any public body or decree by any court of competent jurisdiction for any taking or in connection with any condemnation or eminent domain proceeding, and all causes of action and their proceeds for any damage or injury to the Land, the Improvements or the other property described above or any part of them, or breach of warranty in connection with the construction of the Improvements, including causes of action arising in tort, contract, fraud or concealment of a material fact; together with
- (k) Solely to the extent permitted by applicable Law, all books and records pertaining to any and all of the property described above, including computer-readable memory and to the extent assignable, any computer hardware or software necessary to access and process such memory

(“Books and Records”); provided, however, that each of the Trustee and the Secured Party shall adopt, implement and maintain security policies, procedures, practices, safeguards and other mechanisms that reasonably and adequately protect the confidentiality, integrity and availability of protected health information that the Trustee or the Secured Party creates, receives, transmits or maintains in connection with or as a result of the Deed of Trust and the other Loan Documents, in each case, in compliance with applicable Law; together with

(l) All proceeds of, additions and accretions to, substitutions and replacements for, and changes in any of the property described above; together with

(m) All payments of insurance premiums made by Debtor with respect to the Property, and any claims of loss or demands of defense under any property or title insurance policy in which Debtor is named as an insured; together with

(n) All permits (to the extent assignable) of every kind or nature affecting the use, occupancy or ownership of the Land or the Improvements; provided, however, that notwithstanding any provision herein to the contrary, “Property” shall not include any Excluded Property as defined in the Deed of Trust.

The Debtor hereby conveys, transfers, collaterally assigns and pledges to the Secured Party, and grants to the Secured Party a security interest in, the following property of the Debtor, whether now owned or hereafter created, acquired or arising and wherever located (collectively, the “Collateral”):

a) all property of Debtor, or all property in which Debtor has an interest, that is now or hereafter on deposit with, in the possession of, under the control of or held by Secured Party or any financial institution affiliate of Secured Party, including, without limitation, all cash, funds on deposit, stocks, bonds, treasury obligations, and other securities, Investment Property, financial assets, Securities Accounts, notes, Documents, Instruments, Letters of Credit, Letter of Credit Rights, certificates of deposit, items, and other property (except IRA, pension, and other tax-deferred retirement accounts and any accounts or property held in a trust or fiduciary capacity);

b) the Gross Revenues (as defined in the Loan Agreement) of the Debtor;

c) all Inventory;

d) all Instruments;

e) all Accounts;

f) all Documents;

g) all Chattel Paper, including Electronic Chattel Paper and Tangible Chattel Paper;

h) all Equipment and Goods;

i) all Deposit Accounts;

j) all General Intangibles, including all Payment Intangibles and all Software;

k) all Investment Property;

together with all additions, replacements, substitutions, accessions and improvements, and all supporting obligations, profits, products and proceeds relating to or arising out of the foregoing, including without limitation insurance proceeds, cash proceeds, and non-cash proceeds and all interest, dividends, income, profits, and distributions (including, without limitation, stock splits and stock dividends); provided, however, that notwithstanding any provision to the contrary in the Security Agreement, “Collateral” shall not include any Excluded Property (as defined in the Security Agreement).

“Loan Agreement” shall mean that certain Line of Credit Agreement dated as of April 1, 2022, between Debtor and the Secured Party (as the same may be amended, amended and restated, modified, restated or supplemented from time to time pursuant to the terms hereof, the “Loan Agreement”).

“Security Agreement” shall mean the Security Agreement dated as of April 1, 2022 (as further amended, restated, supplemented or otherwise modified from time to time), by Debtor in favor of the Secured Party.

In addition, the Secured Party holds collateral as the beneficiary of separate deposit account control agreements in the form of a deposit account control agreement-with activation and a government receivables account control agreement—without activation, with Bank of America.

SCHEDULE 5.14
Material Contracts

(a)

(i)

1. Aetna Agreement (unsigned by counterparty)
2. Anthem Blue Cross Agreement (unsigned by counterparty)
3. Blue Cross Participating Clinic Agreement (unsigned by counterparty)
4. Blue Cross Participating Physician Agreement (unsigned by counterparty)
5. Blue Cross Participating Hospital Agreement (Amendment 1 unsigned by counterparty)
6. Beech Street Agreement (unsigned by counterparty)
7. Blue Shield Agreement 1
8. Blue Shield Agreement 2 (unsigned by counterparty)
9. Cigna Hospital Services Agreement
10. Cigna Provider Group Services Agreement (unsigned by counterparty)
11. Health Net Agreement
12. Network Providers Agreement
13. Meritage Health Agreement (unsigned by counterparty)
14. Participating Facility Agreement between Networks By Design and Madera Community Hospital, effective August 1, 2015
15. UHC Agreement (unsigned by counterparty)
16. Universal Care Hospital Services Agreement (agreement and amendment unsigned by counterparty)
17. Universal Care Medical Group Services Agreement
18. Hospital Emergency Department Agreement between CEP America-California and Madera Community Hospital, effective November 11, 2019
19. Professional Services Agreement between Central California Anesthesiology Solutions and Madera Community Hospital, effective March 11, 2020 (unsigned by counterparty)
20. Radiology Services Agreement between Central Valley Imaging Medical Associates, Inc. and Madera Community Hospital, effective August 1, 2020, as amended, dated August 1, 2020
21. Student Affiliation Agreement, between College of the Sequoias and Madera Community Hospital, dated August 1, 2020 (“Sequoias Student Affiliation Agreement”) (unsigned by Madera)

22. Clinical Affiliation Agreement, between First Lady Permanente, LLC and Madera Community Hospital, dated March 14, 2019
23. Biomedical Service Agreement between Tech Knowledge Associates, LLC and Madera Community Hospital, effective January 27, 2020 (unsigned by counterparty)
24. 1050 E. Almond Ave Lease
25. 285 Hospital Drive lease
26. 2022 SAMC Loan
27. AmeriCorp Equipment Lease (unsigned by counterparty)
28. Leas Schedule #20005453 to Siemens 10/23/2020 Equipment Lease (unsigned by Siemens Financial Services, Inc.)
29. Siemens 10/23/2020 Equipment Lease (unsigned by counterparty)
30. Leasing Schedule (#20009197) to Siemens 10/23/2020 Equipment Lease
31. Leasing Schedule (#20009198) to Siemens 10/23/2020 Equipment Lease
32. Leasing Schedule (#20009200) to Siemens 10/23/2020 Equipment Lease
33. HP Equipment Lease (unsigned by counterparty)
34. Affiliation Agreement between Donor Network West and Madera Community Hospital, effective November 21, 2019
35. Hospitalist Services Agreement by and between Madera Community Hospital and ARYA Medical Group dated November 1, 2021 (“ARYA Hospitalist Agreement”)
36. Intensivist Medical Service Coverage and Medical Direction Agreement between ARYA Medical Group and Madera Community Hospital, effective October 1, 2020, as amended by the First Amendment on October 1, 2016 (“ARYA Intensivist Agreement”)
37. Emergency Department Call Coverage Physician Reimbursement Agreement dated May 1, 2022, between Madera Community Hospital and Muhammad Anwar, M.D.
38. ██████████ Employment Agreement.
39. ██████ Employment Agreement.
40. ██████████ Employment Agreement.
41. Software License and Services Agreement between Madera Community Hospital and TruCode, LLC dated February 26, 2009 (unsigned by counterparty)
42. TruCode Renewal Order Form between Madera Community Hospital and TruCode LLC dated February 26, 2018 (unsigned by counterparty)
43. Customer License Agreement between Madera Community Hospital and Novarad Corporation dated February 12, 2020 (unsigned by counterparty)

44. Prime Contractor Agreement, dated October 1, 2021, between Madera Community Hospital and New England Sheet Metal and Mechanical Co., as amended on May 17, 2022, April 4, 2022 and June 21, 2022

45. Short Form Prime Contractor Agreement, dated May 20, 2021, between Madera Community Hospital and New England Sheet Metal and Mechanical Co., as amended on April 7, 2022 and April 4, 2022

46. Short Form Prime Contractor Agreement, dated January 26, 2021, between Madera Community Hospital and New England Sheet Metal and Mechanical Co., as amended February 12, 2022 and April 5, 2022

47. End User Service Request between Shred-It USA Inc. and Madera Community Hospital, effective October 3, 2016, effective October 3, 2016

48. Customer Agreement between Novarad Corporation and Madera Community Hospital, effective August 10, 2012

49. Sales Order Form between Comcast Enterprise Services and Madera Community Hospital, effective December 17, 2021 (unsigned by counterparty, missing Service Master Agreement)

50. Installment Payment Agreement between SHI International Corp. and Madera Community Hospital, effective October 11, 2021 (unsigned by counterparty)

51. Installment Payment Agreement between SHI International Corp. and Madera Community Hospital, effective July 30, 2019 (unsigned by counterparty)

52. Proposed Software and equipment agreement by and between Cisco Systems Capital Corporation ("Payee") , and Madera Community Hospital ("Obligor") (undated, unsigned by either party)

53. Master Software and Service Agreement by and between Kronos Incorporated and Madera Community Hospital, dated December 23, 2021

54. End-User License Agreement by and between FormFast, Inc. ("Licensor"), and Madera Community Hospital ("Licensee"), dated June 24, 2003 (missing Schedule III)

55. 121 Belmont Ave Lease

56. Amended and Restated Solar Energy Power Purchase Agreement by and between Madera Community Hospital and GLC-(CA) Madera, LLC dated December 22, 2010

57. Lease Agreement (Lease No. 5322416195224592USA4) between Hewlett-Packard Enterprise Financial Services Company ("Lessor") and Madera Community Hospital ("Lessee") , effective December 28, 2020 (unsigned by counterparty)

(ii)

1. Radiology Services Agreement between Central Valley Imaging Medical Associates, Inc. and Madera Community Hospital, effective August 1, 2020, as amended by that certain First Amendment, dated August 1, 2020

2. Affiliate Purchasing Program Agreement between Adventist Health and Madera Community Hospital, dated May 1, 2007

4. Professional Services Agreement between Central California Anesthesiology Solutions and Madera Community Hospital, effective March 11, 2020 (unsigned by counterparty)

5. Radiology Services Agreement between Central Valley Imaging Medical Associates, Inc. and Madera Community Hospital, effective August 1, 2020, as amended by that certain First Amendment, dated August 1, 2020

6. Professional Services and Medical Directorship Agreement between Pathology Associates and Madera Community Hospital, effective June 1, 2016

7. Master Agreement between VeeMed Inc. and Madera Community Hospital, effective June 1, 2021(unsigned by counterparty)

8. Physician Services Agreement between Madera Community Hospital and California Cancer Associates for Research and Excellence, Inc., dated October 1, 2019

9. Physician Services Agreement between Madera Community Hospital and Kidney Specialist Inc. dated February 14, 2018

10. Madera Community Hospital Management Services Agreement by and between Madera Community Hospital and Affiliated Physician Practice, Inc. dated February 23, 2017

11. Stock Redemption Agreement by and between Affiliated Physician Practice, Inc. and [REDACTED] dated October 14, 2015

12. Madera formed CVH with intention to provide health care services in the Central Valley area. Currently, CVH is inactive.

(vii)

No disclosures.

(viii)

1. Contracts listed on Schedule 5.10 are incorporated by reference.

(ix)

1. Radiology Services Agreement between Central Valley Imaging Medical Associates, Inc. and Madera Community Hospital, effective August 1, 2020, as amended by that certain First Amendment, dated August 1, 2020 (this agreement contains an exclusivity provision).

2. Hospital Emergency Department Agreement between CEP America-California and Madera Community Hospital, effective November 11, 2019 (this agreement contains a non-competition provision).

3. Professional Services and Medical Directorship Agreement between Pathology Associates and Madera Community Hospital, effective June 1, 2016, as amended by that certain Technical Services Agreement between Sierra Pathology Laboratory, Inc. and Madera Community Hospital, effective June 1, 2016 (this agreement contains an exclusivity provision).

4. Primary Care Provider Services Agreement effective April 1, 2021, between [REDACTED] and Madera Community Hospital, (unsigned by counterparty) (this agreement contains an exclusivity provision).

5. Affiliate Purchasing Program Agreement dated May 1, 2007, between Adventist Health and Madera Community Hospital (this agreement contains an exclusivity provision)

6. Biomedical Service Agreement effective January 27, 2020, between Tech Knowledge Associates, LLC and Madera Community Hospital, (unsigned by counterparty) (this agreement contains an exclusivity provision)

7. Linen and Laundry Service Contract effective April 1, 2021, between Angelica and Madera Community Hospital, (this agreement contains an exclusivity provision)

8. Transcription Services Agreement dated July 17, 2006, between Madera Community Hospital and SoftScript, Inc. (unsigned by counterparty) (this agreement contains an exclusivity provision)

9. Vendormate Vision Services Agreement effective May 4, 2011, between Madera Community Hospital and Vendormate, Incorporated (this agreement contains an exclusivity provision)

10. Premier Member Letter of Participation (Contract No.: 00287591.0) effective January 1, 2016, among Madera Community Hospital and Cardinal Health 110, LLC and Cardinal Health 112, LLC (unsigned by Cardinal) (missing Group Purchasing Agreement with Premier Healthcare Alliance, L.P., f/k/a Premier Purchasing Partners, L.P. with Cardinal health 110, LLC and Cardinal health 112, LLC, effective January 1, 2016) (this agreement contains an exclusivity provision)

11. Waste Cooking Oil Service Contract dated August 3, 2018, between Imperial Western Products, Inc. dba Biotane Pumping and Madera Community Hospital (this agreement contains an exclusivity provision)

12. Adventist Preferred Contract dated October 13, 2020, between Abbott Nutrition and Madera Community Hospital (unsigned by counterparty) (this agreement contains an exclusivity provision)

13. Hospital Services Agreement dated November 27, 2018, between DVA Healthcare Renal Care, Inc. and Madera Community Hospital (this agreement contains an exclusivity provision)

(x)

No disclosures.

(xi)

1. Employment Agreement between Madera Community Hospital and [REDACTED] effective March 8, 2011 [REDACTED] Employment Agreement")

2. Employment Agreement between Madera Community Hospital and [REDACTED] effective November 15, 2017 [REDACTED] Employment Agreement")

3. Employment Agreement between Affiliated Physician Practice, Inc., and [REDACTED] effective March 24, 2020 [REDACTED] Employment Agreement")

4. First Amended and Restated Employment Agreement between Affiliated Physician Practice, Inc., and [REDACTED] effective February 1, 2018 [REDACTED] Employment Agreement")

5. Employment Agreement between Affiliated Physician Practice, Inc., and [REDACTED] M.D., effective April 16, 2018, as amended on April 1, 2020 ([REDACTED] Employment Agreement”)

6. Employment Agreement, dated February 25, 2017, between Affiliated Physician Practice, Inc., and [REDACTED], as amended on February 1, 2018 and August 1, 2021

(xii)

1. Schedule 5.14(a)(xi) is incorporated by reference.

2. Primary Care Provider Services Agreement between [REDACTED] dba FirstChoice Medical Group, and Madera Community Hospital, effective April 1, 2021

3. Ancillary Services Agreement between La Salle Medical Associates and Madera Community Hospital, effective April 1, 2012

4. Participating Specialty Physician Agreement between La Salle Medical Associates and Madera Community Hospital Rural Health Clinics, effective April 1, 2012

5. Outpatient Provider Agreement between the Sante Community Physicians Medical Group, Inc. and Madera Community Hospital, effective July 17, 2001, as amended on February 1, 2003

6. Physician Assistant Practice Agreement between [REDACTED] on behalf of Madera Community Hospital and [REDACTED] dated February 12, 2022

7. Physician Assistant Practice Agreement between [REDACTED] on behalf of Madera Community Hospital and [REDACTED], dated February 13, 2022

8. Physician Assistant Practice Agreement between [REDACTED] on behalf of Madera Community Hospital and [REDACTED] dated February 13, 2022

9. Physician Assistant Practice Agreement between [REDACTED]. on behalf of Madera Community Hospital and 8 Physician Assistants ([PA 1's Name], [PA 2's Name], [PA 3's Name], [PA 4's Name] and [PA 5's Name] (dated June, 2020), [PA 6's Name] (dated July 10, 2021), [PA 7's Name] (dated August 13, 2021), and [PA 8's Name] (dated August 1, 2021))

10. Physician Assistant Practice Agreement between [REDACTED]. on behalf of Madera Community Hospital and 8 Physician Assistants ([PA 1's Name], [PA 2's Name], [PA 3's Name], [PA 4's Name] and [PA 5's Name] (dated June, 2020), [PA 6's Name] (dated July 10, 2021), [PA 7's Name] (dated August 13, 2021), and [PA 8's Name] (dated August 2, 2021) Hospital Emergency Department Agreement between CEP America-California and Madera Community Hospital, effective November 11, 2019

11. Professional Services Agreement between Central California Anesthesiology Solutions and Madera Community Hospital, effective March 11, 2020

12. Radiology Services Agreement between Central Valley Imaging Medical Associates, Inc. and Madera Community Hospital, effective August 1, 2020, as amended by that certain First Amendment, dated August 1, 2020

13. Professional Services and Medical Directorship Agreement between Pathology Associates and Madera Community Hospital, effective June 1, 2016

14. Master Agreement between VeeMed Inc. and Madera Community Hospital, effective June 1, 2021

15. Physician Services Agreement between Madera Community Hospital and [REDACTED] dated July 1, 2019
16. Physician Services Agreement between Madera Community Hospital and California Cancer Associates for Research and Excellence, Inc., dated October 1, 2019
17. EKG Panel Agreement between Madera Community Hospital and [REDACTED] effective November 1, 2021
18. EKG Panel Agreement between Madera Community Hospital and [REDACTED] effective November 1, 2021
19. Diagnostic Test Interpretation Services Agreement between Madera Community Hospital and [REDACTED] dated May 1, 2020
20. EKG Panel Agreement between Madera Community Hospital and [REDACTED] effective November 1, 2021
21. EKG Panel Agreement between Madera Community Hospital and [REDACTED] effective November 1, 2021
22. EKG Panel Agreement between Madera Community Hospital and [REDACTED] effective November 1, 2021
23. EKG Panel Agreement between Madera Community Hospital and [REDACTED] effective November 1, 2021
24. EKG Panel Agreement between Madera Community Hospital and [REDACTED] effective November 1, 2021
25. Emergency Department Call Coverage Physician Reimbursement Agreement between Madera Community Hospital and [REDACTED] effective June 1, 2007, as amended on January 1, 2015
26. Emergency Department Call Coverage Physician Reimbursement Agreement dated June 1, 2007 by and between Madera Community Hospital, a California nonprofit public benefit corporation, and [REDACTED]
27. Emergency Department Call Coverage Physician Reimbursement Agreement between Madera Community Hospital and [REDACTED] effective June 1, 2007, as amended January 1, 2015
28. Emergency Department Call Coverage Physician Reimbursement Agreement between Madera Community Hospital and [REDACTED] effective June 1, 2007, as amended January 1, 2015
29. Emergency Department Call Coverage Physician Reimbursement Agreement between Madera Community Hospital and [REDACTED] effective June 1, 2007
30. Emergency Department Call Coverage Physician Reimbursement Agreement between Madera Community Hospital and [REDACTED] effective August 1, 2020
31. Physician Services Agreement between Madera Community Hospital and [REDACTED] dated June 1, 2018

32. Physician Services Agreement between Madera Community Hospital and [REDACTED] dated December 1, 2015
33. Physician Services Agreement between Madera Community Hospital and [REDACTED] dated December 1, 2015
34. Physician Services Agreement between Madera Community Hospital and [REDACTED] dated December 1, 2020
35. Physician Services Agreement between Madera Community Hospital and Kidney Specialist Inc. dated February 14, 2018
36. Physician Services Agreement between Madera Community Hospital and [REDACTED] dated April 1, 2009
37. Physician Services Agreement between Madera Community Hospital and [REDACTED] dated June 25, 2020
38. Physician Services Agreement between Madera Community Hospital and [REDACTED] dated March 23, 2017
39. Emergency Department Call Coverage Physician Reimbursement Agreement dated June 1, 2007, between Madera Community Hospital and [REDACTED]
40. Medical Staff Leadership Stipend Agreement, between Madera Community Hospital and [REDACTED] (undated)
41. Physician Services Agreement between Madera Community Hospital and [REDACTED] dated January 1, 2016
42. Medical Staff Leadership Stipend Agreement, between Madera Community Hospital and [REDACTED] (undated)
43. Emergency Department Call Coverage Physician Reimbursement Agreement dated June 1, 2017, between Madera Community Hospital and [REDACTED]
44. Emergency Department Call Coverage Physician Reimbursement Agreement dated August 1, 2021, between Madera Community Hospital and [REDACTED]
45. Emergency Department Call Coverage Physician Reimbursement Agreement dated December 1, 2015, between Madera Community Hospital and Affiliated Physician Practice [REDACTED]
46. Emergency Department Call Coverage Physician Reimbursement Agreement dated August 1, 2020, between Madera Community Hospital and [REDACTED]
47. Emergency Department Call Coverage On-Call Physician Services Agreement dated June 1, 2014, between Madera Community Hospital and [REDACTED] as amended on September 1, 2014
48. Emergency Department Call Coverage Physician Reimbursement Agreement dated December 1, 2015, between Madera Community Hospital and Affiliated Physician Practice [REDACTED]

49. First Amendment Physician Services Agreement dated December 1, 2014, between Madera Community Hospital and [REDACTED] (missing Physician Services Agreement, dated March 15, 2006)

50. Emergency Department Call Coverage Physician Reimbursement Agreement dated May 1, 2022, between Madera Community Hospital and [REDACTED]

51. Affiliated Physician Practice, Inc. Independent Contractor Agreement dated January 12, 2022, between Affiliated Physician Practice, Inc. and [REDACTED]

52. First Amendment Physician Services Agreement dated September 1, 2014, between Madera Community Hospital and [REDACTED] (missing Physician Services Agreement, dated May 1, 2009)

53. Physician Services Agreement dated September 16, 2020, between Madera Community Hospital and [REDACTED]

54. Medical Staff Leadership Stipend Agreement, between Madera Community Hospital and [REDACTED] (undated)

55. First Amendment Physician Services Agreement dated December 1, 2014, between Madera Community Hospital and [REDACTED] (missing Physician Agreement, dated April 1, 2009)

56. Emergency Department Call Coverage Physician Reimbursement Agreement dated June 1, 2022, between Madera Community Hospital and [REDACTED]

57. Physician Services Agreement dated April 1, 2009, between Madera Community Hospital and [REDACTED]

58. Physician Services Agreement dated October 1, 2007, between Madera Community Hospital and [REDACTED] as amended on April 1, 2009 and on September 1, 2014

59. Medical Staff Leadership Stipend Agreement by and between Madera Community Hospital, a California nonprofit public benefit corporation, and [REDACTED] (undated)

60. Emergency Department Call Coverage On-Call Physician Services Agreement dated June 1, 2014, between Madera Community Hospital and [REDACTED]

61. Physician Services Agreement dated October 1, 2019, between Madera Community Hospital and California Cancer Associates for Research and Excellence, Inc. (cCare) [REDACTED]

62. Physician Services Agreement dated August 2, 2017, between Madera Community Hospital and Affiliated Physician Practice on behalf of [REDACTED]

63. Affiliated Physician Practice, Inc. Independent Contractor Agreement dated February 1, 2022 by and between Affiliated Physician Practice, Inc., a California professional medical corporation, and [REDACTED]

64. Affiliated Physician Practice, Inc. Independent Contractor Agreement dated July 27, 2020, between Affiliated Physician Practice, Inc. and [REDACTED]

65. Physician Services Agreement, between Madera Community Hospital and [REDACTED] dated September 19, 2008
66. Medical Director Contract, by and between Madera Community Hospital and [REDACTED] effective November 1, 2020
67. Physician Services Agreement, between Madera Community Hospital and Sablan Medical Corporation [REDACTED] dated November 3, 2020
68. Physician Services Agreement, between Madera Community Hospital and Sablan Medical Corporation ([REDACTED]) dated November 3, 2020
69. Physician Services Agreement, between Madera Community Hospital and [REDACTED] dated January 1, 2020
70. Emergency Department Call Coverage Physician Reimbursement Agreement, by and between Madera Community Hospital and [REDACTED] dated June 1, 2007
71. Emergency Department Call Coverage Physician Reimbursement Agreement, by and between Madera Community Hospital and [REDACTED] dated August 1, 2007
72. Emergency Department Call Coverage Physician Reimbursement Agreement, by and between Madera Community Hospital and [REDACTED] dated August 1, 2018
73. Emergency Department Call Coverage Physician Reimbursement Agreement, by and between Madera Community Hospital and [REDACTED] dated August 1, 2021
74. Emergency Department Call Coverage Physician Reimbursement Agreement, by and between Madera Community Hospital and [REDACTED] dated June 1, 2007
75. Emergency Department Call Coverage Physician Reimbursement Agreement, by and between Madera Community Hospital and [REDACTED] dated June 1, 2007
76. Billing Services Agreement by and between Affiliated Physician Practice, Inc., a California professional medical corporation (APP), and [REDACTED] dated March 1, 2022
77. ARYA Hospitalist Agreement
78. ARYA Intensivist Agreement
79. Hospital Services Agreement between DVA Healthcare Renal Care, Inc. and Madera Community Hospital dated November 27, 2018
80. Schedule 5.14(a)(xvi) is incorporated by reference.
81. APP Lease (unsigned by both parties)
82. APP Loan 1
83. APP Loan 2
84. Management Services Agreement between Affiliated Physician Practice, Inc. and Madera Community Hospital, effective January 1, 2017

85. Stock Redemption Agreement by and between Affiliated Physician Practice, Inc. and [REDACTED] dated October 14, 2015

(xiii)

1. Chukhansi Agreement (unsigned by counterparty)
2. County Medical Services Program Governing Board Agreement (Agreement and Amendment 1 are unsigned by counterparty)
3. San Joaquin County Agreement (First Amendment was unsigned by counterparty)
4. San Joaquin County Health Commission Agreement
5. Agreement, between Clovis Adult Education (Clovis Unified School District on behalf of the Division of Adult Education, Department of Nursing) and Madera Community Hospital, dated August 3, 2020 (unsigned by counterparty)
6. Sequoias Student Affiliation Agreement
7. Clinical Internship Agreement, between Madera Community Hospital and California State University, Fresno, effective November 8, 2017
8. Agreement for Furnishing Internship Experience and for Use of Internship Facilities, between Fresno Unified School District and Madera Community Hospital, effective July 1, 2021 (unsigned by counterparty)
9. Job Shadow Agreement, between Madera Community Hospital and Fresno County Superintendent of Schools(unsigned by counterparty)
10. Affiliation Agreement between Merced Community College District and Madera Community Hospital dated March 1, 2021 (unsigned by counterparty)
11. Student Fieldwork Placement Agreement between the Trustees of the California State University on behalf of California State University Long Beach and Madera Community Hospital dated January 20, 2022
12. Madera Community Hospital CLINICAL FACILITY APPROVAL APPLICATION FORM (Hospital), dated March 9, 2022, submitted to the Board of Vocational Nursing and Psychiatric Technicians
13. Madera Community Hospital CLINICAL FACILITY APPROVAL APPLICATION FORM (Clinics), dated March 9, 2022, submitted to the Board of Vocational Nursing and Psychiatric Technicians
14. 285 Hospital Drive Lease
15. Siemens Forbearance Agreement
16. Grant Agreement
17. Advanced Payment Agreement, dated July 18, 2022, by and among Health Net of California, Inc. on behalf of itself and its affiliates, Fresno-Kings-Madera Regional Health Authority dba CalViva Health, and Madera Community Hospital (“Advanced Payment Agreement”)

(xiv)

1. Hospital Services Agreement between Aetna Health of California inc., and Aetna Health Management, LLC on behalf of itself and its Affiliates and Madera Community Hospital, effective March 6, 2009 (“Aetna Agreement”) (unsigned by counterparty)
2. Anthem Blue Cross Facility Agreement between Blue Cross of California d/b/a Anthem Blue Cross and Madera Community Hospital, effective April 1, 2010 (“Anthem Blue Cross Agreement”) (unsigned by counterparty)
3. Medi-Cal Managed Care program (MCMCP) Participating Clinic Agreement between Blue Cross of California dba Anthem Blue Cross and Affiliates and Madera Community Hospital, effective February 1, 2018 (“Blue Cross Participating Clinic Agreement”) (unsigned by counterparty)
4. Medi-Cal Managed Care Program (MCMCP) Participating Physician Agreement between Blue Cross of California dba Anthem Blue Cross and Affiliates and Madera Community Hospital, effective February 1, 2018 (“Blue Cross Participating Physician Agreement”) (unsigned by counterparty)
5. Blue Cross of California State Sponsored Business Participating Hospital Agreement between Blue Cross of California and Affiliates and Madera Community Hospital, effective September 1, 2009, as amended on November 1, 2018 and November 1, 2019 (“Blue Cross Participating Hospital Agreement”) (Amendment 1 unsigned by counterparty)
6. Facility Service Agreement between Beech Street Corporation and Madera Community Hospital, dated November 1, 2008 (“Beech Street Agreement”) (unsigned by counterparty)
7. Blue Shield of California Fee For Service Hospital Agreement between Madera Community Hospital and California Physicians' Services, dba Blue Shield of California, effective April 1, 2012, as amended on January 1, 2014 and July 1, 2015 (“Blue Shield Agreement 1”)
8. Independent Physician & Provider Agreement (Fee For Service) between California Physicians' Service, dba Blue Shield of California and Family Health Services, Rural Health Clinic, and Madera Community Hospital, dated July 9, 2019 (“Blue Shield Agreement 2”) (unsigned by counterparty)
9. Multi Specialty Care Provider Agreement between Central Valley Medical Providers, Inc. and Madera Community Hospital, effective July 1, 2019 (unsigned by counterparty)
10. Agreement for Provision of Medical Services between Picayune Rancheria of the Chukhansi Indians and Madera Community Hospital, dated December 14, 2011 (“Chukhansi Agreement”) (unsigned by counterparty)
11. Hospital Services Agreement between Cigna HealthCare of California, Inc. and Cigna Health and Life Insurance Company and Madera Community Hospital (collectively "Cigna"), effective June 10, 2019 (“Cigna Hospital Services Agreement”)
12. Provider Group Services Agreement between Cigna HealthCare of California, Inc. and Cigna Health and Life Insurance Company (collectively "Cigna") and Madera Community Hospital, effective May 1, 2021 (“ Cigna Provider Group Services Agreement”) (unsigned by counterparty)
13. County Medical Services Program (CMSP) Participating Physician, Physician Group and Community Health Center Agreement (Contract # CL100) between the County Medical Services Program Governing Board and Madera Community Hospital and/or entities identified in Exhibit A, dated April 13,

2017, as amended on November 1, 2019 (the "County Medical Services Program Governing Board Agreement") (agreement and Amendment 1 unsigned by counterparty)

14. Ancillary Services Agreement between CommunityCare IPA, Inc. and Madera Community Hospital, dated April 1, 2018 (unsigned by counterparty)

15. Specialist Physician Services Agreement between CommunityCare IPA, LLC and Madera Community Hospital on behalf of itself, its employees and other agents (Professional), whose specialty is Multi-Specialty, effective April 1, 2018 (unsigned by counterparty)

16. Primary Care Provider Services Agreement between [REDACTED] dba FirstChoice Medical Group, and Madera Community Hospital, effective April 1, 2021 ("FirstChoice Agreement") (unsigned by counterparty)

17. Provider Participation Agreement between Madera Community Hospital and Health Net of California, Inc. on behalf of itself and the subsidiaries and affiliates of Health Net, Inc., dated January 1, 2019, as amended on July 1, 2019 ("Health Net Agreement")

18. Provider Participation Agreement between Madera Community Hospital and Network Providers, LLC, dated March 29, 2011 ("Network Providers Agreement")

19. Hospital Agreement between the San Joaquin County Health Commission and Madera Community Hospital, effective January 1, 2008, as amended by the First Amendment on December 1, 2011 ("San Joaquin County Agreement") (First Amendment unsigned by counterparty)

20. Participating Hospital Agreement between Madera Community Hospital and Interplan Corporation, effective May 1, 2003, as amended on January 1, 2012

21. Ancillary Services Agreement between La Salle Medical Associates and Madera Community Hospital, effective April 1, 2012 (unsigned by counterparty)

22. Participating Specialty Physician Agreement between La Salle Medical Associates and Madera Community Hospital Rural Health Clinics, effective April 1, 2012 (unsigned by counterparty; missing page 6)

23. Hospital Services Agreement between Meritage Health Plan and Madera Community Hospital, dated October 1, 2021 ("Meritage Agreement") (unsigned by counterparty)

24. Subcontract Agreement between NaphCare, Inc. and Madera Community Hospital, effective November 22, 2011 (unsigned by both parties; Prime Contract not provided)

25. Participating Facility Agreement between Networks By Design and Madera Community Hospital, effective August 1, 2015

26. Outpatient Provider Agreement between the Sante Community Physicians Medical Group, Inc. and Madera Community Hospital, effective July 17, 2001, as amended on February 1, 2003

27. Facility Participation Agreement between UnitedHealthcare Insurance Company on behalf of itself, UHC of California dba UnitedHealthcare of California, UnitedHealthcare Benefits Plan of California, and the other United Affiliates (collectively "United") and Madera Community Hospital, effective August 1, 2019 ("UHC Agreement") (unsigned by counterparty)

28. Hospital Services Agreement between Universal Care, Inc. dba Brand New Day and Madera Community Hospital, effective January 1, 2021, as amended on November 18, 2020 (“Universal Care Hospital Services Agreement”) (unsigned by counterparty)

29. Medical Group Services Agreement between Universal Care, Inc., dba Brand new Day and Madera Community Hospital dba Family Health Services, Chowcella Medical Center, Family Health Services - Mendota, dated April 1, 2021 (“Universal Care Medical Group Services Agreement”)

30. Provider Participation Agreement between Health Net of California, Inc. (“Health Net”), and Madera Community Hospital (“Provider”, dated January 1, 2019

31. Agreement between the San Joaquin County Health Commission and Madera Community Hospital, dated January 1, 2008 (“San Joaquin County Health Commission Agreement”)

(xv)

1. Schedule 5.14(a)(xi) is incorporated by reference.
2. Emergency Department Call Coverage Physician Reimbursement Agreement between Madera Community Hospital and [REDACTED] effective June 1, 2007
3. Emergency Department Call Coverage Physician Reimbursement Agreement between Madera Community Hospital and [REDACTED]. effective June 1, 2007, as amended on January 1, 2015
4. EKG Panel Agreement between Madera Community Hospital and [REDACTED] effective November 1, 2021
5. Physician Services Agreement between Madera Community Hospital and [REDACTED] dated June 1, 2018
6. Physician Services Agreement between Madera Community Hospital and [REDACTED] [REDACTED] dated December 1, 2015
7. Physician Services Agreement between Madera Community Hospital and [REDACTED] [REDACTED] dated December 1, 2015
8. Emergency Department Call Coverage Physician Reimbursement Agreement dated December 1, 2015, between Madera Community Hospital and Affiliated Physician Practice [REDACTED] [REDACTED]
9. Emergency Department Call Coverage Physician Reimbursement Agreement dated December 1, 2015, between Madera Community Hospital and Affiliated Physician Practice [REDACTED] [REDACTED]
10. First Amendment Physician Services Agreement dated December 1, 2014, between Madera Community Hospital and [REDACTED]. (missing Physician Services Agreement, dated March 15, 2006)
11. Physician Services Agreement dated October 1, 2007, between Madera Community Hospital and [REDACTED] as amended on April 1, 2009 and on September 1, 2014
12. Medical Staff Leadership Stipend Agreement between Madera Community Hospital, a California nonprofit public benefit corporation, and [REDACTED]

13. Emergency Department Call Coverage On-Call Physician Services Agreement dated June 1, 2014, between Madera Community Hospital and [REDACTED]

14. Physician Services Agreement dated August 2, 2017, between Madera Community Hospital and Affiliated Physician Practice on behalf of [REDACTED]

15. Medical Transport Agreement between Pistoresi Ambulance Company, Inc. and Madera Community Hospital, effective May 1, 2007

16. Restocking Agreement between Pistoresi Ambulance Company, Inc. and Madera Community Hospital dated April 9, 2007

17. Ground Lease for Professional Medical Office by and between Madera Community Hospital ("Lessor") and [REDACTED] ("Lessee"), dated October 1, 2005, as amended on June 15, 2022

18. APP Lease (unsigned by both parties)

19. APP Loan 1

20. APP Loan 2

21. Madera Community Hospital Management Services Agreement by and between Madera Community Hospital and Affiliated Physician Practice, Inc. dated February 23, 2017

22. Stock Redemption Agreement, between Affiliated Physician Practice, Inc., [REDACTED] [REDACTED] dated October 14, 2015

(xvi)

1. Transfer Agreement between Madera Community Hospital and Fresno Community Hospital and Medical Center (dba Community Regional Medical Center/Fresno Heart and Surgical Hospital/Clovis Community Medical Center), dated April 11, 2022

2. Transfer Agreement between Invigorate Post Acute of Chowchilla and Madera Community Hospital, effective November 14, 2018 (unsigned by counterparty)

3. Transfer Agreement between Planned Parenthood Mar Monte, Inc. and Madera Community Hospital, effective August 18, 2014

4. Transfer Agreement between Valley Health Team, Inc. and Madera Community Hospital, effective December 4, 2017

5. Transfer Agreement between Spine and Pain Treatment Medical Center of Santa Barbara, Inc. and Madera Community Hospital, effective November 24, 2020

6. Transfer Agreement between Valley Children's Hospital and Madera Community Hospital, effective March 13, 2022

7. Transfer Agreement between Madera Community Hospital and Camarena Health dated November 10, 2015

8. Transfer Agreement between Madera Community Hospital and Family Health Services, dated June 1, 2022

9. Transfer Agreement between Madera Community Hospital and Family Health Services-Mendota, dated November 12, 2020

10. Transfer Agreement between Madera Community Hospital and Chowchilla Medical Center, dated April 15, 2008

(b)

As noted throughout Schedule 5.14(a), a number of the Material Contracts in Madera's files are unsigned, missing contracts and missing pages.

SCHEDULE 5.17
Real Property

(a)

Real Properties Owned By Madera

Property Name/Description	Address
Madera Community Hospital	1250 E. Almond Ave. Madera, CA 93637
Family Health Services (RHC)	1210 E. Almond Ave. Madera, CA 93637
Outpatient Center, Imaging Lab and other Hospital Departments	1270 E. Almond Ave. Madera, CA 93637
Affiliated Physician Practice	1280 E. Almond Ave. Madera, CA 93637
Private Physician Office Building	1260 E. Almond Ave. Madera, CA 93637
Private Physician Office Building	1290 E. Almond Ave. Madera, CA 93637
35 Acres of farmland	Avenue 12, West of HWY 99
Medical Office Building (currently vacant)	1200 East Almond Ave, Madera, CA 93637
Solar facility on an 8.71 acre parcel	Parcel No.: 012-260-001

(b)

Leased Real Property:

Property Name/Description	Address
Affiliated Physician Practice	1280 E. Almond Ave. Madera, CA 93637
Chowchilla Medical Center (RHC)	285 Hospital Drive Chowchilla, CA 93610
Family Health Services – Mendota (RHC)	121 Belmont Ave. Suite 100 Mendota, CA 93640
MCH IT Building	1050 E. Almond Ave, Madera, Ca 93637 (off campus)

Lessee Leases:

1. Lease and Operating Agreement by and between Chowchilla Memorial Hospital District ("Lessor") and Madera Community Hospital ("Lessee"), dated May 15, 2007, as amended by the First Addendum on July 2013, the Second Addendum on September 6, 2017, and the Third Addendum on July 1, 2022 ("285 Hospital Drive lease")
2. Office Lease Agreement by and between Alliance for Medical Outreach and Relief ("Landlord") and Madera Community Hospital ("Tenant"), dated July 25, 2019, as amended on July 17, 2020, for the premises located at 121 Belmont Ave. Suite 100, Mendota, CA 93640 (this lease was

assigned by Alliance for Medical Outreach and Relief to AMOR Wellness Center, Inc., on August __, 2020. The assignment were not signed by both assignor and assignee and was not dated.) (“121 Belmont Ave Lease”)

3. Lease Agreement by and between McCain Varney & Kent, LLC and Madera Community Hospital dated October 1, 2016, as amended December 8, 2021 for the premises located at 1050 E. Almond Ave, Madera, Ca 93637 (“1050 E. Almond Ave Lease”)

Lessor Leases:

1. Sublease Agreement by and between Madera Community Hospital ("Sublessor") and Chowchilla Physical Therapy ("Sublessee"), dated July 8, 2013 for the premises located at 285 Hospital Drive, Chowchilla, CA 93610
2. Ground Lease by and between Madera Community Hospital and [REDACTED] dated November 20, 1992, , as amended on August 31, 1996, for the premises located at 1260 E. Almond Ave. Madera CA 93637 (missing Ground Lease, dated November 20, 1992)
3. Ground Lease for Professional by and between Madera Community Hospital ("Lessor") and [REDACTED] ("Lessee"), dated October 1, 2005, as amended on June 15, 2022, for the premises located at 1290 E. Almond Ave. Madera, CA 93637
4. Lease Agreement by and between Madera Community Hospital ("Lessor") and Affiliated Physician Practice, Inc. ("Lessee"), dated July 27, 2020 for the premises located at 1280 E. Almond Ave., Madera, CA 93637 (the “APP Lease”)
5. Solar Facilities Lease Agreement by and between Madera Community Hospital ("Lessor") and GLC– (CA) Madera, LLC ("Lessee"), dated July 15, 2010 for a portion of the premises located at 1250 E. Almond Ave., Madera CA 93637
6. Lease Agreement by and between Madera Community Hospital (“Lessor”) and S&K Management (“Lessee”), dated November 01, 2013 for 35.58 acres of farmland in Madera County (APN 047-014-008-000)

(c)

No disclosures.

(d)

No disclosures.

(e)

No disclosures.

(f)

No disclosures.

(g)

1. [REDACTED]

(h)

No disclosures.

(i)

No disclosures.

(j)

No disclosures.

SCHEDULE 5.18
Intangible Personal Property; Software

(a)

1. Domain names:
 - a. www.maderahospital.org
 - b. www.maderadocs.com
2. Registered Trademark

Mark	Jurisdiction	Status	Class	Goods and Services	Owner Name
RAPIDCARE MADERA COMMUNITY HOSPITAL FAMILY HEALTH SERVICES	State of California	Reg 27-JUN- 2017 Reg 122127 Registered (CA)	44	First Use in State: 06-MAR- 2017 First Use Anywhere: 06- MAR-2017 Goods and Services: After hours medical clinic State Class(es): 44	Madera Community Hospital

3. Unregistered Trademarks
 - a. Madera Community Hospital Logo.



- b. Affiliated Physician Practice, Inc. Logo.



4. Fictitious Business Name ("Rapidcare Madera Community Hospital Family Health) Registration (Filing No.: 20170325) with the County of Madera, filing date: May 22, 2017, expiration date: May 22, 2022. Madera does not plan to renew this Fictitious Business Name registration because it is no longer in use.

(b)

1. Software License Agreement between Experian Health/Data Systems Group (DSG)/Passport Health and Madera Community Hospital, dated April 30, 2022
2. Software License and Support Upfront Agreement between eClinicalWorks, LLC and Madera Community Hospital, dated April 26, 2011

3. Software License Agreement between GE Healthcare IITS USA Corp., and Madera Community Hospital, dated August 15, 2019
4. Master Installment Payment Agreement between VAR Technology Finance and Madera Community Hospital, dated July 14, 2020
5. Business Lease Agreement between Hewlett-Packard Financial Services and Madera Community Hospital, dated September 20, 2018
6. Customer Agreement between Novarad Corporation and Madera Community Hospital, dated August 10, 2012
7. IT Sales Agreement between Comcast Enterprise Services and Madera Community Hospital, dated December 17, 2021
8. Rental and Support Agreement between CareFusion Solutions, LLC and Madera Community Hospital, dated January 1, 2016, as amended on November 30, 2016
9. Master Agreement, effective July 19, 2022, between CareFusion Solutions, LLC and Madera community Hospital.
10. Installment Payment Agreement between Cisco Systems Capital Corporation and Madera Community Hospital, undated
11. Information System Software Agreement between Medical Information Technology, Inc. and Madera Community Hospital, dated September 21, 2009
12. Installment Payment Agreement for Microsoft licenses software between SHI International Corp., and Madera Community Hospital, dated October 11, 2021
13. Installment Payment Agreement for VM Ware software between SHI International Corp. and Madera Community Hospital, dated July 30, 2019
14. Master Service Agreement between CVIN, LLC., dba Vast Networks and Madera Community Hospital, dated July 20, 2021
15. Fourth Amendment to the Standard License Agreement between UpToDate, Inc., successor-in-interest to Clinical Drug Information, LLC and Madera Community Hospital, dated September 15, 2020
16. Subscription License Agreement by and between UpToDate, Inc., and Madera Community Hospital, dated July 24, 2015
17. Software License and Services Agreement between TruCode, LLC, and Madera Community Hospital, dated February 26, 2009, as amended on April 25, 2012, February 13, 2015, and February 26, 2018
18. Equipment finance lease agreement between Hewlett-Packard Financial Services Company, and Madera Community Hospital, dated November 20, 20220
19. Software and equipment agreement for SmartNet between Cisco Systems Capital Corporation, and Madera Community Hospital, not dated

20. License agreement between Summit Healthcare Services, Inc., and Madera Community Hospital, dated February 17, 2021
21. Software Licensing Agreement between Medisolv, Inc., and Madera Community Hospital, dated December 21, 2012, as amended on December 1, 2014, September 1, 2015, September 15, 2015, and January 17, 2017
22. Policy Manager Agreement between Medical Consultants Network Inc., DBA MCN Healthcare and Madera Community Hospital, dated June 21, 2010
23. Master Software and Service Agreement between Kronos Incorporated and Madera Community Hospital, dated December 23, 2021
24. Master Service Agreement between JDA eHealth Systems, Inc. d/b/a Parathon and Madera Community Hospital, dated October 29, 2020
25. End-User License Agreement between FormFast, Inc., and Madera Community Hospital, dated June 24, 2003
26. License Agreement between Intelligent Medical Objects, Inc. (IMO) and Madera Community Hospital, dated April 10, 2012, as amended on March 26, 2018
27. Master License Agreement between Iatric Systems, Inc ("Licensor") and Madera Community Hospital ("Licensee"), dated April 2, 2012
28. License Software Agreement for Jaguar Interface Engine between Iatric Systems, Inc and Madera Community Hospital, dated October 2, 2012
29. Master Terms and Conditions Agreement between Voalte, Inc., and Madera Community Hospital, dated December 30, 2019, as amended on January 6, 2022
30. Software Licensing Agreement between HealthcareSource HR, Inc., and Madera Community Hospital, dated December 27, 2012
31. Master Agreement between DrFirst.com, Inc. and Madera Community Hospital, dated March 16, 2012, as amended on November 21, 2019
32. Computer Software Licensing Agreement between Computrition, Inc., and Madera Community Hospital, not dated
33. Agreement between RGP HEALTHCARE and Madera Community Hospital, dated November 15, 2013; Datix Cloud IQ addendum, Dated February 13, 2020
34. Master Agreement between McKesson Health Solutions, a division of McKesson Technologies and Madera Community Hospital, dated March 30, 2015
35. Software Agreement between Kit Check, Inc., and Madera Community Hospital, dated September 28, 2020
36. Supplement to Universal Agreement between Agilysys NV, LLC and Madera Community Hospital, dated October 11, 2013
37. Customer Agreement between Novard Corporation and Madera Community Hospital, dated February 12, 2020

38. IT Agreement between CaterTax and Madera Community Hospital, undated
39. Software Agreement for Cisco Firepower between Telcion and Madera Community Hospital, undated
40. Software Agreement for Cisco Flex UC between Telcion and Madera Community Hospital, undated
41. Software Agreement for Cisco Meraki Wifi Update between Telcion and Madera Community Hospital, undated
42. IT Agreement for Enghouse Interactive - ARC Phone System Software between Enghouse Interactive Professional Services and Madera Community Hospital, dated June 29, 2021
43. Software Agreement between Pluralsight and Madera Community Hospital, dated July 8, 2019
44. IT Agreements between Forward Advantage and Madera Community Hospital, dated October 29, 2021
45. Software Agreement for QML product between Telcor, Inc., and Madera Community Hospital, dated May 30, 2018

SCHEDULE 5.20
Compliance with Laws; Permits

(a)

1. Schedule 5.26(a) is incorporated by reference.
2. MCH has the following agreements with physicians that were not signed contemporaneously with the effective date for the services being performed:
 - 1) Emergency Department Call Coverage Physician Reimbursement Agreement dated December 1, 2015, between Madera Community Hospital and Affiliated Physician Practice [REDACTED]
 - 2) Emergency Department Call Coverage Physician Reimbursement Agreement, effective 6/1/2007 by and between MCH and [REDACTED] as amended on January 1, 2015
 - 3) Emergency Department Call Coverage Physician Reimbursement Agreement dated December 1, 2015, between Madera Community Hospital and Affiliated Physician Practice [REDACTED]
3. MCH has the following agreements under which MCH pays clinicians on a per patient basis; the these services are personally performed by the clinician.
 - 1) Physician Services Agreement, effective July 1, 2019, by and between Madera Community Hospital and [REDACTED]
 - 2) Physician Services Agreement, effective October 1, 2019, by and between MCH and California Cancer Associates for Research and Excellence, Inc. ("cCare").
 - 3) Physician Services Agreement, effective April 1, 2009, by and between MCH and [REDACTED] as amended on April 1, 2009 and September 1, 2014.
 - 4) Physician Services Agreement, effective September 16, 2020, by and between MCH and [REDACTED]
 - 5) Physician Services Agreement, effective April 1, 2009, by and between MCH and [REDACTED]
 - 6) Physician Services Agreement, effective April 1, 2009, by and between MCH and [REDACTED]
 - 7) Physician Services Agreement, effective June 1, 2018, by and between MCH and [REDACTED]
 - 8) Physician Services Agreement, effective February 14, 2018, by and between MCH and Kidney Specialist, Inc.
 - 9) Physician Services Agreement, effective March 23, 2017, by and between MCH and [REDACTED]
 - 10) Physician Services Agreement, effective December 1, 2015 by and between MCH and [REDACTED] Specialty Clinic.
 - 11) Physician Services Agreement, effective January 1, 2016 by and between MCH and Jef [REDACTED]
 - 12) Physician Services Agreement, effective June 25, 2020, by and between MCH and [REDACTED]
 - 13) Physician Services Agreement, effective August 2, 2017, by and between MCH and [REDACTED]
 - 14) Physician Services Agreement, effective December 1, 2015 by and between MCH and [REDACTED]

15) Physician Services Agreement, effective June 1, 2020, by and between MCH and [REDACTED]

4. MCH has the following lease which was entered into on a month-to-month basis.

1) APP Lease.

(b)

No disclosures.

(c)

No.	License/Permit Name	Issuing Authority	License/Permit Number	Issue Date	Expiry Date
1.	City of Madera Business License (Lic. # 778) for Madera Community Hospital (Business ID: 3748), issue date: August 27, 2021 (address: 1250 E Almond Ave, Madera CA 93637)	City of Madera	778	8/27/2021	6/30/2022
2.	City of Mendota Business License (Lic. # 0000002144) for Madera Community Hospital (Business ID: FAM0010), effective date: July 1, 2021 (Address: 121 Belmont Ave. Suite 100, Mendota, CA 93640)	City of Mendota	0000002144	7/1/2021	6/30/2022
3.	General Acute Care Hospital License (Lic# 040000191) for Madera Community Hospital, effective date: May 27, 2022 (address: 1250 E Almond Ave, Madera, CA 93637-5606)	California Department of Public Health	Lic# 040000191	May 27, 2022	5/26/2023
4.	Controlled Substance Registration Certificate (DEA Reg. # BM2550449, Schedules 2, 2N, 3, 3N, 4, 5) for Madera Community Hospital, issue date: January 27, 2021	DEA	BM2550449	1/27/2021	1/31/2024
5.	Clinical Laboratory Improvement Amendments Certificate of Accreditation (CLIA ID# 05D0588593) for Madera Community Hospital, effective date: January 3, 2021 (address: 1250 E Almond Ave, Madera, CA 93637-5606)	Centers For Medicare & Medicaid Services	CLIA ID# 05D0588593	1/3/2021	1/2/2023

No.	License/Permit Name	Issuing Authority	License/Permit Number	Issue Date	Expiry Date
6.	Clinical and Public Health Laboratory License (State ID# CLF-00002111, CLIA ID# 05D0588593) for Madera Community Hospital Laboratory, effective date: December 28, 2021 (address: 1250 East Almond Avenue, Madera, CA 93637)	California Department of Public Health	State ID# CLF-00002111,	12/28/2021	12/27/2022
7.	Clinical Laboratory Improvement Amendments Certificate of Waiver (CLIA ID# 05D2184617) for Family Health Services - Mendota, effective date: May 21, 2020 (address: 121 Belmont Ave Ste 101, Mendota, CA 93640)	Centers For Medicare & Medicaid Services	CLIA ID# 05D2184617	5/21/2020	5/20/2024
8.	Clinical and Public Health Laboratory License (State ID: CLR-90000805) for Family Health Services-Mendota, effective date: May 21, 2022 (address: 121 Belmont Ave Ste 100, Mendota, CA 93640-8231)	California Department of Public Health	State ID# CLR-90000805,	5/21/2022	5/20/2023
9.	Clinical Laboratory Improvement Amendments Certificate of Waiver (CLIA ID# 05D0861938) for Chowchilla Medical Center, effective date: February 6, 2022 (address: 285 Hospital Dr. Chowchilla, CA 93610-2041)	Centers For Medicare & Medicaid Services	CLIA ID# 05D0861938	2/6/2022	2/5/2024
10.	Clinical and Public Health Laboratory License (State ID# CLR-00312795, CLIA ID# 05D0861938) for Chowchilla Medical Center, effective date: January 10, 2022 (address: 285 Hospital Dr., Chowchilla, CA 93610-2041)	California Department of Public Health	State ID# CLR-00312795	1/10/2022	1/9/2023
11.	Clinical Laboratory Improvement Amendments Certificate of Waiver (CLIA ID# 05D2045072) for Family Health Services, effective date: August 6, 2020 (address: 1210 E Almond Ave, Madera, CA 93638-5606)	Centers For Medicare & Medicaid Services	CLIA ID# 05D2045072	8/6/2020	8/5/2022

No.	License/Permit Name	Issuing Authority	License/Permit Number	Issue Date	Expiry Date
12.	Clinical and Public Health Laboratory License (State ID# CLR-00342808) for Family Health Services, effective date: October 31, 2021 (address: 1210 E. Almond Avenue, Madera, CA 93638)	California Department of Public Health	State ID# CLR-00342808	10/31/2021	10/30/2022
13.	Hospital Pharmacy Permit (Lic. # HSP30734) issued by California Board of Pharmacy to Madera Community Hospital, issue date: December 1, 1984	California Board of Pharmacy	Lic. # HSP30734	12/1/1984	12/1/2022
14.	Sterile Compounding License (No. LSC 99534) for Madera Community Hospital, issue date: July 8, 2009 (address: 1250 E Almond Ave, Madera CA 93637)	California Board of Pharmacy	Lic. # LSC 99534	7/8/2009	12/1/2022
15.	Permit To Operate issued by Madera County Environmental Health Division to Madera Community Hospital, valid from 1/1/2022 to 12/31/2022	Madera County Environmental Health Division	PT0004405 PT0005210 PT0005605	1/1/2022	12/31/2022
16.	Permit to Operate issued by San Joaquin Valley Air Pollution Control District to Madera Community Hospital, expiration date: June 30, 2026	San Joaquin Valley Air Pollution Control District	C-7173-1-0	N/A	6/30/2026
17.	Radioactive Material License (Lic # 5154-20) for Madera Community Hospital, dated May 3, 2013 (address: 1250 East Almond Avenue, Madera, CA 93637)	California Department of Public Health	Lic # 5154-20	5/3/2013	8/25/2023
18.	City of Madera Business License (Lic. # 5724) for Affiliated Physician Practice, Inc. (Business ID: 54299), issue date: May 31, 2022 (Address: 1280 E Almond Ave, Madera, CA 93637)	City of Madera	Lic # 5724	5/31/2022	6/30/2022
19.	Fictitious Name Permit (# FNP544608) for Affiliated Physician Practice, Inc., dated April	Medical Board of California	FNP544608	4/1/2015	N/A

No.	License/Permit Name	Issuing Authority	License/Permit Number	Issue Date	Expiry Date
	1, 2015 (address: 1250 E Almond Ave, Madera, CA 93637)				
20.	Clinical Laboratory Improvement Amendments Certificate of Waiver (CLIA ID# 05D2201036) for Affiliated Physician Practice, effective date: November 18, 2020 (address: 1280 East Almond Avenue, Madera, CA 93637-5606)	Centers For Medicare & Medicaid Services	CLIA ID# 05D2201036	11/18/2020	11/17/2022
21.	Clinical and Public Health Laboratory License (State ID# CLP-90002112, CLIA ID# 05D2201036) for Affiliated Physician Practice, Inc., effective date: April 10, 2022 (address: 1280 E Almond Ave, Madera, CA 93637-5606)	California Department of Public Health	State ID# CLP-90002112	4/10/2022	4/9/2023
22.	HFAP Accreditation for Madera Community Hospital (HFAP ID: 162869), effective date: 6/25/2020 - 6/25/2023 (address: 1250 E Almond Ave. Madera, CA 93637-5696)	HFAP	HFAP ID: 162869	6/25/2020	6/25/2023

SCHEDULE 5.24
HIPAA

(a)

1. Item 2 under Schedule 5.18(g) is incorporated by reference.

(b)

DATE OF EVENT	EVENT CATEGORY	EVENT DETAILS	REPORTED TO (REGULATORY BODY)	DATE REPORTED TO RB)	CA#
2018	HIPAA Breach				CA00579124
2018	HIPAA Breach				CA00577201
2020	HIPAA Breach				CA00670009
2020	HIPAA Breach	[REDACTED]			
2020	HIPAA Breach				
2020	HIPAA Breach				CA00703803
2020	HIPAA Breach	unsubstantiated			CA00690895
2020	HIPAA Breach	unsubstantiated			CA00606769
2020	HIPAA Breach	unsubstantiated			CA00653318
2020	HIPAA Breach	unsubstantiated			CA00645355
Jul-20	HIPAA breach		CDPH		
[REDACTED]	HIPAA Breach	[REDACTED]	CDPH	[REDACTED]	
[REDACTED]	HIPAA Breach	[REDACTED]	CDPH	[REDACTED]	
[REDACTED]	HIPAA breach	[REDACTED]	CDPH	[REDACTED]	
[REDACTED]	HIPAA breach?	[REDACTED]			
[REDACTED]	HIPAA breach	[REDACTED]			
[REDACTED]		[REDACTED]			
[REDACTED]		[REDACTED]			
[REDACTED]	Privacy Breach	[REDACTED]	CDPH	[REDACTED]	CA00723647

2 [REDACTED]	Privacy Breach	[REDACTED]	CDPH	[REDACTED]	
[REDACTED]	Potential HIPAA Breach	[REDACTED]	CDPH	[REDACTED]	
[REDACTED]	HIPAA Breach	[REDACTED]	CDPH	[REDACTED]	
[REDACTED]	HIPAA Breach	[REDACTED]	CDPH	[REDACTED]	
[REDACTED]	HIPAA Breach	[REDACTED]	CDPH	[REDACTED]	
[REDACTED]	HIPAA Breach	[REDACTED]	CDPH	[REDACTED]	CA00754944
[REDACTED]	Privacy Breach	[REDACTED] ^a	CDPH	[REDACTED]	
[REDACTED]	Privacy Breach	[REDACTED]	CDPH	[REDACTED]	
[REDACTED]	HIPAA Breach	[REDACTED]	CDPH	[REDACTED]	

(c)

No disclosures.

SCHEDULE 5.26
Environmental Matters

(a)

1. Madera County Environmental Health Division found the following violations through the onsite inspection on 5/4/2022:

a. Violation # 4020002: failure to conduct spill prevention briefings at least once a year, or failure to highlight or describe one or more of the following: Known discharges or failures; Malfunctioning components; Recently developed precautionary measures.

b. Violation # 4030014: failure to ensure that tanks are inspected and tested by an appropriately qualified person in accordance with industry standards.

2. Madera has taken the following corrective actions:

a. to remediate Violation # 4020002, Madera conducted spill prevention briefings and training on May 17, 2022 and provided proof of the briefings via email to Madera County Environmental Health Division on June 1, 2022.

b. to remediate Violation # 4030014: Madera hired Tanknology Inc., a qualified tank inspector, to inspect and test tanks in accordance with industry standards. Tanknology has completed onsite inspection on 5/17/2022 and is currently scheduling an ultrasonic testing to finalize the AST inspection. Madera provided documentation via email to Madera County Environmental health Division on June 1, 2022 proving (1) that the monthly and annual STI SP001 checklist has been performed for AST #1, AST #2, and AST #3, and (2) that the formal external inspection and leak test have been performed by technician of Tanknology, Inc. for AST #2 & AST #3.]

(b)

1. Schedule 5.26(a) is incorporated by reference.

2. Items 13 and 14 under Schedule 5.20(c) are incorporated by reference.

SCHEDULE 5.27
Employee Benefit Matters

(a)

1. Madera Community Hospital Profit Sharing Plan
2. Eligible employees of Madera are permitted to make a salary reduction contribution to a 403(b) account.
3. Madera Community Hospital AD&D and Specific & Aggregate (welfare benefits plan), providing for the following benefits:
 - a. Medical (Anthem Plan Silver PPO and Anthem Plan Gold PPO)
 - b. Dental (Delta Dental HMO or PPO)
 - c. Vision (Superior Vision)
 - d. Life insurance
 - e. Long-term disability
 - f. AD&D
4. Madera Community Hospital Flexible Benefits Plan, which provides for health flexible spending account and dependent care flexible spending account benefits.
5. Identity Theft Protection (LifeLock)
6. Voluntary Benefits (TransAmerica)
7. Paid Time Off
8. Extended Illness Bank
9. Schedule 5.14(a)(xi) is incorporated by reference.

(b)

No disclosures.

(c)

No disclosures.

(d)

No disclosures.

(e)

No disclosures.

(f)

1. Pursuant to [REDACTED] Employment Agreement, [REDACTED]

[REDACTED]

2. Pursuant to [REDACTED] Employment Agreement, [REDACTED]

[REDACTED]

(g)

1. [REDACTED] Employment Agreement

2. [REDACTED] Employment Agreement

(i)-(vi) No disclosures

(vii) Items under this Schedule 5.27(f) are incorporated by reference.

(vii)-(x) No disclosures

Any contingent compensatory payments are not considered “parachute payments” within the meaning of Code Section 280G(a)(2) pursuant to Treasury Regulation Section 1.280G-1, Q/A-5(a)(4) and -6(a)(3).

(h)

No disclosures.

(i)

No disclosures.

(j)

No disclosures.

(k)

No disclosures.

(l)

No disclosures.

SCHEDULE 5.28
Employment Matters

(a)

No disclosures.

(b)

1. On [REDACTED] Madera entered a settlement agreement with [REDACTED] [REDACTED]
[REDACTED] S.

2. In [REDACTED] Madera entered a settlement agreement with [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

(c)

1. Schedule 5.14(a)(xi) is incorporated by reference.

(d)

No disclosures.

(e)

No disclosures.

SCHEDULE 5.30
Insurance

(a)

Insurance policies covering Madera and the MCH Foundation

Insurer	Policy	Policy No. & Period	Limits	Retention
California Healthcare Insurance Company, Inc., RRG	Healthcare Entity Integrated Liability Professional and General Liability Employment Practices Liability (Shared Limit) Directors & Officers Liability (Separate Limit) Fiduciary Liability (Separate Limit)	Policy #HP 00831 07/01/2021-07/01/2022	\$5,000,000 - Each Claim \$15,000,000 - Annual Aggregate \$5,000,000 - Each Claim \$15,000,000 - Annual Aggregate \$3,000,000 - Annual Aggregate \$1,000,000 - Annual Aggregate	\$10,000 - Each Claim \$10,000 - Each Claim \$100,000 - Each Claim \$1,000 - Each Claim
AIG Specialty Insurance Company	Cyber Liability Specialty Risk Protector Media Content Security & Privacy Liability Network Interruption* Event Management Cyber Extortion*	Policy # 01-423-34-04 07/01/2021-07/01/2022	\$5,000,000 - Annual Aggregate *See policy for sublimited coverages	\$100,000 - Each Claim Waiting Period 12 Hours
Alliant (Broker) Arch Specialty Insurance Company Chubb Bermuda Insurance Ltd.	All Risk Property Real Property, Personal Property, Rental Income, Business Interruption, Ordinary Payroll and Extra Expense	Policy #PPROP2022 07/01/2021-07/01/2022	\$200,000,000 - Per Occurrence TIV- \$131,482,842	\$25,000 All Risk/\$50,000 Water Damage Per Occurrence Waiting period 24 hours

Insurer	Policy	Policy No. & Period	Limits	Retention
Convex Insurance UK Limited Endurance Worldwide Insurance Limited Evanston Insurance Co. Fidelis Underwriting Limited International General Insurance Co. Ironshore Specialty Insurance Company Lancashire Insurance Company (UK) Ltd. Landmark American Insurance Co. Lexington Insurance Company Lloyd's of London National Fire and Marine Insurance Company PartnerRe Ireland Insurance Ltd. QBE Specialty Insurance Company StarStone Specialty Insurance Company Westport Insurance Corporation XL Insurance America Inc.				
Alliant (Broker) Arch Specialty Insurance Company Chubb Bermuda Insurance Ltd.	Boiler & Machinery Boiler Explosion and Machinery, Breakdown for Combined Property, Damage	Policy #PBOILER2022 07/01/2021-07/01/2022	\$100,000,000 - Per Occurrence	\$10,000 - Per Occurrence

Insurer	Policy	Policy No. & Period	Limits	Retention
Convex Insurance UK Limited Endurance Worldwide Insurance Limited Evanston Insurance Co. Fidelis Underwriting Limited International General Insurance Co. Ironshore Specialty Insurance Company Lancashire Insurance Company (UK) Ltd. Landmark American Insurance Co. Lexington Insurance Company Lloyd's of London National Fire and Marine Insurance Company PartnerRe Ireland Insurance Ltd. QBE Specialty Insurance Company StarStone Specialty Insurance Company Westport Insurance Corporation XL Insurance America Inc.	and Business Interruption/ Extra Expense			
Lloyd's of London - Beazley Syndicate	Cyber Liability Information Security & Privacy Insurance with Electronic Media Liability First and Third Party Coverage (Cyber)	Policy #FN2105500 07/01/2021-07/01/2022	\$2,000,000 - Annual Aggregate	\$50,000 - Per Occurrence Waiting period 8 hours for First Party Claims

Insurer	Policy	Policy No. & Period	Limits	Retention
Ironshore Specialty Insurance Company	Pollution Premises Liability (Excess if standalone Pollution purchased)	Policy #ISPILLSCAZ08001 07/01/2021-07/01/2022	\$2,000,000 - Per Pollution Incident \$2,000,000 - Annual Aggregate	\$50,000 - Each Pollution Incident
National Union Fire Insurance Company of Pittsburgh, PA	Fidelity (Crime) Employee Theft Clients Property Forgery or Alteration Inside Premises Theft of Money and Securities Robbery/Safe Burglary of Other Property Outside Premises Computer Fraud Funds Transfer Fraud Money Orders & Counterfeit Paper Currency	Policy #01-424-90-77 07/01/2021-07/01/2022	 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000	 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000
Pacific Compensation Insurance Company	Workers' Compensation	Policy #WA-007554-00 10/1/2021 - 10/1/2022	\$1,000,000	None (pay first dollar on the claims)
Nationwide Mutual Insurance Company	Auto liability and physical damage coverage*	ACP BA 3019454261 10/5/2020 - 10/5/2022	\$1,000,000 Combined Single Limit	None (pay first dollar on the claims)
Nationwide Mutual Insurance Company	Surety Bond**	BD 7900394171 12/07/2021 – 12/06/2024	CA ERISA – up to and including \$500,000	

*This policy does not cover the MCH Foundation because it does not have any registered auto vehicles.

**This policy does not cover the MCH Foundation because it does not have a retirement plan and nor is included in the Madera Retirement Plan.

Insurance Policies covering APP

Insurer	Policy	Policy No. & Period	Limits	Retention
E-Risk Services, LLC	Directors and Officers and Company Coverage Section	EKS3395987 9/1/2021 to 9/1/2022	a. \$1,000,000 aggregate for all Loss, subject to 1.b. and 1.c. immediately below. b \$1,000,000 additional aggregate for all Loss under Insuring Clause A.1., subject to 1.c, immediately below c. \$2,000,000 maximum aggregate	\$0 each Claim under Insuring Clause 1. \$25,000 each Claim under Insuring Clause 2. \$25,000 each Claim under Insuring Clause 3 for this Coverage section.
Employers Preferred Ins. Co.	Workers' Compensation and Employers Liability	EIG 4766665 01 5/28/2022 -5/28/2023	Bodily Injury by Accident \$1,000,000 each accident Bodily Injury by Disease \$1,000,000 policy limit Bodily Injury by Disease \$1,000,000 each employee	N/A

The Madera insurance Policies do not include the Madera Benefit Plans.

SCHEDULE 5.32
CARES Act Funding

(a)

1. Paycheck Protection Program Promissory Note entered by APP, dated August 11, 2020 and related documentation with respect to \$112,140.

2. Paycheck Protection Program Second Draw Borrower Application Form filed by APP, dated March 10, 2021 for \$147,205 and corresponding and related Small Business Paycheck Protection Program Applicant Certification and Release Agreement and Paycheck Protection Note, each dated March 10, 2021.

3. Grant Agreement (Madera County Contract No. 12246-22), dated June 22, 2022, entered by and between the County of Madera and Madera Community Hospital (“Grant Agreement”) in connection with \$1,000,000 made available under the American Rescue Plan Act.

(b)

No disclosures.

SCHEDULE 7.06
Pre-Closing Filings with Governmental Authorities

1. Notice and approval from the California Attorney General in accordance with Section 5920 of the California Corporations Code.
2. New application/Change in Ownership Submission for Hospital Pharmacy Permit (Lic. # HSP30734) issued by California Board of Pharmacy to Madera Community Hospital, issue date: December 1, 1984 (with temporary or permanent pharmacy permit to be issued effective as of Closing).
3. New application/Change in Ownership Submission for Sterile Compounding License (No. LSC 99534) for Madera Community Hospital, issue date: July 8, 2009 (address: 1250 E Almond Ave, Madera CA 93637) (with temporary or permanent pharmacy permit to be issued effective as of Closing although a gap in licensure may be necessary to accommodate BOP survey).
4. Notice letter recommended but not required with respect to Radioactive Material License (Lic # 5154-20) for Madera Community Hospital, dated May 3, 2013 (address: 1250 East Almond Avenue, Madera, CA 93637).

SCHEDULE 7.08(a)(ii)
Madera Employment Agreements

1. ██████ Employment Agreement
2. ██████ Employment Agreement
3. Employment Agreement between Affiliated Physician Practice, Inc., and ██████ effective March 15, 2020.
4. First Amended and Restated Employment Agreement between Affiliated Physician Practice, Inc., and ██████ effective February 1, 2018.
5. Employment Agreement between Affiliated Physician Practice, Inc., and ██████ effective April 1, 2018, as amended.
6. Employment Agreement between Affiliated Physician Practice, Inc., and ██████ effective December 1, 2015, as amended.

SCHEDULE 7.09(a)
Insured Real Property

1. 1250 E. Almond Avenue, Madera, California 93637 (Madera Community Hospital)
2. 1210 E. Almond Avenue, Madera, California 93637 (Family Health Services (RHC))
3. 1270 E. Almond Avenue, Madera, California 93637 (Outpatient Center, Imaging Lab and other Hospital Departments)
4. 1280 E. Almond Avenue, Madera, California 93637
5. 1260 E. Almond Avenue, Madera, California 93637
6. 1290 E. Almond Avenue, Madera, California 93637
7. 1200 E. Almond Avenue, Madera, California 93637
8. 8.71 acre Solar Facility (APN 012-260-001-000)
9. 35.58 acres of farmland in Madera County (APN 047-014-008-000)

EXHIBIT 2

**MADERA COMMUNITY HOSPITAL
Policy / Procedure**

SUBJECT: Financial Assistance Program **DATE:** 10/01/04
REvised: 1/1/07, 9/1/10,
DEPARTMENT: Administration 4/1/11, 4/1/14,
1/1/15, 6/15/16,
1/1/20, 10/20,
8/1/21

DEPARTMENTS AFFECTED: Hospital-Wide and Specifically - Emergency Department, Family Health Services, Chowchilla Medical Center, Family Health Services Mendota, Case Management, Admissions, Credit & Collections and Business Office **Reviewed:**

SUBMITTED BY: VP-Finance/CFO **DEPT. #** 8610

REFERENCES:

AB 774, as amended, (Chan, 2006), AB 1503 (2010), SB 1276 (2014), Office of Statewide Health Planning and Development Hospital Technical Letters, California Hospital Association *Voluntary Principles and Guidelines for Assisting Low-Income Uninsured Patient* (2004), *Hospital Finance Assistance Policy & Community Benefit Law* (2016); Department of Health and Human Services, Office of the Inspector General *Hospital Discounts Offered to Patients Who Cannot Afford to Pay their Hospital Bills* (2004); California Department of Public Health All facilities Letter 14-25.1 (2014); American Hospital Association *Hospital Billing and Collection Practices*; Various letters and publications from other sources. IRC § 501(r)(1 through 6), TD9708 (12/31/14).

PURPOSE:

To promote equal and compassionate access for all individuals needing emergent or imminently necessary healthcare services. To establish guidelines for the authorization of discounts to patients/guarantors who are low-income, underinsured, uninsured or have high medical costs for services provided by Madera Community Hospital (MCH).

POLICY:

Introduction

Consistent with the Mission and Vision Statements of Madera Community Hospital, the Hospital shall have policies and procedures in place, approved by its Board of Trustees, to assist low-income, underinsured, uninsured patients/guarantors, or patients with high medical costs, who claim to not have the ability to pay for their needed healthcare services and who have verifiable family income up to 350% of the published Federal Poverty Level. This policy shall consider the unique cultural, diversity and economic needs of the community at large. The Financial Assistance Program, sometimes also referred to as a Charity Care Program, will be available to all qualified individuals regardless of age, gender, race, socio-economic, sexual orientation or religious affiliation, that meet residency requirements.

This policy shall not prohibit the Hospital's treatment of patients who present themselves at the Emergency Department and does not supersede the rules and regulations set forth in the EMTALA legislation. Only patients with an immediate or imminent need for necessary healthcare services, as determined by a physician or other licensed healthcare practitioner, shall qualify for this program.

Services that are deemed optional or of a cosmetic nature do not qualify for a discount under this policy. The Hospital's Chief Executive Officer or VP-Finance/CFO may make an exception to this policy for certain individuals who would not normally qualify, based on their specific individual circumstances.

Information Available to the Public and Methods of Communication

The following information shall be made available to patients/guarantors or other interested parties by the Hospital, upon request:

- A copy of this Policy in English or Spanish.
- A copy of the Application and Instructions in English or Spanish.
- Information explaining State and Federal Public Benefit Programs available and the benefits available under the Hospital's Financial Assistance Program, which are included with the Conditions of Admission and Authorization for Treatment available to all self-pay patients at time of registration.

The Hospital shall inform the public of its financial assistance program by the following methods:

- Post a notice about the Financial Assistance Program in public areas for patients to see.
- Include information on statements and other collection correspondence sent to self-pay patients about the availability of the program.
- Communicated by the Case Management staff, Credit & Collections staff, financial counselors and all registration personnel when a patient or guarantor indicates they do not have the ability to pay for their care.
- On the Hospital's website (www.maderahospital.org).

All public notices, including this policy, the application & instructions shall be made available in English & Spanish.

Staff Training About Availability of Financial Assistance Program

MCH staff who are routinely involved in the registration/admission of patients, those that help manage the healthcare services being received by the patient (such as case managers or social workers) and those in the financial counseling, billing and collection for healthcare services will receive specific training on the availability of the Hospital's Financial Assistance Program to the public. The goal of the training is to make sure that information about the program is available to the public that may qualify for the program and for staff to recognize those patients/guarantors who may qualify for the program but have not yet inquired about it.

Eligibility Criteria and Charges Covered

Those patients/guarantors who claim that they do not have the financial resources to pay for their healthcare services may be eligible for the program if they meet certain income and family size limitations and complete a Financial Assistance Program application. All individuals interested in this program shall cooperate with the Hospital in providing the appropriate information for the Hospital to make a determination of qualification.

This program shall be available to all individuals who meet the qualifications. All amounts due, including co-pays, deductibles, share of costs and non-covered charges remaining after the primary payer (if applicable) has paid, are eligible for discounts under this program.

Individuals that apply for Medi-Cal/CMSP or other State and Federal programs and are denied due to assets or income levels above qualifying limits may be eligible for coverage under the California Health Benefit Exchange (Covered California). The Madera County Department of Social Services shall forward the patient's information to Covered California once it has been determined that the patient doesn't qualify for Medi-Cal or another Public Benefit Plan.

Residency Requirement:

Only those patients whose primary residence is located in the direct service area of Madera Community Hospital are eligible for this program. The Hospital's direct service area generally includes all of western Madera County, mostly west of State Highway 41. This encompasses the zip codes of 93610, 93636, 93637, 93638 & 93639. Patients may be asked to show proof of current address by providing a government-issued photo ID (such as a valid Driver's License), a utility bill or other proof of residence. The direct service area does not include any parts of Merced or Fresno Counties. Residents of those counties or other areas are encouraged to inquire about the charity care programs of the local hospitals serving those areas.

Income Verification, Approval Process and Discount Amount Determination

Once the residency requirement is met, a qualification determination shall be made based on total family income and the number of family members. Income verification may be done by reviewing pay stubs, tax returns, SSI or other information to help establish income levels.

The Hospital shall inform the applicant within 10 business days of receipt of a properly completed Application (a copy of the Instructions and Application are attached to this Policy and made a part thereof) of their acceptance or not into the program. For Applicants who are denied due to lack of information provided on the Application or the Hospital's inability to verify income level or family size, shall have the opportunity to provide additional information for consideration. If the application is again denied, the Applicant can ask for a review by the VP-Finance/CFO for an ultimate determination.

The discount amount shall be determined by a chart developed by the Hospital based on the Family Federal Poverty Guidelines published periodically in the Federal Register. The Hospital's discount chart (a copy which is attached to this Policy and made a part thereof) shall be updated as the Federal Poverty Level amounts are revised. The Hospital shall provide discounts to qualified patients/guarantors at percentages of 100% down to 40% off hospital charges based on verifiable family income levels from 200% to 350% of the published Federal Poverty Level Chart. Generally speaking, people with family income levels below 200% of the Federal Poverty Guidelines will qualify for a 100% discount on their account.

No individual qualifying for this program shall be billed more than the amounts generally billed (AGB) for emergency or medically-necessary care. To obtain the AGB percentage and the calculation for the service to be received, at no cost to you, please contact the hospital Credit Department at (559) 675-5514.

Presumptive Financial Assistance Determination

The Hospital, based on information available at the time, may determine to presume that a patient qualifies for the Financial Assistance Program even though the person has not applied for the program. In some cases where the patient/guarantor is not willing or is unable to apply for the program, the Hospital may presume they would qualify for the program and apply the discounts available to their account(s) as though they had applied and qualified for the program.

Payment of Remaining Balance on Account and Collection Practices

The hospital shall make every reasonable effort to arrange for a reasonable payment plan for that portion of the patient's bill that is not discounted through this program. All payment arrangements with participants in the Financial Assistance Program will be interest free.

All collection activities being done by the Hospital's Collections Department, or by collection agencies that the Hospital contracts with to perform follow-up collections on unpaid accounts, shall cease when a patient/guarantor claims they do not have the ability to pay these debts.

At that time, the patient/guarantor will have the opportunity to apply for the Financial Assistance Program. If the patient/guarantor's application is denied, such collection activities may resume. The Hospital, or its contracted collection agencies, will not use aggressive collection practices towards any patient/guarantor who has been accepted into the Financial Assistance Program, received a partial discount, and has made arrangements with the hospital to pay the remaining balance of his/her account. If the patient/guarantor fails to fulfill their commitment to pay the balance of their account, the hospital may resume normal collection practices on the account.

Participation Period / Retroactive Covered Services Period

A patient's approved participation in the program will last for three (3) months. When this period expires, the patient may be asked to reapply in order to be considered for the financial assistance program for future services. If reapproved, another 90 day period may be granted to the patient. The limited participation periods are designed to reevaluate the Applicant's financial situation periodically and confirm his/her qualification for the Financial Assistance Program as personal financial circumstances change. The Patient/Guarantor may be asked to apply for Public Health Programs if it appears they may now qualify for such benefits. No additional Financial Assistance periods shall be approved for a patient who has unpaid accounts from the previous period until those accounts are paid in full.

Any services received by the patient within the prior ninety (90) days from the date of the approved Application will be eligible for a discount under the Program unless it is determined that the patient/guarantor's financial situation at the time of the prior service would not have qualified them for the program. This retroactive application of discounts will not apply to accounts of the patient that have already been paid – no refunds will be issued to any payer for payments received by Madera Community Hospital for services provided during the retroactive period.

Non-Covered Services

This policy does not apply to charges for services provided by attending or consulting physicians or other medical providers that are not billed by the Hospital. Patients/guarantors will have to discuss any such discounts with the individual medical practitioner directly. Madera Community Hospital has encouraged other medical providers to have Financial Assistance policies consistent with this one in place and to encourage people who appear to not be able to pay for their healthcare services to apply for such programs, where available.

This policy does not apply to services of a cosmetic nature. Only emergent services, and those that are determined by a physician or other healthcare provider to be imminently needed, will qualify for discounts under this policy.

Availability of Charity Care and Discounted Payments From Emergency Room Physicians:

California Emergency Physicians, the contractor who staffs Madera Community Hospital's Emergency Department with physicians, physician assistants and nurse practitioners, does have a Charity Care program. Patients who would like to inquire about this program for bills received from this provider should do so by calling toll-free to the CEP/MedAmerica billing office at (800) 498-7157.

What Services and Providers are Covered by this Policy:

As required by IRC § 501(r)(1 through 6), TD9708 (12/31/14), Madera Community Hospital is obligated to inform patients which services are covered by this policy and if any providers, other than the hospital itself, are covered under this policy. This policy only covers those services provided by Madera Community Hospital employees and billed directly by Madera

Community Hospital. Services provided by Physicians, Physician Assistants, Nurse Practitioners or some other medical professionals that are billed directly by them are generally not covered by this policy. Patients should contact the individual practitioner directly to arrange for discounts to billings for services they have provided in the course of treatment at Madera Community Hospital.

Attached to this policy, and accurate as of the date of the policy, is a list of all physicians and other providers that may provide professional services to patients seen at Madera Community Hospital. As noted on the list, none of the services provided by these professionals are covered by this policy. Patients are encouraged to contact the professional directly, the medical group they may be a member of or their billing company to discuss their ability to pay for such services received.

Other

All Financial Assistance Program records shall be kept for a minimum of five (5) years in confidential storage by the Manager, Credit & Collections. No information about the patient/guarantor or the Application shall be distributed to any party outside the hospital without prior written authorization of the patient/guarantor, except in the process of verifying information on the Application. The information contained on the Application or attached thereto as supporting documentation shall not be used for any reason other than the determination of qualification in the Hospital's Financial Assistance Program.

The hospital's Chief Executive Officer or VP-Finance/CFO are authorized to make exceptions to this policy based on individual circumstances.

PROCEDURE:

I. Patient Admissions/Registrars and Financial Counselors (excluding Emergency Room Personnel):

1. At the time of registration of a patient who claims to not have a primary payer source for the services to be received, admissions/registration personnel and financial counselors should question the patient about his/her qualification for Medi-Cal/CMSB benefits, other Public Benefit Programs or Covered California.
 - a) If the patient is unwilling to cooperate with the financial assistance application process and, thus, does not qualify for the Financial Assistance Program, the patient should be registered as self-pay and the admissions/registration personnel or financial counselor should discuss payment options with him/her. A review of the patient's recent billing/payment history should be done by the financial counselor to determine if the patient has other unpaid accounts that need to be discussed at the same time.
2. Admissions/registration personnel and financial counselors should distribute copies of the Financial Assistance Program Application and Instructions to those patients/guarantors who claim to not have the financial ability to pay for their healthcare services and would otherwise qualify for the program. This information may come forward during conversations with the patient/guarantor during the registration process or at a later date.
3. Admissions/registration personnel and financial counselors should help answer any questions the patient/guarantor has about the program or application process, stressing the need for proper support documentation to accompany the Application.

4. Patients who are currently admitted into the hospital should be counseled by the financial counselor and/or Case Management staff about the Program. If possible, the Medi-Cal/CMSAP or Financial Assistance Program Application should be completed and signed prior to the patient's discharge from the hospital.
5. Completed Applications for the Financial Assistance Program, along with support documentation, should be forwarded to the Manager, Credit & Collections for a determination.
6. Appropriate notes about the discussions with the patient/guarantor should be documented in the patient accounting system for future reference.
7. For those patients who have already been approved for the Program and are receiving additional health services during the approved period (within 90 days from the date of approval), registration staff should recognize this during the registration process and complete the registration of the patient as a Financial Assistance Program patient. For those patients who are in the program and are not receiving a 100% discount, the registrar or financial counselor should discuss the need for the patient to pay the non-discounted portion of the estimated amount of the charges for the services being received. If the patient absolutely refuses to make a payment for their portion of the charges for the current visit, the registrar should continue with the registration process and have the financial counselor, if available, meet with the patient to discuss payment terms.

II. Credit & Collections Personnel:

1. During the collections follow-up process, Credit & Collections personnel should introduce the Hospital's Financial Assistance Program to those patients/guarantors who claim to not have the financial ability to pay for their prior healthcare services and offer to send to them a Medi-Cal/CMSAP Application and/or the Financial Assistance Program Instructions/Application. Credit & Collections personnel should advise the patient/guarantor that only services received within the last 90 days or the 90 day period after approval of their application are eligible for a discount through the Program.
2. Credit & Collections personnel should help answer any questions the patient/guarantor has about the Program or Application process. Stressing the need for proper support documentation will help with the approval of the Application.
3. Completed Applications, along with support documentation, should be forwarded to the Manager, Credit & Collections for approval or denial.
4. Credit & Collections personnel should advise the patient/guarantor that if they do not qualify for the Program or do not cooperate with the application process, that they will be financially responsible for the charges accumulated on the account and if they fail to pay their portion due that their account may be turned over to a collection agency for further action. The patient/guarantor should be advised of the discount that the hospital applies to all self-pay accounts.
5. Credit & Collections personnel should offer and set-up acceptable payment plans for the portion of their account that they remain responsible for to those patients/guarantors who qualify for and receive a partial discount. The monthly payment amounts should be based on the policy/procedure regarding in-house self-pay payment plans.
6. Appropriate notes about the discussions and progress made with the patient/guarantor should be documented in the patient accounting system for future reference.

III. Manager, Credit & Collections:

1. Upon receipt of a completed application the Manager, Credit & Collections shall initiate the completion of the Financial Assistance Program Application Approval Form (attached to and made part of this Policy). If the Applicant meets the residency requirement of this policy, the Manager, Credit & Collections shall review the Application for completeness and appropriate support documentation and document such on the Approval Form. If he/she finds the Application complete and can verify income and family size information from support documentation, he/she shall determine the percentage discount that the patient/guarantor is entitled to per the Financial Assistance Chart (attached to and made part of this Policy). He/she

shall determine the discount amount by first locating family size in the left-hand column and scrolling across to the monthly or annual income amount range. The discount percentage is shown at the top of that column.

2. Upon approval of an Application, a letter of approval shall be sent to the patient/guarantor stating acceptance into the Program and what discount percentage he/she has qualified for, the adjustment made to the account and the balance remaining on the account that the patient/guarantor is responsible for, if any. The financial class of the patient shall be changed to CH and a note shall be entered into the patient accounting system stating the date of approval, when the initial 3 month charity period ends and any other relevant facts that need to be documented.
3. Upon denial of an Application, the Manager, Credit & Collections shall send a letter of denial to the patient/guarantor stating reason for denial. The patient/guarantor should be encouraged to provide additional information if the Application has been denied due to lack of support documentation. If possible, notes about the application and denial should be entered into the patient accounting system for future reference.
4. The Manager, Credit & Collections, or designee, shall work with the patient/guarantor as much as possible to help qualify them for the Program. The contact information for the patient/guarantor may be turned over to the outside contractor that assists patients of the Hospital to qualify for Public Assistance Programs.
5. All approved Applications should be reviewed with the patient in the month in which their 90 day financial assistance period ends. The Manager, Credit & Collections or a staff member should contact the patient to complete an update of his/her Application information and make a determination if the patient is approved for another 90 day period. Patients who have unpaid balances from the previous approved period shall not be eligible for a renewal period until the accounts are paid in full.
6. At the end of each month, prior to the closing of the patient financial system (B/AR) for that month, run a listing of patients who are in the Financial Assistance Program and make the appropriate discount adjustments to those accounts that have accumulated charges during the month.



Madera Community Hospital

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MADERA COMMUNITY HOSPITAL Hospital Financial Assistance Discount Program Instructions & Application

Please complete the attached application in ink as fully as possible and sign where indicated.

In order to qualify for the MCH Financial Assistance Discount Program, you need to claim that you do not have the ability to pay for these services you are about to receive or have received and will have to complete the attached application. You will be asked to apply for State & Federal Public Health Programs that you may qualify for. Please complete the application in its entirety and provide as much support documentation of your income as possible. The more detailed information you provide will help us make a quicker decision about your qualification for the program and could prevent a delay in your care. Information such as check stubs, tax returns or other documents will help us confirm your income level and determine your qualification in this program.

Individuals who have no insurance coverage and who do not have the ability to pay for health care services may qualify for this program. Also, individuals who have primary coverage but have a deductible/co-pay or a share of cost may also qualify if they do not have the ability to pay for their share of the hospital charges. Depending on your income level and the number of people in your family, you may qualify for a 40% to 100% discount off the charges accumulated on your account for services received from the hospital.

Upon successful completion of the application and meeting other requirements, the hospital will review the information submitted and approve or deny your application. If denied due to incomplete information, you will have the opportunity to submit additional information that may help the hospital approve your participation in the program. You will receive a determination letter from the hospital within 10 business days from the submission of the application.

Financial Assistance Program Applicants will have the option to complete a Medi-Cal application before applying for the Hospital Financial Assistance Program. If the Medi-Cal application is approved, Medi-Cal will become your primary payer. If the Medi-Cal application is denied due to non-qualification, you can proceed with the Hospital Financial Assistance Discount Program Application.

Approved Financial Assistance Applications are good for 3 months. After this time, the original approved application information will need to be updated for a determination of continuing in the program. The Hospital's Credit and Collections Department will contact patients about their continuation in the program. A patient who has unpaid balances from the prior 90 day period will not be eligible for continuing in the program until the previous balances are paid in full.

For more information about the MCH Financial Assistance Discount Program, please contact the Credit Office at (559) 675-5514.

Number of Persons in Family		***** Percentage Discount Applied to Charges *****					
		(200% FPL)	90%	80%	70%	60%	
		100%					
1	mo yr	\$2,147 and Below 25,760 and Below	\$2,148 to \$2,470 25,761 to 29,636	\$2,471 to \$2,793 29,637 to 33,512	\$2,794 to \$3,116 33,513 to 37,388	\$3,117 to \$3,439 37,389 to 41,264	\$3,440 41,265
2	mo yr	\$2,903 and Below 34,840 and Below	\$2,904 to \$3,340 34,841 to 40,078	\$3,341 to \$3,776 40,079 to 45,316	\$3,777 to \$4,213 45,317 to 50,554	\$4,214 to \$4,649 50,555 to 55,792	\$4,650 55,793
3	mo yr	\$3,660 and Below 43,920 and Below	\$3,661 to \$4,210 43,921 to 50,520	\$4,211 to \$4,760 50,521 to 57,120	\$4,761 to \$5,310 57,121 to 63,720	\$5,311 to \$5,860 63,721 to 70,320	\$5,861 70,321
4	mo yr	\$4,417 and Below 53,000 and Below	\$4,418 to \$5,080 53,001 to 60,962	\$5,081 to \$5,744 60,963 to 68,924	\$5,745 to \$6,407 68,925 to 76,886	\$6,408 to \$7,071 76,887 to 84,848	\$7,072 84,849
5	mo yr	\$5,173 and Below 62,080 and Below	\$5,174 to \$5,950 62,081 to 71,404	\$5,951 to \$6,727 71,405 to 80,728	\$6,728 to \$7,504 80,729 to 90,052	\$7,505 to \$8,281 90,053 to 99,376	\$8,282 99,377
6	mo yr	\$5,930 and Below 71,160 and Below	\$5,931 to \$6,821 71,161 to 81,846	\$6,822 to \$7,711 81,847 to 92,532	\$7,712 to \$8,602 92,533 to 103,218	\$8,603 to \$9,492 103,219 to 113,904	\$9,493 113,905
7	mo yr	\$6,687 and Below 80,240 and Below	\$6,688 to \$7,691 80,241 to 92,288	\$7,692 to \$8,695 92,289 to 104,336	\$8,696 to \$9,699 104,337 to 116,384	\$9,700 to \$10,703 116,385 to 128,432	\$10,704 128,433
8	mo yr	\$7,443 and Below 89,320 and Below	\$7,444 to \$8,561 89,321 to 102,730	\$8,562 to \$9,678 102,731 to 116,140	\$9,679 to \$10,796 116,141 to 129,550	\$10,797 to \$11,913 129,551 to 142,960	\$11,914 142,961
9	mo yr	\$8,200 and Below 98,400 and Below	\$8,201 to \$9,431 98,401 to 113,172	\$9,432 to \$10,662 113,173 to 127,944	\$10,663 to \$11,893 127,945 to 142,716	\$11,894 to \$13,124 142,717 to 157,488	\$13,125 157,489
10	mo yr	\$8,957 and Below 107,480 and Below	\$8,958 to \$10,301 107,481 to 123,614	\$10,302 to \$11,646 123,615 to 139,748	\$11,647 to \$12,990 139,749 to 155,882	\$12,991 to \$14,335 155,883 to 172,016	\$14,336 172,017

For more than 10 persons in the family, add \$4,540 for each additional person.