

AMENDED AND RESTATED
BYLAWS
OF
SOUTH GEORGIA MEDICAL CENTER, INC.

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SOUTH GEORGIA MEDICAL CENTER, INC.**

South Georgia Medical Center, Inc., a Georgia not for profit corporation (the “Corporation”) shall be governed by these Bylaws, effective as of November 17, 2021, amended on September 14, 2023 and as they may be amended from time to time.

ARTICLE I

Purposes

1.1 General Purposes. The Corporation shall be a nonprofit corporation organized pursuant to the provisions of the Georgia Nonprofit Corporation Code (the “Georgia Code”) and at all times thereafter operated exclusively for public charitable, scientific, and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”), or the corresponding provisions of any subsequent federal tax Law. The specific purposes of the Corporation include, but are not limited to, the following:

- (a) to lease, establish, acquire, own, maintain, operate, and manage or contract for the management of hospitals, extended care facilities, nursing homes, health clinics, and other healthcare facilities and to provide healthcare and other services related thereto;
- (b) to construct, operate, maintain, improve, buy, sell, convey, assign, mortgage, pledge, or lease any real property and any personal property necessary or incident to the acquisition, ownership, maintenance, and operation of hospitals, extended care facilities, nursing homes, health clinics, and other healthcare facilities or the provision of healthcare services related thereto;
- (c) to promote the general health and welfare of the citizens of Lowndes, Berrien, Lanier Counties, Georgia and its surrounding communities throughout South Georgia;
- (d) to participate in any activity designed and carried on to promote the general health of the citizens of the State of Georgia;
- (e) to accept and receive gifts, grants, contributions, and bequests of real and personal property for the use and benefit of such hospitals, extended care facilities, nursing homes, health clinics, and other healthcare facilities or for the provision of healthcare services related thereto;
- (f) to hold, invest, reinvest, and expend such funds and properties so received for purposes described in this Article I;

- (g) to borrow money and issue evidences of indebtedness in furtherance of any or all of the purposes described in this Article I;
- (h) in accordance with applicable law, to make distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Code; and
- (i) to accomplish these stated purposes which are not contrary to law and to engage in any lawful business or activities related thereto and for which nonprofit corporations may be organized under the Georgia Code, including the power to do everything necessary, proper, advisable, or convenient for the accomplishment of any of the purposes set forth herein, provided that such purposes are not forbidden by the laws of the State of Georgia.

1.2 Limitations. The Corporation is organized exclusively for charitable, scientific, and educational purposes, including for such purposes the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Code or the corresponding section of any future federal tax law. No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, its officers, directors, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in this Article I. No substantial part of the activities of the Corporation shall be the carrying on for propaganda or otherwise attempting to influence legislation, and the Corporation shall not participate in or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office. Notwithstanding any other provision of these Bylaws to the contrary, the Corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Code, or the corresponding section of any future federal tax law or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Code or the corresponding section of any future federal tax Law.

ARTICLE II

Offices

- 2.1 Registered Office and Agent.** The Corporation shall at all times maintain a registered office and shall have a registered agent within the State of Georgia. The initial registered agent and registered office are as set forth in the Corporation's Articles of Incorporation. The registered office and registered agent may be changed by filing notice of the same with the Secretary of State.
- 2.2 Other Offices.** The Corporation may have offices at such place or places, within or outside the State of Georgia, as the Board of Directors may from time to time deem appropriate.

ARTICLE III

Members

- 3.1 **No Members.** The Corporation shall not have any members.

ARTICLE IV

The Board of Directors

- 4.1 **General Powers.** The affairs, property, business, and operation of the Corporation shall be managed under the direction of the Board of Directors of the Corporation (the “Board” or “Board of Directors”). The Board of Directors shall carry out the purposes of the Corporation in compliance with the Articles of Incorporation and these Bylaws.
- 4.2 **Board of Directors.** The initial Board of Directors shall be appointed by Resolution of the Board of Directors of the Hospital Authority of Valdosta and Lowndes County, Georgia (the “Authority Board”).
- 4.3 **Number.** The number of directors shall be no less than the number of Authority Board members and no more than nine (9) members, subject to the limitations set forth elsewhere herein.
- 4.4 **Composition of the Board.**
- 4.4.1 **Members of the Board of Directors.** The members of the Board of Directors of the Corporation shall at all times be the members of the Authority Board and the terms of office of the members of the Board of Directors shall be coterminous with the terms of office of the Authority Board members. The Authority Board members shall be appointed in accordance with the Authority Bylaws and in accordance with the Court Order of the Superior Court of Lowndes County, Georgia dated September 16, 1992.
- 4.4.2 **Additional Members.** To the extent the Board of Directors are not members of the Authority Board, such individuals shall be elected to the Board by the Authority Board.
- 4.5 **Qualifications.** Each member of the Board of Directors shall achieve and maintain the Certification as a Director through the certified educational program approved by the State of Georgia and in compliance with applicable state laws.
- 4.6 **Term of Office.** Each member of the Board of Directors who is also a member of the Authority Board shall have a term that is co-terminous with his/her term as a member of the Authority Board and all Additional Members shall have a term of five (5) years.

- 4.7 **Resignation; Removal.** Any member of the Board of Directors of the Corporation may resign, at any time by providing written notice to the Chairperson of the Board and giving a copy of such notice to the Secretary of the Corporation. Any member of the Authority Board who resigns from the Authority Board or whose term on the Authority Board ends shall be deemed to have resigned simultaneously as a member of the Board of Directors of the Corporation. In the event a member of the Authority Board is removed from the Authority Board in accordance with its bylaws, the person shall simultaneously be removed as a member of the Board of Directors of the Corporation.
- 4.8 **Vacancies.** Except as expressly provided elsewhere herein, all future vacancies occurring on the Board of Directors of the Corporation for members that were also members of the Authority Board (whether due to expiration of the term of the director on the Authority Board, resignation, death, disability, removal, or otherwise) shall be replaced with the person who replaces such person on the Authority Board. Vacancies of the Additional Members that were not members of the Authority Board shall be replaced by appointment and approval of the Authority Board.
- 4.9 **Compensation.** Board of Directors shall not receive compensation for their services on the Board, but shall be reimbursed for any reasonable expenses related to the activities of the Corporation which are duly required and authorized by the Corporation up to a maximum of Five Hundred and no/100 Dollars (\$500.00) annually. Except as may be otherwise prohibited or restricted in accordance with the Corporation's Ethics and Conflicts of Interest Policy, a member of the Board of Directors may also serve the Corporation in a capacity other than that of a director and receive compensation for services rendered in such other capacity.
- 4.10 **Executive and Other Committees.** The Board of Directors may, by resolution of a majority of the Board, designate an Executive Committee and one or more other committees, each consisting of three (3) or more directors. Committees, other than the Executive Committee, may have members who are not members of the Board of Directors of the Corporation. The Executive Committee shall be comprised of the members described in Section 10.2 below.
- 4.11 **Committee Procedure.** Unless otherwise specifically permitted by the Board of Directors, the rules promulgated by these Bylaws with respect to meetings of the Board, notice, quorums, voting, and other procedures at such meeting shall be applicable to meetings of the Executive Committee and any other committee established by the Board of Directors.
- 4.12 **Committee Chairperson.** Each committee shall have a chairperson who, other than the Executive Committee, shall be appointed by the Board Chairperson. Each committee chairperson shall have the following responsibilities and powers with respect to the committee:
- (a) Coordinate committee activities through the designated management liaison;
 - (b) Prepare an agenda for each committee meeting;

- (c) Preside or designate an alternate to preside at committee meetings;
- (d) Provide for maintenance of official records of the committee and appoint a secretary of the committee for that purpose;
- (e) Report committee activities and recommendations to the Board at its regular meetings; and
- (f) Delegate specific responsibilities among committee members.

4.13 Limitations.

- (a) A committee shall limit its activities to the task or tasks for which the committee is organized and will have only such authority and responsibility as specifically conferred upon it by the Board. All committees shall be subject to the control and general supervision of the Board.
- (b) Notwithstanding anything to the contrary herein, the Executive Committee and all other committees established by the Board shall have no power to: (i) amend the Articles of Incorporation or these Bylaws; (ii) adopt a plan of merger or consolidation; (iii) sell, lease, exchange, or otherwise dispose of all or substantially all of the assets of the Corporation; (iv) terminate the Authority Lease or enter into any sublease under the Authority Lease; or (v) voluntarily dissolve or revoke a voluntary dissolution of the Corporation.

ARTICLE V

Officers of the Board of Directors

- 5.1 Election.** The officers of the Board of Directors shall be a Chairperson, a Vice Chairperson, Treasurer and a Secretary, and may include other officers such as an Assistant Secretary, each of whom shall be elected by the Board of Directors from its own membership for a one (1) year term of office. The election of the Board Officers shall occur at the annual meeting of the Board of Directors. Officers of the Board may serve unlimited terms in the same office.
- 5.2 Chairperson.** The Chairperson shall preside at all meetings of the Board of Directors, and shall serve as a voting member of the Executive Committee of the Board of Directors. The Chairperson shall be authorized to enter into any contract or agreement on behalf of the Corporation and to execute in the corporate name any instrument or other writing. The Chairperson shall perform these and such other duties and have such other authority and powers as the Board of Directors may from time to time prescribe.
- 5.3 Vice Chairperson.** The Vice-Chairperson, unless otherwise determined by the Board of Directors, shall, in the absence or disability of the Chairperson, perform the duties and have

the authority and exercise the powers of the Chairperson. The Vice-Chairperson shall perform such other duties and have such other authority and powers as the Board of Directors may from time to time prescribe, or as the Chairperson may from time to time delegate.

5.4 Treasurer. The duties of the Treasurer shall be as follows:

- (a) To be a member of the Finance Committee; and to serve as Chairman of the Finance Committee;
- (b) Along with the Finance Committee, to see that an Accounting System is maintained in such a manner as to give a true and accurate accounting of financial transactions of the Medical Center;
- (c) To have custody of all funds of the Corporation;
- (d) To receive reports of financial transactions from Administration and present them promptly to the Finance Committee and to the Board of Directors;
- (e) To report the annual audited financials to the Hospital Authority at the next regular meeting of the Hospital Authority following completion of the annual audit, but no later than ninety (90) days following the close of the fiscal year; and
- (f) To perform such other duties as the Corporation shall direct.

5.5 Secretary.

- (a) The Secretary shall attend all meetings of the Board of Directors, shall record all votes, actions and the minutes of all proceedings in a book to be kept for that purpose.
- (b) The Secretary shall give, or cause to be given, notice of all meetings of the Board of Directors.
- (c) The Secretary shall, for the purpose of authenticating records of the Corporation, keep in safe custody the seal of the Corporation and, when authorized by the Board of Directors or the Chairperson, affix the seal to any corporate instrument. When so affixed, the seal shall be attested by the Secretary's signature.
- (d) The Secretary shall be under the supervision of the Chairperson. The Secretary shall perform such other duties and have such other authority and powers as the Board of Directors may from time to time prescribe, or as the Chairperson may from time to time delegate.

5.6 Successors. Each officer shall deliver to their successor in office all official materials of the Corporation not later than ten (10) days following the election of their successor.

ARTICLE VI

Meetings of the Board of Directors

- 6.1 **Regular Meetings.** The Board of Directors shall be held monthly on the third (3rd) Wednesday of each Month. Notice of every meeting of the Board fixing or changing the time or place for the holding of regular meetings of the Board shall be provided to each member of the Board at least seven (7) days prior to the first meeting held pursuant to such resolution. The Board may transact any business that comes before it. Notice of the regular meetings shall be posted with the time, date and place at the place of the meeting and on the Corporation website.
- 6.2 **Special Meetings.** Special meetings of the Board of Directors may be called by or at the request of the Chairperson, or, in the Chairperson's absence, by the Vice-Chairperson of the Corporation, or by a majority of the Board in office at that time.
- 6.3 **Place of Meetings.** The Directors may hold their meetings at any place within or outside the State of Georgia as the Board of Directors may from time to time establish for regular meetings or as is set forth in the notice of special meetings or, in the event of a meeting held pursuant to waiver of notice, as may be set forth in the waiver.
- 6.4 **Notice of Meetings.** The Secretary shall provide notice of regular and special meetings as required by the Open Meetings Act (OCGA 50-14-1 et seq.). The Secretary of the Corporation shall give notice of each special meeting to each member of the Board stating the time and place of the meeting at least twenty-four (24) hours prior to such special meeting. The notice shall state the business or the transactions for which the meeting has been called, and no other business shall be transacted at such meeting unless by consent of two-thirds (2/3) of the members of the Board present and participating. Notwithstanding anything to the contrary set forth elsewhere herein, all meeting notices shall comply with the Georgia Open Meetings Act as amended from time to time.
- 6.5 **Quorum and Manner of Acting.** Except as expressly provided otherwise herein, a majority of the members of the Board, including the Chairperson, but excluding any vacant positions, shall constitute a quorum for any meeting of the Board. Other than as expressly provided otherwise herein, the majority vote of the members of the Board present at any meeting at which there is a quorum shall be the act of the Board.
- 6.6 **Attendance.** The members of the Board of Directors are expected to attend the regular and special meetings of the Board.
- 6.7 **Voting.**
- (a) Each member of the Board of Directors shall be entitled to one (1) vote.

- (b) Except where otherwise expressly provided, a majority vote of those members of the Board present shall be required to approve any motion, resolution, and/or other matter then pending.
- (c) An approval of at least seventy-five percent (75%) of the directors present at the meeting shall be required for the following “Significant Decisions”:
 - (i) the decision to sell or lease substantially all of the assets of the Corporation;
 - (ii) the decision to terminate or renew the Authority Lease;
 - (iii) the decision to incur indebtedness in excess of Five Hundred Thousand and no/100 Dollars (\$500,000.00); or
 - (iv) the decision to dissolve the Corporation.
- (d) A record of all votes shall be recorded in the minutes.
- (e) Voting by proxy shall not be permitted.
- (f) All voting shall be conducted in accordance with the requirements of the Open Meetings Act.

6.8 Telephonic Meetings. Under circumstances necessitated by emergency conditions involving public safety or the preservation of property or public services, the Corporation may conduct meetings by teleconference so long as the notice required by these Bylaws is provided and means are afforded for the public to have simultaneous access to the teleconference meeting; or so long as a quorum is present in person, a Member of the Board of Directors may participate by teleconference if necessary due to reasons of health or absence from the jurisdiction so long as the notice and other requirements of this Article are satisfied. Absent emergency conditions or the written opinion of a physician or other health professional that reasons of health prevent a member's physical presence, no member shall participate by teleconference pursuant to this subsection more than twice in one calendar year.

6.9 Adjournments. A meeting of the Board of Directors, whether or not a quorum is present, may be adjourned by a majority of the directors present to reconvene at a specific time and place. It shall not be necessary to give notice of the reconvened meeting or of the business to be transacted, other than by announcement at the meeting which was adjourned. At any such reconvened meeting at which a quorum is present, any business may be transacted which could have been transacted at the meeting which was adjourned.

6.10 Open Meetings Act. In the event the Georgia statutes, rules, regulations or case law require the Corporation to comply with the Georgia Open Meetings Act (OCGA 50-14-1 et seq.), meetings of the Board of Directors and any of its committees shall comply with the notice and other applicable requirements of the Georgia Open Meetings Act laws.

ARTICLE VII

Notice and Waiver

- 7.1 **Procedure.** Whenever these Bylaws require notice to be given to any director, the notice shall be given as prescribed herein. Notice under these Bylaws shall be in writing unless oral notice is reasonable under the circumstances. Notice may be communicated in person, by telephone, e-mail, or other form of wire or wireless communication or by mail or private carrier. Written notice, if in a comprehensible form, is effective at the earliest of the following:
- (a) When received or when delivered, properly addressed, to the addressee's last known principal place of business or residence;
 - (b) Five (5) days after its deposit in the mail, as evidenced by the postmark, if mailed with first-class postage prepaid and correctly addressed; or
 - (c) On the date shown on the return receipt, if sent by registered or certified mail, return receipt requested, and the receipt is signed by or on behalf of the addressee.

Oral notice is effective when communicated if communicated in a comprehensible manner. In calculating time periods for notice, when a period of time measured in days, weeks, months, years, or other measurement of time is prescribed for the exercise of any privilege or the discharge of any duty, the first day shall not be counted but the last day shall be counted.

- 7.2 **Waiver.** Notice of a meeting need not be given to any director who signs a waiver of such notice either before or after the meeting. Unless otherwise required by law or by these Bylaws, neither the business transacted nor the purpose of the meeting need be specified in the waiver. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting and waiver of any and all objections to the place of the meeting, the time of the meeting, or the manner in which it has been called or convened, except when such director attends such meeting solely for the purpose of stating, at the beginning of the meeting, any such objection or objections to the transaction of business.

ARTICLE VIII

Officers of the Corporation

- 8.1 **Positions.** The President and Chief Executive Officer (the "President"), the Chief Financial Officer, Chief Operations Officer, Chief Planning Officer, Chief Medical Officer, Compliance Officer and such other officer positions as the Board may create shall be the executive officers of the Corporation, each of whom shall be elected by, and shall serve at the pleasure of, the Board of Directors. Each executive officer shall be appointed for a term of office as may be provided by resolution of the Board of Directors. The Board of Directors shall from time to time create and establish the duties of such other executive

officers and elect or provide for the appointment of such other executive officers as it deems necessary for the efficient management of the Corporation. Any two (2) or more offices may be held by the same person, except that the President may not hold any other officer position.

- 8.2 Election and Term.** All executive officers shall be elected by the Board of Directors and shall serve at the will of the Board of Directors and until their successors have been elected and have qualified or until their earlier death, resignation, removal, retirement, or disqualification.
- 8.3 Compensation.** The compensation of all executive officers of the Corporation shall be fixed by the Board of Directors.
- 8.4 Removal.** Any executive officer may be removed from office by the Board of Directors, with or without cause, upon the majority vote of the directors present at any meeting of the Board of Directors at which a quorum is present.
- 8.5 Powers and Duties.** The executive officers of the Corporation shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as from time to time may be conferred by the Board of Directors. Except as otherwise required by Georgia law or otherwise provided in these Bylaws, the Board of Directors by resolution may authorize any officer or officers of the Corporation to negotiate and execute contracts to buy, sell, lease, or exchange any and all of the real or personal property of the Corporation, and to negotiate and enter into loans to be secured by notes, pledges, deeds to secure debt, mortgages, and/or other instruments encumbering the property of the Corporation, all without prior approval of the Board of Directors.

8.5.1 Selection and Duties of the President and Chief Executive Officer.

- a. President and Chief Executive Officer - The Corporation shall select and employ a competent, experienced President and Chief Executive Officer for the Corporation to be known as the President and Chief Executive Officer. The President and Chief Executive Officer shall be the Corporation's direct executive representative in the management of the Hospitals. The President and Chief Executive Officer shall be given the necessary authority and shall be held responsible for recommending the strategic direction and managing the day-to-day administration of the Hospitals in all of its activities and departments, subject only to such policies as may be adopted and such orders as may be issued by the Corporation or by any of its committees to which it has delegated power for such action. The President and Chief Executive Officer shall act as the "duly authorized representative" of the Corporation in all matters in which the Board has not formally designated some other person for the specific purpose.

b. Specific Authority and Duties of the President and Chief Executive Officer:

The authorities and duties of the President and Chief Executive Officer shall include:

- (1) Provide strategic direction recommendations for the Corporation including proposals relating to Mission, Vision, Ethical Behavior and Values of the organization.
- (2) Analyze industry trends and recommend appropriate responses for the Corporation.
- (3) To be actively engaged in community activities that promote the health and wellness of the community.
- (4) To interact with other providers of care in the region to assure cooperative and coordinated programs of health care services and delivery.
- (5) To perfect and submit to the Corporation for approval, a plan of organization of the personnel and others concerned with the operations of the Hospitals, organizational and departmental policy manuals, which plan and policies create clear lines of responsibility and accountability within departments and between departments and administration; and guide the functions of patient care, organizational development and governance. Such plan and policies will be reviewed on a periodic basis, and revisions will be submitted to the Corporation for approval as appropriate.
- (6) To prepare an annual budget showing the expected receipts and expenditures as required by the Finance Committee.
- (7) To select, employ, control and discharge all employees.
- (8) To see that all physical properties are kept in good state of repair and operating condition, conferring with the Strategic Planning and Facilities Committee on major matters.
- (9) To supervise all business affairs such as records of financial transactions, collection of accounts, purchases and issuance of supplies, and to insure that all funds are collected and expended to the best advantage. To purchase major items of capital equipment within prescribed limits of the Corporation.

- (10) To cooperate with the Medical Staff and to seek like cooperation on the part of all those concerned with the rendering of professional services to the end that the best possible care may be rendered to all patients.
- (11) To submit regularly to the Corporation, or its authorized committee, periodical reports showing the financial activities of the Hospitals and to prepare and submit such special reports as may be required by the Corporation.
- (12) To attend all meetings of the Corporation and its committees.
- (13) To perform any other duty that may be necessary to the best interest of the Hospital.
- (14) To establish channels of communications between the Corporation or any of its committees and the Medical Staff and between the Hospitals and the community; and
- (15) Establish processes through which individuals who are not subject to the credentialing process, but are providing patient care services will be evaluated.
- (16) To submit regularly to the Corporation, or its authorized committee, periodical reports showing the quality assurance and improvement activities of the Hospitals, and to prepare and submit such special reports as may be required by the Corporation.
- (17) To review and properly respond to reports and recommendations from planning, regulating and inspecting agencies.
- (18) To attend all meetings of the Corporation and Medical Staff and the committee meetings of each, or have a representative of administration attend the meetings.
- (19) To function as Hospital Administrator, unless the function of Hospital Administrator is delegated by the President and Chief Executive Officer to someone else, with the approval of a majority of the Board of Trustees.
- (20) To perform such other duties as may be delegated to him/her from time to time by the Board of Trustees.

8.5.2 Selection and Duties of the Chief Financial Officer.

The President and Chief Executive Officer is authorized to designate and appoint an employee of the Corporation as Chief Financial Officer, subject to the approval of the designation and appointment by a majority of the Board of Trustees. Approval of the Corporation is not required for termination of the designation and appointment. The Chief Financial Officer shall have such duties, authority and responsibilities as are specified in a management policy and procedure to be developed by the President and Chief Executive Officer and adopted by the Corporation.

8.5.3 Selection and Duties of the Chief Operations Officer.

The President and Chief Executive Officer is authorized to designate and appoint an employee of the Corporation as Chief Operations Officer, subject to the approval of the designation and appointment by a majority of the Board of Trustees. Approval of the Corporation is not required for termination of the designation and appointment. The Chief Operations Officer shall have such duties, authority and responsibilities as are specified in a management policy and procedure to be developed by the President and Chief Executive Officer and adopted by the Corporation.

8.5.4 Selection and Duties of Chief Planning Officer.

The President and Chief Executive Officer is authorized to designate and appoint an employee of the Corporation as Chief Planning Officer, subject to the approval of the designation and appointment by a majority of the Board of Trustees. Approval of the Corporation is not required for termination of the designation and appointment. The Chief Planning Officer shall have such duties, authority and responsibilities as are specified in a job description and policy and procedure to be developed by the President and Chief Executive Officer and adopted by the Corporation.

8.5.5 Selection and Duties of Chief Medical Officer.

The President and Chief Executive Officer is authorized to designate and appoint an employee of the Corporation Chief Medical Officer, subject to the approval of the designation and appointment by a majority of the Board of Trustees and the Medical Executive Committee. Approval of the Corporation is not required for termination of the designation and appointment. The Chief Medical Officer shall have such duties, authority and responsibilities as are specified in a job description and the policies and procedures to be developed by the President and Chief Executive Officer in coordination with Medical Staff Medical Executive Committee and adopted by the Corporation.

8.5.6 Selection and Duties of Compliance Officer.

The Compliance Officer shall implement and operate for the Corporation an effective compliance program under the direction, oversight and supervision of the Board of Directors. The Compliance Officer shall maintain the effective compliance program in accordance with the state and federal government guidance and the elements recommended by the Office of Inspector General. The Compliance Officer shall report directly to the Board of Directors and shall provide regular updates on the compliance program activities and the remedial actions necessary to prevent and detect improper and illegal activities to support the Corporation's compliance with applicable laws and regulations.

8.6 Additional Powers and Duties. In addition to the foregoing enumerated powers and duties, the several officers of the Corporation shall have such other powers and duties as are provided for them in these Bylaws or as may, from time to time, be prescribed by the Board of Directors.

8.7 Bonds. The Board of Directors may by resolution require any or all of the officers, agents, or employees of the Corporation to give bonds to the Corporation, with sufficient surety or sureties, conditioned upon the faithful performance of the duties of their respective offices or positions, and to comply with such other conditions as may from time to time be required by the Board of Directors.

ARTICLE IX

Ethics and Conflicts of Interest Policy

9.1 Purpose of Policy. The Corporation expects and demands ethical conduct and compliance with all laws by its employees, officers, directors, and other agents, and the Corporation relies on the good faith of its employees, officers, directors, and agents in the exercise of their responsibilities to the Corporation. The purposes of this Ethics and Conflicts of Interest Policy are to (a) memorialize the Corporation's commitment to ethical and legally compliant conduct, (b) provide guidance to the Corporation's officers, directors, and agents for avoidance of situations that are, or appear to be, in conflict with their responsibilities to the Corporation and protect the Corporation's interests when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Corporation, and (c) articulate the Corporation's policies regarding financial integrity, including financial accounting and executive compensation. This Policy is intended to supplement but not replace any applicable state laws governing conflicts of interest applicable to nonprofit and charitable corporations.

9.2 Code of Ethics. The Corporation requires compliance by all employees, officers, directors, and other agents of the Corporation with all laws and regulations to which the Corporation is subject. When the application of a law or regulation is uncertain, the Corporation's employee, officer, director, or other agent shall seek guidance and advice from the Corporation's authorized representatives. The Corporation is committed to

maintaining accurate and reliable corporate records which disclose all disbursements and other transactions to which the Corporation and its operating subsidiaries are parties.

9.3 Conflicts of Interest Policy.

9.3.1 Purpose of Conflicts of Interest Policy. The purpose of this Policy is to protect the Corporation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer, director, or other agent of the Corporation or might result in an excess benefit transaction under the Internal Revenue Code. This Policy is meant to supplement, but not replace, state and federal laws governing conflicts of interest that are applicable to nonprofit and charitable organizations, including but not limited to O.C.G.A. §31-7-74.1. To the extent any provisions of this Article conflict with such laws, those laws shall govern. Although it is impractical to define every situation that might be considered a conflict of interest, generally speaking, a conflict exists when an officer's, director's, or other agent's personal interests or activities may influence their judgment in the performance of their duties for the Corporation. There may be instances when such conflicts are more theoretical than real, but officers, directors, and other agents of the Corporation should be concerned about possible conflicts and disclose any perceived conflicts of interest to the Corporation in accordance with the guidelines set forth in this Conflicts of Interest Policy.

9.3.2 Definitions. For purposes of this Policy, the following terms shall have the following meanings:

9.3.2.1 Interested Person. Any director, executive officer, or member of a committee of the Board of Directors who has a direct or indirect Financial Interest, as defined below, is an "Interested Person."

9.3.2.2 Financial Interest. A person has a "Financial Interest" if the person has, directly or indirectly, through business, investment, or family (meaning spouse, child, or sibling):

- (a) An ownership or investment interest in any entity with which the Corporation has, or with which the Corporation is negotiating, a transaction, business relationship or other arrangement;
- (b) A compensation arrangement with the Corporation, or with any entity or individual with which the Corporation has, or with which the Corporation is negotiating, a transaction, business relationship or other arrangement; or

- (c) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporation has, or the Corporation is negotiating, a transaction, business relationship or other arrangement.

9.3.2.3 Compensation. “Compensation” includes direct and indirect remuneration as well as gifts that are substantial in nature.

9.3.3 Duty to Disclose. In connection with any actual or possible conflict of interest, an Interested Person must disclose to the Board or committee designated by the Board the existence of their Financial Interest as soon as reasonably possible and prior to any discussion involving the subject matter of the potential conflict. The Interested Person must be given the opportunity to disclose all material facts to the Board or committee with Board delegated powers considering or involved with the current or proposed transaction, business relationship, or arrangement.

9.3.4 Determining Whether a Conflict of Interest Exists. A Financial Interest is not necessarily a conflict of interest. After disclosure of the Financial Interest and all material facts and any discussion with the Interested Person, the Interested Person shall leave the Board or committee meeting while the determination of a conflict of interest is discussed or voted upon. Whether a conflict exists or does not exist shall be determined by a majority of the Board’s or committee’s disinterested members. Interested directors may be counted in determining the presence of a quorum at a meeting of the Board or committee thereof which authorizes the contract or transaction.

9.3.5 Procedures for Addressing the Conflict of Interest. If the Board or committee decides that a conflict of interest exists, the Board or committee should proceed as follows:

- (a) The Interested Person may make a presentation at the Board or committee meeting, but, after such presentation, the Interested Person shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement that caused the conflict of interest.
- (b) The Chairperson of the Board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- (c) After exercising due diligence, the Board or committee shall determine whether the Corporation can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest.

- (d) If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the Board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Corporation's best interest and for its own benefit and whether the transaction is fair and reasonable to the Corporation and shall make its decision as to whether to enter into the transaction or arrangement in accordance with such determination.
- (e) Upon the Board's determination that a conflict exists, the Interested Person shall thereafter abstain from participating in any discussion or votes in any way related to the subject matter giving rise to the conflict, provided that the Interested Person may respond to inquiries from disinterested members of the Board or committee.

9.3.6 Violations of the Conflicts of Interest Policy.

9.3.6.1 Failure to Disclose a Conflict. If the Board or committee has reasonable cause to believe that an Interested Person has failed to disclose actual or possible conflicts of interest, it shall inform the Interested Person of the basis for such belief and afford the Interested Person an opportunity to explain the alleged failure to disclose.

9.3.6.2 Disciplinary Action. If, after hearing the response of the Interested Person and making such further investigation as may be warranted under the circumstances, the Board or committee determines that the Interested Person has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

9.3.7 Records of Proceedings Regarding Conflicts of Interest. The minutes of the Board and all committees with Board delegated powers shall contain the following:

9.3.7.1 Identification of Financial Interest. The names of the persons who disclosed or otherwise were found to have a Financial Interest in connection with an actual or possible conflict of interest, the nature of the Financial Interest, any action taken to determine whether a conflict of interest was present, and the Board's or committee's decision as to whether a conflict of interest in fact existed.

9.3.7.2 Identification of Disinterested Persons. The names of the persons who were present for discussions and votes relating to the transaction or proposed transaction or arrangement, and a record of any votes taken in connection therewith.

9.3.8 Annual Conflicts of Interest Statements. Each director, executive officer, and member of a committee with Board-delegated powers shall annually sign a statement which affirms that such person:

- (a) Has received a copy of the Ethics and Conflicts of Interest Policy;
- (b) Has read and understands the Policy;
- (c) Has agreed to comply with the Policy; and
- (d) Understands (i) that the Corporation is a tax-exempt organization and (ii) that, in order to maintain its federal tax exemption, the Corporation must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

9.4 Financial Integrity Policy.

9.4.1 Compensation Policy. The Corporation adopts the following Compensation Policy:

9.4.1.1 Compensation Committee. The Board shall appoint a Compensation Committee, which will consider and recommend compensation arrangements for all compensated executive officers, directors and other persons designated by the Board.

9.4.1.2 Recusal. A voting member of the Board of Directors or a committee of the Board who receives compensation, directly or indirectly, from the Corporation for services shall be recused from voting on matters pertaining to that member's compensation in accordance with the procedure described in Section 9.3.5. However, no director or committee member who receives compensation directly or indirectly from the Corporation is prohibited from providing information to the Board or a committee thereof.

9.4.1.3 Physician Compensation. Physicians who receive compensation from the Corporation, regardless of whether directly or indirectly or as employees or independent contractors, are precluded from membership on any committee that considers, evaluates or approves physician compensation. However, no physician is prohibited from providing information to any such committee regarding physician compensation.

- 9.4.2 **Periodic Reviews.** To ensure that the Corporation operates in a manner consistent with their tax-exempt purposes and that it does not engage in activities that could jeopardize its status as an organization exempt from federal income tax, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:
- (a) Whether compensation arrangements and benefits are reasonable and are the result of arm's-length bargaining; and
 - (b) Whether partnership and joint venture arrangements and arrangements with other organizations conform to written policies, are properly recorded, reflect reasonable payments for goods and services, further the Corporation's tax-exempt purposes, and do not result in inurement or impermissible private benefit.
- 9.4.3 **Use of Outside Experts.** In conducting the periodic reviews provided for in Section 9.4.2, the Corporation may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of its responsibility for ensuring that periodic reviews are conducted.
- 9.4.4 **Presentation of Audited Financial Statements.** All members of the Board of Directors shall be provided with access to the Corporation's consolidated audited financial statements and shall receive a copy of such consolidated audited financial statements upon request.

ARTICLE X

Committees

- 10.1 **Special and Standing Committees.** The committees of the Corporation shall be standing or special. Standing Committees shall be the Executive Committee, Finance Committee, Strategic Planning and Facilities Committee, a Joint Conference Committee, the Quality Improvement and Patient Safety Committee, the Personnel/Trust Committee, Compliance Committee and such other Standing Committees as the Corporation may authorize. Only Director members of committees may vote. No committee shall have more than four (4) Director members.

Special Committees and their Chairmen may be appointed by the Chairman, with the concurrence of the Corporation, for such specific purpose or purposes as circumstances warrant. Said committees may be composed of members of the community. Such Special Committees shall limit their activities to the accomplishment of the specific purpose for which created and appointed and shall have no power to act except such as specifically conferred by the action of the Corporation. Upon completion of the specific purpose for which appointed, such Special Committees shall stand discharged.

10.2 Executive Committee. If activated by resolution adopted by a majority of the full Board of Directors, there shall be an Executive Committee composed of the Chairman as Chairman, the Vice- Chairman, the Treasurer and one other member to be elected by the Corporation at its annual meeting in September. The Executive Committee shall have the power to transact all regular business of the Medical Center during the interim between the meetings of the Corporation provided any action taken shall not conflict with the policies and expressed wishes of the Corporation; and it shall refer all matters of major importance to the Corporation at its next regular meeting.

Three (3) members of the Executive Committee shall constitute a quorum for the transaction of business at meetings of the committee and the act of the majority of members present at any meeting at which there is a quorum shall constitute the action of the committee.

10.3 Finance Committee. The Finance Committee shall consist of the Chairman of the Corporation, the Treasurer as Chairman of the Committee, and two (2) other members of the Corporation appointed by the Chairman of the Corporation. It shall be responsible for management of all funds of the Hospitals. It shall provide that all endowment and trust funds be deposited with a responsible trust company, or a comparable agency for investment, for receiving prompt reports of such investments and for seeing that income, after deductions of legitimate expense is paid into the proper fund of the Hospitals and both principal and income are used in accordance with the terms of the trust. It shall review all capital purchase requests over \$500,000, and make recommendations to the Corporation. It shall see that a budget is prepared and submitted to the Corporation at its last meeting before the end of the fiscal year. It shall designate a certified public accountant or a firm of certified public accountants to conduct an annual audit of the financial affairs, books and records of the Corporation at the end of each fiscal year for the preceding year. It shall receive and review the annual audit. It shall be the further duty of the Finance Committee to examine the monthly Finance Reports and to require an explanation from the Administration for any significant deviation from the budget. The Finance Committee shall exercise oversight of physician recruitment, including making recommendations on all physician recruitment contracts to the Corporation.

10.4 Strategic Planning and Facilities Committee. The Building and Grounds Committee shall consist of not less than six (6) members of the Corporation, appointed by the Chairman of the Corporation. Membership on this committee will also include the Secretary Treasurer of the Medical Executive Committee and the immediate Past Chief of Staff of the Medical Executive Committee of the Medical Staff. The President and Chief Executive Officer, or his designee, and when appropriate, other individuals competent to provide expertise on relevant issues, will serve as advisors to the committee. This committee shall have the general oversight of the strategic planning and physical plant of Hospitals as to additions, alterations, repairs and maintenance. The committee shall also be responsible for recommending to the Corporation qualified architectural, engineering and general contractor services, when appropriate. The committee will consider proposed acquisitions of real property when requested by the Corporation. It shall be responsible for

reviewing and making recommendations to the Corporation on all matters concerning new and revised programs and services of the Hospitals. All new programs anticipated by the hospital would be reviewed by this committee with recommendations concerning appropriate action being made to other committees of the Corporation or to the Corporation. The committee will develop a long range plan for the Hospitals and monitor progress toward the accomplishment of such plan.

- 10.5 Joint Conference Committee.** The Joint Conference Committee is a discussion committee of the Corporation and the Medical Staff without intrinsic authority to take action. It shall be composed of four (4) members of the Board of Directors of the Corporation to be appointed by the Chairman and four (4) members of the Executive Committee of the Medical Staff. The President and Chief Executive Officer shall be an advisory member of this committee. This committee shall meet at least annually, and otherwise shall meet upon the joint call of the Chairman of the Board of Directors and the Chief of Staff. A quorum shall be no less than five (5) members of the Joint Conference Committee, and no business may be transacted by less than the affirmative vote of five (5) members of this committee.

This committee's function shall be:

- a. To keep the Corporation, the Medical Staff, and the Administration cognizant of pertinent actions taken or contemplated by one or the other;
- b. To recommend plans for growth of the Medical Center, or change in the Medical Center's organization, or services it offers; and
- c. To consider issues which arise in the operation and affairs of the Medical Center affecting all parties.

- 10.6 Quality Improvement and Patient Safety Committee.** The Quality Improvement and Patient Safety Committee shall consist of not less than three (3) members of the Corporation, appointed by the Chairman of the Corporation. Medical Staff membership on this committee shall be the Chairmen of the Department of Medicine and Department of Surgery. It shall meet at the call of the Chairman to discuss any matters relating to the professional staff or services of the hospital. This committee will monitor the Performance Improvement, Patient Safety, Quality Assurance and Risk Management activities of the hospital and be responsible for keeping the Corporation informed of these activities. The committee will review and recommend for approval a Performance Improvement/Patient Safety Plan and a Quality Assurance Plan for the hospital which delineates responsibility for performance improvement, patient safety and quality assurance activities in each level of the organization. This committee reviews the reports that measure patient satisfaction with Hospitals' services. This committee will also periodically review the format for professional contracts between Hospitals and members of the Medical Staff, and make recommendations concerning these contracts to other committees of the Corporation or the entire Corporation. This committee will also recommend the parameters for physician recruitment to the Corporation and will initiate and recommend physician recruitment

policies to the Corporation. The President and Chief Executive Officer or his designees will serve as Administration advisors to this committee.

10.7 Personnel Committee. This committee shall consist of not less than three (3) members of the Corporation, appointed by the Chairman of the Corporation. It shall meet upon the call of the Chairman to discuss and develop recommendations concerning the personnel policies of the Hospitals. It will review and make recommendations to the Corporation. The President and Chief Executive Officer, or his designee, and when appropriate, other individuals competent to provide expertise on relevant issues, will serve as the Administration advisors to this committee.

10.8 Compliance Committee. The Board Compliance Committee shall be comprised of no less than three (3) members of the Board of Directors, appointed by the Chairman of the Corporation. The Compliance Committee shall provide the oversight and support for the organization's effective compliance program. The compliance program shall be designed to pro-actively engage in activities to prevent and detect illegal or improper activities and implement remedial actions, as needed. The Compliance Committee shall meet on a regular basis to review the effective compliance program elements, the federal and state regulatory guidance and the implementation and reporting related to the compliance program activities. The Compliance Committee shall also provide oversight of the audit, compliance and legal functions related to the organization's compliance with the applicable laws and regulations. The Compliance Officer of the organization shall report directly to the Compliance Committee of the Board.

ARTICLE XI

The Medical and Dental Staff

11.1 Membership. The Corporation shall appoint a Medical Staff for each Hospital's Medical Staff (the "Medical Staff") composed of Physicians (including any Medical Doctor and Doctor of Osteopathy), Oral Maxillofacial Surgeons and Dentists and shall grant Clinical Privileges and Clinical Functions to Physicians, Oral Maxillofacial Surgeons, Dentists, Limited License Professionals, and Allied Health Professionals in the manner set forth in the Medical Staff Bylaws as adopted by the Corporation from time to time ("Medical Staff Bylaws") and the Limited License Professionals and Allied Health Professionals Manual, as adopted by the Corporation from time to time (the "LLP/AHP Manual").

11.2 Applications. All applications for appointment and reappointment to the Medical Staff and/or seeking the grant of Clinical Privileges or Clinical Functions shall be submitted in writing in a form approved by the Administrator. Applicants are required to submit any information deemed adequate or necessary by the Corporation for a proper evaluation of his or her current competence, character, ethics, and current ability to exercise the Clinical Privileges or perform the Clinical Functions requested. Said written applications shall be addressed to the Administrator and transmitted for appropriate recommendations of the Medical Staff.

11.3 Requirement of Professional Liability Insurance. To be eligible to apply for appointment and reappointment to the Medical Staff (other than the Honorary Staff) and/or to be eligible to seek Clinical Privileges and/or Clinical Functions, an applicant is required to have and maintain a minimum of \$1,000,000 (per claim) liability insurance with a company that is either approved by the Corporation or meets the criteria established by Corporation policy from time to time. It is the responsibility of each applicant to see that the Corporation is kept informed of the status of such insurance policy and notify the Corporation immediately of any changes therein.

11.4 Appointment to Medical Staff and Clinical Privileges. All appointments to the Medical Staff and all Clinical Privileges or Clinical Functions granted by the Corporation shall be in accordance with the Medical Staff Bylaws. Appointment to the Medical Staff shall confer only such prerogatives as may be granted by the Corporation.

11.5 Medical Staff Bylaws. In order to ensure that all Practitioners who provide a medical level or care and/or conduct surgical procedures in the Hospital are individually evaluated by the Medical Staff and those Practitioners possess current qualifications and demonstrated competencies for the Clinical Privileges granted, there shall be Bylaws, Rules and Regulations and Policies for the Medical Staff, establishing the organizational framework within which to:

- (a) initiate, maintain and enforce rules and regulations for self-governance of the Medical Staff and accountability to the Corporation;
- (b) provide oversight of care, treatment and services provided by individuals exercising Clinical Privilege or Clinical Functions in the Hospitals;
- (c) provide a uniform quality of patient care treatment and services for those patients admitted to or treated in or by any of the facilities, departments or services of the Corporation, consistent with resources locally available;
- (d) provide means for orderly and non-disruptive discussion and solutions of issues concerning the provision of professional services in the Hospitals, including without limitation, Staff Membership, Clinical Privileges and Clinical Functions decisions, cost containment decisions, utilization review decisions, clinical aspects of Corporation employee performance and the quality and efficiency of patient care delivered in the Hospitals; and
- (e) foster a high level of professional performance and ethical conduct of the Medical Staff members and affiliates through appropriate delineation of the Clinical Privileges and/or Clinical Functions exercised in the Hospitals and through an ongoing evaluation and review of each Practitioner's performance in the Hospitals.

Proposed Bylaws, Rules and Regulations, and Policies may be recommended by the Medical Staff but only those adopted by the Corporation shall become effective. The

Medical Staff shall review its Bylaws, Rules and Regulations and Policies at least on an annual basis.

- 11.6 Recommendations by the Medical Staff.** The Medical Staff shall make recommendations to the Corporation concerning Medical Staff status, Clinical Privileges and/or Clinical Functions, disciplinary action, corrective action and all matters relating to professional competency and professional conduct of Staff Members and individuals exercising Clinical Privileges and/or Clinical Functions in the Hospitals, responsibility for which may have been delegated to the Medical Staff through the Medical Staff Bylaws by the Corporation.
- 11.7 Authority and Power.** The authority for appointment of members to the Medical Staff and authority and control over Clinical Privileges and Clinical Functions is vested solely in the Corporation, including the power to terminate appointments and suspend the exercise of Clinical Privileges and/or Clinical Functions either temporarily or permanently in compliance with the provisions of Article XI and XII of the Medical Staff Bylaws.
- 11.8 Hearing and Appeal Rights.** Practitioner is entitled to exercise hearing and appeal rights pursuant to the provisions of Articles XI and XII of the Medical Staff Bylaws.
- 11.9 Quality Review.** The Medical Staff is accountable to the Corporation for the quality of care provided to patients at the Hospital and the Medical Staff is responsible for overseeing the quality of care provided by all individual Practitioners who provide a medical level of care or who conduct surgical procedures at the Hospital. The Medical Staff must periodically (not less than every twenty-four (24) months) conduct appraisals of individual Practitioners for continued or revised Clinical Privileges or Clinical Functions as provided in the Medical Staff Bylaws to assure that every Practitioner who provides a medical level of care and/or who conducts surgical procedures in the Hospital is competent to perform all granted Clinical Privileges or Clinical Functions.

To ensure the achievement and maintenance of quality professional and ethical practices within the Hospitals, the Medical Staff on a regular basis, shall conduct retrospective analysis of clinical practice through medical review and peer review and report the results to the Corporation on a quarterly basis.

- 11.10 Defined Terms.** Terms not defined in this Article VI shall have the meaning as set forth in the Certain Definitions section of the Medical Staff Bylaws.

ARTICLE XII

Auxiliary Groups and Volunteers

- 12.1 Auxiliary Groups.** Organized, non-medical, voluntary, and/or auxiliary groups may be granted permission to function within the Hospitals. These auxiliary groups shall have a set of Bylaws which shall delineate the purpose, functions, and methods of function of the

organization; and said Bylaws, and all subsequent amendments thereto, shall be approved by the Corporation.

The Corporation shall make such reasonable rules and regulations for control of auxiliary organizations' policies within the Hospitals as the Corporation deems to be in the best interest of patient care.

- 12.2 Volunteers.** Individual volunteers may be allowed to function in the Center only as accompanied by a hospital representative or as defined by the Hospital Administration, who shall oversee the supervision of any individual volunteer. The Corporation shall make such reasonable rules and regulations for control of individual volunteers within the Hospitals as the Corporation deems to be in the best interest of patient care.

ARTICLE XIII

Indemnification

- 13.1 Indemnification.** The Corporation shall indemnify any director, officer, employee, or agent to the fullest extent permitted by applicable law. The Corporation shall pay for or reimburse the reasonable expenses incurred by a director or officer who is a party, or threatened to be made a party, to any proceeding, whether civil, criminal, administrative, or investigative (including any action by or in the right of the Corporation), by reason of the fact that such person is or was a director or officer of the Corporation, or is or was serving at the request of the Corporation as a director or officer of another corporation, partnership, joint venture, trust, or other enterprise, and such person shall be indemnified by the Corporation against expenses (including reasonable attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit, or proceeding, if such person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Corporation (and with respect to any criminal action or proceeding, if he or she had no reasonable cause to believe their conduct was unlawful), to the maximum extent permitted by, and in a manner provided by Georgia law. Such payments may be made in advance of a final disposition of the proceeding if the director or officer submits to the Secretary of the Corporation a written request which complies with the requirements of Code Section 14-3-853 of the Georgia Code. The Secretary of the Corporation shall promptly upon receipt of such a request for advance of expenses advise the Board of Directors in writing that such director or officer has requested an advance of expenses.

- 13.2 Insurance.** The Corporation shall purchase and maintain insurance on behalf of any directors and officers against any liabilities asserted against such persons whether or not the Corporation would have the power to indemnify such directors and officers against such liability under the laws of the State of Georgia. The Corporation shall provide bonds, with sufficient surety or sureties for the President and the Chief Financial Officer, related to the performance of the duties of their respective offices or positions, and to comply with such other conditions as may from time to time be required by the Board of Directors.

ARTICLE XIV

Bank Accounts and Loans

- 14.1 Bank Accounts.** The Chief Financial Officer and such other officers or agents of the Corporation as from time to time shall be designated by the Board of Directors shall have the authority to deposit any funds of the Corporation in such banks or trust companies as shall from time to time be designated by the Board of Directors, and the Chief Financial Officer and such other officers or agents as from time to time shall be authorized by the Board of Directors may withdraw any or all of the funds of the Corporation so deposited in any such bank or trust company, upon checks, drafts, or on other instruments or orders for the payment of money, drawn against the account or in the name or on behalf of the Corporation, and made or signed by such officers or agents. Each bank or trust company with which funds of the Corporation are so deposited is authorized to accept, honor, cash, and pay without limit as to amount, all checks, drafts, or other instruments or orders for the payment of money, when drawn, made or signed by the officers or agents so designated by the Board of Directors, until written notice of the revocation of the authority of such officers or agents by the Board of Directors shall have been received by such bank or trust company. There shall from time to time be certified to the banks or trust companies in which funds of the Company are deposited, the signature of the officers or agents of the Corporation so authorized to draw against the same. If there is no Chief Financial Officer for a period of time, and the Board of Directors fails to designate another person by whom checks, drafts, or other instruments or orders for the payment of money shall be signed, as hereinabove provided in this Section, all of such checks, drafts, and other instruments or orders for the payment of money shall be signed by the President and countersigned by another officer of the Corporation.
- 14.2 Loans.** Such officers or agents of the Corporation as from time to time shall be designated by the Board of Directors shall have the authority to effect loans, advances, or other forms of credit at any time or times for the Corporation from such banks, trust companies, institutions, corporations, firms, or persons as the Board of Directors shall from time to time designate, and as security for the repayment of such loans, advances, or other forms of credit to assign, transfer, endorse, and deliver, either originally or in addition or substitution, any or all stocks, bonds, rights, and interests of any kind in or to stocks or bonds, certificates of such rights or interests, deposits, accounts, documents covering merchandise, bills and accounts receivable, and other commercial papers and evidences of debt at any time held by the Corporation; and for such loans, advances, or other forms of credit to make, execute, and deliver one or more notes, acceptances, or written obligations of the Corporation on such terms, and with such provisions as to the security or sale or disposition thereof as such officers or agents shall deem proper; and also to sell to, or discount or rediscount with, such banks, trust companies, institutions, corporations, firms, or persons any and all commercial paper, bills receivable, acceptances, and other instruments and evidences of debt at any time held by the Corporation, and to that end to endorse, transfer, and deliver the same. There shall be from time to time certified to each bank, trust company, institution, corporation, firm, or person so designated the signatures of the officers or agents so authorized; and each such bank, trust company, institution,

corporation, firm, or person is authorized to rely solely upon such certification until written notice of the revocation by the Board of Directors of the authority of such officers or agents shall be delivered to such bank, trust company, institution, corporation, firm, or person.

ARTICLE XV

Dissolution

- 15.1 Vote.** The dissolution of the Corporation shall be a Significant Decision and require the affirmative vote of at least seventy-five percent (75%) of the directors present at the meeting.
- 15.2 Distribution of Assets.** Upon dissolution of the Corporation, all of its assets remaining after the payment of all costs and expenses of such dissolution, and after adequate provision has been made for the discharge or assumption of its liabilities, shall be distributed to the Hospital Authority of Valdosta and Lowndes County, Georgia (the "Authority"), which is a public body corporate and politic and an instrumentality of the State of Georgia, to be used exclusively for a public purpose, and none of the assets will be distributed upon such dissolution to any member, officer, or director of the Corporation or any other person or entity. All assets of the Corporation shall be used or distributed by the Authority exclusively for the purposes for which the Corporation was organized, in such manner, and to such organization or organizations, organized and operated exclusively for charitable, scientific, and education purposes, as shall at the time qualify as an exempt organization under Section 501(c)(3) of the Code, as the Board of Directors shall determine.
- 15.3 Prohibition.** No dividend and no distribution shall be paid and no part of the income or profit of the Corporation shall be distributed to the Directors or officers of the Corporation or to any other person or entity

ARTICLE XVI

Amendments

- 16.1 Power to Amend Bylaws.** The Board of Directors shall have the power to alter, amend, or repeal these Bylaws or adopt new Bylaws only with the approval of the Corporation Board.
- 16.2 Conditions.** Action by the Board of Directors with respect to an amendment of these Bylaws shall be taken by an affirmative vote of a majority of all directors then holding office provided that the proposed amendment(s) have been presented to members of the Board of Directors at least 14 days prior to the meeting at which they are to be adopted. These Bylaws shall be reviewed at least every three (3) years and amended as necessary.

ARTICLE XVII

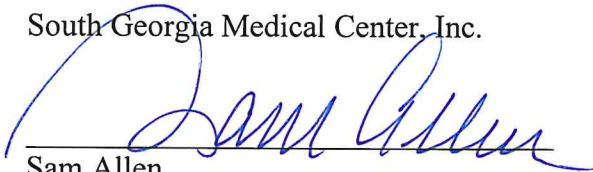
Miscellaneous

- 17.1 Inspection of Books and Records.** The Board of Directors shall have power to determine which accounts, books, and records of the Corporation shall be available for inspection by authorized individuals and shall have power to fix reasonable rules and regulations not in conflict with the applicable law for the inspection of accounts, books, and records which by law or by determination of the Board of Directors shall be open to inspection. In carrying out this power, the Board of Directors shall at all times comply with the Georgia Open Records Act, to the extent it is applicable.
- 17.2 Fiscal Year.** The Board of Directors is authorized to fix the fiscal year of the Corporation and to change the same from time to time as it deems appropriate.
- 17.3 Seal.** The Board of Directors may provide for a corporate seal in such form and with such inscription as it shall determine, provided such seal shall always contain the word “Non-Profit.” In lieu thereof, the Corporation may use an impression or writing bearing the words “CORPORATE SEAL,” which shall also be deemed the seal of the Corporation.
- 17.4 Execution of Documents.** Except where required by applicable law, no attestation by the Secretary or other officer shall be necessary to make any contract, conveyance, or other document valid and legally binding which has been executed by and on behalf of the Corporation by an officer or officers thereunto duly authorized in the manner provided for in these Bylaws.
- 17.5 Conflicting Regulations.** No charters, constitutions, bylaws, rules, provisions, or regulations of any organization operating as a part of the Corporation or as an agency thereof shall be in conflict with or repugnant or contrary to these Bylaws or to the Articles of Incorporation of the Corporation or to the laws of the State of Georgia or the United States.
- 17.6 Construction.** In referring herein to any officer or director, the use of the singular shall include the plural, the plural shall include the singular, and any gender shall include the other gender, as appropriate in the context and under the circumstances.

These Amended and Restated Bylaws adopted this 14th day of September, 2023.

APPROVED:

South Georgia Medical Center, Inc.

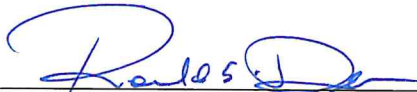


Sam Allen
Chairman

**CERTIFICATE OF SECRETARY
OF**

**South Georgia Medical Center, Inc.
A Georgia nonprofit corporation**

I hereby certify that I am the duly elected and acting Secretary of said nonprofit corporation and that the foregoing Bylaws constitute the bylaws of said nonprofit corporation as duly adopted by the Board of Directors.



Ronald E. Dean
Secretary