

ROB BONTA
Attorney General

State of California
DEPARTMENT OF JUSTICE



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November 4, 2021

Dwight M. Montgomery
700 East Redlands Boulevard, Suite U/350
Redlands, California 92373
dwightmontgomery@dmmlaw.us

Sent via USPS and Email

RE: Riverside Community Health Foundation - Request for Approval of Proposed Revisions to Articles of Incorporation

Dear Mr. Montgomery:

Pursuant to Corporations Code section 5914 et seq. and title 10, section 999.5, subdivision (h) of the California Code of Regulations, the Attorney General hereby conditionally consents to the request for approval of proposed revisions to Riverside Community Health Foundation's Articles of Incorporation.

The statute and regulations set forth factors that the Attorney General shall consider in determining whether to consent to a request for an amendment of the terms and conditions. The Attorney General has considered such factors and consents to the proposed amendment subject to the attached conditions that are incorporated by reference herein.

Sincerely,

A handwritten signature in cursive script that reads "Lily Weaver".

LILY WEAVER
Deputy Attorney General

For ROB BONTA

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SUMMARY LISTS OF CONDITIONS

Condition I: Identifies the entities that are legally bound by the conditions.

Condition II: Identifies the amendment request documents. Requires review of any further amendments by the Attorney General.

Condition III: Defines Riverside Community Health Foundation's service area within the Greater Riverside Area.

Condition IV: Requires that Riverside Community Health Foundation implement and maintain a public deliberative strategic planning process to identify and prioritize community health and wellness care needs at least once every four years.

Condition V: Requires that within ninety days from the date of this decision, Riverside Community Health Foundation post and maintain a transparent and readily accessible section of its internet website for maintaining documents related to its program activities, including health and wellness care, and information on how to participate in the public deliberative strategic planning process.

Condition VI: Prohibits discrimination on the basis of protected personal characteristics.

Condition VII: Requires that Riverside Community Health Foundation submit to the Attorney General, no later than eight months after the conclusion of each fiscal year, a letter summarizing its key activities and accomplishments in that fiscal year.

Condition VIII: Requires information to be provided to this office during monitoring.

Condition IX: Attorney General reserves right to enforce conditions and to recover attorneys' fees and costs.

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Attorney General's Conditions to the Request for Amendment by Riverside Community Health Foundation, a California nonprofit corporation.

I.

These Conditions shall be legally binding on the following entities: Riverside Community Health Foundation (RCHF), a California nonprofit corporation and 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 RCHF, 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 RCHF, any and all current and future owners, lessees, licensees, or operators of RCHF.

II.

The amendment hereby approved by the Attorney General consists of the Restated Articles of Incorporation (Articles) provided as an attachment to RCHF's August 6, 2021 Request for Amendment and updated on October 21, 2021 to correct minor clerical issues, attached as Exhibit 1 and modified pursuant to these Conditions.

RCHF shall be bound by the terms of the Articles and shall notify the Attorney General in writing of any proposed modification of any of the terms of the Articles. No modification of the Articles shall take effect without the Attorney General's written approval pursuant to the process described in title 10, section 999.5, subdivision (h) of the California Code of Regulations, as it may be amended.

III.

RCHF's service area shall consist of the Greater Riverside Area defined by the city limits of the Cities of Jurupa Valley, Riverside, Moreno Valley, Corona, Norco, and Perris, including the following United States Postal Service Zone Improvement Plan (ZIP) codes: 92501; 92502; 92503; 92504; 92505; 92506; 92507; 92508; 92509, 92518; 92521; 92522; 92551; 92553; 92557; 92570; 92571; 91752; 92860; 92879; and 92881.

IV.

RCHF shall implement and maintain a public deliberative strategic planning process to identify and prioritize community health and wellness care needs at least once every four (4) years. As part of this process, RCHF shall evaluate and consider the success of its past programs and shall actively solicit input from non-profit organizations; federal, state, local, and tribal government organizations; other relevant stakeholders; and the public concerning identified needs and unmet

needs and proposed priorities and program goals. RCHF shall use the results of this process to set program goals and specific targets for resource allocation.

V.

Within ninety (90) days from the date of this decision, RCHF shall post and maintain a transparent and readily accessible section of its internet website for maintaining documents related to its program activities, including health and wellness care, and information on how to participate in the public deliberative strategic planning process. At minimum, RCHF shall post its current strategic plan, past strategic plans, tax returns and audited financial statements for the previous five (5) years, and progress and impact reports for RCHF programs. This online posting obligation is in addition to and not a substitute for other community engagement efforts, such as multilingual community-led meetings.

VI.

RCHF shall prohibit discrimination in its services and programs 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. 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;
- d) Religion;
- e) Age; and
- f) Disability, including disability, protected medical condition, and protected genetic information.

VII.

RCHF shall submit to the Attorney General, no later than eight (8) months after the conclusion of each fiscal year, a letter summarizing RCHF's key activities and accomplishments in that fiscal year. The letter shall include copies of the strategic plan, tax return, and audited financial statement applicable to that fiscal year and may include additional documents. The Chair of the Board of Directors and the Chief Executive Officer for RCHF shall each certify that the letter and enclosed information are true, accurate, and complete and shall provide documentation of

the review and approval of the strategic plan, tax return, and audited financial statement by the Board of Directors.

VIII.

At the request of the Attorney General, RCHF shall provide such information as is reasonably necessary for the Attorney General to monitor compliance with these Conditions and the Articles as set forth herein. The Attorney General will, at the request of RCHF 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.

IX.

Once the revised Articles are filed with the Secretary of State, RCHF shall be deemed to have explicitly and implicitly consented to the applicability and compliance with each and every Condition and to have waived any right to seek judicial relief with respect to each and every Condition.

The Attorney General reserves the right to enforce each and every Condition set forth herein to the fullest extent provided by law. In addition to any legal remedies the Attorney General may have, the Attorney General shall be entitled to specific performance, injunctive relief, and such other equitable remedies as a court may deem appropriate for breach of any of these Conditions.

Pursuant to Government Code section 12598, the Attorney General shall also be entitled to recover its attorney fees and costs incurred in remedying each and every violation.

Exhibit 1

**RESTATED
ARTICLES OF INCORPORATION
OF**

**RIVERSIDE COMMUNITY HEALTH FOUNDATION
a California nonprofit public benefit corporation**

DANIEL ANDERSON and DWIGHT M. MONTGOMERY certify that:

1. They are the President and Secretary, respectively, of Riverside Community Health Foundation, a California nonprofit public benefit corporation.
2. The Articles of Incorporation of this Corporation are hereby amended and restated in their entirety to read as follows:

I.
NAME

The name of this corporation is Riverside Community Health Foundation (“Corporation”).

II.
PURPOSES

(A) 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 public and charitable purposes.

(B) The specific purposes of this Corporation are to receive gifts, bequests, devises and contributions of every kind and nature, and to hold, use, administer and disburse the same to support a health care system in the County of Riverside (and surrounding areas) in the State of California.

(C) In addition, this Corporation shall undertake the following activities in furtherance of the specific purposes identified above:

- (i) To operate or support hospitals, sanitariums, asylums, rest or retirement homes, maternity homes, dispensaries, clinics and places and institutions for the care and treatment for the sick, afflicted and aged, and to directly or indirectly furnish and supply care, treatment, hospitalization and other services therein with or without compensation therefor, and in connection with any of the above activities

to acquire, receive and hold real and personal property of every kind and character by gift, endowment, government grant, benefit, allowance, or appropriation, devise, legacy, bequest or otherwise, and to perform any all acts necessary to realize said gifts, endowments, government grants, benefits, allowances, or appropriations, devises, legacies and bequests and to make the same available to this Corporation.

(ii) To accumulate, compile and distribute statistics and other data which may be to the interests of public health in its relation to hospital service.

(iii) To the extent permitted by law, to give and furnish courses of instruction in nursing and nursing assistance, dietetics, physical therapy, library work, laboratory and X-ray techniques and other subjects in connection with the support of a hospital or hospitals or other institutions owned, operated or supported by this Corporation, and in connection with the foregoing to establish, own, maintain, conduct, operate or support nurses homes, training schools, classrooms and quarters suitable for the furnishing of courses of instruction and the care and maintenance of students.

(iv) To administer the “CHC Trust”, the “RCHF Trust”, the “New Assets”, and the “Restricted Funds” (as defined below), in accordance with the applicable provisions of Article III and Article IV.

(v) To initiate, advise, direct and develop a program of community health education in the “Service Area” (as defined below).

(vi) To perform such acts and undertake such programs as may be deemed necessary to encourage and coordinate the solicitation and receipt of funds and properties of every kind and nature, in order to promote, advance and effectuate the purposes of this Corporation.

(vii) To hold meetings, publish newsletters, use public media, and adopt such other methods of processes as may be deemed appropriate by this Corporation’s “Board” (as defined below) to further the purposes of this Corporation.

(viii) To operate exclusively for charitable and educational purposes.

(ix) This Corporation shall also have the right and power to sue and be sued, to make contracts, to receive property by devise or bequest, subject to the laws regulating transfer of property by Will, and otherwise to acquire and hold all property, real and personal, including shares of stock, bonds or securities of other

corporations; to act as trustee under any trust or endowment incidental to the principal objectives of this Corporation, and to receive, hold, administer and expend funds and property subject to such trust or endowment; to convey, exchange or transfer upon trust, or otherwise dispose of all property, real or personal; provided, however, that no part of said funds or other property or the income therefrom, shall be used either directly or by contributions for such purposes for the benefit of the Corporation during such time as the Corporation does not qualify as an exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (and together with the Income Tax Regulations promulgated thereunder, the “Code”).

(D) As incidental to the main objects and purposes hereinbefore mentioned in Paragraphs (B) and (C) of this Article II, this Corporation may carry on any other lawful business or do anything whatsoever the Corporation may deem proper or convenient or capable of being carried on, in connection with the foregoing, or otherwise, or which may be calculated directly or indirectly to promote the purposes of this Corporation.

(E) The foregoing Paragraphs of this Article II shall each be construed as purposes, objects, and powers and the matters expressed in each Paragraph shall, except as otherwise expressly provided, be in no way limited by reference to, or inference from, the terms of any other Paragraph of these Restated Articles of Incorporation, but shall be regarded as independent purposes, objects and powers; and the enumeration of specific purposes, objects, and powers shall not be construed to limit or restrict in any manner the meaning of the general powers of this Corporation, nor shall the expression of one thing be deemed to exclude another, although it be of like nature, not expressed.

III.

ADMINISTRATION OF EXPENDITURES FROM RCHF TRUST, NEW ASSETS AND RESTRICTED FUNDS

(A) Definitions. For purposes of this Article III, the following terms shall have the meanings indicated:

(1) Expenditures. Expenditures, including, without limitation, grants, distributions, subsidies and/or reimbursements.

(2) New Assets. Property received by gift, devise or bequest or property held in a trust of which the Corporation is trustee received or accepted by this Corporation after April 30, 1997 (other than Restricted Funds (as defined below)), and the income derived therefrom, including specifically, without limitation, the net proceeds received by this Corporation from any sale of said property, and all income, distributions, enhancements, proceeds or appreciation thereon or derived from the investment thereof.

(3) RCHF Trust. The assets of the Corporation as of May 1, 1997 (other than Restricted Funds), and the income derived therefrom, including specifically, without limitation, the net proceeds received by this Corporation from any sale of its assets, and all income, distributions, enhancements, proceeds or appreciation thereon or derived from the investment thereof.

(4) Restricted Funds. The assets held by this Corporation under the “*Joan F. Sullivan Memorial Fund*” and property received by gift, devise or bequest or property held in a trust of which this Corporation is trustee received or accepted by this Corporation after April 30, 1997, which expressly names “*Riverside Community Hospital*” as the beneficiary thereof, and the income derived therefrom, including specifically, without limitation, the net proceeds received by this Corporation from any sale of said property, and all income, distributions, enhancements, proceeds or appreciation thereon are derived from the investment thereof.

(B) Amount of Expenditures from RCHF Trust.

(1) Determination of Amount. This Corporation shall have no minimum annual Expenditures from the RCHF Trust.

(2) Apportionment of Amount. The aggregate Expenditures made by this Corporation from the RCHF Trust pursuant to this Article III shall be made in furtherance of the permitted purposes described in Paragraph (C) of Article IV.

(C) Amount of Expenditures from New Assets.

(1) Determination of Amount. This Corporation shall have no minimum annual Expenditures from the New Assets.

(2) Permitted Purposes of Expenditures. The aggregate Expenditures made by this Corporation from the New Assets pursuant to this Article III shall be made in furtherance of this Corporation’s purposes as described in Article II.

(D) Amount of Expenditures from Restricted Funds.

(1) Determination of Amount. This Corporation shall have no minimum annual Expenditures from the Restricted Funds unless the instrument(s) conveying or accompanying the conveyance of the property or assets which constitute the Restricted Funds impose a minimum annual Expenditures' requirement.

(2) Apportionment of Amount. The aggregate Expenditures made by this Corporation from the Restricted Funds pursuant to this Article III shall be made in accordance with, subject to and controlled by the instrument(s) which convey or accompany the conveyance of the property or assets which constitute the Restricted Funds.

(3) Permitted Purposes of Expenditures From Restricted Funds. The aggregate Expenditures made by this Corporation from the Restricted Funds pursuant to this Article III shall be made in accordance with the terms of the instrument(s) which convey or accompany the conveyance of the assets or property which constitute the Restricted Funds except that wherever the term "*Riverside Community Hospital*" is found, the term "*Riverside Community Health Foundation*" shall be inserted.

IV.

ADMINISTRATION OF EXPENDITURES FROM CHC TRUST

(A) Definitions. For purposes of this Article IV, the following terms shall have the meanings indicated:

(1) CHC Trust. The assets of Community Health Corporation, a California nonprofit public benefit corporation ("CHC"), as of May 1, 1997, and the income derived therefrom, including specifically, without limitation, the net proceeds received by CHC from any sale of its assets, and all income, distributions, enhancements, proceeds or appreciation thereon or derived from the investment thereof.

(2) Expenditures. Expenditures, including, without limitation, grants, distributions, subsidies and/or reimbursements.

(3) Health and Wellness Care. Health, wellness, and/or medical care provided by a health care provider licensed, certified or accredited either by a governmental entity or agency of either a State or the United States or by an accrediting organization recognized as such by the health care industry, which health, wellness and/or medical care may

include, but not be limited to, programs, activities, and services that address health, medical, and social determinants that address health and wellness within the Service Area and/or to residents of the Service area to health and wellness services, expressly including, without limitation, the following: healthcare services; grants for needy individuals; homeless services; mental and physical health screening programs; prevention and treatment of obesity; respiratory illness; diabetes; tobacco cessation; behavioral health; alcohol and substance abuse; maternal health services; child and family healthcare and wellness services; eldercare services; and wellness services to promote opportunities for socialization and physical activity for senior citizens, persons with disabilities and persons suffering from chronic illness residing in the Service Area across all ages.

(4) Health and Wellness Care Expenditures. Expenditures from the CHC Trust: (a) that are reasonably necessary to fund Health and Wellness Care for the benefit of persons residing in the Service Area that is provided (i) by an acute care hospital duly licensed under applicable law and operated by a Qualified Recipient, or (ii) directly by this Corporation, or directly by a Qualified Recipient, either alone or on behalf of this Corporation, including at healthcare facilities substantively similar to the “*Eastside Health Center*” that is recognized by the Internal Revenue Service as a public charity providing “medical or hospital care” within the meaning of Section 170(b)(1)(A)(iii) of the Code; (b) that are reasonably necessary to fund Health and Wellness Care provided directly by this Corporation or directly by a Qualified Recipient, either alone or on behalf of this Corporation, on an ambulatory or outpatient basis, including diagnostic services, either within the Service Area or to residents of the Service Area; and (c) for the purpose of obtaining medical insurance from not-for-profit or private purveyors for the benefit of “Medically Indigent” (as defined below) persons residing in the Service Area.

(5) Health and Wellness Educational/Professional Expenditures. Expenditures from the CHC Trust that are reasonably necessary to fund community health and wellness educational and/or professional medical educational programs and/or activities conducted within the Service Area either by this Corporation or on behalf of this Corporation in furtherance of, supporting, and/or complementary to the purposes enumerated in this Article IV.

(6) Medically Indigent. A person shall be treated as “Medically Indigent” if (a)

such person establishes “income” not exceeding twice the “federal poverty level” (as those terms are defined, and updated from time to time, by the United States Department of Health and Human Services (including any successor thereto)), and (b) the Medical Care to be provided does not qualify for reimbursement from any payor, including the Medicare or Medi-Cal programs.

(7) Qualified Recipient. A California nonprofit public benefit corporation, exempt from federal income taxes under Section 501(a) of the Code because it is described in Section 501(c)(3) of the Code, or an instrumentality or agency of the State of California, the County of Riverside or the Cities of Riverside, Moreno Valley, Jurupa Valley, Perris, Corona, Norco or Mira Loma.

(8) Service Area. The geographic area defined by the city limits of the Cities of Jurupa Valley and Riverside, including the following ZIP codes: 92501; 92502; 92503; 92504; 92505; 92506; 92507; 92508; 92518; 92521; 92522; 92509; and 91752.

(B) Amount of Expenditures from CHC Trust.

(1) Determination of Amount. This Corporation shall have no minimum annual Expenditures from the CHC Trust, and may use the CHC Trust to fund Health and Welfare Care Expenditures and Health and Wellness Educational/Professional Expenditures; all at such times, in such manner and in such amounts (subject to Paragraph (B)(2) of this Article IV) as shall be determined in the sole discretion of this Corporation’s Board after taking into account operating expenses, capital needs and reserves for contingencies in accordance with sound accounting practices, including, without limitation, capital calls from any investment included within the CHC Trust.

(2) Apportionment of Amount. The aggregate Expenditures made by this Corporation from the CHC Trust pursuant to this Article IV shall be made in furtherance of the permitted purposes described in Paragraph (C) of this Article IV.

(3) Documentation. Expenditures from the CHC Trust to a Qualified Recipient shall be accompanied by written documentation describing the restriction on the grantee’s use of funds. This Corporation shall receive the written commitment of the grantee, at the time the grant or distribution is made, that the grantee shall abide with such restrictions and provide to this Corporation such documentation as this Corporation may require regarding the manner in which the funds were used after being expended by the grantee.

(C) Permitted Purposes of Expenditures from CHC Trust and RCHF Trust. Subject to Paragraph (B)(1) of this Article IV, this Corporation may make Expenditures from the CHC Trust and from the RCHF Trust to fund Health and Welfare Care Expenditures and Health and Wellness Educational/Professional Expenditures.

IV.
LIMITATION ON CORPORATE ACTIVITIES

(A) This Corporation is organized and operated exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the Code.

(B) Notwithstanding any other provision of these Restated Articles of Incorporation or the Bylaws (as restated and/or amended from time to time), this Corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Code, or (b) by a corporation contributions to which are deductible under Section 170(c)(2) of the Code.

(C) No substantial part of the activities of this Corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and this Corporation shall not participate or intervene in any political campaign (including the publishing or distribution of statements) on behalf of any candidate for public office.

VI.
MEMBERS

This Corporation shall have no members.

VII.
DIRECTORS

The powers of this Corporation shall be exercised, its properties controlled, and its affairs conducted by a Board of Directors “Board”). The number of members (“Directors”) of the Board of this Corporation shall be fixed from time to time by the Bylaws of this Corporation.

VIII.
DEDICATION AND DISSOLUTION

(A) The property of this Corporation is irrevocably dedicated to charitable and

educational purposes meeting the requirements for exemption under Section 214 of the California Revenue and Taxation Code (“RTC”) and no part of the net income or assets of this Corporation shall ever inure to the benefit of any director, officer or member thereof or to the benefit of any private person. Upon the dissolution or winding up of the Corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this Corporation shall be distributed to a nonprofit fund, foundation or corporation which is organized and operated exclusively for charitable and educational purposes meeting the requirements for exemption under Section 214 of the RTC and which has established its tax exempt status under Section 501(c)(3) of the Code.

(B) If this Corporation holds any assets in trust, such assets shall be disposed of in such manner as may be directed by decree of the Superior Court of the County in which this Corporation has its principal office, upon petition therefore by the Attorney General, or by any person concerned in the liquidation, in a proceeding to which the Attorney General is a party.

IX. AMENDMENTS

These Restated Articles of Incorporation may be amended, or repealed, or new Restated Articles of Incorporation may be adopted, only by the vote of a majority of the Directors of the Board and with the written approval of the California Attorney General.”

3. The foregoing restatement of the Articles of Incorporation of this Corporation has been duly approved by the Board of Directors of this Corporation.
4. This Corporation has no members.
5. These Restated Articles of Incorporation have been approved by the Attorney General of the State of California.

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

DATED: _____, 2020

DANIEL ANDERSON
President

DATED: _____, 2020

DWIGHT M. MONTGOMERY
Secretary

DRAFT

**RESTATED
ARTICLES OF INCORPORATION
OF**

**RIVERSIDE COMMUNITY HEALTH FOUNDATION
a California nonprofit public benefit corporation**

DANIEL ANDERSON and DWIGHT M. MONTGOMERY certify that:

1. They are the President and Secretary, respectively, of Riverside Community Health Foundation, a California nonprofit public benefit corporation.
2. The Articles of Incorporation of this Corporation are hereby amended and restated in their entirety to read as follows:

“I.
NAME”

The name of this corporation is Riverside Community Health Foundation (“Corporation”).

II.
PURPOSES”

(A) 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 public and charitable purposes.

(B) The specific purposes of this Corporation are to receive gifts, bequests, devises and contributions of every kind and nature, and to hold, use, administer and disburse the same to support a health care system in the County of Riverside (and surrounding areas) in the State of California.

(C) In addition, this Corporation shall undertake the following activities in furtherance of the specific purposes identified above:

- (i) To operate or support hospitals, sanitariums, asylums, rest or retirement homes, maternity homes, dispensaries, clinics and places and institutions for the care and treatment for the sick, afflicted and aged, and to directly or indirectly furnish and supply care, treatment, hospitalization and other services therein with or without compensation therefor, and in connection with any of the above activities

to acquire, receive and hold real and personal property of every kind and character by gift, endowment, government grant, benefit, allowance, or appropriation, devise, legacy, bequest or otherwise, and to perform any all acts necessary to realize said gifts, endowments, government grants, benefits, allowances, or appropriations, devises, legacies and bequests and to make the same available to this Corporation.

(ii) To accumulate, compile and distribute statistics and other data which may be to the interests of public health in its relation to hospital service.

(iii) To the extent permitted by law, to give and furnish courses of instruction in nursing and nursing assistance, dietetics, physical therapy, library work, laboratory and X-ray techniques and other subjects in connection with the support of a hospital or hospitals or other institutions owned, operated or supported by this Corporation, and in connection with the foregoing to establish, own, maintain, conduct, operate or support nurses homes, training schools, classrooms and quarters suitable for the furnishing of courses of instruction and the care and maintenance of students.

(iv) To administer the “CHC Trust”, the “RCHF Trust”, the “New Assets”, and the “Restricted Funds” (as defined below), in accordance with the applicable provisions of Article III and Article IV.

(v) To initiate, advise, direct and develop a program of community health education in the “Service Area” (as defined below).

(vi) To perform such acts and undertake such programs as may be deemed necessary to encourage and coordinate the solicitation and receipt of funds and properties of every kind and nature, in order to promote, advance and effectuate the purposes of this Corporation.

(vii) To hold meetings, publish newsletters, use public media, and adopt such other methods of processes as may be deemed appropriate by this Corporation’s “Board” (as defined below) to further the purposes of this Corporation.

(viii) To operate exclusively for charitable and educational purposes.

(ix) This Corporation shall also have the right and power to sue and be sued, to make contracts, to receive property by devise or bequest, subject to the laws regulating transfer of property by Will, and otherwise to acquire and hold all property, real and personal, including shares of stock, bonds or securities of other

corporations; to act as trustee under any trust or endowment incidental to the principal objectives of this Corporation, and to receive, hold, administer and expend funds and property subject to such trust or endowment; to convey, exchange or transfer upon trust, or otherwise dispose of all property, real or personal; provided, however, that no part of said funds or other property or the income therefrom, shall be used either directly or by contributions for such purposes for the benefit of the Corporation during such time as the Corporation does not qualify as an exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (and together with the Income Tax Regulations promulgated thereunder, the “Code”).

(D) As incidental to the main objects and purposes hereinbefore mentioned in Paragraphs (B) and (C) of this Article II, this Corporation may carry on any other lawful business or do anything whatsoever the Corporation may deem proper or convenient or capable of being carried on, in connection with the foregoing, or otherwise, or which may be calculated directly or indirectly to promote the purposes of this Corporation.

(E) The foregoing Paragraphs of this Article II shall each be construed as purposes, objects, and powers and the matters expressed in each Paragraph shall, except as otherwise expressly provided, be in no way limited by reference to, or inference from, the terms of any other Paragraph of these Restated Articles of Incorporation, but shall be regarded as independent purposes, objects and powers; and the enumeration of specific purposes, objects, and powers shall not be construed to limit or restrict in any manner the meaning of the general powers of this Corporation, nor shall the expression of one thing be deemed to exclude another, although it be of like nature, not expressed.

III. ADMINISTRATION OF EXPENDITURES FROM RCHF TRUST, NEW ASSETS AND RESTRICTED FUNDS

(A) Definitions. For purposes of this Article III, the following terms shall have the meanings indicated:

(1) Expenditures. Expenditures, including, without limitation, grants, distributions, subsidies and/or reimbursements.

(2) New Assets. Property received by gift, devise or bequest or property held in a trust of which the Corporation is trustee received or accepted by this Corporation after April 30, 1997 (other than Restricted Funds (as defined below)), and the income derived therefrom, including specifically, without limitation, the net proceeds received by this Corporation from any sale of said property, and all income, distributions, enhancements, proceeds or appreciation thereon or derived from the investment thereof.

(3) RCHF Trust. The assets of the Corporation as of May 1, 1997 (other than Restricted Funds), and the income derived therefrom, including specifically, without limitation, the net proceeds received by this Corporation from any sale of its assets, and all income, distributions, enhancements, proceeds or appreciation thereon or derived from the investment thereof.

(4) Restricted Funds. The assets held by this Corporation under the “*Joan F. Sullivan Memorial Fund*” and property received by gift, devise or bequest or property held in a trust of which this Corporation is trustee received or accepted by this Corporation after April 30, 1997, which expressly names “*Riverside Community Hospital*” as the beneficiary thereof, and the income derived therefrom, including specifically, without limitation, the net proceeds received by this Corporation from any sale of said property, and all income, distributions, enhancements, proceeds or appreciation thereon are derived from the investment thereof.

(B) Amount of Expenditures from RCHF Trust.

(1) Determination of Amount. This Corporation shall have no minimum annual Expenditures from the RCHF Trust.

(2) Apportionment of Amount. The aggregate Expenditures made by this Corporation from the RCHF Trust pursuant to this Article III shall be made in furtherance of the permitted purposes described in Paragraph (C) of Article IV.

(C) Amount of Expenditures from New Assets.

(1) Determination of Amount. This Corporation shall have no minimum annual Expenditures from the New Assets.

(2) Permitted Purposes of Expenditures. The aggregate Expenditures made by this Corporation from the New Assets pursuant to this Article III shall be made in furtherance of this Corporation’s purposes as described in Article II.

(D) Amount of Expenditures from Restricted Funds.

(1) Determination of Amount. This Corporation shall have no minimum annual Expenditures from the Restricted Funds unless the instrument(s) conveying or accompanying the conveyance of the property or assets which constitute the Restricted Funds impose a minimum annual Expenditures' requirement.

(2) Apportionment of Amount. The aggregate Expenditures made by this Corporation from the Restricted Funds pursuant to this Article III shall be made in accordance with, subject to and controlled by the instrument(s) which convey or accompany the conveyance of the property or assets which constitute the Restricted Funds.

(3) Permitted Purposes of Expenditures From Restricted Funds. The aggregate Expenditures made by this Corporation from the Restricted Funds pursuant to this Article III shall be made in accordance with the terms of the instrument(s) which convey or accompany the conveyance of the assets or property which constitute the Restricted Funds except that wherever the term "*Riverside Community Hospital*" is found, the term "*Riverside Community Health Foundation*" shall be inserted.

IV.

ADMINISTRATION OF EXPENDITURES FROM CHC TRUST

(A) Definitions. For purposes of this Article IV, the following terms shall have the meanings indicated:

(1) CHC Trust. The assets of Community Health Corporation, a California nonprofit public benefit corporation ("CHC"), as of May 1, 1997, and the income derived therefrom, including specifically, without limitation, the net proceeds received by CHC from any sale of its assets, and all income, distributions, enhancements, proceeds or appreciation thereon or derived from the investment thereof.

(2) Expenditures. Expenditures, including, without limitation, grants, distributions, subsidies and/or reimbursements.

(3) Health and Wellness Care. Health, wellness, and/or medical care provided by a health care provider licensed, certified or accredited either by a governmental entity or agency of either a State or the United States or by an accrediting organization recognized as such by the health care industry, which health, wellness and/or medical care may

include, but not be limited to, programs, activities, and services that address health, medical, and social determinants that address health and wellness within the Service Area and/or to residents of the Service area to health and wellness services, expressly including, without limitation, the following: healthcare services; grants for needy individuals; homeless services; mental and physical health screening programs; prevention and treatment of obesity; respiratory illness; diabetes; tobacco cessation; behavioral health; alcohol and substance abuse; maternal health services; child and family healthcare and wellness services; eldercare services; and wellness services to promote opportunities for socialization and physical activity for senior citizens, persons with disabilities and persons suffering from chronic illness residing in the Service Area across all ages.

(4) Health and Wellness Care Expenditures. Expenditures ~~from the CHC Trust:~~
(a) that are reasonably necessary to fund Health and Wellness Care for the benefit of persons residing in the Service Area that is provided (i) by an acute care hospital duly licensed under applicable law and operated by a Qualified Recipient, or (ii) directly by this Corporation, or directly by a Qualified Recipient, either alone or on behalf of this Corporation, including at healthcare facilities substantively similar to the “*Eastside Health Center*” that is recognized by the Internal Revenue Service as a public charity providing “medical or hospital care” within the meaning of Section 170(b)(1)(A)(iii) of the Code;
(b) that are reasonably necessary to fund Health and Wellness Care provided directly by this Corporation or directly by a Qualified Recipient, either alone or on behalf of this Corporation, on an ambulatory or outpatient basis, including diagnostic services, either within the Service Area or to residents of the Service Area; and/or (c) for the purpose of obtaining medical insurance from not-for-profit or private purveyors for the benefit of “Medically Indigent” (as defined below) persons residing in the Service Area.

(5) Health and Wellness Educational/Professional Expenditures. Expenditures ~~from the CHC Trust~~ that are reasonably necessary to fund community health and wellness educational and/or professional medical educational programs and/or activities conducted within the Service Area either by this Corporation or on behalf of this Corporation in furtherance of, supporting, and/or complementary to the purposes enumerated in this Article IV.

(6) Medically Indigent. A person shall be treated as “Medically Indigent” if (a)

such person establishes “income” not exceeding twice the “federal poverty level” (as those terms are defined, and updated from time to time, by the United States Department of Health and Human Services (including any successor thereto)), and (b) the Medical Care to be provided does not qualify for reimbursement from any payor, including the Medicare or Medi-Cal programs.

(7) Qualified Recipient. A California nonprofit public benefit corporation, exempt from federal income taxes under Section 501(a) of the Code because it is described in Section 501(c)(3) of the Code, or an instrumentality or agency of the State of California, the County of Riverside or the Cities of Riverside, Moreno Valley, Jurupa Valley, Perris, Corona, Norco or Mira Loma.

(8) Service Area. The ~~Greater Riverside Area geographic area~~ defined by the city limits of the Cities of Jurupa Valley, ~~and Riverside, Moreno Valley, Corona, Norco, and Perris,~~ including the following ~~ZIP-United States Postal Service Zone Improvement Plan (ZIP)~~ codes: 92501; 92502; 92503; 92504; 92505; 92506; 92507; 92508; 92509; 92518; 92521; 92522; 9250992551; 92553; 92557; 92570; 92571; and 91752; 92860; 92879; and 92881.

(B) Amount of Expenditures from CHC Trust.

(1) Determination of Amount. This Corporation shall have no minimum annual Expenditures from the CHC Trust, and may use the CHC Trust to fund Health and ~~Welfare~~ Wellness Care Expenditures and Health and Wellness Educational/Professional Expenditures; all at such times, in such manner and in such amounts (subject to Paragraph (B)(2) of this Article IV) as shall be determined in the sole discretion of this Corporation’s Board after taking into account operating expenses, capital needs and reserves for contingencies in accordance with sound accounting practices, including, without limitation, capital calls from any investment included within the CHC Trust.

(2) Apportionment of Amount. The aggregate Expenditures made by this Corporation from the CHC Trust pursuant to this Article IV shall be made in furtherance of the permitted purposes described in Paragraph (C) of this Article IV.

(3) Documentation. Expenditures from the CHC Trust to a Qualified Recipient shall be accompanied by written documentation describing the restriction on the grantee’s use of funds. This Corporation shall receive the written commitment of the grantee, at the

time the grant or distribution is made, that the grantee shall abide with such restrictions and provide to this Corporation such documentation as this Corporation may require regarding the manner in which the funds were used after being expended by the grantee.

(C) Permitted Purposes of Expenditures from CHC Trust and RCHF Trust. Subject to Paragraph (B)(1) of this Article IV, this Corporation may make Expenditures from the CHC Trust and from the RCHF Trust to fund Health and ~~Welfare-Wellness~~ Care Expenditures and Health and Wellness Educational/Professional Expenditures.

IV. LIMITATION ON CORPORATE ACTIVITIES

(A) This Corporation is organized and operated exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the Code.

(B) Notwithstanding any other provision of these Restated Articles of Incorporation or the Bylaws (as restated and/or amended from time to time), this Corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Code, or (b) by a corporation contributions to which are deductible under Section 170(c)(2) of the Code.

(C) No substantial part of the activities of this Corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and this Corporation shall not participate or intervene in any political campaign (including the publishing or distribution of statements) on behalf of any candidate for public office.

VI. MEMBERS

This Corporation shall have no members.

VII. DIRECTORS

The powers of this Corporation shall be exercised, its properties controlled, and its affairs conducted by a Board of Directors (“Board”). The number of members (“Directors”) of the Board of this Corporation shall be fixed from time to time by the Bylaws of this Corporation.

VIII.
DEDICATION AND DISSOLUTION

(A) The property of this Corporation is irrevocably dedicated to charitable and educational purposes meeting the requirements for exemption under Section 214 of the California Revenue and Taxation Code (“RTC”) and no part of the net income or assets of this Corporation shall ever inure to the benefit of any director, officer or member thereof or to the benefit of any private person. Upon the dissolution or winding up of the Corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this Corporation shall be distributed to a nonprofit fund, foundation or corporation which is organized and operated exclusively for charitable and educational purposes meeting the requirements for exemption under Section 214 of the RTC and which has established its tax exempt status under Section 501(c)(3) of the Code.

(B) If this Corporation holds any assets in trust, such assets shall be disposed of in such manner as may be directed by decree of the Superior Court of the County in which this Corporation has its principal office, upon petition therefore by the Attorney General, or by any person concerned in the liquidation, in a proceeding to which the Attorney General is a party.

IX.
AMENDMENTS

These Restated Articles of Incorporation may be amended, or repealed, or new Restated Articles of Incorporation may be adopted, only by the vote of a majority of the Directors of the Board and with the written approval of the California Attorney General.”

3. The foregoing restatement of the Articles of Incorporation of this Corporation has been duly approved by the Board of Directors of this Corporation.
4. This Corporation has no members.
5. These Restated Articles of Incorporation have been approved by the Attorney General of the State of California.

We further declare under penalty of perjury under the laws of the State of California that the matters set forth in these Restated Articles of Incorporation are true and correct of our own

knowledge.

DATED: _____, 20210

DANIEL ANDERSON
President

DATED: _____, 20210

DWIGHT M. MONTGOMERY
Secretary

DRAFT