

STATE OF RHODE ISLAND
PROVIDENCE, SC.

SUPERIOR COURT

ST. JOSEPH HEALTH SERVICES OF :
RHODE ISLAND, INC. :

vs. :

C.A. No: PC-2017-3856

ST. JOSEPH HEALTH SERVICES OF :
RHODE ISLAND RETIREMENT PLAN, :
as amended :

Hearing: Sept. 7, 2018
at 3:00 p.m.

**RECEIVER'S MEMORANDUM IN SUPPORT OF OBJECTION TO
CHARTERCARE FOUNDATION'S EMERGENCY MOTION TO
POSTPONE SEPTEMBER 13, 2018 HEARING**

Max Wistow, Esq. (#0330)
Stephen P. Sheehan, Esq. (#4030)
Benjamin Ledsham, Esq. (#7956)
Wistow, Sheehan & Loveley, PC
61 Weybosset Street
Providence, RI 02903
(401) 831-2700
(401) 272-9752 (fax)
mwistow@wistbar.com
spsheehan@wistbar.com
bledsham@wistbar.com

September 6, 2018

TABLE OF CONTENTS

THE PETITION FOR SETTLEMENT INSTRUCTIONS..... 1

SUMMARY OF ARGUMENT 1

ARGUMENT..... 3

 I. CharterCARE Foundation Has No Legitimate Interest in the Petition 3

 II. CharterCARE Foundation Also Lacks Standing Because Its Objections
 Are Premature..... 4

 III. The Claim that CCCB is Not CharterCARE Foundation’s Sole Member Is
 Meritless..... 6

 A. CharterCARE Foundation’s Articles of Incorporation Provide that
 CCCB Is Its Sole Member and Are Controlling..... 6

 B. CCCB and the Other Transacting Parties Informed the Attorney
 General that CCCB Would Continue to Be CharterCARE
 Foundation’s Sole Member after the 2014 Hospital Conversions..... 8

 C. CharterCARE Foundation Represented to This Court that CCCB
 Was Its Sole Member 15

 D. CCCB Has Not Abandoned Its Membership 16

 IV. CharterCARE Foundation Is a Perpetrator, Not a Victim 21

 V. The Proposed Delay Is Unjust to the Plan Participants 23

CONCLUSION 23

Stephen F. Del Sesto, Esq., in his capacity as the Permanent Receiver (the “Receiver”) of the St. Joseph Health Services of Rhode Island Retirement Plan (the “Plan”), submits this memorandum in support of his objection to CharterCARE Foundation’s emergency motion (the “Emergency Motion”) to postpone the September 13, 2018 hearing on the Receiver’s Petition for Settlement Instructions (the “Petition”).

THE PETITION FOR SETTLEMENT INSTRUCTIONS

The Petition asks the Court to authorize the Receiver to proceed with the proposed settlement (“Proposed Settlement”) of claims the Receiver has asserted against CharterCARE Community Board (“CCCB”), St. Joseph Health Services of Rhode Island (“SJHSRI”), and the corporation Roger Williams Hospital (“RWH”) (collectively the “Settling Defendants”), in the lawsuit filed in the United States District Court for the District of Rhode Island (C.A. No: 1:18-CV-00328-WES-LDA) (the “Federal Court Action”), and in the lawsuit filed in the Rhode Island Superior Court (C.A. NO.: PC-2018-4386) (the “State Court Action”), concerning the alleged underfunded status of the St. Joseph Health Services of Rhode Island Retirement Plan (“the Plan”).

SUMMARY OF ARGUMENT

The Receiver objects to the Emergency Motion as a fundamentally inappropriate and misguided interference with the efficient and speedy administration of the Receivership, which if allowed would further injure the Plan and its over 2,700 Plan participants. Specifically:

- 1) CharterCARE Foundation has no legitimate interest in or right to object to the Petition, since CharterCARE Foundation at most is merely another putative debtor of the Receivership Estate;
- 2) CharterCARE Foundation’s objections to the Proposed Settlement are premature on multiple levels, including that:

- a) Neither the effect nor the validity of the proposed Consent of Sole Member to which CharterCARE Foundation objects is before the Court in connection with the petition;
 - b) The delivery to the Receiver of the proposed Consent of Sole Member is contingent on the federal court's approval of the Proposed Settlement, which may never happen; and
 - c) The Receiver has presently asserted no claims against CharterCARE Foundation based upon said Consent of Sole Member;
- 3) CharterCARE Foundation's claim that CCCB in fact is not its sole member is simply and indisputably wrong,¹ and contradicted by:
- a) CharterCARE Foundation's own Articles of Incorporation, which name CCCB as its sole member, and have never been amended to revoke that membership;
 - b) Representations to the Rhode Island Attorney General and Department of Health, by all of the applicants to the 2014 Hospital Conversion Act proceeding, that CCCB would continue as CharterCARE Foundation's sole member after the 2014 sale of Our Lady of Fatima Hospital and Roger Williams Hospital to the Prospect entities; and
 - c) CharterCARE Foundation's representations to this Court in connection with the 2015 *Cy Pres* Proceeding that CCCB is its sole member.
- 4) CharterCARE Foundation's claims that CCCB abandoned its sole membership interest is equally meritless;
- 5) The Plan participants are the victims here, not CharterCARE Foundation, which obtained its funds through fraud; and
- 6) CharterCARE Foundation's request to postpone the hearing date to October 8, 2018 is just another attempt to delay the efficient and speedy resolution of the Receivership Proceedings to the detriment of the wholly innocent Plan participants who continue to suffer the uncertainty and anxiety over whether the Plan will have sufficient funds to pay the pension benefits they earned through years of service, or alternatively, will have to suffer a cut of their already meagre benefits.

¹ We assume that current counsel for CharterCARE Foundation is proceeding in ignorance, and not intentionally misrepresenting these facts.

ARGUMENT

I. CharterCARE Foundation Has No Legitimate Interest in the Petition

This case is a receivership. CharterCARE Foundation is not even a party, except with respect to its duty to produce documents pursuant to subpoenas issued in this proceeding.

The Receiver has been tasked with marshalling the assets of the Plan.² The Receiver has *not* been charged with protecting the interests of entities *against whom* the Plan has possible claims. Indeed, any such charge would create an irresolvable conflict of interest, since the Receiver is required to zealously maximize the assets of the Receivership Estate, not protect the interests of debtors at the expense of the Receivership Estate.

Pursuant to his charge, the Receiver has negotiated the Proposed Settlement with certain parties against whom the Receiver has asserted claims on behalf of the Plan, which the Receiver believes is “in the best interests of the Receivership Estate, the Plan, and the Plan participants.” Petition ¶¶ 36. Not surprisingly, the Receiver does not contend that the proposed settlement is in the best interests of any of the debtors of the Receivership Estate.

Just as the Receiver has not been tasked with protecting the interests of possible debtors of the Receivership Estate, so too the criteria the Court must consider in

² See Order Appointing Permanent Receiver ¶ 5 (“That said Receiver be and hereby is authorized, empowered and directed to take control, possession and charge of said Respondent and its assets, wherever located, and manage and continue the administration and oversee the Respondent and to reasonably preserve the same, and is hereby vested with title to the same; to collect and receive the debts, property and other assets and effects of said Respondent, with full power to prosecute, defend, adjust and compromise all claims and suits of, by, against or on behalf of said Respondent and to appear, intervene or become a party in all suits, actions or proceedings relating to said estate, assets, effects and property as may in the judgment of the Receiver be necessary or desirable for the protection, maintenance and preservation of the assets of said Respondent.”).

determining whether to approve the Proposed Settlement do not include whether it protects the interests of any debtors, such as the interests of the Settling Defendants or the interests of any of the other Defendants in the Federal Court Action and the State Court Action. To the contrary, the Court must consider the interests of the *creditors* of the Receivership Estate, principally the Plan participants, not the *debtors*. In Brook v. The Education Partnership, Inc., No. PB 08-4185, 2010 WL 1456787, at *3 (R.I. Super. Apr. 8, 2010) (Silverstein, J.), the Superior Court held:

As discussed *supra*, in determining whether to approve the Receiver's proposed settlement the Court must consider certain factors and “assess and balance the value of the claim that is being compromised against the value to the estate of the acceptance of the compromise proposal.” Among the factors to be considered are: (1) the probability of success in the litigation; (2) the likelihood of difficulties in collection of any judgment; (3) the complexity, expense, inconvenience, and delay of the litigation involved; and (4) **the paramount interests of the creditors**. The Court will also give deference to the Receiver's business judgment.

Id. at *5 (internal citations omitted) (emphasis added). The only creditors of the Plan are the Plan participants.

Accordingly, the possibility that the Proposed Settlement might disadvantage CharterCARE Foundation in the future either enhances the Proposed Settlement or, at most, is irrelevant to this Court's decision on the Petition. Indeed, by its objection to the Petition, CharterCARE Foundation seeks to turn these Receivership Proceedings on their head, into a vehicle to protect the rights of debtors of the Receivership Estate.

II. CharterCARE Foundation Also Lacks Standing Because Its Objections Are Premature

“The party asserting standing must have an injury in fact that is ‘(a) concrete and particularized * * * and (b) actual or imminent, not conjectural or ‘hypothetical.’”

1112 Charles, L.P. v. Fornel Entertainment, Inc., 159 A.3d 619, 625 (R.I. 2017) (quoting

Cruz v. Mortgage Electronic Registration Systems, Inc., 108 A.3d 992, 996 (R.I. 2015)
(internal quotations omitted).

CharterCARE Foundation has demonstrated no injury in fact. To the contrary, it is essentially asking the Court to issue an advisory opinion on the alleged lack of validity of rights that do not yet exist, concerning claims that have not yet been asserted. Thus, CharterCARE Foundation's objections to the Proposed Settlement are premature on multiple levels.

First, the Petition merely seeks authorization to proceed with the Proposed Settlement, and does not ask the Court to adjudicate the merits or validity of those provisions of the Proposed Settlement to which CharterCARE Foundation objects, including the provisions concerning the Consent of Sole Member. If the Court grants the Petition, it will, by definition, be without prejudice to CharterCARE Foundation's defenses, on the merits, to any future claims asserted by virtue of the Consent of Sole Member.³

Second, CharterCARE Foundation's objections are premature because the Consent of Sole Member will not be delivered to the Receiver unless and until the federal court approves the Proposed Settlement, which may never happen.⁴

³ Unless, of course, the Court were to accept CharterCARE Foundation's invitation to adjudicate the validity and effect of the proposed Consent of Sole Member in the current vacuum. We would not be surprised, however, that in the event the Court were to rule against CharterCARE Foundation on the merits of its objection, that CharterCARE Foundation would deny that such a ruling had any binding effect when it came time for the Receiver to exercise rights under the Consent of Sole Member, which is another reason why CharterCARE Foundation has no legitimate interest in the Petition.

⁴ See Settlement Agreement ¶ 35 ("If the Order Granting Final Settlement Approval is not entered for any reason, this Settlement Agreement will be null and void and the Settling Parties will return to their respective positions as if this Settlement Agreement had never been negotiated, drafted, or executed.")

Third, CharterCARE Foundation will suffer no possible injury unless and until the Receiver attempts to enforce the Consent of Sole Member in some way.

Fourth, and finally, CharterCARE Foundation's injury from such attempted enforcement cannot be determined until the precise nature of the Receiver's claim based upon the Consent of Sole Member is known.

In other words, CharterCARE Foundation asks the Court to issue an advisory opinion concerning rights that are not being adjudicated in the Receivership, on behalf of a debtor whose interests are not cognizable in a Receivership, that may never be transferred to the Receiver, and as to which the Receiver's claims have not been asserted. Thus, CharterCARE Foundation lacks standing and its objections are not justiciable.

III. The Claim that CCCB is Not CharterCARE Foundation's Sole Member Is Meritless

The merits of CharterCARE Foundation's objections to the Petition are not before the Court for the reasons stated. However, the Receiver cannot allow false assertions to the Court to go uncorrected.

A. CharterCARE Foundation's Articles of Incorporation Provide that CCCB Is Its Sole Member and Are Controlling

The 2011 Articles of Amendment to CharterCARE Foundation's articles of incorporation state in pertinent part that:

The sole member of the Corporation shall be CharterCARE Health Partners, a Rhode Island nonprofit corporation.

Articles of Amendment to Articles of Incorporation, Article IV, section 3 (available from the Secretary of State's website and attached hereto as Exhibit 4). This provision has

not been amended and remains in effect, according to the records of the Secretary of State.⁵

As discussed below, in contravention of prior representations made to the Rhode Island Attorney General and Department of Health, and notwithstanding that subsequently in January of 2015 CharterCARE Foundation stated to this Court that its “sole member is CharterCARE Community Board,”⁶ on October 30, 2014 the Board of Directors of CharterCARE Foundation purported to amend that entity’s by-laws to provide that the sole member of CharterCARE Foundation is CharterCARE Foundation.⁷ However, the Articles of Incorporation were not amended.

Where the articles of incorporation and bylaws are inconsistent, the Rhode Island Nonprofit Corporation Act provides that the articles of incorporation control:

The initial bylaws of a corporation shall be adopted by its board of directors. The power to alter, amend, or repeal the bylaws or adopt new bylaws is vested in the board of directors unless otherwise provided in the articles of incorporation or the bylaws. **The bylaws may contain any provisions for the regulation and management of the affairs of a corporation not inconsistent with law or the articles of incorporation.**

⁵ For amendments to articles of incorporation to be effective, they must be filed with the secretary of state and the Secretary of State must issue a certificate of amendment. See R.I. Gen. Laws § 7-6-41(c) (“Upon the issuance of the certificate of amendment by the secretary of state, or upon any later date, not more than 30 days after the filing of articles of amendment, that is set forth in the articles, the amendment becomes effective and the articles of incorporation are deemed to be amended accordingly.”).

⁶ See Petition for Approval of Disposition of Charitable Assets Including Doctrine of *Cy Pres* dated January 13, 2015 ¶ 1 (“Petitioner, CharterCARE Health Partners Foundation, is a Rhode Island 501(c)(3) non-profit corporation (‘CCHP Foundation’). CCHP Foundation’s sole member is CharterCARE Community Board, formerly known as CharterCARE Health Partners (‘CCCB’).”).

⁷ This designation of CharterCARE Foundation as its own “sole member” is a *non sequitur*, in that a corporation either has members or no members. R.I. Gen. Laws § 7-6-15 (“A corporation may have one or more classes of members or may have no members.”). There is no provision or need for a corporation to be its own member, and, in fact, it appears from CharterCARE Foundation’s document production that CharterCARE Foundation performed no acts as member of CharterCARE Foundation. According to CharterCARE Foundation’s arguments discussed below, that would mean that CharterCARE Foundation abandoned its membership in CharterCARE Foundation!

R.I. Gen. Laws § 7-6-16. Another statutory provision of the Act provides:

(c) Unless the articles of incorporation provide that a change in the number of directors be made only by amendment to the articles of incorporation, a change in the number of directors made by amendment to the bylaws is controlling. **In all other cases, whenever a provision of the articles of incorporation is inconsistent with a bylaw, the provision of the articles of incorporation is controlling.**

R.I. Gen. Laws § 7-6-34(c). See A. Teixeira & Co., Inc. v. Teixeira, No. CIV. A. 84-0152/RI, 2001 WL 418990, at *6 (R.I. Super. Apr. 12, 2001) (“In Rhode Island, corporate bylaws ‘may contain any provisions for the regulation and management of the affairs of the corporation not inconsistent with law or the articles of incorporation.’ G.L. § 7-1.1-25.”).

B. CCCB and the Other Transacting Parties Informed the Attorney General that CCCB Would Continue to Be CharterCARE Foundation’s Sole Member after the 2014 Hospital Conversions

On October 18, 2013, the transacting parties submitted the Hospital Conversion Application to the Attorney General and Department of Health. The transacting parties included all the legacy hospital entities (including CharterCARE Community Board, then known as CharterCARE Health Partners, a/k/a CCHP), and the various Prospect entities.

In response to Question 12 of the application, the transacting parties restated the question and stated their response:

12. (a) Please provide organizational charts for the existing and post-conversion Transacting Parties and each partner, affiliate, parent, subsidiary or related legal entity in which either Transacting Party **has a twenty percent (20%) or greater ownership or membership interest** or control; and

Response:

* * *

CCHP [CharterCARE Community Board⁸]. RWMC and SJHSRI:

See pre-conversion organizational charts at Exhibit 12B.

**See post-conversion organizational charts at Exhibit 12A-2
and Exhibit 12C.**

(b) Please provide a detailed narrative that describes the organizational structure for the Transacting Parties and each partner, affiliate, parent, subsidiary or related legal entity in which either Transacting Party has a twenty percent (20%) or greater ownership or membership interest or control.

Response:

* * *

CCHP [CharterCARE Community Board]:

With respect to this application, the primary entities on the CCHP side are:

Roger Williams Medical Center, defined above as RWMC, is a Rhode Island non-profit corporation that operates a 220-bed acute care, community hospital located in Providence, Rhode Island. RWMC is a wholly-owned subsidiary of CCHP [CharterCARE Community Board].

St. Joseph Health Services of Rhode Island ("SJHSRI") is a Rhode Island non-profit corporation of which CCHP [CharterCARE Community Board] is the sole Class A Member, and the Bishop of Providence is the sole Class B Member. SJHSRI operates Fatima Hospital, which is a 278-bed acute care, community hospital located in North Providence, Rhode Island and the HHS clinics in South Providence and Pawtucket.

CharterCARE Health Partners [CharterCARE Community Board], defined above as CCHP, is a Rhode Island non-profit corporation which operates a healthcare system in the City of Providence and the Town of North Providence which includes RWMC and SJHSRI.

Additionally, there are the following non-hospital CCHP affiliates that are included in the proposed transaction:

⁸ As the Court is aware, many of the entities relevant to these Receivership proceedings have undergone a series of confounding—and often overlapping—name changes over a relatively short period of time.

* * *

CharterCARE Health Partners Foundation [CharterCARE Foundation] is a not-for-profit corporation whose mission is to raise funds for the benefit of CCHP [CharterCARE Community Board] and its affiliates. **On August 22, 2011, the Saint Joseph Foundation changed its name to CharterCARE Health Partners Foundation** [CharterCARE Foundation], removed itself from the Official Catholic Directory, **and became a subsidiary of CCHP [CharterCARE Community Board].**

[Underlining in the original and bolded emphasis supplied]

Exhibit 1 (excerpts of the initial Hospital Conversion Application).

The referenced pre-conversion organizational charts (denominated Exhibit 12B) included a document bates stamped PHCA00363. This organizational chart showed CharterCARE Health Partners (*i.e.* CharterCARE Community Board) at the apex above various entities including CharterCARE Health Partners Foundation (*i.e.* CharterCARE Foundation), and stated:

CharterCARE Health Partners [CharterCARE Community Board]
(Class A Member of all subsidiaries and sole member of all subsidiaries except SJHSRI)

Exhibit 2.

The referenced post-conversion organizational charts included a document bates stamped PHCA00362. See Exhibit 3. This organizational chart showed the legacy hospital entities and the various Prospect hospital entities. In the organizational chart, beneath CharterCARE Health Partners (*i.e.* CharterCARE Community Board), was CharterCARE Foundation, connected to (and only to) CharterCARE Health Partners (*i.e.* CharterCARE Community Board).

The transacting parties also restated and responded to Question 28:

28. Please provide copies of all documents related to
- (a) Identification of all charitable assets;

(b) Accounting of all charitable assets for the past 3 years;

(c) Distribution of the charitable assets including, but not limited to, endowments, restricted, unrestricted and specific purpose funds as each relates to the proposed transaction; and

(d) Please list all current donations that include naming privileges relating to the donation.

Response

CCHP [CharterCARE Community Board], RWMC and SJHSRI:

* * *

(c) On the date of closing, all of the charitable assets of RWMC and SJHSRI will be transferred to CharterCARE Health Partners Foundation (CCHP Foundation) [CharterCARE Foundation].

By way of background, on February 27, 2007, St. Joseph Health Services Foundation, Inc. (the "SJ Foundation") was formed to hold and administer charitable donations on behalf of SJHSRI. SJ Foundation's sole member was SJHSRI and it was listed in the official Catholic Directory and was covered by the Catholic Church's tax exemption. Subsequent to and as part of the CCHP affiliation, **on August 25, 2011, the organizational documents of SJ Foundation were revised to change its name to CharterCARE Health Partners Foundation [CharterCARE Foundation] and to make CCHP [CharterCARE Community Board] its sole member.** Because the change of its sole member would prevent the CCHP Foundation [CharterCARE Foundation] from being listed in the official Catholic Directory and would preclude the CCHP Foundation from relying on the Church's tax exemption, on September 9, 2011, CCHP Foundation secured from the IRS a determination that it was 1) exempt from tax under section 501(c)(3) of the Internal Revenue Code (IRC) and 2) a public charity under section 509(a)(3) of the IRC.

* * *

Exhibit 1.

The transacting parties also restated and responded to Question 29:

29. Please provide copies of documents or descriptions of any proposed plan for any entity to be created for charitable assets, including but not limited to, endowments, restricted, unrestricted and specific purpose funds, **the proposed articles of incorporation, by-laws**, mission statement, program agenda, method of appointment of board members,

qualifications of board members, duties of board members, and conflict of interest policies.

Response:

On the date of closing, all of the charitable assets of RWMC and SJHSRI will be transferred to CharterCARE Health Partners Foundation (CCHP Foundation) [CharterCARE Foundation].

By way of background, on February 27, 2007, SJ Foundation was formed to hold and administer charitable donations on behalf of SJHSRI. SJ Foundation's sole member was SJHSRI and it was listed in the official Catholic Directory and was covered by the Catholic Church's tax exemption. Subsequent to and as part of the CCHP affiliation, **on August 25, 2011, the organizational documents of SJ Foundation were revised to change its name to CharterCARE Health Partners Foundation [CharterCARE Foundation] and to make CCHP [CharterCARE Community Board] its sole member.** Because the change of its sole member would prevent the CCHP Foundation [CharterCARE Foundation] from being listed in the official Catholic Directory and would preclude the CCHP Foundation from relying on the Church's tax exemption, on September 9, 2011, CCHP Foundation secured from the IRS a determination that it was 1) exempt from tax under section 501(c)(3) of the Internal Revenue Code (IRC) and 2) a public charity under section 509(a)(3) of the IRC.

* * *

The Articles of Amendment to Articles of Incorporation as well as proposed black-lined amendments to the Revised Bylaws of CharterCARE Health Partners Foundation [CharterCARE Foundation] in connection with the transfer of charitable assets to CCHP Foundation are attached at Confidential Exhibit 29. Article VII of the Revised Bylaws entitled "Conflict of Interest" will remain the same.

* * *

Exhibit 1.

The referenced Confidential⁹ Exhibit 29 consisted of two documents. The first document was the 2011 Articles of Amendment to CharterCARE Foundation's articles

⁹ Though the transacting parties designated these documents as confidential, the Attorney General nevertheless published them on its website.

of incorporation (bates stamped C-PHCA14910 through C-PHCA14915). As noted *supra*, those articles state:

. . . The sole member of the Corporation shall be CharterCARE Health Partners [CharterCARE Community Board], a Rhode Island nonprofit corporation. . . .

Exhibit 4 (Articles of Amendment, article 4, section 3).

The second document was a redlined version of CharterCARE Foundation's 2013 bylaws, captioned "PROPOSED REVISIONS TO BY-LAWS CHANGES REDLINED". The prior 2013 bylaws, also submitted to the Attorney General, contained the following section 2.01:

ARTICLE II

MEMBERSHIP

SECTION 2.01. Membership. **The sole Member of the Foundation shall be CharterCare Health Partners** ("CCHP") [CharterCARE Community Board], a Rhode Island non-profit corporation qualifying as tax-exempt under Section 501(c)(3) of the Code. CCHP may from time to time designate a representative who shall act with the full power and authority of the Member. No membership may be assigned or transferred or encumbered in any manner whatsoever, either voluntarily, involuntarily or by operation of law. Any proposed or attempted assignment, transfer or termination of membership shall be void.^[10] Notwithstanding the foregoing, any legally appointed successor of CCHP by way of corporate merger, acquisition or other similar event shall become the sole Member hereof.

Exhibit 5. The revised bylaws submitted to the Attorney General contained this same section 2.01 but made revisions to other sections. See Exhibit 6.

Notwithstanding that the transacting parties represented to the Attorney General that these were the proposed revised bylaws for CharterCARE Foundation, they were never adopted. Instead, according to documents produced by CharterCARE

¹⁰ Under the proposed settlement with CharterCARE Community Board, CCCB would revise this bylaw provision to make the membership interest assignable to the Receiver.

Foundation to Special Counsel pursuant to subpoena, on October 30, 2014, several months after the hospital conversions transaction closed in June 2014, CharterCARE Foundation's own board of directors voted to adopt a different set of bylaws. See Exhibit 7 (CharterCARE Health Partners Foundation Board of Directors Meeting October 30, 2014 minutes). By these October 2014 bylaws, CharterCARE Foundation's Board of Directors apparently attempted to usurp CharterCARE Foundation's articles of incorporation's designation of CharterCARE Community Board as the foundation's sole member, stating:

SECTION 2.01: Membership. The sole Member of the Foundation shall be the CharterCARE Foundation ("CCHP Foundation"), a Rhode Island no-for-profit corporation qualifying as tax-exempt under Section 501©3 [sic] of the Code. CCHP Foundation may from time to time designate a representative who shall act with the full power and authority of the Member. No membership may be assigned or transferred or encumbered in any manner whosoever, either voluntarily, involuntarily, or by operation of law. Any proposed or attempted assignment, transfer, or termination of membership shall be void. Notwithstanding the foregoing, any legally appointed successor to CCHP Foundation by way of corporate merger, acquisition, or other similar event shall become the sole Member hereof.

[Underlining in the original and bolded emphasis supplied]

Exhibit 8.

Notwithstanding that CharterCARE Foundation's board purported to adopt the October 2014 bylaws, CharterCARE Foundation's articles of incorporation were never amended to repeal the 2011 articles' designation of CharterCARE Community Board as sole member. Indeed, as discussed *infra*, CharterCARE Foundation thereafter continued to publicly acknowledge that CCCB remained its sole member, perhaps most notably in the *Cy Pres* Petition subsequently filed in 2015.

It should be noted that there is nothing at all inconsistent between CCCB's retaining its membership interest in CharterCARE Foundation, and the Attorney

General's requirement that CCCB and CharterCARE Foundation not have overlapping boards of directors or officers. All that requirement meant is that no director or officer of CCCB could also act as a director or officer of CharterCARE Foundation. The rights and powers of members of a non-profit corporation are completely different than the rights, powers, and obligations of directors or officers. If the Attorney General also wanted CCCB to divest itself of its membership in CharterCARE Foundation as a condition of that approval, the way to accomplish that would be to expressly require it, not prohibit overlapping boards or officers. He made no such requirement.

C. CharterCARE Foundation Represented to This Court that CCCB Was Its Sole Member

The first sentence of the 2015 *Cy Pres* Petition states:

Petitioner, CharterCARE Health Partners Foundation [CharterCARE Foundation], is a Rhode Island 501(c)(3) non-profit corporation ("CCHP Foundation"). CCHP Foundation's sole member is CharterCARE Community Board, formerly known as CharterCARE Health Partners ("CCCB").¹¹

CharterCARE Foundation repeated that assertion in the fourth paragraph of the 2015 *Cy Pres* Petition:

CCCB is a Rhode Island 501(c)(3) non-profit corporation and the sole member of the CCHP Foundation [CharterCARE Foundation].¹²

Most notably, these representations were made *after* the Board of Directors of CharterCARE Foundation on October 30, 2014 secretly¹³ amended its bylaws to purport to make CharterCARE Foundation the "sole member" of CharterCARE Foundation.

¹¹ Petition for Approval of Disposition of Charitable Assets Including Doctrine of *Cy Pres* dated January 13, 2015 ¶ 1.

¹² Petition for Approval of Disposition of Charitable Assets Including Doctrine of *Cy Pres* dated January 13, 2015 ¶ 4.

D. CCCB Has Not Abandoned Its Membership

CharterCARE Foundation is subject to the Rhode Island Nonprofit Corporation

Act:

(a) The provisions of this chapter relating to domestic corporations apply to:

(1) All corporations organized under these provisions;

(2) All corporations previously organized under any act hereby or previously repealed for a purpose or purposes for which a corporation might be organized under this chapter; and

(3) All corporations previously or subsequently created by any special act of the general assembly for a purpose or purposes for which a corporation might be organized under this chapter except insofar as the provisions of this chapter are inconsistent with the provisions of any special act.

R.I. Gen. Laws § 7-6-3(a). See Adams v. Christie's Inc., 880 A.2d 774, 784 (R.I. 2005)

(although Providence Athenaeum's charter limited rights to elect directors to shareholders, all members were entitled to elect directors, under the Rhode Island Nonprofit Corporation Act).

Under the Rhode Island Nonprofit Corporation Act, a member is:

(10) "Member" means one having membership rights in a corporation in accordance with the provisions of its articles of incorporation or bylaws regardless of the name by which the person is designated.

R.I. Gen. Laws § 7-6-2(10). The Rhode Island Nonprofit Corporation Act further provides:

A corporation may have one or more classes of members or may have no members. **If the corporation has one or more classes of members, the designation of the class or classes, the manner of election or appointment, and the qualifications and rights of the members of each class shall be stated in the articles of incorporation or the bylaws.** If the corporation has no members, that fact shall be stated in the

¹³ Unlike Articles of Incorporation, which must be filed with the Secretary of State, corporate by-laws are not publically disclosed.

articles of incorporation or the bylaws. A corporation may issue certificates evidencing membership. The directors, officers, employees, and members of the corporation are not liable on its obligations.

R.I. Gen. Laws § 7-6-15.

The Rhode Island Nonprofit Corporation Act does not provide for abandonment of membership interests, and especially not a membership that is expressly recited in the articles of incorporation. As noted above, since August 25, 2011, CharterCARE Foundation's amended articles of incorporation have publicly proclaimed:

Meetings. The sole member of the Corporation shall be CharterCare Health Partners, a Rhode Island nonprofit corporation. Meetings of the members of the Corporation may be held anywhere in the United States.

Articles of Amendment to Articles of Incorporation, Article IV, section 3 (available from the Secretary of State's website and attached hereto as Exhibit 4).

Ignoring the Rhode Island Nonprofit Corporation Act, CharterCARE Foundation cites two encyclopedias and a treatise for the proposition that a member can sometimes abandon a membership interest in a nonprofit corporation. See CharterCARE Foundation's Opposition at 2-3 (citing 18 C.J.S. Corporations § 390; Marylyn E. Phelan, 1 Nonprofit Organizations: Law and Taxation § 3:1; and 12A Fletcher Cyc. Corp. § 5687). These three sources rely entirely on the same two cases for their extremely generalized statements. See id. (citing Schroeder v. Meridian Imp. Club, 221 P.2d 544 (Wash. 1950) and Raulston v. Everett, 561 S.W.2d 635 (Tex. Civ. App. 1978)).

However, Schroeder did not involve abandonment of a membership interest. Instead it involved the expulsion of members of community club (organized as a nonprofit corporation) for failure to pay dues, pursuant to an express bylaws provision providing for such automatic expulsion:

Turning now to the by-laws, we find that any member who fails to pay his dues for the current year by April 1st will be considered in bad standing and his membership shall cease. Respondents are conclusively presumed to have known these provisions. They were self-executing; no notice was necessary. Upon the failure of any member to pay his 1947 dues by April 1, 1947, his membership ceased ipso facto and with the loss of membership went any interest in the property of the corporation. At the time it was decided to disincorporate and sell the property, none of the respondents had membership in the corporation. They therefore had no interest which could have been affected by the action of the members and are not entitled to maintain this action.

Schroeder v. Meridian Imp. Club, 221 P.2d 544, 549 (Wash. 1950).

Raulston v. Everett, 561 S.W.2d 635 (Tex. Civ. App. 1978) involved a cattle grazing co-op organized as a Texas nonprofit corporation, most of whose members had stopped paying dues that paid the mortgage on the corporation's grazing land:

All of the plaintiffs acknowledged that they knew the corporation was required to make the payments on the FHA mortgage or lose the land, and that the grazing fees which each member was obligated to pay were depended upon for that purpose. On the other hand, the evidence showed that each of the defendants remained active in the organization from the time he became a member, participated in the meetings, served as a director and/or officer, was active in managing the corporation and maintaining its property, and faithfully grazed his cattle on the corporation's lands each year and paid the applicable grazing fees. The jury, upon such evidence, found that each of the plaintiffs had waived his membership rights in the association.

Raulston v. Everett, 561 S.W.2d 635, 638–39 (Tex. Civ. App. 1978). Although the bylaws permitted members to terminate their membership by surrendering their membership certificates, the court concluded that was not required:

We recognize that the by-laws of the corporation provided for the termination of a member's status by voluntary surrender of his certificate of membership or by the forfeiture of that certificate by act of the directors for failure to pay lawful assessments, and that neither was literally done in this case, unless it can be said that by abandoning the organization and its purposes, a member has, in effect, voluntarily surrendered his certificate. But the physical surrender of the certificate itself is not absolutely necessary for a termination of one's membership. The certificate does not constitute the membership relation; it is but the evidence of that relation. See 18 C.J.S. Corporations s 258, pp. 721, 722. Obviously, in a proper

case, that relation may be terminated without a physical surrender of the certificate. For example, can it be doubted that a letter of resignation delivered by a member to the corporation, although unaccompanied by a physical delivery of the certificate, would be an effective termination of a member's status? We think not.

Raulston v. Everett, 561 S.W.2d 635, 639 (Tex. Civ. App. 1978).

Raulston did not involve overriding an express provision in the articles of incorporation proclaiming the identity of the sole member by name. Instead, members were each “issued a ‘membership certificate’ to evidence his status as a member.” Raulston is silent about whether any Texas statutes spoke to membership status, as Rhode Island’s do.

Neither Schroeder nor Raulston is on point. Nor are the general statements of the encyclopedias and treatise applicable to this situation. The Receiver would, however, refer the Court to Owyhee Grazing Ass'n, Inc. v. Field, 637 F.2d 694 (9th Cir. 1981). That case sets a very high bar for proving such a claim—one that CharterCARE Foundation cannot hope to surmount—requiring “a clear, unequivocal, decisive act by the abandoning party.”

In Owyhee Grazing Ass'n, Inc., the plaintiff corporation, a nonprofit organization providing grazing land to members, brought a declaratory judgment action to determine its members. Former members, Gerald and Gary Cunningham, contended that they were still members, while the OGA contended the Cunninghams had both abandoned their memberships, inasmuch as Gary had turned over his certificate of membership to the corporation, while Gary had unequivocally stated in writing to a federal agency (the Farmers Home Administration) that he had relinquished all interest in the certificate and in the corporation. See Owyhee Grazing Ass'n, Inc., 637 F.2d at 696.

In affirming the district court's finding of abandonment, the Ninth Circuit observed that even these unequivocal acts, standing alone, would be insufficient to find abandonment:

This ruling is consistent with Idaho law of abandonment. Abandonment depends upon an intent to abandon, and that intent must be evidenced by a clear, unequivocal, decisive act by the abandoning party. *Perry v. Reynolds*, 63 Idaho 457, 122 P.2d 508, 511 (1942). There is more than enough evidence of acts by the Cunninghams to support the district court's finding that they abandoned their interest in OGA. **At the request of FHA, Gerald Cunningham gave up his certificate of membership. Gary Cunningham gave the FHA a written statement relinquishing all rights in his certificate and in the association. These acts alone may not be sufficient evidence of abandonment of their membership interests.** A stock certificate is merely evidence of the ownership interest. Idaho Code s 30-101. But from June 1970 until April 18, 1975, when the Cunninghams filed their answer and counterclaim in this suit, they played no active role in OGA. Gary Cunningham, who had been OGA's secretary, forwarded all of OGA's mail to William Field, the newly appointed secretary. Taken together, these facts, especially the lack of participation, demonstrate a clear intent to abandon membership in the association. *Raulston v. Everett*, 561 S.W.2d at 639; *Kaneko v. Jones*, 235 P.2d at 771.

[Emphasis supplied]

Owyhee Grazing Ass'n, Inc. v. Field, 637 F.2d 694, 698 (9th Cir. 1981).

Moreover, even if under Rhode Island law a member of a non-profit corporation can lose its membership by abandonment, CharterCARE Foundation has not even come close to proving that happened here. It has offered no evidence that CCCB expressly abandoned its membership in CharterCARE Foundation. It has offered no evidence that CCCB failed to perform any act it was called upon to perform as a member of CharterCARE Foundation. Certainly CharterCARE Foundation cannot, as in Owyhee Grazing Assn', Inc., point to any unequivocal written statements made by CCCB to governmental agencies stating that it was relinquishing all rights in CharterCARE Foundation. Indeed, as discussed *supra*, there are numerous written

statements to governmental agencies and this Court stating the opposite, *i.e.* that CCCB was and would remain CharterCARE Foundation's sole member.

Instead, CharterCARE Foundation's "proof" consists of statements of counsel in the Emergency Motion that "CCCB has not exercised any of its purported membership rights with respect to CCF at all since the Court issued its *Cy Pres* Order in April, 2015." Emergency Petition at 3. However, CharterCARE Foundation cites no authority for the proposition that failure to exercise membership rights can constitute abandonment. Moreover, the Receiver asserts that the transfer of the \$8,200,000 to CharterCARE Foundation was part of a scheme in which both CCCB and CharterCARE Foundation participated to secure those assets from the creditors of CCCB, SJHSRI, and RWH.¹⁴ Where both the member and the non-profit corporation are co-conspirators, all actions in furtherance of the conspiracy are imputed to them both.¹⁵

IV. CharterCARE Foundation Is a Perpetrator, Not a Victim

CharterCARE Foundation laces its objection with self-serving statements attesting to its supposed charitable purpose and function, ignoring the Receiver's claims that CharterCARE Foundation obtained its funds by deceiving this Court and the Rhode Island Attorney General, and in a fraudulent transfer from CCCB, SJHSRI, and RWH of

¹⁴ See Complaint ¶ 57(d)(iii) ("Then, to secure cash which should have gone to bolster the Plan, SJHSRI's parent company over the last four years stripped at least \$8,200,000 in charitable assets from SJHSRI and its other subsidiary, and either spent or put the money in a foundation it controlled.").

¹⁵ See State v. Barton, 424 A.2d 1033, 1038 (R.I. 1981) ("The rule is well established that where several persons combine or conspire to commit an unlawful act, such as an attempt to escape from the State Prison, each is criminally responsible for the acts of his associates or confederates in the furtherance of any prosecution of the common design for which they combine. Each is responsible for everything done by one or all of his confederates, in the execution of the common design, as one of its probable and natural consequences, even though the act was not a part of the original design or plan, or was even forbidden by one or more of them.' ") (quoting State v. Miller, 161 A. 222, 225 (R.I. 1932)).

funds that were required to go into the Plan. CharterCARE Foundation also claims that the Proposed Settlement “would sacrifice CCF and its charitable mission in the interests of the present expediency for SJHSRI, RWH, and CCCB” (Emergency Motion at 2), when in fact it returns to the Plan what is due, to partially alleviate the great exigency of the Plan participants for which CharterCARE Foundation has been a prime cause.

Indeed, the rights that Plaintiffs will receive in connection with the Proposed Settlement in the interests that Settling Defendant CCCB has in CharterCARE Foundation will only supplement claims to these assets that Plaintiffs have already asserted in the complaint in the Federal Court Action (the “Complaint”) and in the State Court Action. Plaintiffs claim that the \$8,200,000 transferred to CharterCARE Foundation in the 2015 *Cy Pres* Proceeding should have gone to pay creditors, including the Plan, pursuant to R.I. Gen. Laws § 7-6-51, and the decisions of a bankruptcy court and the United States District Court interpreting an identical District of Columbia statute to reach that result.¹⁶ In addition, Plaintiffs claim that it was a fraudulent transfer for two reasons: the transfers were made with intent to defraud, and because the transferors were insolvent and the transferee gave no value.¹⁷ Finally, the Receiver claims that CharterCARE Foundation participated with SJHSRI and RWH in misleading the Court in the 2015 *Cy Pres* Proceeding into believing there would be sufficient funds left with SJHSRI, RWH, and CCCB to fund the Plan, and that all of the applications to the 2014 Hospital Conversion Act proceeding perpetrated the same deception on the Rhode Island Attorney General and Department of Health.

¹⁶ See Proposed Intervenors’ initial Memorandum at 33-39 (discussing Rhode Island’s statutes and In re Crossroad Health Ministry, Inc., 319 B.R. 778 (Bankr. D.D.C. 2005), *aff’d*, *sub nom.* Bierbower v. McCarthy, 334 B.R. 478 (D.D.C. 2005)).

¹⁷ Complaint ¶¶ 456 & 464.

CharterCARE Foundation's self-professed benevolence and charitable function must be considered in light of these allegations. Certainly CharterCARE Foundation is not entitled to deference because it gives away money that it wrongfully obtained and should have been deposited in the Plan.

Moreover, the authenticity of CharterCARE Foundation's charitable purpose is questionable even without regard to the dubious provenance of its funds. During fiscal years 2015 and 2016, CharterCARE Foundation spent \$253,688.04 on administrative overhead (the majority of which was executive compensation) while disbursing only \$209,747.61 in charitable grants. See Exhibit 9.¹⁸

V. The Proposed Delay Is Unjust to the Plan Participants

The Receiver and Special Counsel have labored mightily to push this Receivership forward, against the delaying tactics that this Court has seen in the investigative phase of the Receivership. Continuing this pattern of delay, one of the non-settling Defendants, in an act of stunning hypocrisy, seeks to protect its right to give away money that rightfully belongs to others and while doing so, pretends to be acting philanthropically.

CONCLUSION

CharterCARE Foundation's emergency motion should be denied.

¹⁸ CharterCARE Foundation's September 19, 2017 transmittal to the Attorney General. So as not to overburden the record, only the first attachment is included in the exhibit.

Respondent,
Stephen F. Del Sesto, Esq., Solely in
His Capacity as Permanent Receiver of
the Receivership Estate,
By his Attorneys,

/s/ Max Wistow

Max Wistow, Esq. (#0330)
Stephen P. Sheehan, Esq. (#4030)
Benjamin Ledsham, Esq. (#7956)
Wistow, Sheehan & Loveley, PC
61 Weybosset Street
Providence, RI 02903
(401) 831-2700
(401) 272-9752 (fax)
mwistow@wistbar.com
spsheehan@wistbar.com
bledsham@wistbar.com

Dated: September 6, 2018

CERTIFICATE OF SERVICE

I hereby certify that, on the 6th day of September, 2018, I filed and served the foregoing document through the electronic filing system on the following users of record:

Stephen F. Del Sesto, Esq.
Pierce Atwood LLP
One Financial Plaza, 26th Floor
Providence, RI 02903
sdelsesto@pierceatwood.com

Rebecca Tedford Partington, Esq.
Jessica D. Rider, Esq.
Sean Lyness, Esq.
Neil F.X. Kelly, Esq.
Office of the Attorney General
150 South Main Street
Providence, RI 02903
rpartington@riag.ri.gov
jrider@riag.ri.gov
slyness@riag.ri.gov
nkelly@riag.ri.gov

Richard J. Land, Esq.
Chace Ruttenberg & Freedman, LLP
One Park Row, Suite 300
Providence, RI 02903
rland@crfillp.com

Christopher Callaci, Esq.
United Nurses & Allied Professionals
375 Branch Avenue
Providence, RI 02903
ccallaci@unap.org

Arlene Violet, Esq.
499 County Road
Barrington, RI 02806
genvio@aol.com

Robert Senville, Esq.
128 Dorrance Street, Suite 400
Providence, RI 02903
robert.senville@gmail.com

Elizabeth Wiens, Esq.
Gursky Wiens Attorneys at Law
1130 Ten Rod Road, Suite C207
North Kingstown, RI 02852
ewiens@rilaborlaw.com

Jeffrey W. Kasle, Esq.
Olenn & Penza
530 Greenwich Avenue
Warwick, RI 02886
jwk@olenn-penza.com

George E. Lieberman, Esq.
Gianfrancesco & Friedmann
214 Broadway
Providence, RI 02903
george@gianfrancescolaw.com

Howard Merten, Esq.
Partridge Snow & Hahn LLP
40 Westminster Street, Suite 1100
Providence, RI 02903
hm@psh.com

Joseph V. Cavanagh, III, Esq.
Blish & Cavanagh, LLP
30 Exchange Terrace
Providence, RI 02903
Jvc3@blishcavlaw.com

William M. Dolan, III, Esq.
Adler Pollock & Sheehan P.C.
One Citizens Plaza, 8th Floor
Providence, RI 02903-1345
wdolan@apslaw.com

David A. Wollin, Esq.
Hinckley Allen & Snyder, LLP
100 Westminster Street, Suite 1500
Providence, RI 02903-2319
dvollin@hinckleyallen.com

Stephen Morris, Esq.
Rhode Island Department of Health
3 Capitol Hill
Providence, RI 02908
stephen.morris@ohhs.ri.gov

Andrew R. Dennington, Esq.
Conn Kavanaugh Rosenthal Peisch &
Ford, LLP
One Federal Street, 15th Floor
Boston, MA 02110
adennington@connkavanaugh.com

Preston W. Halperin, Esq.
James G. Atchison, Esq.
Christopher J. Fragomeni, Esq.
Shechtman Halperin Savage, LLP
1080 Main Street
Pawtucket, RI 02860
phalperin@shslawfirm.com
jatchison@shslawfirm.com
jfragomeni@shslawfirm.com

Scott F. Bielecki, Esq.
Cameron & Mittleman, LLP
301 Promenade Street
Providence, RI 02908
sbielecki@cm-law.com

The document electronically filed and served is available for viewing and/or downloading from the Rhode Island Judiciary's Electronic Filing System.

/s/ Benjamin Ledsham

Exhibit 1

HOSPITAL CONVERSION APPLICATION

Please provide the following information (please replicate as needed):

Name of Transacting Parties: CharterCARE Health Partners
Date Application Submitted: October 18, 2013
Resubmission Date: January 2, 2014
Date of Agreement Execution with the Director for Payment of Costs*:
Date of Agreement Execution with the Attorney General for Payment of Costs*:

* Please provide copies of the responsive documents.

**All questions concerning this application should be directed to:
Office of Health Care Advocate (401) 274-4400**

11. Please provide the name and mailing address of all licensed facilities in which the for-profit corporation maintains an ownership interest or controlling interest or operating authority.

Response:

PMH:

1. Hollywood Community Hospital
Hollywood Community Hospital at Brotman Medical Center
Hollywood Community Hospital of Van Nuys
c/o Alta Hollywood Hospitals, Inc.
10400 Santa Monica Blvd., Suite 400
Los Angeles, CA 90025

2. Los Angeles Community Hospital
Norwalk Community Hospital
c/o Alta Los Angeles Hospitals, Inc.
10400 Santa Monica Blvd., Suite 400
Los Angeles, CA 90025

3. Nix Health Care System
Nix Specialty Health Center
Nix Community General Hospital
c/o Nix Hospitals System, LLC
414 Navarro Street, Suite 600
San Antonio, Texas 78205

CCHP, RWMC, SJHSRI: Not Applicable

12. (a) Please provide organizational charts for the existing and post-conversion Transacting Parties and each partner, affiliate, parent, subsidiary or related legal entity in which either Transacting Party has a twenty percent (20%) or greater ownership or membership interest or control; and

Response:

PMH:

See pre-conversion organizational chart at Exhibit 12A-1.
See post-conversion organizational charts at Exhibit 12A-2. (For ease of viewing, included is a post-conversion organizational chart that does not include the non-Hospital affiliates).

CCHP, RWMC and SJHSRI:

See pre-conversion organizational charts at Exhibit 12B.
See post-conversion organizational charts at Exhibit 12A-2 and Exhibit 12C.

(b) Please provide a detailed narrative that describes the organizational structure for the Transacting Parties and each partner, affiliate, parent, subsidiary or related legal entity in which either Transacting Party has a twenty percent (20%) or greater ownership or membership interest or control.

Response:

PMH:

The parent company is Prospect Medical Holdings, Inc. (defined herein as “PMH”). PMH is a Delaware corporation.

The affiliated Hospital subsidiaries are as follows:

- Alta Hospital Systems, LLC, a California limited liability company, which is a wholly owned subsidiary of PMH, whose purpose is to act as a holding company for Alta Hollywood Hospitals, Inc. and Alta Los Angeles Hospital, Inc.
- Alta Hollywood Hospitals, Inc., a California corporation, which is a wholly-owned subsidiary of Alta Hospital Systems, LLC, whose purpose is to act as the operating company for Hollywood Community Hospital, Hollywood Community Hospital at Brotman Medical Center and Van Nuys Community Hospital.
- Alta Los Angeles Hospital, Inc., a California corporation, which is a wholly-owned subsidiary of Alta Hospital Systems, LLC, whose purpose is to act as the operating company for Los Angeles Community Hospital and Norwalk Community Hospital.
- Prospect Hospital Holdings, LLC, a Texas limited liability company, which is a wholly owned subsidiary of Prospect Medical Holdings, Inc., whose purpose is to act as a holding company for the Nix entities detailed below.
- Nix Hospital System, LLC, a Texas limited liability company, which is a wholly-owned subsidiary of Prospect Hospital Holdings, LLC, whose purpose is to act as the operating company for Nix Health Care System and Nix Specialty Health Center.
- Nix Health Services Corporation, a 501(a) Texas non-profit corporation, which is a wholly-owned subsidiary of Nix Hospital System, LLC, whose

purpose is to operate and hold the medical foundation for the Nix Hospital System, LLC.

- Nix Community General Hospital, LLC, a Texas limited liability company, which is a wholly-owned subsidiary of Prospect Hospital Holdings, LLC, whose purpose is to act as the operating company for Nix Community General Hospital.
- Nix Services, LLC, a Texas limited liability company, which is a wholly-owned by Prospect Hospital Holdings, LLC, whose purpose is to operate a billing business for Prospect Hospital Holding, LLC's subsidiaries.
- Nix Spe, LLC, a Texas limited liability company, which is wholly-owned by Prospect Hospital Holdings, LLC, whose purpose is to own the real property used in the operation of PMH's "Nix" facilities.

As for non-Hospital affiliates:

- Prospect Medical Systems, Inc. ("PMSC"), a Delaware Corporation, which is a wholly owned subsidiary of PMH. PMSC manages the physician organizations detailed below that offer medical services to individuals enrolled in managed care programs offered by health maintenance organizations.
- ProMed Health Care Administrators, a California Corporation, which is wholly owned by PMSC. ProMed Health Care Administrators manages the physician organizations detailed below that offer medical services to individuals enrolled in managed care programs offered by health maintenance organizations.
- PHP Holdings Inc., a Delaware Corporation, which is a wholly-owned subsidiary of PMH, whose purpose is to act as a holding company for Prospect Health Plan, Inc.
- Prospect Health Plan, Inc., a Delaware Corporation, which is a wholly-owned subsidiary of PHP Holdings Inc., whose purpose is to hold certain licenses necessary for the use of "global risk" capitation arrangements in California.
- Prospect Medical Group, Inc. ("PMG") is a California professional medical corporation. PMG is the holding company for the affiliate physician organizations detailed below.

- Prospect Health Source Medical Group, Inc., is a California professional medical corporation, a wholly owned subsidiary of PMG, and is an affiliate physician organization.
- Prospect Professional Care Medical Group, Inc., is a California professional medical corporation, a wholly owned subsidiary of PMG, and is an affiliate physician organization.
- Geniuses HealthCare of Southern California, Inc., is a California professional medical corporation, a wholly owned subsidiary of PMG, and is an affiliate physician organization.
- Prospect NWOC Medical Group, Inc., is a California professional medical corporation, a wholly owned subsidiary of PMG, and is an affiliate physician organization.
- StarCare Medical Group, Inc., is a California professional medical corporation, a wholly owned subsidiary of PMG, and is an affiliate physician organization.
- AMVI/Prospect Medical Group (“AMVI”), is a California professional medical corporation, and is an affiliate physician organization. It is a 50/50 joint venture between AMVI Healthcare Network, Inc. and PMG.
- Nuestra Family Medical Group, Inc., is a California professional medical corporation, and is an affiliate physician organization. It is 62% owned by PMG.
- Upland Medical Group, is a California professional medical corporation, a wholly owned subsidiary of PMG, and is an affiliate physician organization.
- Pomona Valley Medical Group, Inc., is a California professional medical corporation, a wholly owned subsidiary of PMG, and is an affiliate physician organization.

Post-Conversion Changes to the Organizational Structure:

- Prospect East Holdings, Inc., defined herein as “Prospect East”, is a Delaware corporation, which is wholly owned by Prospect Medical Holdings, Inc. Prospect East owns 85% of Prospect CharterCARE, LLC.
- Prospect East Hospital Advisory Services, LLC, defined herein as “Prospect Advisory”, is a Delaware limited liability company, which is a wholly-owned subsidiary of PMH. Prospect Advisory will manage the

day-to-day operations of Prospect CharterCARE, LLC, post-Conversion.

- Prospect CharterCARE, LLC is a Rhode Island limited liability company. Prospect CharterCARE, LLC owns the entities that will own and operate the Hospitals, post-conversion. Prospect CharterCARE, LLC will be owned 85% by Prospect East and 15% by CCHP. Prospect East and CCHP will have equal representation on the Prospect CharterCARE, LLC Board.
- Prospect CharterCARE RWMC, LLC, defined herein as “Newco RWMC”, is a Rhode Island limited liability company, which will own and hold the licensure for Roger Williams Medical Center post-conversion. Newco RWMC is wholly owned by Prospect CharterCARE, LLC.
- Prospect CharterCARE SJHSRI, LLC, defined herein as “Newco Fatima”, is a Rhode Island limited liability company, which will own and hold the licensure for Our Lady of Fatima Hospital post-conversion. Newco Fatima is wholly owned by Prospect CharterCARE, LLC.

CCHP:

With respect to this application, the primary entities on the CCHP side are:

- Roger Williams Medical Center, defined above as RWMC, is a Rhode Island non-profit corporation that operates a 220-bed acute care, community hospital located in Providence, Rhode Island. RWMC is a wholly-owned subsidiary of CCHP.
- St. Joseph Health Services of Rhode Island (“SJHSRI”) is a Rhode Island non-profit corporation of which CCHP is the sole Class A Member, and the Bishop of Providence is the sole Class B Member. SJHSRI operates Fatima Hospital, which is a 278-bed acute care, community hospital located in North Providence, Rhode Island and the HHS clinics in South Providence and Pawtucket.
- CharterCARE Health Partners, defined above as CCHP, is a Rhode Island non-profit corporation which operates a healthcare system in the City of Providence and the Town of North Providence which includes RWMC and SJHSRI.

Additionally, there are the following non-hospital CCHP affiliates that are included in the proposed transaction:

- Elmhurst Extended Care Facilities, Inc. is a nursing facility located at 50 Maude Street in Providence, Rhode Island. Elmhurst is included in the Change in Effective Control application filed for this transaction.

- Roger Williams Realty Corporation is an entity that holds and manages real estate assets for the benefit of CCHP, owns and leases land and buildings to Elmhurst, and leases clinical and research space to RWMC. It is currently a not-for-profit organization.
- RWGH Physician's Office Building, Inc. is an entity that owns and operates a physician office building located adjacent to RWMC's main campus for the benefit of CharterCARE's employed physicians. It is currently a not-for-profit organization.
- Roger Williams Medical Associates, Inc. is an entity established to arrange for the provision of medical services to patients of both RWMC and SJHSRI and individuals in the communities serviced by RWMC and SJHSRI.
- Roger Williams PHO, Inc. is a physician health organization formed for the purpose of negotiating managed care contracts.
- Elmhurst Health Associates, Inc. is an entity holds the licenses for RWMC's outreach laboratories. It is a for-profit organization.
- Our Lady of Fatima Ancillary Services, Inc. holds the licenses for the SJHSRI outreach laboratories and provides imaging services to area physicians and medical practices. Our Lady of Fatima Ancillary Services is a for-profit organization.
- The Center for Health and Human Services provides outpatient health care clinical services in two clinic locations, South Providence and Pawtucket.
- SJH Energy, LLC is a single member LLC established to purchase wholesale energy to support the operation needs of CharterCARE and affiliates.
- Rosebank Corporation holds and manages real estate assets for the benefit of CCHP. Rosebank owns several parking lots on the main campus of RWMC and several other properties adjacent to the main campus. Rosebank is a for-profit organization.
- CharterCARE Health Partners Foundation is a not-for-profit corporation whose mission is to raise funds for the benefit of CCHP and its affiliates. On August 22, 2011, the Saint Joseph Foundation changed its name to CharterCARE Health Partners Foundation, removed itself from the Official Catholic Directory, and became a subsidiary of CCHP.

13. Please provide a description of criteria established by the board of directors of the existing hospital for pursuing a proposed conversion with one or more health care providers.

Response:

CCHP issued an RFP in December 2011 seeking a strategic partner in order to strengthen the institutions and to continue to provide and expand services to the communities they serve. The CCHP Board of Trustees established the following criteria:

- A commitment to the continued provision of quality health care services for the residents of Greater Providence, Rhode Island and the surrounding communities.
- A long-term commitment to CCHP, its medical staff and employees.

and any committee investigating the proposed conversion and any and all recommendations from the committee to the board of directors for each of the Transacting Parties and each of its affiliates.

Response:

PMH: Attached at **Confidential Exhibit 27A** is a list of reports analyzing affiliations, mergers, or other similar transactions considered by PMH and its affiliates in the past three years. These reports are connected to confidentiality agreements with third parties. At this time, PMH does not have authority to disclose these reports.

CCHP: See **Confidential Exhibit 27B**.

D. CHARITABLE ASSETS

28. Please provide copies of all documents related to:

- (a) Identification of all charitable assets;
- (b) Accounting of all charitable assets for the past 3 years;
- (c) Distribution of the charitable assets including, but not limited to, endowments, restricted, unrestricted and specific purpose funds as each relates to the proposed transaction; and
- (d) Please list all current donations that include naming privileges relating to the donation.

Response:

CCHP, RWMC and SJHSRI:

In response to (a), (b) and (d) see **Confidential Exhibits 28A-1 through A-3, 28B and 28C**, respectively. With respect to (d), there are no naming privilege donations to CCHP. For RWMC, and SJHSRI, see **Confidential Exhibit 28D** for a listing of named areas/plaques. There are no donations with naming privileges that have not currently been honored.

- (c) On the date of closing, all of the charitable assets of RWMC and SJHSRI will be transferred to CharterCARE Health Partners Foundation (CCHP Foundation).

By way of background, on February 27, 2007, St. Joseph Health Services Foundation, Inc. (the "SJ Foundation") was formed to hold and administer charitable donations on behalf of SJHSRI. SJ Foundation's sole member was SJHSRI and it was listed in the official Catholic Directory and was covered by the Catholic Church's tax exemption. Subsequent to and as part of the CCHP affiliation, on August 25, 2011, the organizational documents of SJ Foundation were revised to change its name to CharterCARE Health Partners Foundation and to make CCHP its sole member. Because the change of its sole member

would prevent the CCHP Foundation from being listed in the official Catholic Directory and would preclude the CCHP Foundation from relying on the Church's tax exemption, on September 9, 2011, CCHP Foundation secured from the IRS a determination that it was 1) exempt from tax under section 501(c)(3) of the Internal Revenue Code (IRC) and 2) a public charity under section 509(a)(3) of the IRC.

In December of 2011, a Petition for Cy Pres, *In Re: CharterCARE Health Partners Foundation*, P.B. No. 11-6822, was filed and granted by the Rhode Island Superior Court (Silverstein, J.) allowing the transfer of the restricted funds that were raised by the SJ Foundation to SJHSRI. Restricted assets totaling \$306,323.00 were transferred from the SJ Foundation to SJHSRI effective September 30, 2011.

CCHP Foundation currently receives donations on behalf of CCHP. Post-closing, CCHP Foundation, having received RWMC and SJHSRI's charitable assets, will continue to serve as a community resource to provide accessible, affordable and responsive health care and health care related services consistent with the original donors' intent. Because the Licensed Entities will be for profit entities, CCHP Foundation will not be able to use the funds for their benefit. However, the Board of Directors of CCHP Foundation will be responsible to administer the charitable assets as closely as possible to the original donors' intent to provide health care and health care related services to the local community. This will include, without limitation, disease prevention, education and research, grants, scholarships, clinics and activities within the community to facilitate positive changes in the health care system.

29. Please provide copies of documents or descriptions of any proposed plan for any entity to be created for charitable assets, including but not limited to, endowments, restricted, unrestricted and specific purpose funds, the proposed articles of incorporation, by-laws, mission statement, program agenda, method of appointment of board members, qualifications of board members, duties of board members, and conflict of interest policies.

Response:

On the date of closing, all of the charitable assets of RWMC and SJHSRI will be transferred to CharterCARE Health Partners Foundation (CCHP Foundation).

By way of background, on February 27, 2007, SJ Foundation was formed to hold and administer charitable donations on behalf of SJHSRI. SJ Foundation's sole member was SJHSRI and it was listed in the official Catholic Directory and was covered by the Catholic Church's tax exemption. Subsequent to and as part of the CCHP affiliation, on August 25, 2011, the organizational documents of SJ Foundation were revised to change its name to CharterCARE Health Partners Foundation and to make CCHP its sole member. Because the change of its sole member would prevent the CCHP Foundation from being listed in the official Catholic Directory and would preclude the CCHP Foundation from relying on the Church's tax exemption, on September 9, 2011, CCHP Foundation secured from the IRS a

determination that it was 1) exempt from tax under section 501(c)(3) of the Internal Revenue Code (IRC) and 2) a public charity under section 509(a)(3) of the IRC.

In December of 2011, a Petition for Cy Pres, *In Re: CharterCARE Health Partners Foundation, P.B. No. 11-6822*, was filed and granted by the Rhode Island Superior Court (Silverstein, J.) allowing the transfer of the restricted funds that were raised by the SJ Foundation to SJHSRI. Restricted assets totaling \$306,323.00 were transferred from the SJ Foundation to SJHSRI effective September 30, 2011.

CCHP Foundation currently receives donations on behalf of CCHP. Post-closing, CCHP Foundation, having received RWMC and SJHSRI's charitable assets, will continue to serve as a community resource to provide accessible, affordable and responsive health care and health care related services consistent with the original donors' intent. Because the Licensed Entities will be for profit entities, CCHP Foundation will not be able to use the funds for their benefit. However, the Board of Directors of CCHP Foundation will be responsible to administer the charitable assets as closely as possible to the original donors' intent to provide health care and health care related services to the local community. This will include without limitation, disease prevention, education and research, grants, scholarships, clinics and activities within the community to facilitate positive changes in the health care system.

The Articles of Amendment to Articles of Incorporation as well as proposed black-lined amendments to the Revised Bylaws of CharterCARE Health Partners Foundation in connection with the transfer of charitable assets to CCHP Foundation are attached at **Confidential Exhibit 29**. Article VII of the Revised Bylaws entitled "Conflict of Interest" will remain the same.

This proposed transfer of charitable assets will be identified in the *Cy Pres* Petition that will be developed in conjunction with the Attorney General's Office as detailed in Response 31.

30. Please provide the following information regarding all donor restricted gifts received by the Transacting Parties and their affiliates and attach copies of any legal documents that created each gift:

Date of Gift	Name of Give/ Instrument	Restriction(s)	Value of Gift at time of Gift	Current Value of Gift

Response:

CCHP:

See **Confidential Exhibit 28A-1** at **Tab B, C and D.**

See **Confidential Exhibit 28 A-2** at **Tab F.**

Exhibit 2

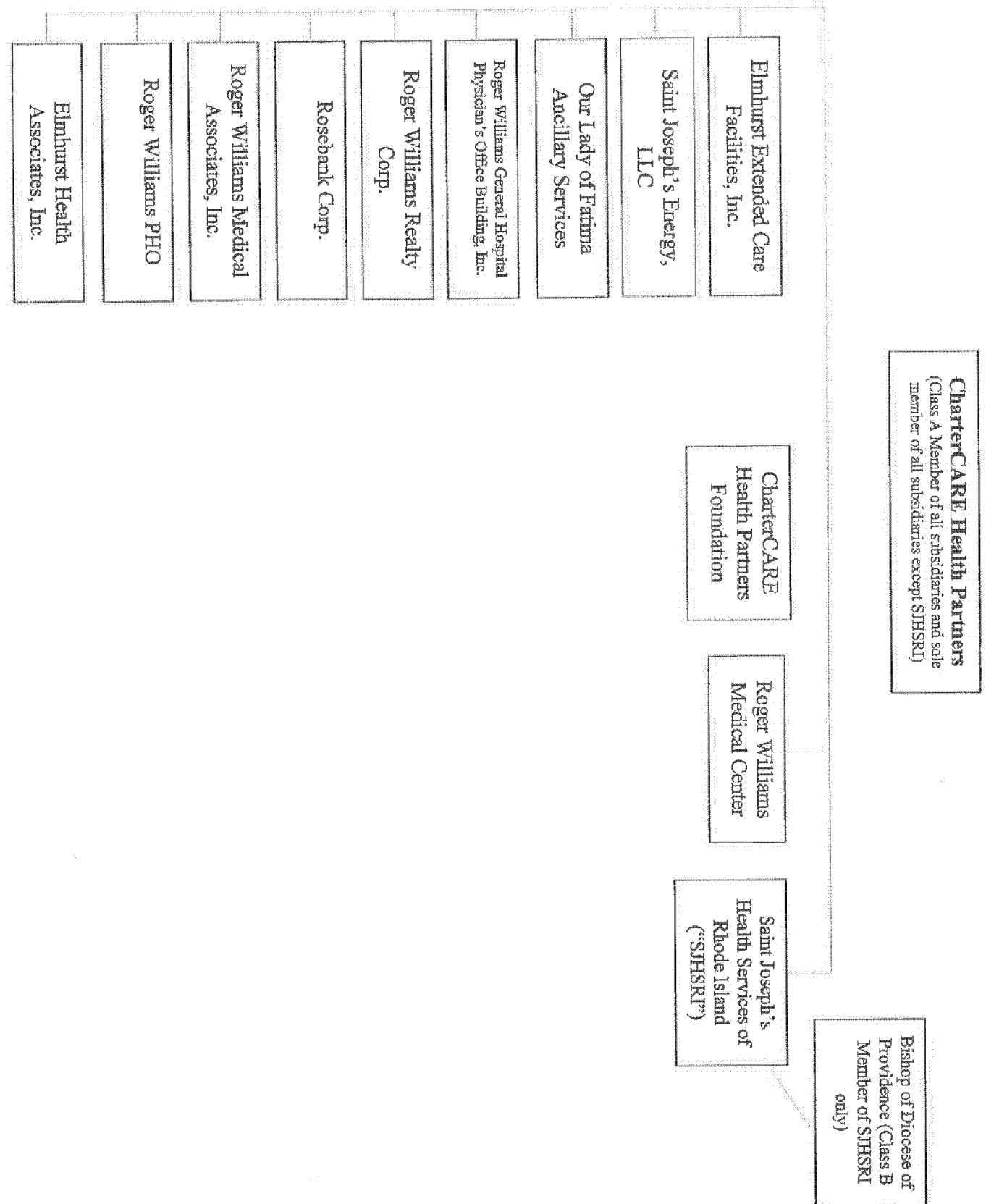
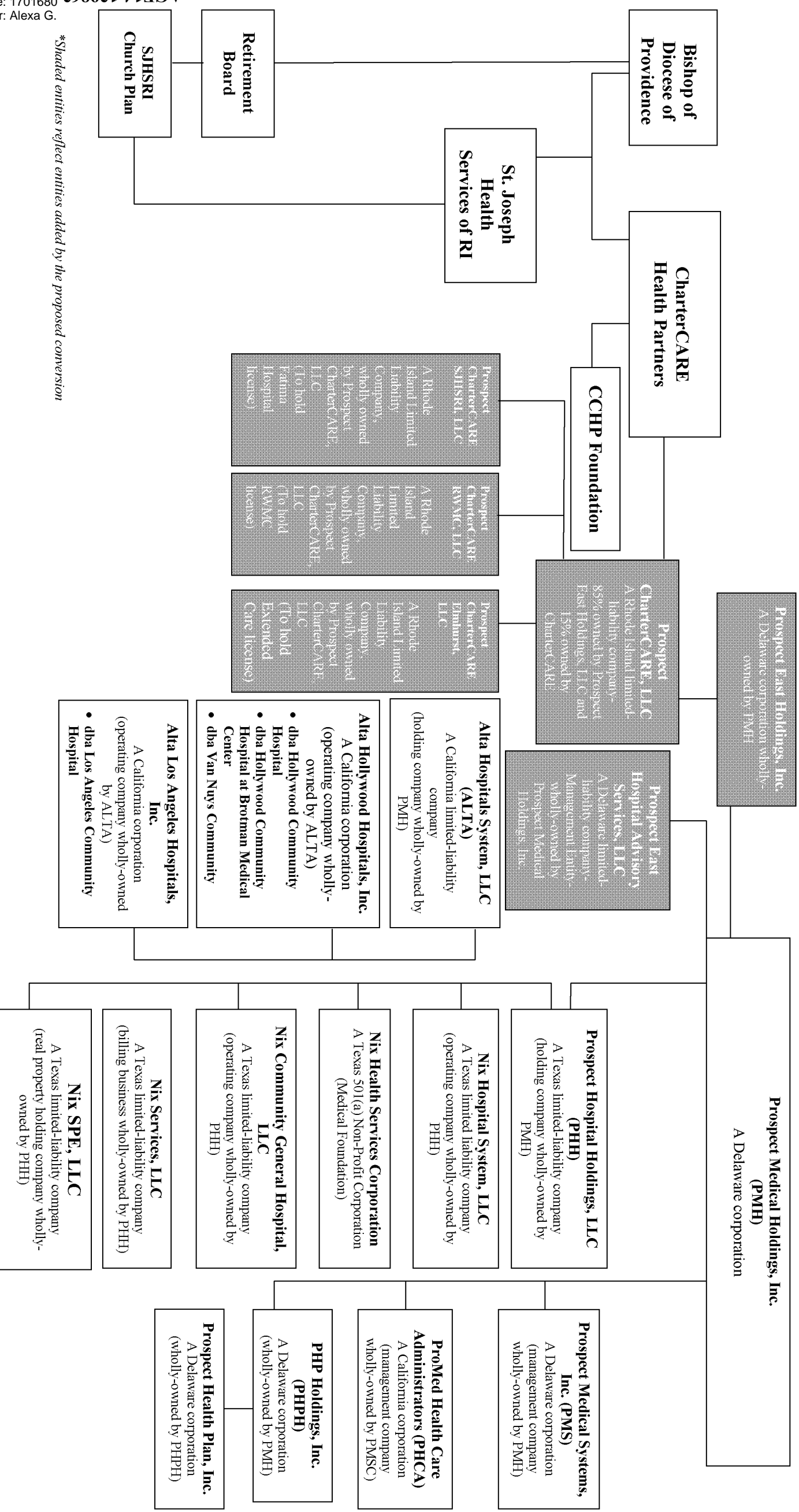


Exhibit 3

POST-CONVERSION ORGANIZATIONAL STRUCTURE OF PROSPECT MEDICAL HOLDINGS, INC.'S BUSINESS (HOSPITALS)*



*Shaded entities reflect entities added by the proposed conversion

Exhibit 4

RI SOS Filing Number: 201310607790 Date: 08/25/2011 12:00 PM

Filing Fee: \$10.00

ID Number: 161987



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Office of the Secretary of State
Corporations Division
148 W. River Street
Providence, Rhode Island 02904-2615

NON-PROFIT CORPORATION

RECEIVED
SECRETARY OF STATE
CORPORATIONS DIV
2011 AUG 25 PM 12:00

**ARTICLES OF AMENDMENT TO
ARTICLES OF INCORPORATION**

Pursuant to the provisions of Section 7-6-40 of the General Laws of Rhode Island, 1956, as amended, the undersigned corporation adopts the following Articles of Amendment to its Articles of Incorporation:

1. The name of the corporation is ST. JOSEPH HEALTH SERVICES FOUNDATION
2. The following amendment to the Articles of Incorporation was adopted by the corporation:

[Insert Amendment]

See Exhibit A attached hereto and made a part hereof.

Form No. 201
Revised: 12/05

1200
FILED
AUG 25 2011
By *[Signature]* 150862

AGE14-109648

C-PHCA14910

3. The amendment was adopted in the following manner:

(check one box only)

- The amendment was adopted at a meeting of the members held on _____, at which meeting a quorum was present, and the amendment received at least a majority of the votes which members present or represented by proxy at such meeting were entitled to cast.
- The amendment was adopted by a consent in writing on 8-22-11, signed by all members entitled to vote with respect thereto.
- The amendment was adopted at a meeting of the Board of Directors held on _____ and received the vote of a majority of the directors in office, there being no members entitled to vote with respect thereto.

4. Date when amendment is to become effective upon filing.
(not prior to, nor more than 30 days after, the filing of these Articles of Amendment)

Under penalty of perjury, we declare and affirm that we have examined these Articles of Amendment to the Articles of Incorporation, including any accompanying attachments, and that all statements contained herein are true and correct.

Date: 8-25-11

ST. JOSEPH HEALTH SERVICES FOUNDATION

Print Corporate Name

By Joseph R. DiStefano

President or Vice President (check one)

AND

By [Signature]

Secretary or Assistant Secretary (check one)

ST. JOSEPH HEALTH SERVICES FOUNDATION

ID NO. 161987

EXHIBIT A
TO
ARTICLES OF AMENDMENT

The following amendments to the Articles of Incorporation were adopted by the corporation:

1. Article 1 of the Articles of Incorporation is hereby amended in its entirety to read as follows:

“1. The name of the corporation is CharterCARE Health Partners Foundation.”

2. Article 3 of the Articles of Incorporation is hereby amended in its entirety to read as follows:

“3. The specific purpose or purposes for which the corporation is organized are: This Corporation is organized and shall be operated exclusively for charitable, scientific and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended from time to time (the “Code”), and regulations promulgated thereunder. Such purposes shall include raising funds for the benefit of CharterCARE Health Partners, a Rhode Island nonprofit corporation, and its affiliates. In addition, the Corporation may conduct such other activities as may be carried out by a corporation organized under the Rhode Island Nonprofit Corporation Act and described in Section 501(c)(3) of the Code.”

3. Article 4 of the Articles of Incorporation is hereby amended in its entirety to read as follows:

“4. Provisions, if any, not inconsistent with the law, which the incorporators elect to set forth in these articles of incorporation for the regulation of the internal affairs of the corporation are:

1. Powers. Subject to all the limitations set forth in, or referred to by, other provisions of these Articles of Incorporation, this Corporation shall have, and may exercise in furtherance of its corporate purposes:

- (a) all of the powers specified in Rhode Island General Laws Section 7-6-5, as amended from time to time; and

- (b) all other lawful powers necessary or convenient to effect any or all of the purposes for which the Corporation was formed;

provided, however, that no such power shall be exercised in a manner inconsistent with the Rhode Island Nonprofit Corporation Act or any other chapter of the Rhode Island General Laws or with the exemption from taxation under the Code.

2. Bylaws. The bylaws may be made, amended or repealed in the manner set forth in the bylaws.

3. Meetings. The sole member of the Corporation shall be CharterCare Health Partners, a Rhode Island nonprofit corporation. Meetings of the members of the Corporation may be held anywhere in the United States.

4. Transactions with Interested Persons. The bylaws may contain provisions providing that no contract or transaction of the Corporation shall be void or voidable by reason of the fact that any officer, director or members of the Corporation may have held an interest therein.

5. Elimination of Directors' Personal Liability. No director shall be personally liable to the Corporation or its members for monetary damages for breach of his or her duty as a director, notwithstanding any provision of law imposing such liability; provided, however, that this provision shall not eliminate or limit the liability of a director:

- (a) for any breach of the director's duty of loyalty to the Corporation or its members;
- (b) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; or
- (c) for any transaction from which the director derived an improper personal benefit.

No amendment, modification or repeal of this paragraph, directly or by adoption of an inconsistent provision of these Articles of Incorporation shall apply to or have any effect on the liability or alleged liability of any director of the Corporation for or with respect to any acts or omissions of such director occurring prior to such amendment, modification or repeal.

6. Tax Exempt Status. It is the intent of the Corporation that it be exempt from federal income taxation pursuant to Section 501(c)(3) of the Code. Accordingly, notwithstanding anything else to the contrary in these Articles of Incorporation, the Corporation shall be operated exclusively for such permissible purposes as described herein, and all purposes and powers herein shall be construed consistent with this intent.

7. No Private Inurement. No part of the assets or net earnings of the Corporation shall inure to the benefit of, or be distributable to, any member, director or officer of the Corporation or any other private person, except that the Corporation may pay reasonable

compensation for services rendered and make payments and distributions in furtherance of exempt purposes.

8. **Distribution in Liquidation.** In the event of any liquidation, dissolution, termination, or winding up of the Corporation (whether voluntary, involuntary or by operation of law), the property or assets of the Corporation remaining after providing for the payment of its debts and obligations shall be distributed as then determined by the Corporation's Board of Directors in the manner described herein: to CharterCARE Health Partners, a Rhode Island nonprofit corporation, or its successor corporation, if said corporation or said successor corporation shall at that time qualify as an exempt organization under Section 501(c)(3) of the Code, or if such corporation or successor corporation does not so qualify, then all such assets shall be disposed of by a court of competent jurisdiction of the county in which the principal office of the organization is then located, for the provision and/or advancement of health care through an organization or organizations operating exclusively for exempt purposes within the meaning of Section 501(c)(3) of the Code or corresponding section of any future federal tax code.

9. **Successor Laws.** All references herein (a) to the Code refer to the Code as now in force or as hereafter amended, or any successor statute and (b) to the Rhode Island General Laws, or any chapter thereof, refer to said laws now in force or as hereafter amended.

538631_1.doc



State of Rhode Island and Providence Plantations

A. Ralph Mollis

Secretary of State

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

I, A. RALPH MOLLIS, Secretary of State of the State of Rhode Island
and Providence Plantations, hereby certify that this document, duly
executed in accordance with the provisions of Title 7 of the General Laws
of Rhode Island, as amended, has been filed in this office on this day:
August 25, 2011 12:00 PM

A handwritten signature in black ink that reads "A. Ralph Mollis".

A. RALPH MOLLIS

Secretary of State

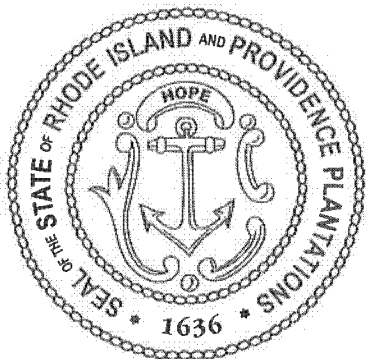



Exhibit 5

REVISED
BY-LAWS
OF
CHARTERCARE HEALTH PARTNERS FOUNDATION

Adopted on August 22, 2011 and revised
on October 8, 2013*

By: 
Kenneth Belcher, Secretary

*This revision is to address a typographical error in Section 2.01 of the Bylaws which identified CharterCare Health Partners as "SJHSRI" rather "CCHP" and is in furtherance of the resolution approved at a Meeting of the Sole Member and the Directors of St. Joseph Health Services Foundation dated August 22, 2011, that changed the name of the Foundation to "CharterCare Health Partners Foundation" and directed that its sole member be CharterCare Health Partners..

PHCA00074

AG14-1-000352

ARTICLE I

GENERAL

SECTION 1.01. Name and Purpose. CharterCare Health Partners Foundation (the "Foundation") is a nonprofit corporation organized exclusively for charitable, scientific and educational purposes within the meaning of Section 501(c) (3) of the Internal Revenue Code of 1986, as amended from time to time (the "Code"), and the regulations promulgated thereunder. Such purposes are set out in Article Third of the Articles of Incorporation of the Foundation, from time to time in effect (the "Articles of Incorporation").

Notwithstanding any other provision of the Articles of Incorporation or these By-Laws, the Foundation shall not carry on any activities not permitted to be carried on by a corporation exempt from federal income tax under Section 501(c)(3) of the Code or corresponding section of any future federal tax code. No substantial part of the activities of the Foundation shall be carrying on propaganda, or otherwise attempting, to influence legislation (except as otherwise provided by Section 501(h) of the Code), or participating in, or intervening in (including the publication or distribution of statements), any political campaign on behalf of any candidate for public office.

SECTION 1.02. Powers. The Foundation shall have the power, either directly or indirectly, either alone or in conjunction and/or cooperation with others, to do any and all lawful acts and things and to engage in any and all lawful activities which may be necessary, useful, suitable, desirable or proper for the furtherance, accomplishment, fostering or attainment of any or all of the purposes for which the Foundation is organized, and to aid or assist other organizations whose activities are such as to further accomplish, foster, or attain any of the Foundation's purposes. Notwithstanding anything herein to the contrary, the Foundation shall exercise only such powers as are in furtherance of the exempt purposes of organizations as set

PHCA00075

AG14-1-000353

forth in Section 501(c)(3) and the Code and the rules and regulations promulgated thereunder.

SECTION 1.03. Nonprofit Status. The Foundation is not organized for profit and no part of the net earnings of the Foundation shall inure to the benefit of any director or officer. In the event of the liquidation of the Foundation, whether voluntary or involuntary, no director or officer shall be entitled to any distribution or division of the Foundation's property or the proceeds thereof, and upon such liquidation, the balance of all money, assets and other property of the Foundation, after the payment of all its debts and obligations, shall be distributed pursuant to Section 8 of Article Fourth of the Articles of Incorporation.

SECTION 1.04. Principal Office. The principal office of the Foundation shall be located at 200 High Service Avenue, North Providence, Rhode Island. The Foundation may have such other offices or places of business, either within or outside the State of Rhode Island, as the business of the Foundation may require and as the Board of Directors may from time to time establish.

SECTION 1.05. Registered Office. The registered office of the Foundation shall be located 200 High Service Avenue, North Providence, Rhode Island. The registered office may be changed from time to time by the Board of Directors in compliance with the provisions of applicable law.

ARTICLE II

MEMBERSHIP

SECTION 2.01. Membership. The sole Member of the Foundation shall be CharterCare Health Partners ("CCHP"), a Rhode Island non-profit corporation qualifying as tax-exempt under Section 501(c)(3) of the Code. CCHP may from time to time designate a representative who shall act with the full power and authority of the Member. No membership may be assigned

or transferred or encumbered in any manner whatsoever, either voluntarily, involuntarily or by operation of law. Any proposed or attempted assignment, transfer or termination of membership shall be void. Notwithstanding the foregoing, any legally appointed successor to CCHP by way of corporate merger, acquisition or other similar event shall become the sole Member hereof.

SECTION 2.02. Enumerated Powers. The powers of the Members shall be limited to taking action on the activities enumerated below and those activities expressly requiring action of the Members pursuant to law or the Articles of Incorporation:

- (a) election of the independent directors;
- (b) authorization or approval of any amendment to the Articles of

Incorporation of the Foundation;

- (c) authorization or approval of any amendment to the By-Laws of the Foundation;
- (d) authorization or approval of any change to the name of the Foundation;
- (e) authorization or approval of any merger, consolidation, reorganization, or sale, transfer, disposition, pledge or hypothecation of all or substantially all of the assets of the Foundation;
- (f) authorization or approval of the establishment and the organizational documents (including any amendment, revision or repeal thereof), of any equity or contractual joint venture between the Foundation and any third party in which the Foundation will have more than a twenty percent (20%) interest in the revenues or profits of the joint venture, excluding contracts in the ordinary course of business;
- (g) authorization or approval of any plan of dissolution, liquidation,

- assignment for the benefit of creditors, petition for voluntary bankruptcy or appointment of a receiver, or any plan for winding up the affairs of the Foundation, or any liquidating distribution by the Foundation;
- (h) authorization or approval of the incurrence of any debt, loan, borrowing, debt guarantee, whether as primary obligor or co-obligor, pledge, lien, hypothecation, security interest or encumbrance on any of the property or assets of the Foundation;
 - (i) authorization or approval of any acquisition or lease of, or interest in, real estate, by the Foundation;
 - (j) authorization or approval of undertaking any expenditure outside of the annual budget whether by contract or otherwise, in excess of \$25,000;
 - (k) authorization or approval of entering into any contract or commitment which involves aggregate payments in excess of \$50,000 in any year; and
 - (l) authorization or approval of the settlement of any litigation or other dispute involving the Foundation.

SECTION 2.03. Annual Meeting. The annual meeting of the Members shall be held on such date and at such place and time as the Board may designate. If such meeting is for any reason not held on the date determined in accordance with this section, a special meeting, as defined below, in lieu of the annual meeting may be held with the same force and effect of the annual meeting.

SECTION 2.04. Special Meetings. A special meeting of the Member may be called at any time by the President, the Board of the Foundation, or by the Member.

SECTION 2.05. Notice. Notice of the annual meeting or any special meeting shall be

given by the Secretary to the Member at the Member's address on file with the Secretary either by mail or electronic communication, at least seven (7) days prior to the meeting and in the case of a special meeting, stating the purpose thereof.

SECTION 2.06. Voting. The Member shall have one (1) vote on all matters on which the Member is entitled to vote.

SECTION 2.07. Action Without a Meeting. Any action required or permitted to be taken by the Member may be taken without a meeting if the Member consents in writing and if such written consent is filed with the records of the Foundation. Such consents shall be treated for all purposes as a vote at a meeting.

ARTICLE III

BOARD OF DIRECTORS

SECTION 3.01. General Powers. The Foundation's property, affairs and business shall be managed by the Board and the Board shall have, and may exercise, all of the powers of the Foundation, except those reserved to the Members by law, the Articles or these By-Laws.

SECTION 3.02. Number; Qualification and Election. The members of the Board serving at the time CharterCARE Health Partners becomes the sole Member of the Foundation shall remain in office until a new Board is elected by the sole Member at its annual meeting or at a special meeting. Commencing with such election the Board shall consist of a total of fifteen (15) directors, which shall include two (2) individuals who shall be ex officio directors and the remaining thirteen (13) directors who shall be elected as set forth herein by the Member at its annual meeting or at a special meeting. Each member of the Board shall have equal voting authority. The two (2) ex officio members of the Board shall be the individuals then serving as the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO") of CharterCARE

Health Partners and the thirteen (13) remaining members of the Board shall consist of four (4) individuals selected by the Member from among those individuals who are then serving as members of the CharterCARE Health Partners Board of Trustees, two (2) individuals selected by the Member from among those individuals who are then serving as members of the Roger Williams Medical Center Board of Trustees, two (2) individuals selected by the Member from among those individuals who are then serving as members of the CharterCare Health Partners Board of Trustees and five (5) individuals who shall be independent directors. An ex officio director who is no longer serving as either the CEO or the CFO of CharterCARE Health Partner shall be immediately replaced by the individual then serving in that capacity and a director who was selected by the Member as set forth herein from among the members of the Board of Trustees of CharterCARE Health Partners, Roger Williams Medical Center or CharterCare Health Partners who is no longer serving in that capacity shall be immediately replaced by the individual then serving in that capacity.

SECTION 3.03. Nomination Process. The Nominating Committee of the Member shall serve as the Nominating Committee. At least fifteen (15) days prior to the Member's annual meeting or a special meeting called for the election or replacement of directors of the Foundation, the Nominating Committee shall provide to the Board of Trustees of the Member a list of nominees for election as independent directors and a list of nominees for election as directors from the members of the Boards of Trustees of CharterCARE Health Partners, Roger Williams Medical Center and CharterCare Health Partners. The Nominating Committee shall adopt such procedures, including procedures for the solicitation of potential nominees, as are necessary to carry out its duties.

SECTION 3.04. Increase and Decrease in Number. The number and designation of

directors of the Foundation may be modified from time to time by majority vote of the Board.

SECTION 3.05. Term. Each director, other than ex officio directors and other than as set forth herein, shall hold office for a three (3) year term, up to a maximum of two (2) terms, and until a successor shall have been duly appointed and qualified or until death, resignation or removal in the manner hereinafter provided and each ex officio director shall hold office so long as he or she is serving as either the CEO or the CFO of CharterCARE Health Partners. Terms of the initial directors elected after CharterCARE Health Partners becomes the sole Member at its annual meeting or at a special meeting shall be staggered such that each year the terms of a portion of the directors shall expire.

SECTION 3.06. Quorum and Voting. A majority of the total number of directors at the time in office shall constitute a quorum for the transaction of business at any meeting. In the absence of a quorum, a majority of the directors present may adjourn any meeting from time to time without further notice until a quorum be had. Each director shall have one (1) vote on all matters addressed by the Board. The directors shall act only as a Board, and the individual director shall have no power as such.

SECTION 3.07. Place of Meetings. The Board may hold its meetings at any place within or without the State of Rhode Island as it may from time to time determine and shall be specified or fixed in the respective notices or waivers of notice thereof.

SECTION 3.08. Action Without a Meeting. Any action required or permitted to be taken by the directors may be taken without a meeting if all of the directors consent in writing and if the written consents are filed with the Foundation's records. Such consents shall be treated for all purposes as a vote at a meeting.

SECTION 3.09. Telephonic Participation In Meetings. Directors may participate in their

respective meetings by means of telephone conference call or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time, and participation by such means shall constitute presence in person at a meeting.

SECTION 3.10. Annual Meetings. The annual meeting of the Board shall be held immediately following the Members' annual meeting. If any day in which the annual meeting is fixed shall be a legal holiday, then the meeting shall be held on the next succeeding business day that is not a legal holiday. If for any reason such annual meeting is omitted, a special meeting may be held in place thereof and any business transacted or elections held at such special meeting shall have the same effect as if transacted at the annual meeting. Purposes for which an annual meeting is to be held, in addition to those prescribed by law or these By-Laws, may be specified by the President or by a majority of the Board.

SECTION 3.11. Regular Meetings. Regular meetings of the Board shall be held as often as the Board shall determine from time to time by vote. If any day fixed for a regular meeting shall be a legal holiday at the place where the meeting is to be held, then the meeting which would otherwise be held on that day shall be held at the same hour on the next succeeding business day that is not a legal holiday. Notice of regular meetings need not be given.

SECTION 3.12. Special Meetings; Notice. Special meetings of the Board shall be held whenever called by the President. Notice of each such meeting shall be given by the Secretary or the person calling the meeting by mailing such notice addressed to each director at his/her residence or usual place of business, or conveying such notice electronically, verbally by telephone or personally, at least twenty-four (24) hours before the time at which the meeting is to be held. Every such notice shall state the time and place of the meeting, but need not state the purpose thereof except as otherwise expressly provided in these By-Laws. A statement contained

in the minutes of any Board meeting over the signature of the Secretary to the effect that due notice of such meeting has been given shall be conclusive evidence that proper notice of such Meeting has been duly given.

SECTION 3.13. Waiver of Notice. Notice of the time, place and purpose (unless otherwise specified) of any Board meeting may be waived in writing by any director either before or after such meeting and attendance in person at a Board meeting or any meeting held in lieu thereof shall be equivalent to having waived notice thereof.

SECTION 3.14. Resignation of Directors. Any director may resign at any time by providing written notice to the Board, the President or the Secretary. Any director's resignation shall take effect at the time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

SECTION 3.15. Removal of Directors. Subject to these By-Laws, any director may be removed, either with or without cause, by the vote of a majority of the directors at a special meeting called for said purpose.

SECTION 3.16. Vacancies. In the case of director vacancies caused by death, resignation, removal, disqualification or any other cause, the Board, by an affirmative vote of a majority of the directors then in office, shall use best efforts to elect a duly-qualified individual to serve the remainder of the departing director's term. Notwithstanding the foregoing, any actions taken at a meeting or as otherwise provided herein while such positions are vacant shall be valid so long as a quorum is then present.

SECTION 3.17. Compensation. No director shall receive any compensation for his/her services as a director of the Foundation.

ARTICLE IV

COMMITTEES

SECTION 4.01. Appointment. The Board may from time to time by vote create such committees of directors, officers, employees or other persons for the purpose of advising the Foundation's Board, officers and/or employees in all such matters as the Board shall deem advisable and with such functions and duties as the Board shall prescribe by vote. Each committee shall have a chairperson appointed by the President. Unless otherwise expressly required in these By-Laws, committee members shall be appointed by the President; provided, however, that any such appointment may be reversed by majority vote of the Board. Committee members may be but need not be directors. The Board shall have power to increase or decrease the number of members on any committee at any time and to discharge any such committee, either with or without cause, at any time.

SECTION 4.03. Meetings and Notice. Committee meetings may be called by the President or the committee chairperson. Each committee shall meet as often as necessary and appropriate to perform its duties. Notice of a meeting's date, time and place shall be given at such time and in such manner as to provide reasonable notice to committee members of the meeting. Each committee shall keep minutes of its proceedings.

SECTION 4.04. Removal and Vacancies. The President may remove any committee member or chairperson whose selection is not otherwise specified in the By-Laws. Vacancies in any committee's membership may be filled by appointments made in the same manner as provided for in the original appointments.

SECTION 4.05. Quorum. Unless otherwise provided in the Board's resolution designating a committee, each committee member shall have one (1) vote and a majority of the

whole committee shall constitute a quorum. The act of a majority of the members present at a committee meeting at which a quorum is present shall constitute the act of the committee.

SECTION 4.06. Rules. Each committee may adopt rules for its own governance not inconsistent with these By-Laws or with any roles adopted by the directors.

ARTICLE V

OFFICERS

SECTION 5.01. Enumeration. The officers of the Foundation shall consist of a President, a Secretary, and a Treasurer, and such other officers as the Board may from time to time appoint. Each officer of the Foundation shall be a director.

SECTION 5.02. Election, Qualifications and Term of Office. The officers shall be elected by the Board at the annual meeting of the Foundation or special meeting held in lieu thereof. Each officer shall hold office for a one (1) year term and until a successor shall have been duly elected and qualified or until death, resignation, disqualification or removal in the manner hereinafter provided.

SECTION 5.03. Removal. Any officer may be removed, either with or without cause, by the vote of a majority of the directors at a special meeting called for said purpose.

SECTION 5.04. Resignation. Any officer may resign at any time by giving written notice to the Board or to the Secretary. Any such resignation shall take effect at the date of receipt of such notice or at any later time specified herein and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

SECTION 5.05. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled for the unexpired portion of the term by the Board at any regular or special meeting.

SECTION 5.06. The President. The President shall act as chair of the Board and have general charge and supervision of the affairs of the Foundation. The President shall perform such other duties assigned to him/her by the Board.

SECTION 5.08. The Secretary. The Secretary shall record or cause to be recorded all the proceedings of Board meetings and meetings of all committees to which a secretary shall not have been appointed; shall see that all notices are duly given in accordance with the provisions of these By-Laws and as required by law; shall be custodian of the records and of the Foundation's seal; and have such other powers and perform such other duties as the Board may from time to time prescribe.

SECTION 5.09. The Treasurer. The Treasurer shall have charge and custody of, and be responsible for, all Foundation funds, credits and property, render a statement concerning the condition of the Foundation's finances at all regular meetings and, upon the Board's request, make a full financial report to the Board. The Treasurer also shall have charge of the Foundation's books and records of account, which shall be kept at such office of the Foundation as the Board shall from time to time designate; be responsible for the keeping of correct and adequate records of the Foundation's assets, liabilities, business and transactions and at all reasonable times exhibit the books and records of account to any of the directors; review the Foundation's budget annually; be responsible for monitoring the budget; and, in general, perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned by the Board or the President.

SECTION 5.10. Other Officers. Each other officer chosen by the directors shall perform such duties and have such powers as may be designated from time to time by the Board.

SECTION 5.11. Other Powers and Duties. Each officer shall, subject to these By-Laws

and in addition to the duties and powers specifically set forth in these By-Laws, have such duties and powers as are customarily incident to his/her office. The exercise of any power which by law, the Articles or these By-Laws, or in accordance with any vote of the Board, may be exercised by a Foundation officer only in the event of another officer's absence or any other contingency, shall bind the Foundation in favor of anyone relying therein in good faith, whether or not such absence or contingency existed.

SECTION 5.12. Bonding. Any officer, employee, agent or factor shall give such bond with such surety or sureties for the faithful performance of his/her duties as the Board may from time to time require.

ARTICLE VI

INDEMNIFICATION OF DIRECTORS AND OFFICERS

SECTION 6.01. Indemnification. Subject to the exclusions hereinafter set forth, the Foundation will indemnify an Indemnified Person against and hold the Indemnified Person harmless from any Covered Loss or Covered Expenses.

SECTION 6.02. Advance Payment of Covered Expenses. The Foundation will pay the Covered Expenses of an Indemnified Person in advance of the final disposition of any Proceeding. The advance payment of Covered Expenses will be subject to the Indemnified Person's first agreeing in writing with the Foundation to repay the sums paid by it hereunder if it is thereafter determined that the Proceeding involved an Excluded Claim or that the Indemnified Person was otherwise not entitled to indemnity under this Article VI.

SECTION 6.03. Exclusions.

(a) The Foundation will not be liable to pay any Covered Loss or Covered Expense (an "Excluded Claim"):

- (i) With respect to a Proceeding, if the Foundation determines that the Indemnified Person (i) did not conduct himself or herself in good faith, (ii) engaged in intentional misconduct, and (iii) in the case of a criminal proceeding, knowingly violated the law;
- (ii) With respect to a Proceeding in which a final judgment or other final adjudication determines that the Indemnified Person is liable on the basis that personal benefit was improperly received by him or her;
- (iii) For which the Indemnified Person is otherwise indemnified or reimbursed;
or
- (iv) If a final judgment or other final adjudication determines that such payment is unlawful.

(b) With respect to a Proceeding by or on behalf of the Foundation in which the Indemnified Person is adjudged to be liable to the Foundation, the Foundation may indemnify the Indemnified Person for his or her Covered Expenses but shall not indemnify the Indemnified Person for his or her Covered Loss.

(c) Notwithstanding any other provisions herein, the Foundation shall indemnify an Indemnified Person for any Covered Expense in the event that the Indemnified Person is wholly successful, on the merits or otherwise, in the defense of any Proceeding under Section 6.03(a)(i).

SECTION 6.04. Notice to Foundation; Insurance. Promptly after receipt by the Indemnified Person of the notice of the commencement of or the threat of commencement of any Proceeding, the Indemnified Person will, if indemnification with respect thereto may be sought from the Foundation under this Article VI, notify the Foundation of the commencement thereof. If, at the time of the receipt of such notice, the Foundation has any directors' and officers'

liability insurance in effect, the Foundation will give prompt notice of the commencement of such Proceeding to the insurer in accordance with the procedures set forth in the policy or policies in favor of the Indemnified Person. The Foundation will thereafter take all necessary or desirable action to cause such insurer to pay, on behalf of the Indemnified Person, any and all Covered Loss and Covered Expense payable as a result of such Proceeding in accordance with the terms of such policies.

SECTION 6.05. Indemnification Procedures.

(a) Payments on account of the Foundation's indemnity against Covered Loss will be subject to the Foundation's first determining that the Covered Loss results from a claim which is not an Excluded Claim. Such a determination will be made by a majority vote of a quorum of Trustees not at the time parties to the Proceeding or by majority vote of the Members. The determination required by this Section 6.05 will be made within sixty (60) days of the Indemnified Person's written request for payment of a Loss, and if it is determined that the Covered Loss is not an Excluded Claim, payment will be made forthwith thereafter.

(b) Payment of an Indemnified Person's Covered Expenses in advance of the final disposition of any Proceeding will be made within twenty (20) days of the Indemnified Person's written request therefor. Any determination required as to the reasonableness of requested Covered Expenses shall be made in accordance with Section 6.05(a). From time to time prior to the payment of Covered Expenses, the Foundation may, but is not required to, determine (in accordance with Section 6.05(a) above) whether the Covered Expenses claimed may reasonably be expected, upon final disposition of the Proceeding, to constitute an Excluded Claim. If such a determination is pending, payment of the Indemnified Person's Covered Expenses may be delayed up to sixty (60) days after the Indemnified Person's written request therefor, and if it is

determined that the Covered Expenses are not an Excluded Claim, payment will be made forthwith thereafter.

SECTION 6.06. Settlement. The Foundation will have no obligation to indemnify the Indemnified Person under this Article VI for any amounts paid in settlement of any Proceeding effected without the Foundation's prior written consent. The Foundation will not unreasonably withhold or delay its consent to any proposed settlement. The Foundation may consent to a settlement subject to the requirement that a determination thereafter will be made as to whether the Proceeding involved an Excluded Claim or not.

SECTION 6.07. Rights Not Exclusive. The rights provided hereunder will not be deemed exclusive of any other rights to which the Indemnified Person may be entitled under the Act, any agreement, vote of disinterested directors or otherwise, both as to action in the Indemnified Person's official capacity and as to action in any other capacity while holding such position or office, and shall continue after the Indemnified Person ceases to serve the Foundation in an official capacity.

SECTION 6.08. Enforcement.

(a) The Indemnified Person's right to indemnification hereunder will be enforceable by the Indemnified Person in any court of competent jurisdiction and will be enforceable notwithstanding that an adverse determination has been made as provided in Section 6.05 above.

(b) In the event that any action is instituted by the Indemnified Person under this Article VI to enforce or interpret any of the terms of this Article VI, the Indemnified Person will be entitled to be paid all court costs and expenses, including reasonable attorneys' fees, incurred by the Indemnified Person with respect to such action, unless the court determines that each of the material assertions made by the Indemnified Person as a basis for such action was not made

in good faith or was frivolous.

SECTION 6.09. Successors and Assigns. This Article VI will be (a) binding upon all successors and assigns of the Foundation (including any transferee of all or substantially all of its assets); and (b) binding on and inure to the benefit of the heirs, executors, administrators, and other personal representatives of the Indemnified Person. If the Foundation sells or otherwise transfers all or substantially all of its assets to a third party, the Foundation will, as a condition of such sale or other transfer, require such third party to assume and perform the obligations of the Foundation under this Article VI.

SECTION 6.10. Amendment. No amendment of this Article VI will be effective as to an Indemnified Person without such Indemnified Person's written consent.

SECTION 6.11. Insurance. The Foundation shall have, to the fullest extent permitted by state and federal law, the power to purchase and maintain insurance on behalf of any Indemnified Person against any liability asserted against or incurred by an Indemnified Person arising out of his or her status as an Indemnified Person whether or not the Foundation would have the power to indemnify the Indemnified Person against such liability pursuant to this Article VI.

SECTION 12. Definitions.

"Covered Act" means any act or omission by an Indemnified Person in the Indemnified Person's official capacity as a member of the governing body, director, trustee, officer, employee or agent of another limited liability company, corporation, partnership, joint venture, trust or other entity or enterprise, including entities and enterprises which are subsidiaries or affiliates of the Foundation, or employee benefit plan.

"Covered Expense" means any reasonable expense incurred by an Indemnified Person in connection with the defense of any claim made against the Indemnified Person for Covered Acts

including legal, accounting or investigative fees and expenses, including the expense of bonds necessary to pursue an appeal of an adverse judgment.

“Covered Loss” means any amount which an Indemnified Person is legally obligated to pay as a result of any claim made against the Indemnified Person for a Covered Act including judgment for, and awards of, damages, amounts paid in settlement of any claim, any fine or penalty or, with respect to an employee benefit plan, any excise tax or penalty.

“Excluded Claim” is defined in Section 6.03.

“Indemnified Person” means any individual who is or was a director or officer of the Foundation.

“Proceeding” means any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative.

ARTICLE VII

CONFLICT OF INTEREST

SECTION 7.01. Policy Adoption. The Foundation is committed to pursuing its mission and to conducting its affairs in accordance with high professional, religious and ethical standards which include the avoidance of detrimental conflicts of interest. The Foundation believes that avoiding such conflicts is imperative in preserving the public’s trust. Persons who agree to serve the Foundation should not use their position for personal gain, or to expose the Foundation to potential harm as a result of conflict of interest.

The Foundation shall adopt and maintain a Conflict of Interest Policy which applies to Designated Persons, as defined below, and deliberations by the Board and its committees.

SECTION 7.02. General Principles. Any Designated Person has an obligation to:
(i) protect decisions involving the Foundation against conflicts of interest; (ii) maintain the

confidentiality of information obtained through service to the Foundation; (iii) assure that the Foundation acts for the benefit of the community as a whole rather than for the private benefit of a Designated Person; and (iv) fully disclose any personal business opportunities that are competitive with the Foundation or in which the Foundation would have an interest. In the furtherance of these obligations all Designated Persons shall exercise the utmost good faith in all transactions touching upon their duties to the Foundation or its property. In their dealings with and on behalf of the Foundation, they shall be held to a strict standard of honest and fair dealing. Designated Persons shall scrupulously avoid any conflict between their individual interests and the interests of the Foundation in any and all actions taken by them. They shall disclose any interests or activities in which they are involved or become involved, directly or indirectly, that could conflict with the interests or activities of the Foundation and shall obtain approval prior to commencing, continuing, or consummating any activity or transaction which raises a possible conflict of interest. Designated Persons are also obliged to disclose any potential conflict of interest arising from the interests and activities of their Immediate Family, as defined in the Policy. Failure to comply with the Conflict of Interest Policy may disqualify a person from serving as a Designated Person or, if already serving as a Designated Person, may, if the Designated Person is an employee of the Foundation, result in disciplinary action up to and including dismissal, subject to the terms of any applicable employment or collective bargaining agreement or, in the case of a Designated Person who is a Trustee, the Trustee shall be deemed to have resigned.

SECTION 7.03. Designated Persons. "Designated Persons" shall include the following:

- (a) Members of the Board of Directors of the Foundation;
- (b) Members of administration or senior management of the Foundation;

- (c) Committee Chairpersons or members of a Committee with Board delegated powers, who have a direct or indirect ability to influence the use of Foundation resources;
- (d) Persons and/or staff members with the authority to purchase, to select or to influence the purchase of goods or services on behalf of the Foundation; and
- (e) Any other person(s) and/or staff members whom the Board may from time to time designate.

ARTICLE VIII

FISCAL AUTHORITY

SECTION 8.01. Deposits. All funds of the Foundation shall be deposited from time to time to the credit of the Foundation in such banks, trust companies or other depositories as the directors may select.

SECTION 8.02. Gifts. The directors may accept on behalf of the Foundation any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Foundation.

SECTION 8.03. Budget. An annual budget shall be prepared at the President's direction for approval by the directors at their annual meeting.

ARTICLE IX

EXECUTION OF DOCUMENTS

SECTION 9.01. Contracts, etc., How Executed. Unless otherwise determined by the Board, the President or the Treasurer may enter into any contract or execute and deliver any contract or other instrument, the execution of which is not otherwise specifically provided for, in the name and on behalf of the Foundation. The Board, except as otherwise provided in these By-Laws, may authorize any other or additional officer, officers, agent or agents of the Foundation

to enter into any contract or execute and deliver any contract or other instrument in the name and on behalf of the Foundation and such authority may be general or confined to specific instances. Unless authorized to do so by these By-Laws or by the directors, no officer, agent or employee shall have any power or authority to bind the Foundation by any contract or engagement or to pledge its credit or render it liable pecuniarily for any purpose or in any amount.

SECTION 9.02. Checks, Drafts, etc. All of the Foundation's checks, drafts, bills of exchange or other orders for the payment of money, obligations, notes or other evidences of indebtedness, bills of lading, warehouse receipts and insurance certificates shall be signed or endorsed by such of the Foundation's officer, officers, employee or employees as shall from time to time be determined by Board resolution.

SECTION 9.03. Shares Held by Foundation. Any shares of stock issued by any corporation and owned or controlled by the Foundation may be voted at such corporation's shareholders' meeting by the Foundation's President or the Treasurer.

ARTICLE X

SEAL

The seal of the Foundation shall be in the form of a circle and shall bear the Foundation's name and the state and year of its incorporation.

ARTICLE XI

FISCAL YEAR

Except as from time to time otherwise provided by the Board, the Foundation's fiscal year shall commence on the 1st day of October of each year.

ARTICLE XII

MISCELLANEOUS

SECTION 12.01. Personal Liability. Directors and officers of the Foundation shall not be personally liable for any Foundation debt, liability or obligation. All persons, corporations or other entities extending credit to, contracting with or having any claim against the Foundation may look only to the Foundation's funds and property for the payment of any debt, damages, judgment or decree, or of any money that may otherwise become due or payable to them from the Foundation.

SECTION 12.02. Corporate Records. The original or attested copies of the Articles of Incorporation, these By-Laws, and records of all meetings of the Members and the Board and all of the Foundation's records, the names and the record addresses of all directors, Members and officers shall be kept in North Providence, Rhode Island, at the Foundation's principal office or at an office of its Secretary or Resident Agent. Said copies and records need not all be kept in the same office_ They shall be available at all reasonable times for the inspection of any director or officer for any proper purpose, but not to secure a list or other information for the purpose of selling said list or information or copies thereof or of using the same for a purpose other than in the interest of the director or officer relative to the Foundation's affairs. Except as otherwise may be required by law, the Articles or these By-Laws, the Foundation shall be entitled to treat a director's, Member's or officer's record address as shown on its books as the address of such person or entity for all purposes, including the giving of any notices and it shall be the duty of each such person or entity to notify the Foundation of his/her/its latest post office address.

SECTION 12.03. Evidence of Authority. A certificate by the Secretary as to any action taken by a director, officer or representative of the Foundation shall be conclusive evidence of

such action as to all who rely thereon in good faith.

SECTION 12.04. Ratification. Any action taken on behalf of the Foundation by a director, officer or representative of the Foundation which requires authorization by the directors shall be deemed to have been duly authorized if subsequently ratified by the directors retrospectively if action by them was necessary for authorization.

SECTION 1.01. Articles of Incorporation. All references in these By-Laws to the Articles shall be deemed to refer to the Articles, as amended, and in effect from time to time.

ARTICLE XIII

AMENDMENTS

Alterations and repeal of the By-Laws, and new By-Laws not inconsistent with the laws of the State of Rhode Island or with the Articles of Incorporation, may be adopted by the Foundation upon the authorization or approval by the Member after such alteration, repeal or new By-Law is proposed by a majority vote of the Board at any meeting at which a quorum shall be present. The proposed alteration or repeal or of the proposed new By-Laws shall be included in the notice of such Board meeting at which such alteration, repeal or adoption is acted upon.

659504.1

Exhibit 6

PROPOSED REVISIONS TO BY-LAWS
CHANGES REDLINED

REVISED
BY-LAWS
OF
CHARTERCARE HEALTH PARTNERS FOUNDATION

Adopted on August 22, 2011 and revised
on October 8, 2013*

By: _____
Kenneth Belcher, Secretary

*This revision is to address a typographical error in Section 2.01 of the Bylaws which identified CharterCare Health Partners as "SJHSRI" rather "CCHP" and is in furtherance of the resolution approved at a Meeting of the Sole Member and the Directors of St. Joseph Health Services Foundation on August 22, 2011, that changed the name of the Foundation to "CharterCare Health Partners Foundation" and directed that its sole member be CharterCare Health Partners..

ARTICLE I

GENERAL

SECTION 1.01. Name and Purpose. CharterCare Health Partners Foundation (the “Foundation”) is a nonprofit corporation organized exclusively for charitable, scientific and educational purposes within the meaning of Section 501(c) (3) of the Internal Revenue Code of 1986, as amended from time to time (the “Code”), and the regulations promulgated thereunder. Such purposes are set out in Article Third of the Articles of Incorporation of the Foundation, from time to time in effect (the “Articles of Incorporation”).

Notwithstanding any other provision of the Articles of Incorporation or these By-Laws, the Foundation shall not carry on any activities not permitted to be carried on by a corporation exempt from federal income tax under Section 501(c)(3) of the Code or corresponding section of any future federal tax code. No substantial part of the activities of the Foundation shall be carrying on propaganda, or otherwise attempting, to influence legislation (except as otherwise provided by Section 501(h) of the Code), or participating in, or intervening in (including the publication or distribution of statements), any political campaign on behalf of any candidate for public office.

SECTION 1.02. Powers. The Foundation shall have the power, either directly or indirectly, either alone or in conjunction and/or cooperation with others, to do any and all lawful acts and things and to engage in any and all lawful activities which may be necessary, useful, suitable, desirable or proper for the furtherance, accomplishment, fostering or attainment of any or all of the purposes for which the Foundation is organized, and to aid or assist other organizations whose activities are such as to further accomplish, foster, or attain any of the Foundation’s purposes. Notwithstanding anything herein to the contrary, the Foundation shall exercise only such powers as are in furtherance of the exempt purposes of organizations as set

forth in Section 501(c)(3) and the Code and the rules and regulations promulgated thereunder.

SECTION 1.03. Nonprofit Status. The Foundation is not organized for profit and no part of the net earnings of the Foundation shall inure to the benefit of any director or officer. In the event of the liquidation of the Foundation, whether voluntary or involuntary, no director or officer shall be entitled to any distribution or division of the Foundation's property or the proceeds thereof, and upon such liquidation, the balance of all money, assets and other property of the Foundation, after the payment of all its debts and obligations, shall be distributed pursuant to Section 8 of Article Fourth of the Articles of Incorporation.

SECTION 1.04. Principal Office. The principal office of the Foundation shall be located at 200 High Service Avenue, North Providence, Rhode Island. The Foundation may have such other offices or places of business, either within or outside the State of Rhode Island, as the business of the Foundation may require and as the Board of Directors may from time to time establish.

SECTION 1.05. Registered Office. The registered office of the Foundation shall be located 200 High Service Avenue, North Providence, Rhode Island. The registered office may be changed from time to time by the Board of Directors in compliance with the provisions of applicable law.

ARTICLE II

MEMBERSHIP

SECTION 2.01. Membership. The sole Member of the Foundation shall be CharterCare Health Partners ("CCHP"), a Rhode Island non-profit corporation qualifying as tax-exempt under Section 501(c)(3) of the Code. CCHP may from time to time designate a representative who shall act with the full power and authority of the Member. No membership may be assigned

or transferred or encumbered in any manner whatsoever, either voluntarily, involuntarily or by operation of law. Any proposed or attempted assignment, transfer or termination of membership shall be void. Notwithstanding the foregoing, any legally appointed successor to CCHP by way of corporate merger, acquisition or other similar event shall become the sole Member hereof.

SECTION 2.02. Enumerated Powers. The powers of the Members shall be limited to taking action on the activities enumerated below and those activities expressly requiring action of the Members pursuant to law or the Articles of Incorporation:

- (a) election of the ~~independent~~ directors;
- (b) authorization or approval of any amendment to the Articles of Incorporation of the Foundation;
- (c) authorization or approval of any amendment to the By-Laws of the Foundation;
- (d) authorization or approval of any change to the name of the Foundation;
- (e) authorization or approval of any merger, consolidation, reorganization, or sale, transfer, disposition, pledge or hypothecation of all or substantially all of the assets of the Foundation;
- (f) authorization or approval of the establishment and the organizational documents (including any amendment, revision or repeal thereof), of any equity or contractual joint venture between the Foundation and any third party in which the Foundation will have more than a twenty percent (20%) interest in the revenues or profits of the joint venture, excluding contracts in the ordinary course of business;
- (g) authorization or approval of any plan of dissolution, liquidation,

- assignment for the benefit of creditors, petition for voluntary bankruptcy or appointment of a receiver, or any plan for winding up the affairs of the Foundation, or any liquidating distribution by the Foundation;
- (h) authorization or approval of the incurrence of any debt, loan, borrowing, debt guarantee, whether as primary obligor or co-obligor, pledge, lien, hypothecation, security interest or encumbrance on any of the property or assets of the Foundation;
 - (i) authorization or approval of any acquisition or lease of, or interest in, real estate, by the Foundation;
 - (j) authorization or approval of undertaking any expenditure outside of the annual budget whether by contract or otherwise, in excess of \$25,000;
 - (k) authorization or approval of entering into any contract or commitment which involves aggregate payments in excess of \$50,000 in any year; and
 - (l) authorization or approval of the settlement of any litigation or other dispute involving the Foundation.

SECTION 2.03. Annual Meeting. The annual meeting of the Members shall be held on such date and at such place and time as the Board may designate. If such meeting is for any reason not held on the date determined in accordance with this section, a special meeting, as defined below, in lieu of the annual meeting may be held with the same force and effect of the annual meeting.

SECTION 2.04. Special Meetings. A special meeting of the Member may be called at any time by the President, the Board of the Foundation, or by the Member.

SECTION 2.05. Notice. Notice of the annual meeting or any special meeting shall be

given by the Secretary to the Member at the Member's address on file with the Secretary either by mail or electronic communication, at least seven (7) days prior to the meeting and in the case of a special meeting, stating the purpose thereof.

SECTION 2.06. Voting. The Member shall have one (1) vote on all matters on which the Member is entitled to vote.

SECTION 2.07. Action Without a Meeting. Any action required or permitted to be taken by the Member may be taken without a meeting if the Member consents in writing and if such written consent is filed with the records of the Foundation. Such consents shall be treated for all purposes as a vote at a meeting.

ARTICLE III

BOARD OF DIRECTORS

SECTION 3.01. General Powers. The Foundation's property, affairs and business shall be managed by the Board and the Board shall have, and may exercise, all of the powers of the Foundation, except those reserved to the Members by law, the Articles or these By-Laws.

SECTION 3.02. Number; Qualification and Election. The members of the Board serving at the time CharterCARE Health Partners becomes the sole Member of the Foundation shall remain in office until a new Board is elected by the sole Member at its annual meeting or at a special meeting. Commencing with such election the Board shall consist of a total of fifteen (15) directors, which shall include two (2) individuals who shall be ex-officio directors and the remaining thirteen (13) directors not more than seven (7) directors who shall be elected as set forth herein by the Member at its annual meeting or at a special meeting. Each member of the Board shall have equal voting authority. ~~The two (2) ex-officio members of the Board shall be the individuals then serving as the Chief Executive Officer ("CEO") and the Chief Financial~~

~~Officer (“CFO”) of CharterCARE Health Partners and the thirteen (13) remaining members of the Board shall consist of four (4) individuals selected by the Member from among those individuals who are then serving as members of the CharterCARE Health Partners Board of Trustees, two (2) individuals selected by the Member from among those individuals who are then serving as members of the Roger Williams Medical Center Board of Trustees, two (2) individuals selected by the Member from among those individuals who are then serving as members of the CharterCare Health Partners Board of Trustees and five (5) individuals who shall be independent directors. An ex officio director who is no longer serving as either the CEO or the CFO of CharterCARE Health Partner shall be immediately replaced by the individual then serving in that capacity and a director who was selected by the Member as set forth herein from among the members of the Board of Trustees of CharterCARE Health Partners, Roger Williams Medical Center or CharterCare Health Partners who is no longer serving in that capacity shall be immediately replaced by the individual then serving in that capacity.~~

SECTION 3.03. Nomination Process. The Nominating Committee of the Member shall serve as the Nominating Committee. At least fifteen (15) days prior to the Member’s annual meeting or a special meeting called for the election or replacement of directors of the Foundation, the Nominating Committee shall provide to the Board of Trustees of the Member a list of nominees for election as ~~independent directors and a list of nominees for election as~~ directors from the members of the Boards of Trustees of CharterCARE Health Partners, Roger Williams Medical Center and CharterCare Health Partners. The Nominating Committee shall adopt such procedures, including procedures for the solicitation of potential nominees, as are necessary to carry out its duties.

SECTION 3.04. Increase and Decrease in Number. The number and designation of

directors of the Foundation may be modified from time to time by majority vote of the Board.

SECTION 3.05. Term. Each director, ~~other than ex officio directors and other than as set forth herein,~~ shall hold office for a three (3) year term, up to a maximum of two (2) terms, and until a successor shall have been duly appointed and qualified or until death, resignation or removal in the manner hereinafter provided ~~and each ex officio director shall hold office so long as he or she is serving as either the CEO or the CFO of CharterCARE Health Partners.~~ Terms of the initial directors elected after CharterCARE Health Partners becomes the sole Member at its annual meeting or at a special meeting shall be staggered such that each year the terms of a portion of the directors shall expire.

SECTION 3.06. Quorum and Voting. A majority of the total number of directors at the time in office shall constitute a quorum for the transaction of business at any meeting. In the absence of a quorum, a majority of the directors present may adjourn any meeting from time to time without further notice until a quorum be had. Each director shall have one (1) vote on all matters addressed by the Board. The directors shall act only as a Board, and the individual director shall have no power as such.

SECTION 3.07. Place of Meetings. The Board may hold its meetings at any place within or without the State of Rhode Island as it may from time to time determine and shall be specified or fixed in the respective notices or waivers of notice thereof.

SECTION 3.08. Action Without a Meeting. Any action required or permitted to be taken by the directors may be taken without a meeting if all of the directors consent in writing and if the written consents are filed with the Foundation's records. Such consents shall be treated for all purposes as a vote at a meeting.

SECTION 3.09. Telephonic Participation In Meetings. Directors may participate in their

respective meetings by means of telephone conference call or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time, and participation by such means shall constitute presence in person at a meeting.

SECTION 3.10. Annual Meetings. The annual meeting of the Board shall be held immediately following the Members' annual meeting. If any day in which the annual meeting is fixed shall be a legal holiday, then the meeting shall be held on the next succeeding business day that is not a legal holiday. If for any reason such annual meeting is omitted, a special meeting may be held in place thereof and any business transacted or elections held at such special meeting shall have the same effect as if transacted at the annual meeting. Purposes for which an annual meeting is to be held, in addition to those prescribed by law or these By-Laws, may be specified by the President or by a majority of the Board.

SECTION 3.11. Regular Meetings. Regular meetings of the Board shall be held as often as the Board shall determine from time to time by vote. If any day fixed for a regular meeting shall be a legal holiday at the place where the meeting is to be held, then the meeting which would otherwise be held on that day shall be held at the same hour on the next succeeding business day that is not a legal holiday. Notice of regular meetings need not be given.

SECTION 3.12. Special Meetings; Notice. Special meetings of the Board shall be held whenever called by the President. Notice of each such meeting shall be given by the Secretary or the person calling the meeting by mailing such notice addressed to each director at his/her residence or usual place of business, or conveying such notice electronically, verbally by telephone or personally, at least twenty-four (24) hours before the time at which the meeting is to be held. Every such notice shall state the time and place of the meeting, but need not state the purpose thereof except as otherwise expressly provided in these By-Laws. A statement contained

in the minutes of any Board meeting over the signature of the Secretary to the effect that due notice of such meeting has been given shall be conclusive evidence that proper notice of such Meeting has been duly given.

SECTION 3.13. Waiver of Notice. Notice of the time, place and purpose (unless otherwise specified) of any Board meeting may be waived in writing by any director either before or after such meeting and attendance in person at a Board meeting or any meeting held in lieu thereof shall be equivalent to having waived notice thereof.

SECTION 3.14. Resignation of Directors. Any director may resign at any time by providing written notice to the Board, the President or the Secretary. Any director's resignation shall take effect at the time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

SECTION 3.15. Removal/Replacement of Directors. Subject to these By-Laws, any director may be removed and/or replaced, either with or without cause, ~~by the vote of a majority of the directors at a special meeting called for said purpose~~ by the Member.

SECTION 3.16. Vacancies. In the case of director vacancies caused by death, resignation, removal, disqualification or any other cause, ~~the Board, by an affirmative vote of a majority of the directors then in office~~ the Member, shall use best efforts to elect a duly-qualified individual to serve the remainder of the departing director's term. Notwithstanding the foregoing, any actions taken at a meeting or as otherwise provided herein while such positions are vacant shall be valid so long as a quorum is then present.

SECTION 3.17. Compensation. No director shall receive any compensation for his/her services as a director of the Foundation.

ARTICLE IV

COMMITTEES

SECTION 4.01. Appointment. The Board may from time to time by vote create such committees of directors, officers, employees or other persons for the purpose of advising the Foundation's Board, officers and/or employees in all such matters as the Board shall deem advisable and with such functions and duties as the Board shall prescribe by vote. Each committee shall have a chairperson appointed by the President. Unless otherwise expressly required in these By-Laws, committee members shall be appointed by the President; provided, however, that any such appointment may be reversed by majority vote of the Board. Committee members may be but need not be directors. The Board shall have power to increase or decrease the number of members on any committee at any time and to discharge any such committee, either with or without cause, at any time.

SECTION 4.03. Meetings and Notice. Committee meetings may be called by the President or the committee chairperson. Each committee shall meet as often as necessary and appropriate to perform its duties. Notice of a meeting's date, time and place shall be given at such time and in such manner as to provide reasonable notice to committee members of the meeting. Each committee shall keep minutes of its proceedings.

SECTION 4.04. Removal and Vacancies. The President may remove any committee member or chairperson whose selection is not otherwise specified in the By-Laws. Vacancies in any committee's membership may be filled by appointments made in the same manner as provided for in the original appointments.

SECTION 4.05. Quorum. Unless otherwise provided in the Board's resolution designating a committee, each committee member shall have one (1) vote and a majority of the

whole committee shall constitute a quorum. The act of a majority of the members present at a committee meeting at which a quorum is present shall constitute the act of the committee.

SECTION 4.06. Rules. Each committee may adopt rules for its own governance not inconsistent with these By-Laws or with any roles adopted by the directors.

ARTICLE V

OFFICERS

SECTION 5.01. Enumeration. The officers of the Foundation shall consist of a President, a Secretary, and a Treasurer, and such other officers as the Board may from time to time appoint. Each officer of the Foundation shall be a director.

SECTION 5.02. Election, Qualifications and Term of Office. The officers shall be elected by the Board at the annual meeting of the Foundation or special meeting held in lieu thereof. Each officer shall hold office for a one (1) year term and until a successor shall have been duly elected and qualified or until death, resignation, disqualification or removal in the manner hereinafter provided.

SECTION 5.03. Removal. Any officer may be removed, either with or without cause, by the vote of a majority of the directors at a special meeting called for said purpose.

SECTION 5.04. Resignation. Any officer may resign at any time by giving written notice to the Board or to the Secretary. Any such resignation shall take effect at the date of receipt of such notice or at any later time specified herein and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

SECTION 5.05. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled for the unexpired portion of the term by the Board at any regular or special meeting Member.

SECTION 5.06. The President. The President shall act as chair of the Board and have general charge and supervision of the affairs of the Foundation. The President shall perform such other duties assigned to him/her by the Board.

SECTION 5.08. The Secretary. The Secretary shall record or cause to be recorded all the proceedings of Board meetings and meetings of all committees to which a secretary shall not have been appointed; shall see that all notices are duly given in accordance with the provisions of these By-Laws and as required by law; shall be custodian of the records and of the Foundation's seal; and have such other powers and perform such other duties as the Board may from time to time prescribe.

SECTION 5.09. The Treasurer. The Treasurer shall have charge and custody of, and be responsible for, all Foundation funds, credits and property, render a statement concerning the condition of the Foundation's finances at all regular meetings and, upon the Board's request, make a full financial report to the Board. The Treasurer also shall have charge of the Foundation's books and records of account, which shall be kept at such office of the Foundation as the Board shall from time to time designate; be responsible for the keeping of correct and adequate records of the Foundation's assets, liabilities, business and transactions and at all reasonable times exhibit the books and records of account to any of the directors; review the Foundation's budget annually; be responsible for monitoring the budget; and, in general, perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned by the Board or the President.

SECTION 5.10. Other Officers. Each other officer chosen by the directors shall perform such duties and have such powers as may be designated from time to time by the Board.

SECTION 5.11. Other Powers and Duties. Each officer shall, subject to these By-Laws

and in addition to the duties and powers specifically set forth in these By-Laws, have such duties and powers as are customarily incident to his/her office. The exercise of any power which by law, the Articles or these By-Laws, or in accordance with any vote of the Board, may be exercised by a Foundation officer only in the event of another officer's absence or any other contingency, shall bind the Foundation in favor of anyone relying therein in good faith, whether or not such absence or contingency existed.

SECTION 5.12. Bonding. Any officer, employee, agent or factor shall give such bond with such surety or sureties for the faithful performance of his/her duties as the Board may from time to time require.

ARTICLE VI

INDEMNIFICATION OF DIRECTORS AND OFFICERS

SECTION 6.01. Indemnification. Subject to the exclusions hereinafter set forth, the Foundation will indemnify an Indemnified Person against and hold the Indemnified Person harmless from any Covered Loss or Covered Expenses.

SECTION 6.02. Advance Payment of Covered Expenses. The Foundation will pay the Covered Expenses of an Indemnified Person in advance of the final disposition of any Proceeding. The advance payment of Covered Expenses will be subject to the Indemnified Person's first agreeing in writing with the Foundation to repay the sums paid by it hereunder if it is thereafter determined that the Proceeding involved an Excluded Claim or that the Indemnified Person was otherwise not entitled to indemnity under this Article VI.

SECTION 6.03. Exclusions.

(a) The Foundation will not be liable to pay any Covered Loss or Covered Expense (an "Excluded Claim"):

- (i) With respect to a Proceeding, if the Foundation determines that the Indemnified Person (i) did not conduct himself or herself in good faith, (ii) engaged in intentional misconduct, and (iii) in the case of a criminal proceeding, knowingly violated the law;
- (ii) With respect to a Proceeding in which a final judgment or other final adjudication determines that the Indemnified Person is liable on the basis that personal benefit was improperly received by him or her;
- (iii) For which the Indemnified Person is otherwise indemnified or reimbursed;
or
- (iv) If a final judgment or other final adjudication determines that such payment is unlawful.

(b) With respect to a Proceeding by or on behalf of the Foundation in which the Indemnified Person is adjudged to be liable to the Foundation, the Foundation may indemnify the Indemnified Person for his or her Covered Expenses but shall not indemnify the Indemnified Person for his or her Covered Loss.

(c) Notwithstanding any other provisions herein, the Foundation shall indemnify an Indemnified Person for any Covered Expense in the event that the Indemnified Person is wholly successful, on the merits or otherwise, in the defense of any Proceeding under Section 6.03(a)(i).

SECTION 6.04. Notice to Foundation; Insurance. Promptly after receipt by the Indemnified Person of the notice of the commencement of or the threat of commencement of any Proceeding, the Indemnified Person will, if indemnification with respect thereto may be sought from the Foundation under this Article VI, notify the Foundation of the commencement thereof. If, at the time of the receipt of such notice, the Foundation has any directors' and officers'

liability insurance in effect, the Foundation will give prompt notice of the commencement of such Proceeding to the insurer in accordance with the procedures set forth in the policy or policies in favor of the Indemnified Person. The Foundation will thereafter take all necessary or desirable action to cause such insurer to pay, on behalf of the Indemnified Person, any and all Covered Loss and Covered Expense payable as a result of such Proceeding in accordance with the terms of such policies.

SECTION 6.05. Indemnification Procedures.

(a) Payments on account of the Foundation's indemnity against Covered Loss will be subject to the Foundation's first determining that the Covered Loss results from a claim which is not an Excluded Claim. Such a determination will be made by a majority vote of a quorum of Trustees not at the time parties to the Proceeding or ~~by majority vote~~ of the Members. The determination required by this Section 6.05 will be made within sixty (60) days of the Indemnified Person's written request for payment of a Loss, and if it is determined that the Covered Loss is not an Excluded Claim, payment will be made forthwith thereafter.

(b) Payment of an Indemnified Person's Covered Expenses in advance of the final disposition of any Proceeding will be made within twenty (20) days of the Indemnified Person's written request therefor. Any determination required as to the reasonableness of requested Covered Expenses shall be made in accordance with Section 6.05(a). From time to time prior to the payment of Covered Expenses, the Foundation may, but is not required to, determine (in accordance with Section 6.05(a) above) whether the Covered Expenses claimed may reasonably be expected, upon final disposition of the Proceeding, to constitute an Excluded Claim. If such a determination is pending, payment of the Indemnified Person's Covered Expenses may be delayed up to sixty (60) days after the Indemnified Person's written request therefor, and if it is

determined that the Covered Expenses are not an Excluded Claim, payment will be made forthwith thereafter.

SECTION 6.06. Settlement. The Foundation will have no obligation to indemnify the Indemnified Person under this Article VI for any amounts paid in settlement of any Proceeding effected without the Foundation's prior written consent. The Foundation will not unreasonably withhold or delay its consent to any proposed settlement. The Foundation may consent to a settlement subject to the requirement that a determination thereafter will be made as to whether the Proceeding involved an Excluded Claim or not.

SECTION 6.07. Rights Not Exclusive. The rights provided hereunder will not be deemed exclusive of any other rights to which the Indemnified Person may be entitled under the Act, any agreement, vote of disinterested directors or otherwise, both as to action in the Indemnified Person's official capacity and as to action in any other capacity while holding such position or office, and shall continue after the Indemnified Person ceases to serve the Foundation in an official capacity.

SECTION 6.08. Enforcement.

(a) The Indemnified Person's right to indemnification hereunder will be enforceable by the Indemnified Person in any court of competent jurisdiction and will be enforceable notwithstanding that an adverse determination has been made as provided in Section 6.05 above.

(b) In the event that any action is instituted by the Indemnified Person under this Article VI to enforce or interpret any of the terms of this Article VI, the Indemnified Person will be entitled to be paid all court costs and expenses, including reasonable attorneys' fees, incurred by the Indemnified Person with respect to such action, unless the court determines that each of the material assertions made by the Indemnified Person as a basis for such action was not made

in good faith or was frivolous.

SECTION 6.09. Successors and Assigns. This Article VI will be (a) binding upon all successors and assigns of the Foundation (including any transferee of all or substantially all of its assets); and (b) binding on and inure to the benefit of the heirs, executors, administrators, and other personal representatives of the Indemnified Person. If the Foundation sells or otherwise transfers all or substantially all of its assets to a third party, the Foundation will, as a condition of such sale or other transfer, require such third party to assume and perform the obligations of the Foundation under this Article VI.

SECTION 6.10. Amendment. No amendment of this Article VI will be effective as to an Indemnified Person without such Indemnified Person's written consent.

SECTION 6.11. Insurance. The Foundation shall have, to the fullest extent permitted by state and federal law, the power to purchase and maintain insurance on behalf of any Indemnified Person against any liability asserted against or incurred by an Indemnified Person arising out of his or her status as an Indemnified Person whether or not the Foundation would have the power to indemnify the Indemnified Person against such liability pursuant to this Article VI.

SECTION 6.12. Definitions.

"Covered Act" means any act or omission by an Indemnified Person in the Indemnified Person's official capacity as a member of the governing body, director, trustee, officer, employee or agent of another limited liability company, corporation, partnership, joint venture, trust or other entity or enterprise, including entities and enterprises which are subsidiaries or affiliates of the Foundation, or employee benefit plan.

"Covered Expense" means any reasonable expense incurred by an Indemnified Person in connection with the defense of any claim made against the Indemnified Person for Covered Acts

including legal, accounting or investigative fees and expenses, including the expense of bonds necessary to pursue an appeal of an adverse judgment.

“Covered Loss” means any amount which an Indemnified Person is legally obligated to pay as a result of any claim made against the Indemnified Person for a Covered Act including judgment for, and awards of, damages, amounts paid in settlement of any claim, any fine or penalty or, with respect to an employee benefit plan, any excise tax or penalty.

“Excluded Claim” is defined in Section 6.03.

“Indemnified Person” means any individual who is or was a director or officer of the Foundation.

“Proceeding” means any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative.

ARTICLE VII

CONFLICT OF INTEREST

SECTION 7.01. Policy Adoption. The Foundation is committed to pursuing its mission and to conducting its affairs in accordance with high professional, ~~religious~~ and ethical standards which include the avoidance of detrimental conflicts of interest. The Foundation believes that avoiding such conflicts is imperative in preserving the public’s trust. Persons who agree to serve the Foundation should not use their position for personal gain, or to expose the Foundation to potential harm as a result of conflict of interest.

The Foundation shall adopt and maintain a Conflict of Interest Policy which applies to Designated Persons, as defined below, and deliberations by the Board and its committees.

SECTION 7.02. General Principles. Any Designated Person has an obligation to:
(i) protect decisions involving the Foundation against conflicts of interest; (ii) maintain the

confidentiality of information obtained through service to the Foundation; (iii) assure that the Foundation acts for the benefit of the community as a whole rather than for the private benefit of a Designated Person; and (iv) fully disclose any personal business opportunities that are competitive with the Foundation or in which the Foundation would have an interest. In the furtherance of these obligations all Designated Persons shall exercise the utmost good faith in all transactions touching upon their duties to the Foundation or its property. In their dealings with and on behalf of the Foundation, they shall be held to a strict standard of honest and fair dealing. Designated Persons shall scrupulously avoid any conflict between their individual interests and the interests of the Foundation in any and all actions taken by them. They shall disclose any interests or activities in which they are involved or become involved, directly or indirectly, that could conflict with the interests or activities of the Foundation and shall obtain approval prior to commencing, continuing, or consummating any activity or transaction which raises a possible conflict of interest. Designated Persons are also obliged to disclose any potential conflict of interest arising from the interests and activities of their Immediate Family, as defined in the Policy. Failure to comply with the Conflict of Interest Policy may disqualify a person from serving as a Designated Person or, if already serving as a Designated Person, may, if the Designated Person is an employee of the Foundation, result in disciplinary action up to and including dismissal, subject to the terms of any applicable employment or collective bargaining agreement or, in the case of a Designated Person who is a Trusteedirector, the Trusteedirector shall be deemed to have resigned.

SECTION 7.03. Designated Persons. “Designated Persons” shall include the following:

- (a) Members of the Board of Directors of the Foundation;
- (b) Members of administration or senior management of the Foundation;

- (c) Committee Chairpersons or members of a Committee with Board delegated powers, who have a direct or indirect ability to influence the use of Foundation resources;
- (d) Persons and/or staff members with the authority to purchase, to select or to influence the purchase of goods or services on behalf of the Foundation; and
- (e) Any other person(s) and/or staff members whom the Board may from time to time designate.

ARTICLE VIII

FISCAL AUTHORITY

SECTION 8.01. Deposits. All funds of the Foundation shall be deposited from time to time to the credit of the Foundation in such banks, trust companies or other depositories as the directors may select.

SECTION 8.02. Gifts. The directors may accept on behalf of the Foundation any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Foundation.

SECTION 8.03. Budget. An annual budget shall be prepared at the President's direction for approval by the directors at their annual meeting.

ARTICLE IX

EXECUTION OF DOCUMENTS

SECTION 9.01. Contracts, etc., How Executed. Unless otherwise determined by the Board, the President or the Treasurer may enter into any contract or execute and deliver any contract or other instrument, the execution of which is not otherwise specifically provided for, in the name and on behalf of the Foundation. The Board, except as otherwise provided in these By-Laws, may authorize any other or additional officer, officers, agent or agents of the Foundation

to enter into any contract or execute and deliver any contract or other instrument in the name and on behalf of the Foundation and such authority may be general or confined to specific instances. Unless authorized to do so by these By-Laws or by the directors, no officer, agent or employee shall have any power or authority to bind the Foundation by any contract or engagement or to pledge its credit or render it liable pecuniarily for any purpose or in any amount.

SECTION 9.02. Checks, Drafts, etc. All of the Foundation's checks, drafts, bills of exchange or other orders for the payment of money, obligations, notes or other evidences of indebtedness, bills of lading, warehouse receipts and insurance certificates shall be signed or endorsed by such of the Foundation's officer, officers, employee or employees as shall from time to time be determined by Board resolution.

SECTION 9.03. Shares Held by Foundation. Any shares of stock issued by any corporation and owned or controlled by the Foundation may be voted at such corporation's shareholders' meeting by the Foundation's President or the Treasurer.

ARTICLE X

SEAL

The seal of the Foundation shall be in the form of a circle and shall bear the Foundation's name and the state and year of its incorporation.

ARTICLE XI

FISCAL YEAR

Except as from time to time otherwise provided by the Board, the Foundation's fiscal year shall commence on the 1st day of October of each year.

ARTICLE XII

MISCELLANEOUS

SECTION 12.01. Personal Liability. Directors and officers of the Foundation shall not be personally liable for any Foundation debt, liability or obligation. All persons, corporations or other entities extending credit to, contracting with or having any claim against the Foundation may look only to the Foundation's funds and property for the payment of any debt, damages, judgment or decree, or of any money that may otherwise become due or payable to them from the Foundation.

SECTION 12.02. Corporate Records. The original or attested copies of the Articles of Incorporation, these By-Laws, and records of all meetings of the Members and the Board and all of the Foundation's records, the names and the record addresses of all directors, Members and officers shall be kept in North Providence, Rhode Island, at the Foundation's principal office or at an office of its Secretary or Resident Agent. Said copies and records need not all be kept in the same office. They shall be available at all reasonable times for the inspection of any director or officer for any proper purpose, but not to secure a list or other information for the purpose of selling said list or information or copies thereof or of using the same for a purpose other than in the interest of the director or officer relative to the Foundation's affairs. Except as otherwise may be required by law, the Articles or these By-Laws, the Foundation shall be entitled to treat a director's, Member's or officer's record address as shown on its books as the address of such person or entity for all purposes, including the giving of any notices and it shall be the duty of each such person or entity to notify the Foundation of his/her/its latest post office address.

SECTION 12.03. Evidence of Authority. A certificate by the Secretary as to any action taken by a director, officer or representative of the Foundation shall be conclusive evidence of

such action as to all who rely thereon in good faith.

SECTION 12.04. Ratification. Any action taken on behalf of the Foundation by a director, officer or representative of the Foundation which requires authorization by the directors shall be deemed to have been duly authorized if subsequently ratified by the directors retrospectively if action by them was necessary for authorization.

SECTION 1.01. Articles of Incorporation. All references in these By-Laws to the Articles shall be deemed to refer to the Articles, as amended, and in effect from time to time.

ARTICLE XIII

AMENDMENTS

Alterations and repeal of the By-Laws, and new By-Laws not inconsistent with the laws of the State of Rhode Island or with the Articles of Incorporation, may be adopted by the Foundation upon the authorization or approval by the Member after such alteration, repeal or new By-Law is proposed by a majority vote of the Board at any meeting at which a quorum shall be present. The proposed alteration or repeal or of the proposed new By-Laws shall be included in the notice of such Board meeting at which such alteration, repeal or adoption is acted upon.

666422.1

Exhibit 7



CharterCARE Health Partners Foundation
Board of Directors Meeting
October 30, 2014-Meeting Minutes

In attendance: Peter DeBlasio, MD; Donald C. McQueen, Patricia Wegzryn, Ellen McCarty, Paula Iacono.
Attending via conference call: Richard Beretta, Abby Maizel, MD

Don called the meeting to order. The proposed slate of officers was unanimously approved:

Donald C. McQueen, President
Patricia Wegzryn McGreen, Treasurer
Peter DeBlasio, MD, Secretary

The board also **voted** to approve the Unanimous Written Consent of the Sole Member and Members of the Board of Directors of CharterCARE Health Partners Foundation. The revised bylaws were unanimously accepted.

Paula provided a progress report on the transition summary to date (copy attached).

Discussion followed regarding investment management options/policies. Don and Paula reported on their meeting with the RI Foundation. RI Foundation has the local reputation and transparency, as well as proven track record for returns....that is of interest to us. Dr. DeBlasio asked that we have at least one or two other proposals for comparison. It was determined that both the RI Foundation and Wells Fargo would be invited to formally present to the Foundation at the next board meeting.

Discussion ensued re annual golf tournament. Paula presented an estimate of projected net revenue from the tournament reducing the number of courses to one would still garner approximately \$60-\$75K for the Foundation. There were concerns about expending the sole staff member's time and energy; would it be successful, given that a majority of sponsors were hospital vendors and likely would not be supportive; and finally did a fundraiser of this type fit with the mission and strategic plan of the new Foundation. Don asked board members to consider all points of view and then weigh in via email to Paula. (Subsequently, the board members decided not to hold this year's tournament. Paula will release the dates at the golf courses).

There being no further business, the meeting was adjourned at 5:15 pm.

Respectfully submitted,

Peter F. DeBlasio, Jr., MD, Secretary

Exhibit 8

Charter CARE
Foundation

BYLAWS

Adopted October 30, 2014

Peter F. DeBlasio, Jr., MD, Secretary

ARTICLE I – GENERAL

SECTION 1.01: Name and Purpose. CharterCARE Foundation (“the Foundation”) is a nonprofit 501©3 entity organized exclusively for charitable, scientific, and educational purposes within the meaning of Section 501©3 of the Internal Revenue Code of 1986, as amended from time to time (the “Code”), and the regulations promulgated thereunder. Such purposes are set out in Article Three of the Articles of Incorporation of the Foundation, from time to time in effect (the “Articles of Incorporation”).

Notwithstanding any other provision of the Articles of Incorporation or these Bylaws, the Foundation shall not carry on any activities not permitted to be carried on by a corporation exempt from federal income tax under Section 501©3 of the Code, or corresponding section of any future federal tax code.

No substantial part of the activities of the Foundation shall be carrying on propaganda, or otherwise attempting to influence legislation (except as otherwise provided by Section 501©3 of the Code), or participating in, or intervening in (including the publication or distribution of statements), any political campaign on behalf of any candidate for public office.

SECTION 2.01: Powers. The Foundation shall have the power either directly or indirectly, either alone or in conjunction and/or cooperation with others, to do any and all lawful acts and things and to engage in any and all lawful activities which may be necessary, useful suitable, desirable or proper for the furtherance, accomplishment, fostering, or attainment of any and all purposes for which the Foundation is organized, and to aid or assist other organizations whose activities are such as to further accomplish, foster, or attain any of the Foundation’s purposes. Notwithstanding anything herein to the contrary, the Foundation shall exercise only such powers as are in furtherance of the exempt purposes of organizations as set forth in Section 501©3 and the Code, and the rules and regulations promulgated thereunder.

SECTION 3.01 Nonprofit Status. The Foundation is not organized for profit and no part of the net earnings of the Foundation shall inure to the benefit of any director or officer. In the event of the liquidation of the Foundation, whether voluntary or involuntary, no director or officer shall be entitled to any distribution or division of the Foundation’s property or the proceeds thereof, and upon such liquidation, the balance of all money, assets, and other property of the Foundation, after the payment of all its debts and obligations, shall be distributed pursuant to Section 8 of Article Fourth of the Articles of Incorporation.

SECTION 4.01: Principal Office. The principal office of the Foundation shall be located at 200 High Service Avenue, North Providence, as long as it is financial feasible to do so. If at any time the board and officers of the Foundation determine that a more cost effective location can be determined, the Foundation offices may be moved.

SECTION 5.01: Registered Office. The registered office will be at the same location as the Principal Office (See Section 4 above). The registered office may be changed from time to time by the Board of Directors in compliance with the provisions of applicable law.

ARTICLE II – MEMBERSHIP

SECTION 2.01: Membership. The sole Member of the Foundation shall be the CharterCARE Foundation (“CCHP Foundation”), a Rhode Island no-for-profit corporation qualifying as tax-exempt under Section 501©3 of the Code. CCHP Foundation may from time to time designate a representative who shall act with the full power and authority of the Member. No membership may be assigned or transferred or encumbered in any manner whosoever, either voluntarily, involuntarily, or by operation of law. Any proposed or attempted assignment, transfer, or termination of membership shall be void. Notwithstanding the foregoing, any legally appointed successor to CCHP Foundation by way of corporate merger, acquisition, or other similar event shall become the sole Member hereof.

SECTION 2.02: Enumerated Powers. The powers of the Members shall be limited to taking action on the activities enumerated below, and those activities expressly requiring action of the Members pursuant to law or the Articles of Incorporation:

- (a) Election of independent directors;
- (b) Authorization or approval of any amendment to the Articles of Incorporation of the Foundation;
- (c) Authorization or approval of any amended to the Bylaws of the Foundation;
- (d) Authorization or approval of any change to the name of the Foundation;
- (e) Authorization or approval of any merger, consolidation, reorganization or sales, transfer, disposition, pledge or hypothecation of all or substantially all of the assets of the Foundation;
- (f) Authorization or approval of the establishment and the organizational documents (including any amended, revision or repeal thereof) of any equity or contractual joint venture between the Foundation and any third party in which the Foundation will have more than a twenty percent (20%) interest in the revenues or profits of the joint venture, excluding contracts in the ordinary course of business;
- (g) Authorization or approval of any plan of dissolution, liquidation, assignments for the benefit of creditors, petition for voluntary bankruptcy or appointment of a receiver, or any plan for winding up the affairs of the Foundation, or any liquidating distribution by the Foundation;
- (h) Authorization or approval of the incurrence of any debt, loan, borrowing, debt guarantee, whether as primary obligor or co-obligor, pledge, lien, hypothecation, security interest or encumbrance on any of the property or assets of the Foundation;
- (i) Authorization or approval of any acquisition or lease of, or interest in, real estate by the Foundation;
- (j) Authorization or approval of undertaking any expenditure outside of the annual budget whether by contract or otherwise, in excess of \$25,000;
- (k) Authorization or approval of entering into any contract or commitment which involves aggregate payments in excess of \$50,000 in any year; and
- (l) Authorization or approval of the settlement of any litigation or other dispute involving the Foundation.

SECTION 2.03: Annual Meeting. The annual meeting of the Foundation shall be held on such date and time and at such place and time as the Board may designate. If such meeting is for any reason not held on the date determined in accordance with this section, a special meeting, as defined below, in lieu of the annual meeting, may be held with the same force and effect of the annual meeting.

SECTION 2.04: Special Meetings. A special meeting of the CharterCARE Foundation may be called at any time by the President, the Board of the Foundation or by the Member.

SECTION 2.05: Notice. Notice of the annual meeting or any special meeting shall be given by the Secretary to the Member at the Member's address on file with the Secretary either by mail or electronic communication, at least seven (7) days prior to the meeting, and in the case of a special meeting, stating the purpose thereof.

SECTION 2.06: Voting. All duly elected Board Members in good standing shall have a vote on matters pertaining to the Foundation that come before the Board for vote. The vote may be mandated to be in person or may, at the discretion of the Chair, be made by telephone, email, or proxy, depending on the nature of the issue being held to a vote.

SECTION 2.07 Action Without a Meeting. Any action required or permitted to be taken by the Foundation may be taken without a meeting at the discretion of the Board Chair and officer of the Foundation. Such actions shall be treated for all purposes as a vote at a meeting.

ARTICLE III – BOARD OF DIRECTORS

SECTION 3.1: General Powers. The Foundation's property, affairs, and business shall be managed by the Board, and the Board shall have, and may exercise, all of the powers of the Foundation, except those reserved by law, the Articles or these BY-Laws.

SECTION 3.2: Number, Qualification & Election. The members of the Board serving at the time CharterCARE Foundation becomes the sole member shall remain in office until a new Board is elected by the Foundation at an annual meeting, or a special meeting. Commencing with such election, the Board shall consist of a minimum of 9 members and a maximum of 15, which shall include one representative from the medical staffs of each of the Heritage Hospitals. However employees of either Heritage Hospital, vendors, Foundation grant beneficiaries, or grant applicants are prohibited from serving on the Board to avoid any potential or perceived conflict of interest or preferred treatment.

Each member of the board shall have equal voting authority. The Executive Director of the Foundation shall serve as an ex-officio member of the Board.

SECTION 3.03: Nominating Process. The Nominating Committee of the Foundation Board shall be responsible for providing a list of nominees for election as independent directors at least 15 days prior to the Annual Meeting of the Foundation (or a designated special meeting). The Nominating Committee of the Board will be responsible for creating a nomination process; and once approved by the full Board, for the Nominating Committee to administer.

SECTION 3.04: Increase/Decrease in Number. The number and designation of directors of the Foundation may be modified from time to time by majority vote of the Board.

SECTION 3.05: Terms. Each director, other than ex-officio directors and other than as set forth therein, shall hold office for a three (3) year term, up to a maximum of two consecutive terms, until a successor shall have been duly appointed and qualified, or until death, resignation or removal in the manner hereinafter provided. And each ex-officio director shall hold office so long as he or she is serving as ED of the Foundation. Terms of the initial directors elected after the Foundation has been established shall be staggered such that each year the terms of a portion of the directors shall expire.

SECTION 3.06: Quorum & Voting. A majority of the total number of directors at the time in office shall constitute a quorum for the transaction of business at any meeting. In the absence of a quorum, a majority of the directors present may adjourn any meeting from time to time without further notice until a quorum be had. Each director shall have one (1) vote on all matters addressed by the Board. The directors shall act only as a Board, and the individual director shall have no power as such.

SECTION 3.07: Location of Meetings: The Board may hold its meetings at any place within or without the State of RI as it may from time to time determine and shall be specified or fixed in the respective notices or waivers of notice thereof.

SECTION 3.08: Action Without a Meeting. Any action required or permitted to be taken by the directors may be taken without a meeting if all of the directors consent in writing, and if the written consents are filed with the Foundation's record. Such consents shall be treated for all purposes as a vote at a meeting.

SECTION 3.09: Telephone Participation in Meetings. Directors may participate in their respective meetings by means of telephone conference call or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time, and participation by such means shall constitute presence in person at a meeting.

SECTION 3.10: Regular Meetings. Regularly scheduled meetings of the Board of the Foundation shall be held as often as the Board shall determine from time to time by vote, likely monthly or quarterly depending on the volume of business of the Foundation that requires Board attention. Meetings shall not be held on legal holidays. Note of regular meetings shall be provided to directors.

SECTION 3.11: Special Meeting Notice. Special meetings of the Board shall be held whenever called by the Chair. Notice of each such meeting shall be given by the Secretary or person calling the meeting by mailing such notice addressed to each director at his/her preferred mailing address or conveying such notice electronically, verbally by phone or in person, at least twenty-four (24) hours before the time of the meeting. Every such notice shall state the time and place of the meeting, but need not state the purpose, except as otherwise expressly provided for in these Bylaws. A statement contained in the minutes of any Board meeting over the signature of the Secretary to the effect that due notice of such meeting has been given, shall be conclusive evidence that proper notice of such meeting has been duly given.

SECTION 3.12: Waiver of Notice. Notice of the time, place, and purpose (unless otherwise specified) of any Board meeting may be waived in writing by any director either before or after such meeting and attendance in person at a Board meeting or any meeting held in lieu thereof shall be equivalent to having waived notice thereof.

SECTION 3.13: Resignation of Directors. Any director may resign at any time by providing written notice to the Board, the President or the Secretary. Any director's resignation shall take effect at the time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

SECTION 3.14: Removal of Directors. Subject to these Bylaws any director may be removed, either with or without cause, by the vote of a majority of the directors at a special meeting called for such purpose.

SECTION 3.15: Vacancies. In the case of director vacancies caused by death, resignation, removal, disqualification or any other cause, the Board, by an affirmative vote of a majority of the directors then in office, shall use best efforts to elect a duly-qualified individual to serve the remainder of the departing director's term. Notwithstanding the foregoing, any actions taken at a meeting or as otherwise provided herein while such positions are vacant, shall be valid so long as a quorum is then present.

SECTION 3.16: Compensation. No director shall receive any compensation for his/her services as a director of the Foundation.

ARTICLE IV – COMMITTEES

SECTION 4.1: Appointment. The Board may from time to time by vote, create such committees of directors, officers, employees or other persons for the purpose of advising the Foundation's Board, officers and/or employees in all such matters as the Board shall deem advisable, and with such functions and duties as the Board shall prescribe by vote. Each committee shall have a chairperson appointed by the Board Chair. Unless otherwise expressly required in these Bylaws, committee members shall be appointed by the Board Chair, provided however, that any such appointment may be reversed by majority vote of the Board. Committee members may be but need not be directors. The Board shall have the power to increase or decrease the number of members on any committee at any time, and to discharge any such committee, either with or without cause at any time.

SECTION 4.2: Meetings & Notice. Committee meetings may be called by the Board Chair or the Committee Chair. Each committee shall meet as often as necessary and appropriate to perform its duties. Notice of a meeting's date, time, and place shall be given at such time and in such manner as to provide reasonable notice to committee members of the meeting. Each committee shall keep minutes of its proceedings.

SECTION 4.3: Removal & Vacancies. The Board chair may remove any committee member or chairperson whose selection is not otherwise specified in these Bylaws. Vacancies in any committee's membership may be filled by appointments made in the same manner as provided for in the original appointments.

Section 4.4: Quorum. Unless otherwise provided for in the Board's resolution designating a committee, each committee member shall have one (1) vote and a majority of the whole committee shall constitute a quorum. The act of a majority of the members present at a committee meeting at which a quorum is present shall constitute the act of the committee.

SECTION 4.5: Rules. Each committee may adopt rules for its own governance not inconsistent with these Bylaws or any rules adopted by the directors.

ARTICLE V – OFFICERS

SECTION 5.1: Enumeration. The officers of the Foundation shall consist of a Chair, Vice Chair and a Secretary and such other officers as the Board may from time to time appoint. Each officer of the Foundation must be a director.

SECTION 5.2: Election – Qualification & Terms of Office. The officers shall be elected by the Board at the annual meeting of the Foundation, or a special meeting held in lieu thereof. Each officer shall hold office for a one (1) year term, and until a successor shall have been duly elected and qualified, or until death, resignation, disqualification or remove in the manner hereinafter provided.

SECTION 5.3: Removal. Any officer may be removed, either with or without cause, by the vote of a majority of the directors at a special meeting called for said purpose.

SECTION 5.4: Resignation. Any officer may resign at any time by giving written notice to the Board or to the Secretary. Any such resignation shall take effect at the date of receipt of such notice or at any later time specified herein; and unless otherwise specified herein, the acceptance of such resignation shall not be necessary to make it effective.

SECTION 5.5: Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled for the unexpired portion of the term by the Board at any regular or special meeting.

SECTION 5.6: The Board Chair. The Board Chair shall have general charge and supervision of the affairs of the Foundation, and perform such other duties assigned to him/her by the Board.

SECTION 5.7 The Board Vice Chair. The Board Vice Chair may, at the direction of the Chair, serve on designated Board Committee's as the Chair's representative; will act with the full power and authority in the absence of the Chair at any regular or special meetings of the Board; and will perform other duties as assigned by the Chair. In the case of death, resignation, disqualification or removal of the Board Chair, the Vice Chair assumes all duties and responsibilities until an election can take place.

SECTION 5.8: The Secretary. The Secretary shall record or cause to be recorded all the proceedings of the Board meetings and committee meetings to which a secretary shall not have been appointed; shall see that all notices are duly given in accordance with the provisions of these Bylaws and as required by law; shall be custodian of the records and of the Foundation's seal, and have such other powers and perform such other duties as the Board may from time to time assign.

Section 5.9: Other Officers. Each other officers chosen by the directors shall perform such duties and have such powers as may be designated from time to time by the Board.

SECTION 5.10: Other Powers & Duties. Each officer shall, subject to these Bylaws and in addition to the duties and powers specifically set forth in these Bylaws, have such duties and powers as are customarily assigned to his/her office. The exercise of any power which by law, the Articles or these Bylaws, or in accordance with any vote of the Board, may be exercised by a Foundation officer only in the event of another officer's absence or any other contingency, shall bind the Foundation in favor of anyone relying therein in good faith, whether or not such absence or contingency existed.

SECTION 5.11: Bonding. Any officer, employee, agent or factor shall give such bond with such surety or sureties for the faithful performance of his/her duties as the Board may from time to time require.

ARTICLE VI – INDEMNIFICATION OF DIRECTORS & OFFICERS

SECTION 6.01: Indemnification. Subject to the exclusions hereinafter set forth, the Foundation will indemnify an Indemnified Person against and hold the Indemnified Person harmless from any covered loss or covered expenses.

SECTION 6.01: Advance Payment of Covered Expenses. The Foundation will pay the covered expenses of an Indemnified Person in advance of the final disposition of any proceedings. The advance payment of covered expenses will be subject to the Indemnified Person's first agreeing in writing with the Foundation to repay the sums paid by it hereunder if it is thereafter determined that the proceeding involved an excluded claim or that the indemnified person was otherwise not entitled to indemnity under this Article VI.

SECTION 6.03: Exclusions. (a) The Foundation will not be liable to pay any covered loss or covered expenses ("an excluded claim") if

- (i) With respect to a Proceeding, the Foundation determines that the Indemnified Person (a) did not conduct her/himself in good faith; (b) engaged in intentional misconduct; or (c) in the case of a criminal proceeding, knowingly violated the law;
 - (ii) With respect for a Proceeding in which a final judgment or other final adjudication determines that the Indemnified Person is liable on the basis that personal benefit was improperly received by him or her;
 - (iii) For which the Indemnified Person is otherwise indemnified or reimburse; or
 - (iv) If a final judgment or other final adjudication determines that such payment is unlawful.
- (b) With respect to a Proceeding by or on behalf of the Foundation in which the Indemnified Person is adjudged to be liable to the Foundation, the Foundation may indemnify the Indemnified Person for his or her covered expenses but shall not indemnify the Indemnified Person for his or her covered loss.
- (c) Notwithstanding any other provisions herein, the Foundation shall indemnify an Indemnified Person for any covered expense in the event that the Indemnified Person is wholly successful, on the merits or otherwise, in the defense of any proceeding under Section 6.03 (a) (i).

SECTION 6.04: Notice to Foundation: Insurance. Promptly after receipt by the Indemnified Person of the notice of the commencement of, or the threat of commencement of, any Proceeding, the Indemnified Person will, if indemnification with respect thereto may be sought from the Foundation under this Article VI, notify the Foundation of the commencement thereof. If, at the time of the receipt of such notice, the Foundation has any directors' and officers' liability insurance in effect, the Foundation will give prompt notice of the commencement of such Proceeding to the insurer in accordance with the procedures set forth in the policy or policies in favor of the Indemnified Person. The Foundation will thereafter take all necessary or desirable action to cause such insurer to pay, on behalf of the Indemnified Person, any and all covered loss and covered expense payable as a result of such Proceeding in accordance with the terms of such policies.

SECTION 6.05: Indemnification Procedures.

- (a) Payments on account of the Foundation's indemnity against covered loss will be subject to the Foundation's first determining that the covered loss results from a claim which is not an excluded claim. Such a determination will be made by a majority vote of a quorum of Directors not at the time parties to the Proceeding. The determination required by this Section 6.05 will be made within sixty (60) days of the Indemnified Person's written request for payment of a loss, and if it is determined that the covered loss is not an excluded claim, payment will be made forthwith thereafter.

- (b) Payment of an Indemnified Person's covered expenses in advance of the final disposition of any Proceeding will be made within twenty (20) days of the Indemnified Person's written request therefore. Any determination required as to the reasonableness of requested covered expenses shall be made in accordance with Section 6.05(a). From time to time prior to the payment of covered expenses, the Foundation may, but is not required to, determine (in accordance with Section 6.05 (a) above) whether the covered expenses claimed may reasonably be expected, upon final disposition of the Proceeding, to constitute an Excluded Claim. If such a determination is pending, payment of the Indemnified Person's Covered Expenses may be delayed up to sixty (60) days after the Indemnified Person's written request thereof, and if it is determined that the covered expenses are not an excluded claim, payment will be forthwith thereafter.

SECTION 6.06: Settlement. The Foundation will have no obligation to indemnify the Indemnified Person under this Article VI for any amounts paid in settlement of any Proceeding effected without the Foundation's prior written consent. The Foundation will not unreasonably withhold or delay its consent to any proposed settlement. The Foundation may consent to a settlement subject to the requirement that a determination thereafter will be made as to whether the Proceeding involved an excluded claim or not.

SECTION 6.07: Rights Not Exclusive. The rights provided hereunder will not be deemed exclusive of any other rights to which the Indemnified Person may be entitled under the Act. Any agreement, vote of disinterested directors or otherwise, both as to action in the Indemnified Person's official capacity and as to action in any other capacity while holding such position or office, and shall continue after the indemnified Person ceases to serve the Foundation in an official capacity.

SECTION 6.08: Enforcement.

- (a) The Indemnified Person's right to indemnification hereunder will be enforceable by the Indemnified Person in any court of competent jurisdiction and will be enforceable notwithstanding that an adverse determination has been made as provided in Section 6.05 above.
- (b) In the event that any action is instituted by the Indemnified Person under this Article VI to enforce or interpret any of the terms of this Article VI, the Indemnified Person will be entitled to be paid all court costs and expenses, including reasonable attorneys' fees, incurred by the Indemnified Person with respect to such action, unless the court determines that each of the material assertions made by the Indemnified Person as a basis for such action was not made in good faith or was frivolous.

SECTION 6.09: Successors and Assigns. This Article VI will be (a) binding upon all successors and assigns of the Foundation (including any transference of all or substantially all of its assets); and (b) binding on and inure to the benefit of the heirs, executors, administrators, and other personal representatives of the Indemnified Person. If the Foundation sells or otherwise transfers all or substantially all of its assets to a third party, the Foundation will, as a condition of such sale or other transfer, require such third party to assume and perform the obligations of the Foundation under this Article VI.

SECTION 6.10: Amendment. No amendment of this Article VI will be effective as to an Indemnified Person without such Indemnified Person's written consent.

SECTION 6.11: Insurance. The Foundation shall have, to the fullest extent permitted by state and federal law, the power to purchase and maintain insurance on behalf of any Indemnified Person against any liability asserted against or incurred by an Indemnified Person arising out of his or her status as an Indemnified Person, whether or not the Foundation would have the power to indemnify the Indemnified Person against such liability pursuant to this Article VI.

SECTION 6.12: Definitions. "Covered Act" means any act or omission by an Indemnified Person in the Indemnified Person's official capacity as a member of the governing body, director, trustee, officer, employee, or agent of another limited liability company, corporation, partnership, joint venture, trust or other entity or enterprise, including entities and enterprises which are subsidiaries or affiliates of the Foundation, or employee benefit plan.

"Covered Expense" means any reasonable expense incurred by an Indemnified Person in connection with the defense of any claim made against the Indemnified Person for Covered Acts including legal, accounting, or investigative fees and expenses, including the expense of bonds necessary to pursue an appeal of an adverse judgment.

"Covered Loss" means any amount which an Indemnified Person is legally obligated to pay as a result of any claim made against the Indemnified Person for a Covered Act including judgment for, and awards of, damages, amounts paid in settlement of any claim, any fine or penalty or, with respect to an employee benefit plan, any excise tax or penalty.

“Excluded Claim” is defined in Section 6.03.

“Indemnified Person” means any individual who is or was a director or officer of the Foundation.

“Proceeding” means any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative.

ARTICLE VII – CONFLICT OF INTEREST

Section 7.01: Policy Adoption. The Foundation is committed to pursuing its mission and to conducting its affairs in accordance with high professional and ethical standards which includes the avoidance of detrimental conflicts of interest. The Foundation believes that avoiding such conflicts is imperative in preserving the public’s trust. Persons who agree to serve the Foundation should not use their position for personal gain, or to expose the Foundation to potential harm as a result of conflict of interest.

The Foundation shall adopt and maintain a Conflict of Interest Policy which applies to Designated Persons, as defined below, and deliberations by the Board and its committees.

SECTION 7.02: General Principles. Any Designated Person has an obligation to: (i) protect decisions involving the Foundation against conflicts of interest; (ii) maintain the confidentiality of information obtained through service to the Foundation; (iii) assure that the Foundation acts for the benefit of the community as a whole, rather than for the private benefit of a Designated Person; and (iv) fully discloses any personal business opportunities that are competitive with the Foundation, or in which the Foundation would have an interest. In the furtherance of these obligations, all Designated Persons shall exercise the utmost good faith in all transactions touching upon their duties to the Foundation or its property. In their dealings with and on behalf of the Foundation, they shall be held to a strict standard of honest and fair dealing.

Designated Persons shall scrupulously avoid any conflict between their individual interests and the interests of the Foundation in any and all actions taken by them. They shall disclose any interests or activities in which they are involved or become involved, directly or indirectly, that could conflict with the interests or activities of the Foundation, and shall obtain approval prior to commencing, continuing, or consummating any activity or transaction which raises a possible conflict of interest. Designated Persons are also obliged to disclose any potential conflict of interest arising from the interests and activities of their immediate family, as defined in the policy.

Failure to comply with the Conflict of Interest Policy may disqualify a person from serving as a Designated Person or, if already serving as a Designated Person, may, if the Designated Person is an employee of the Foundation, result in disciplinary action up to and including dismissal, subject to the terms of any applicable employment or collective bargaining agreement or, in the case of a Designated Person who is a Trustee, the Trustee shall be deemed to have resigned.

SECTION 7.03: Designated Persons. "Designated Persons" shall include the following:

- (a) Members of the Board of Directors of the Foundation;
- (b) Members or administration or senior management of the Foundation;
- (c) Committee chairpersons or members of a Committee with Board delegated powers who have a direct or indirect ability to influence the use of Foundation resources;
- (d) Persons and/or staff members with the authority to purchase, to select, or to influence the purchase of goods and services on behalf of the Foundation; and
- (e) Any other person(s) and/or staff members whom the Board may from time to time designate.

ARTICLE VIII - FISCAL AUTHORITY

SECTION 8.01: Deposits. All funds of the Foundation shall be deposited from time to time to the credit of the Foundation in such banks, trust companies, or other depositories as the directors may select. The Executive Director of the Foundation shall be responsible to see that monies are properly deposited and accounted for.

SECTION 8.02: Gifts. The Foundation may accept any contribution, gift, bequest, or gift in kind for the general purposes or for any special purpose of the Foundation. The Executive Director will be responsible for proper tracking and acknowledgment of all gifts.

SECTION 8.03: Budget. An annual budget shall be prepared by the Executive Director in collaboration with the Foundation Chair for approval by the Directors at their annual meeting.

ARTICLE IX – EXECUTION OF DOCUMENTS

SECTION 9.01: Contracts. Unless otherwise determined by the Board, the Executive Director and the Chair may enter into any contract or execute and deliver any contract or other instrument, the execution of which is not otherwise specifically provided for, in the name and on behalf of the Foundation. The Board, except as otherwise provided in these Bylaws, may authorize any other or additional officer, officers, agent or agents of the Foundation to enter into any contract or execute and deliver any contract or other instrument in the name and on behalf of the Foundation, and such authority may be general or confined to specific instances. Unless authorized to do so by these bylaws or by the directors, no officer, agent, or employee shall have any power or authority to bind the Foundation by any contract or engagement or to pledge its credit or render it liable pecuniarily for any purpose or in any amount.

SECTION 9.02: Checks, Drafts, Etc. All of the Foundation's checks, drafts, bill of exchange or other orders for the payment of money, obligations, notes or other evidences of indebtedness, bills of lading, warehouse receipts and insurance certificates shall be signed or endorsed by such of the Foundation's officers or employees as shall from time to time be determined by the Board.

SECTION 9.03: Shares Held by the Foundation. Any shares of stock issued by any corporation and owned or controlled by the Foundation may be voted at such corporation's shareholders' meeting by the Foundation's Chairman or his designee.

ARTICLE X – SEAL

The seal of the Foundation shall be in the form of a circle and shall bear the Foundation's name and the state and year of its incorporation.

ARTICLE XI – FISCAL YEAR

Except as time to time otherwise provided by the Board, the Foundation's fiscal year shall commence on the first day of January each year.

ARTICLE XII – MISCELLANEOUS

SECTION 12.01: Personal Liability. Directors and officers of the Foundation shall not be personally liable for any Foundation debt, liability, or obligation. All persons corporations or other entities extending credit to, contracting with, or having any claim against the Foundation may look only to the Foundation's fund and property for the payment of any debt, damages, judgment or decree, or of any money that may otherwise become due or payable to them from the Foundation.

SECTION 12.02: Corporate Records. The original or attested copies of the Articles of Incorporation, these Bylaws, and records of all meetings of the Board and all of the Foundation's records, the names and the recorded addresses of all directors, and officers shall be kept in North Providence, RI, at the Foundation's principal office, or at an office of its Secretary or Resident Agent. Said copies and records need not all be kept in the same office. They shall be available at all reasonable times for the inspection of any director or officer for any proper purpose, but not to secure a list or other information for the purpose of selling said list or information or copies thereof or of using the same for a purpose other than in the interest of the director or officer relative to the Foundation's affairs. Except as otherwise may be required by law, the Articles or these Bylaws, the Foundation shall be entitled to treat a director's or officer's recorded address as shown on its books as the address of such person or entity for all purposes, including the giving of any notices. It shall be the duty of each such person or entity to notify the Foundation of his/her latest address.

SECTION 12.03: Evidence of Authority. A certificate by the Secretary as to any action taken by a director, officer, or representative of the Foundation shall be conclusive evidence of such action as to all who rely thereon in good faith.

SECTION 12.04: Ratification. Any action taken on behalf of the Foundation by a director, officer, or representative of the Foundation which requires authorization by the directors shall be deemed to have been duly authorized if subsequently ratified by the directors retrospectively if action by them was necessary for authorization.

SECTION 12.04: Articles of Incorporation. All references in these Bylaws to the Articles shall be deemed to refer to the Articles, as amended, and in effect from time to time.

ARTICLE XIII – AMENDMENTS

Alterations and repeal of the Bylaws, and new Bylaws not inconsistent with the laws of the State of Rhode Island, or with the Articles of Incorporation, may be adopted by the Foundation upon the authorization or approval by the Directors after such alteration, repeal or new Bylaw is proposed by a majority vote of the Board at any meeting at which a quorum shall be present. The proposed alteration or repeal or of the proposed new Bylaws shall be included in the notice of such Board meeting at which such alteration, repeal or adoption is acted upon.

Exhibit 9

CharterCARE
Foundation

September 19, 2017

Kate Enright, Esq.
Dept. of the RI Attorney General
150 South Main Street
Providence, RI 02903

Dear Attorney Enright:

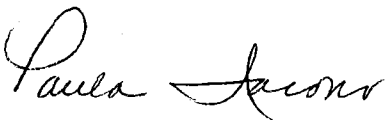
In response to your request of August 22, 2017 regarding our adherence to requirements of the Cy Pres Petition, we submit the following:

- Expenditures of the funds transferred to the Chartercare Foundation for fiscal years 2015 and 2016;
- Funds expended, beneficiaries, and purpose, as well as beneficiary contact information
- Copies of IRS Form 990 for fiscal years 2015 and 2016;

With regards to Paragraph 11-4: As we previously informed the Attorney General, the bulk of the charitable assets were placed in an endowment with the RI Foundation for investment purposes only. CharterCARE Foundation solicits, vets, and manages the awarding of grants from the annual endowment distribution.

Please let me know if you require any additional information.

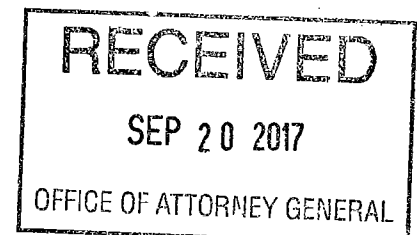
Thank you.



Paula Iacono
Executive Director

Enclosures

Cc: Donald C. McQueen, Foundation President
Cynthia Warren, Esq.



CharterCARE Foundation					
F/Y Oct. 1, 2014=Sept. 30, 2015 *					
Sources of Operating Cash:			Cy Pres Transfers In		
November	Credit card fee refunds (old co)	\$ 466.34			
December	Bequest/Estate of Bernard Lovely	\$ 101,693.51			
	Year end gift - E Hjerpe	\$ 2,000.00			
January	Misc annual appeal donations	\$ 590.00			
February	Misc donations	\$ 240.00			
2/27/2015	Prospect "Bridge" Loan	\$ 18,705.82			
March	Return of Diabetes Fair Sponsorship	\$ 1,500.00			
April	Misc. donations	\$ 110.00			
4/15/2015	Mary & Petr Young Endowment Dist.	\$ 1,499.86			
4/21/2015	Partial transfer from "old co"	\$ 300,000.00	\$ 300,000.00	Funds Held in Operating Account	
4/28/2015	Close out RBC Money Market	\$ 4,609.60			
5/28/2015	Direct Transfer of SJHS assets to RI Fdtn		5,752,655.00		
5/29/2017	Direct Transfer of SJHS assets to RI Fdtn		1,974,537.44		
May	Misc donations	\$ 40.00			
June	Misc revenue/donations	\$ 684.19			
6/3/2015	Direct Transfer of SJHS assets to RI Fdtn		272,074.03		
July	Misc donations	\$ 90.00			
August	Bequest/Estate of Rita Murphy	\$ 4,721.00			
September	Misc. donations	\$ 320.00			
	Total Sources of Cash and Cy Pres transfers	\$ 437,270.32	\$ 7,999,266.47	Transfers to RI Foundation	
F/Y Oct. 1, 2014=Sept. 30, 2015 Note: Expenses begin in January; income was not received until May of 2015					
Expenditures/Grants					
	St. Joseph Family Dental (Shriners)	\$ 884.70	D. Kane, DMD	Pediatric Oral Health	21 Peace Street, Providence RI
	Assoc in Anesthesia (Pedi Oral/Shriners)	\$ 3,710.20	Cheryl	Pediatric Oral Health	200 High Service Avenue, N Providence, RI
	Childrens Christmas Party/various	\$ 2,193.62	Joseph Samartano, DDS	Innercity clinic kids	21 Peace Street, Providence RI
	Kristyn Indgjer/Migliori Scholarship	\$ 1,000.00	Kristyn Indgjer	Nurse Anesthetist	c/o 200 High Service Ave., N. Providence RI
	Trivett Memorial Book Nook	\$ 1,870.95	Virginia Lopez, Dir	Pediatric Clinic	21 Peace Street, Providence
	Reach Out & Read/Books for Book Nook	\$ 1,536.95	Virginia Lopez, Dir	Pediatric Clinic	21 Peace Street, Providence
	John Kiang, DMD/Medical Scholarship	\$ 3,270.00	John Kiang DMD	Cleft Palate Training	345 Angell Street Providence, RI
		\$ 14,466.42			
Expenditures/Administrative					
	Cameron & Mittleman/Legal fees	\$ 11,355.62	Cynthia Warren, Esq		301 Promenade Street, Providence, RI
	Mullen Scorpior Cirelli/Accounting fees	\$ 2,200.00	Patricia Cirelli, CPA		67 Cedar St., Suite 106, Providence RI
	Masonic Realty/Rent & Utilities	\$ 8,800.00	Greg Schadone, Owner		7 Waterman Avenue N Providence, RI
	Executive Director/Salary & benefits	\$ 73,541.00	Paula Iacono		7 Waterman Avenue, North Providence, RI
	Prospect Medical/Bridge Loan Repayment	\$ 18,705.82	Moshe Berman, Esq.		825 Chalkstone Avenue, Providence, RI
	Prospect Medical/cobra repayment	\$ 2,434.12	Moshe Berman, Esq.		825 Chalkstone Avenue, Providence, RI
	Blackbaud, Inc/Database contract	\$ 2,500.00	Jamie Toombs		2000 Daniel Island Dr., Charleston SC
	LCG & Integrated Marketing/website	\$ 1,928.60	Gil Lantini, Owner		Hartford Avenue, Johnston, RI
	Gorwood Systems (records storage)	\$ 302.40	Mary Anne		POBox 757 7577
	Karr Printing	\$ 1,010.18	Howard Karr, Owner		7 Howe Lane, Foxboro, MA
	Tech 911/computer, monitor, service	\$ 2,664.50	Chris Dias, Owner		982 West Shore Rd., Warwick, RI
	Barrington Printing (letterhead, etc)	\$ 405.05	Barry Couto, Owner		269 Macklin St., Cranston, RI
	Cox Communications (phone/internet)	\$ 1,432.26	n/a		PO Box 78000, Detroit, MI
	Reedy's Woodworks/outdoor signage	\$ 1,000.00	D. Reedy		3 Danielson Pike, Scituate, RI
	Office supplies, postage, furniture, etc.	\$ 2,369.06	various		
	Miscellaneous (Filing fees, mileage etc)	\$ 293.96			
		\$ 130,942.57			
	Total Grants and Expenses	\$ 145,408.99			

F/Y 2015-16	Oct 1, 2015-Sept. 30, 2016																			
	Sources of Operating Cash																			
October	Beauregard Nursing Scholarship Donations	\$	950.00																	
	Picanza Memorial Scholarship Donations	\$	4,000.00																	
	Christmas Party donations	\$	200.00																	
	Misc donations	\$	50.00																	
November	Beauregard Nursing Scholarship Donations	\$	200.00																	
	Christmas Party donations	\$	500.00																	
	Misc donations	\$	40.00																	
December	Christmas Party donations	\$	2,234.00																	
	Estate of Bernard Lovely/dist.	\$	524.36																	
	Beauregard Nursing Scholarship Donations	\$	200.00																	
	Misc donations	\$	50.00																	
	RI Foundation/Malmstead Fund	\$	44,599.00																	
	partial year dist/RI Foundation	\$	174,515.00																	
January	E. Hjerpe donation	\$	2,000.00																	
	Misc donations	\$	170.00																	
February	Misc donations/revenue	\$	63.49																	
	Migliori Scholarship donations	\$	7,426.00																	
March	Migliori Scholarship donations	\$	1,075.00																	
	Misc donations	\$	65.00																	
April	Migliori Scholarship donations	\$	200.00																	
May	Misc donations	\$	40.00																	
June	Misc donations	\$	165.00																	
July	Beauregard Nursing scholarship donation	\$	1,000.00																	
	Misc donations	\$	75.00																	
August	Misc donations	\$	100.00																	
September	Estate of Rita Murphy/final dist	\$	640.00																	
	Scholarship award return	\$	1,000.00																	
	Mary & Peter Young Endowment Dist	\$	1,480.23																	
	Misc. donations	\$	42.01																	
	Total Sources of Cash	\$	243,604.09																	

Expenditures/Grants						
November	Transfer to RI Foundation Endowment	\$	200,000.00	*		
December	Various vendors	\$	1,934.19	J. Samartano DDS	Children's Christmas Party	21 Peace Street, Providence, RI
Jan/Feb	Nursing & Continuing Medical Education	\$	28,000.00	**	various	
March	Family Service of RI	\$	12,500.00	Stephen Hourahan	Walking School Bus	PO Box 6688 Providence, RI
March	The Autism Project	\$	12,000.00	Joanne Quinn, Dir.	Social Skills Program	1516 Atwood Avenue, Johnston, RI
April	St. Mary's Home for Children	\$	24,302.00	Susan DeRita	Hope House	420 Fruit Hill Avenue, N. Providence, RI
April	Capital Community Center	\$	25,000.00	Susan Stevenson, Dir.	Playground/Nutrition Program	25 Danforth Street, Providence, RI
May	Clinical Esperanza/Hope Clinic	\$	25,000.00	Anne DeGroot MD	Vida Sana Diabetes Program	Valley Street, Providence, RI
May	ADA/Camp Carefree	\$	8,100.00	Michelle Lantini	Diabetes Camp for Kids	10 Speen St, Framingham, MA 01701
August	St Clare Newport	\$	28,195.00	David Wahl	Senior rehabilitation needs	309 Spring Street, Newport, RI
Aug/Sept	Nursing & Continuing Medical Education	\$	30,250.00	various		
		\$	<u>395,281.19</u>			
Expenditures/Administrative						
	Blackbaud Inc.	\$	2,500.00	Jamie Toombs	Database Maint. Contract	2000 Daniel Island Drive, Charleston SC
	Cameron & Mittleman	\$	1,707.50	Cynthia Warren, Esq	Legal fees	301 Promenade Street, Providence, RI
	Cox Communications	\$	1,665.44	n/a	Telephone & internet	PO Box 78000, Detroit, MI
	Executive Director	\$	92,938.00	Paula Iacono	Salary & benefits	7 Waterman Avenue North Providence, RI
	Gorwood Systems	\$	302.40	Mary Ann	historical records storage	P.Office Box 7577, Cumberland, RI
	Grantees Reception	\$	634.69	Paula Iacono	Expense Reimbursement	7 Waterman Avenue North Providence
	Integrated Marketing Group	\$	2,200.00	Gil Lantini	Website/social media contract	1343 Hartford Ave., Johnston, RI 02919
	Masonic Realty	\$	9,600.00	Greg Schadone, Owner	Rent & Utilities	7 Waterman Avenue, N Providence, RI
	Mullen Scorpio & Cirelli	\$	2,200.00	Patricia Cirelli, CPA	Accounting fees	67 Cedar St., Suite 106, Providence, RI
	Public relations marketing various	\$	566.61	Executive Director	Camera, subscription, Conf Registrations	7 Waterman Avenue, N Providence, RI
	Tech 911	\$	454.00	Chris Dias, Owner	tech support	982 West Shore Road, Warwick, RI
	Various vendors	\$	1,386.83	Paula Iacono, Exec Dir	Expense Reimbursement	7 Waterman Avenue, N Providence, RI
	Willis Towers Watson	\$	6,590.00	Nancy Rogers	D&O Insurance Premium	3 Copley Place, Ste 300, Boston, MA
		\$	<u>122,745.47</u>			
	* Voluntary contribution					
	** 2015 Scholarships were not awarded until January of 2016 following receipt of RI Foundation's December distribution					