

Prospect/Centurion – Responses to First Set of Supplemental Questions from RIDOH
January 2024

1	Overall/Question 1	<p>The Application states “the following entities, defined as Affiliates by RIAG and RIDOH, are not affiliated with any Transaction Party: CharterCARE Blackstone Surgery Center, LLC; CharterCARE Physicians, LLC, CharterCARE Health of Rhode Island Foundation, Inc.; CharterCARE Home Health and Hospice, LLC; and Charter Associated in Primary Care Medicine, LLC.” However, all these entities are included in the Post Transaction Organizational Chart under Centurion Foundation, Inc. and CharterCARE Health of Rhode Island, Inc. in Exhibit 9 and Confidential Exhibit 9. Please clarify this response and provide responsive information for all questions requesting information for Affiliates.</p>	<p>CharterCARE Blackstone Surgery Center, LLC; CharterCARE Physicians, LLC, CharterCARE Health of Rhode Island Foundation, Inc.; CharterCARE Home Health and Hospice, LLC; and Charter Associated in Primary Care Medicine, LLC. are newly formed entities. These entities were established in anticipation of the Proposed Transaction. Other than their Secretary of State filings, there have been no other actions related to these entities. As a result, there is no responsive information related to the listed entities to produce, except as to CharterCARE Health of Rhode Island Foundation, Inc. With respect to the CharterCARE Foundation, the Transacting Parties produced all existing information with the HCA Application.</p>
2.	Question 1	<p>Please provide a detailed description of Centurion’s business model, including but not limited to, how Centurion generates revenue, how it identifies potential transactions (whether it reaches out to potential partners or is contacted by potential partners), and what factors are considered when deciding to pursue a transaction.</p>	<p>Centurion is a non-profit corporation whose mission is centered upon increasing access to and lowering the cost of healthcare. In many instances, Centurion achieves its mission by assisting other non-profit health systems in the development, acquisition, and financing of healthcare facilities. Centurion generates revenue through its financing and development activities that help nonprofit health systems save money so that they can survive and thrive. Centurion has established relationships with nonprofit health systems to whom it provides guidance on cost savings through financing and development. Through these relationships with nonprofit health systems and Centurion’s education on cost savings, typically, the health system will then identify a possible transaction and involve Centurion. When considering a</p>

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			transaction, Centurion evaluates the feasibility of the transaction and whether the cost savings sought can be achieved.
3.	Question 1	Does Centurion have, or has it had in the last (5) years, a strategic plan? If so, please provide all documents related to strategic plans or a detailed description where no documentation exists. If Centurion does not have a strategic plan, please explain why not.	Centurion’s strategic plan was developed in [redacted] and was [redacted]. It is gathering the requested documentation of the plan and will produce it on or before February 6, 2024.
4.	Question 1	Please provide a detailed explanation of Centurion’s involvement in the operations of any healthcare facilities to date.	Gregory Grove, CEO of the Centurion Foundation, also served as CEO of Florida Care Properties, Inc. (“FLCP”), from 2007 to mid-2018. FLCP provides day services to approximately 530 persons in Mississippi and 64 persons in Florida with developmental disabilities/mental retardation and individuals who are dually diagnosed, or to those who may need assistance with behavior management or impulse control, as well as persons with severe physical disabilities. Support to each individual is to further skills and behaviors needed to function with as much self-reliance and independence as possible. FLCP continually strives to integrate persons with developmental disabilities back into the community, working cooperatively with interdisciplinary teams, support coordinators, etc., to make sure individuals receive appropriate services and supports in the proper setting.
5.	Question 1	The Proposed Transaction is Centurion’s first experience with acute care operations. Please explain why Centurion is now seeking to operate acute care operations.	The Articles of The Centurion Foundation and its affiliates provide for a wide range of charitable services, programs, and activities, including but not limited to healthcare, education, and financing. Stabilizing and improving the healthcare facilities, services, and operations within the New CharterCARE System are within and logical extensions of Centurion’s mission.

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6.	Question 1	Centurion has three new affiliates as of August 2023 (Centurion Biosquare, Inc.; Centurion Hospital Foundation of Kentucky I, LLC; Centurion Foundation North Graham Street, LLC). Please explain Centurion’s plans for expansion, both geographically and industry.	Centurion sets up subsidiaries based on the structuring needs of each transaction with which it is involved. These subsidiaries are not the result of a specific expansion plan, but rather a result of the opportunities Centurion was presented with to help other nonprofit organizations.
7.	Question 1	How does Centurion’s experience in real estate transactions translate to hospital operations, specifically “identifying untapped cost-saving and revenue-generating opportunities as well as mitigating risks inherent in the Existing Hospitals’ operations?” Include specific examples in this response.	Through Centurion’s transactional experience, it is uniquely situated to identify previously unrecognized opportunities to raise capital, generate revenue, and save costs. Specifically, when executing a transaction, it works with non-profit systems in their finance and treasury systems, including for example treasury programs, contract negotiations, and finance structuring. Please see pages 3-4 of the HCA Application that include specific examples of Centurion working with nonprofit hospital systems to generate savings that allows those systems to further serve their communities.
8.	Question 1	Which of Centurion’s transactions to date is most similar to the Proposed Transaction? Please include a detailed description of all the ways the transactions are similar and identify any distinctions.	Centurion facilitated exempt bond financing for the acquisition and operation of facilities for 64 developmentally disabled individuals by Florida Care Properties, Inc., a non-profit organization redacted [REDACTED] [REDACTED]
9.	Question 1	Does Centurion have any experience working directly with local leadership related to hospital and/or healthcare operations outside of real estate development and transactions? If so, please provide specific examples.	As set forth on pages 6-8, the Centurion principals have extensive experience working directly with local leadership. Centurion brings a financial expertise to the transaction related to developing, acquiring, and financing non-profit healthcare projects. Centurion regularly works to empower local leadership to make the best operational decisions possible, as it will do here.

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10.	Question 1	Do any of the Centurion principals identified in this response have prior experience owning and operating acute care hospitals? If yes, please describe the experience.	Centurion’s principals have experience with various healthcare operations and venues similarly reimbursed through Medicare, Medicaid, private pay, CMS, and insurance. Admission and discharge protocols, length of stay, patient and procedure classifications are not dissimilar across the continuum of care encompassing skilled nursing, acute care, independent and assisted living, and hospice, all of which are modalities familiar to the principals.
11.	Question 1	Please explain what is meant by Centurion “leverages its resources to ensure localization by empowering and enabling local leadership” as stated in this response and explain in <i>what specific ways this will be accomplished</i> as it relates to this Proposed Transaction.	As set forth in the HCA Application, Centurion will empower local leadership by providing the local management team with the responsibility and authority to make decisions and guide the New Hospitals. Centurion will provide its counsel and guidance; however, the New CharterCARE System leadership team will lead the New Hospitals and affiliated entities to becoming a self-sustaining system.
12.	Question 1	Greg Grove founded both Centurion and The Guardian Foundation, Inc. Has there ever been any relationship or affiliation between The Guardian Foundation and Centurion Foundation? If yes, please provide a detailed explanation of the history of that affiliation or relationship and why it ended.	<p>Gregory K. Grove is the Founder, CEO, and a Director of Centurion which he organized in 1996.</p> <p>Previously in 1989, Mr. Grove founded The Guardian Foundation, Inc., a non-profit organization, and served as a Director and its President and Chief Executive Officer until January 17, 2020. Thereafter, he remained on its Board of Directors until November of 2021 when he resigned from its Board of Directors and has not been affiliated with that organization or any of its affiliates since that time.</p> <p>In 2007, Centurion facilitated financing for the acquisition and construction of a facility for the developmentally disabled in North Fort Myers, FL, for Florida Care Properties, Inc., an affiliate of The Guardian Foundation, Inc. redacted</p>

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			redacted Centurion has not provided any financing for or been related to The Guardian Foundation since 2017.
13.	Question 1	Does Centurion have plans to employ a Chief Medical Officer (CMO) at the CCHRI system and/or the New Hospitals if the Proposed Transaction is approved? If not, please explain this decision and who will perform the functions of a CMO.	The New CharterCARE System will have the equivalent of a chief medical officer at each hospital (<i>i.e.</i> , the physician may not have the title of Chief Medical Officer but will have an equivalent title and duties).
14.	Question 1	Please explain how the dollar values for the initiatives identified in this response (pages 9-10) were calculated.	Please see C-CNT-PMH-010594 through C-CNT-PMH-010620.
15.	Question 1	Respond to the following regarding Confidential Exhibit 1, Exhibit E: a. When was this analysis prepared? b. Who prepared the analysis? c. Explain in detail how the dollar amounts for the EBITDA Bridge were calculated.	A) This analysis was updated shortly before the refiling of the HCA Application in November 2023. B) Steve Lovoy, Dan Ison, Jeff Liebman, and the Prospect CharterCARE finance team, with the input from QHR, as well as review and endorsement from A&M C) Please see C-CNT-PMH-010594 through C-CNT-PMH-010620.
16.	Question 1	Will the New CharterCARE System be subject to payments under the Payment in Lieu of Taxes (PILOT) or similar program? If so, will this affect the anticipated savings stated in this response and included in Confidential Exhibit 1? Please explain how.	redacted ██ ██ ██ ██ ██ ██ ██ ██
17.	Question 1	Please explain what resources have left Rhode Island as referenced in this statement: “Under the current for-profit	Prospect had regionalized many managerial and administrative resources including:

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		<p>model, resources have left Rhode Island. In addition, expenses were born locally, despite being sourced outside of the state.”</p>	<p>Physician billing services Human Resources Information technology services Information systems leasing activities Management of home health services Treasury functions, including accounts payable Capital resource allocation Medicare cost reporting functions Supply chain management and negotiations Hospital contracting services Physician contracting services Legal services</p> <p>As set forth above, many of the management and administrative services are centralized with Prospect. By bringing those services in-house to the New CharterCARE System, the New CharterCARE System will not only benefit by having the employees locally, but also will decrease the cost for those services by bringing them from California to Rhode Island.</p>
18.	Question 1	<p>This response references Centurion as sole member of other, unrelated non-profits. Is Centurion currently involved in or has it been involved in other industries besides healthcare? If so, please state the industries and Centurion’s level of involvement.</p>	<p>redacted</p> <p>[Redacted text block]</p>

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			redacted [redacted] [redacted] [redacted]
19.	Question 1	The response references Centurion continuing to provide its current services to the New CharterCARE System. Describe the services that Centurion is currently providing.	As stated in the HCA Application, Centurion brings deep experience in board governance, strategic real estate development, non-profit design, treasury activities, fund raising, and financial and accounting systems. Centurion has provided advice to the Existing Hospitals on a variety of these categories, especially as it relates to finance and accounting. Centurion provides this advice, as well as transaction support, on a regular – typically daily – basis.
20.	Question 1	Respond to the following regarding the statement that “Centurion has structured the Proposed Transaction such that upon closing, the New CharterCARE System will be standalone self-sustaining health system which requires no financial commitments from Centurion with respect to capital projects or operational losses:” <ul style="list-style-type: none">a. Explain <i>specifically</i> how the transaction was structured to allow the New CharterCARE System to be self-sustaining.b. What analyses have been done to ensure this can be achieved? Please describe them in detail and provide all documentation related to such analyses.	<ul style="list-style-type: none">a. redacted [redacted] [redacted] [redacted] [redacted] [redacted] [redacted] [redacted] [redacted] [redacted] [redacted]b. redacted [redacted] [redacted] [redacted] [redacted]

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		<p>c. What is Centurion doing now to ensure that this will be true <i>upon closing</i> of the Proposed Transaction? Is there an expected transition time for the New CharterCARE System to become self-sustaining?</p> <p>d. Is Centurion able and willing to support capital projects and operational losses if the New CharterCARE System is not able to be self-sustaining? Please describe in detail Centurion’s financial ability to provide such support.</p>	<p>redacted</p> <p>c. redacted</p> <p>d. No, while Centurion will not provide support for any capital projects and operational losses, all revenues in excess of expenses in a given year will be reinvested in the New Hospitals and local community. In addition, the New Hospitals will be well positioned at closing as described above.</p>
21.	Question 1	How did Centurion determine that \$80 million (or 80 days Cash on Hand) would be sufficient to provide the New CharterCARE System liquidity to operate as a stand-alone health system?	Eighty days cash on hand is the industry benchmark for credit rated non-profit health systems. By having \$80 million (approximately 80 days) in cash on hand at closing, the New CharterCARE System will be positioned for success and remain independent. At closing of the Proposed Transaction, the New CharterCARE System will have a debt service coverage ratio consistent with that of an average not-for-profit A rated health system. Moreover, the assumptions supporting the 80 days cash on hand were vetted by local leadership and VMG.
22.	Question 1/Question 16	Please explain why the Amendment to Asset Purchase Agreement dated April 18, 2023 removed the reference to “an amount equal to eighty (80) Days’ Cash on Hand as of the Closing Date,” and identify where in the Asset Purchase Agreement or otherwise Centurion is obligated to make the \$80 million cash infusion at closing.	Days Cash on Hand was deleted from the APA because the parties have agreed, at the time of the amendment related to the purchase price, that Prospect is not required to leave any cash in the bank for the New CharterCARE System. Centurion will finance an additional \$80,000,000 (in addition to the \$80,000,000 purchase price) so that the New CharterCARE System has cash on hand necessary for operations. If Centurion is not able to finance both the \$80,000,000 purchase price and the \$80,000,000, Centurion is not obligated to close the Proposed Transaction.

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23.	Question 1	Please provide a list of current assets, including the current value for each asset, for all of Centurion and its Affiliates.	Please see C-CNT-PMH-010621 for a list of current assets.
24.	Question 1	Please provide a list of pending transactions, including the value of the transaction and the anticipated closing date(s) for Centurion and its Affiliates.	As part of its normal course of business, Centurion routinely closes charitable transactions for non-profit health systems and is actively continuing its work in that line of business. None of the charitable leasing transactions for other non-profit health systems will affect the New CharterCARE Health Systems or Proposed Transaction.
25.	Question 1	Will any vendors who are currently unpaid by the Prospect Transacting Parties be reimbursed if the Proposed Transaction is approved? Please explain.	APA Section 5.3(c) requires that each Selling Entity have paid its bill and invoices in the ordinary course prior to closing. APA Section 6.1 states that all of the covenants in the APA must be complied with in order for Centurion to be obligated to close.
26.	Question 1	Explain why Healthcare Staffing on Demand RI dissolved in June 2023.	Healthcare Staffing on Demand RI was dissolved in June 2023 because it was not being used.
27.	Question 1	Provide a listing and description of all existing medical departments that are provided within the existing PCC system, including the location(s) where services are offered.	Please see C-CNT-PMH-010622 through C-CNT-PMH-010625.
28.	Question 1	Please provide a detailed description of the plan to expand and improve existing services as referenced in this response.	The Transacting Parties are not clear on what this question is referring to. Please generally see the response to Question 48, which includes the Transition and Integration Plan.
29.	Question 1	Define who is considered “local community members” on the boards of CharterCARE Health of Rhode Island	The local community members will be non-Centurion representatives on the boards of directors. These will be individuals who, in addition to being experienced in the areas of

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		and the hospital advisory boards as referenced in this response.	business, law, or healthcare, can provide valuable insight into the local community’s needs.
30.	Question 1	<p>Please respond to the following regarding Ovation no longer being involved with the Proposed Transaction:</p> <p>a. Explain the specific reasons that this decision was made, including who made the decision, and how the decision was made. Provide any relevant documentation related to this decision.</p> <p>b. Please explain the “extensive work with the current leadership at Prospect CharterCARE” as referenced in Attorney Rocha’s October 16, 2023 letter and how this work ultimately resulted in the determination that an engagement with Ovation would not be necessary.</p> <p>c. Explain specifically how the services that Ovation was expected to provide will now be performed, whether by local leadership or another consultant.</p> <p>d. Explain how the Improvement Initiatives will be implemented now that Ovation is no longer involved in the transaction.</p>	<p>a) Centurion has had time to evaluate the current leadership team in place and obtain a better understanding of the operations of the New CharterCARE System. With that time, Centurion has determined that the current leadership team is fully capable of managing the New CharterCARE System without the assistance of QHR. redacted</p> <p>b) As previously stated, Centurion has had a significant amount of time to evaluate the current leadership team, including regular – typically daily – communication with Jeff Liebman, and no longer feels as if QHR is an essential component of success. Centurion feels very confident that the local leadership is the key to the New CharterCARE System success and will work with the local leadership team to evaluate if and when outside consultants or managers are needed in the future.</p> <p>c) redacted</p> <p>d) The local leadership team is familiar with and prepared to implement the improvement initiatives.</p>

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31.	Question 1	<p>With regards to financing of the Purchase Price, please respond to the following:</p> <p>a. How long is the financing process expected to take?</p> <p>b. What will happen if the New CharterCARE System cannot obtain sufficient bonds within the time limit?</p> <p>c. Why is the New CharterCARE System responsible for payment of the Purchase Price, as opposed to Centurion?</p> <p>d. What has been done to date to confirm that bonds will be issued with favorable terms?</p> <p>e. Assuming bonds are issued as described in this response, will and how will Centurion assist if the New CharterCARE System cannot meet obligations on any bonds?</p>	<p>a) The financing process is expected to take 90-120 days.</p> <p>b) APA Article VI lists the conditions that have to occur for Centurion to be required to close the Proposed Transaction, which includes Section 6.4 that states Centurion shall have obtained Acquisition Financing to mutually satisfactory to the parties. If financing is not obtained, Centurion will not be obligated to close the Proposed Transaction.</p> <p>c) Centurion will not be the entity holding any of the assets so it will not be responsible for the payment. This also helps the New CharterCARE System be a stand-alone self-sustaining health system.</p> <p>d) Based on both redacted expertise and Centurion’s experience in the market, Centurion is confident that the bonds will be issued with favorable terms.</p> <p>e) As stated before, Centurion will not be a guarantor of the bonds, but will assist local leadership by providing financial expertise and cost saving strategies if the New CharterCARE System cannot meet its bond obligations.</p>
32.	Question 1	<p>What services and programs does Centurion provide outside of real estate and facility development?</p>	<p>Centurion’s focus is upon increasing access to care and lowering the cost of healthcare. Since its founding in 1996, it has focused on achieving that mission by assisting other non-profit health systems in the development, acquisition, and financing of healthcare facilities. In light of Centurion and its principals’ experience, it has the ability to provide additional services in terms of operational support.</p>
33.	Question 1	<p>Please respond to the following:</p>	<p>a. Initially, redacted [REDACTED] [REDACTED]. Thereafter, redacted [REDACTED]</p>

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		<p>a. Explain in detail how QHR/Ovation was initially selected as part of this Proposed Transaction.</p> <p>b. Have any of the Transacting Parties or Affiliates engaged QHR/Ovation prior to the engagement related to the Proposed Transaction? If yes, please state the dates and descriptions of such engagement.</p>	<p>redacted</p> <p>Later, as set forth herein, it became clear that QHR’s services were unnecessary for the New CharterCARE System.</p> <p>b. No.</p>
34.	Question 4(a)	Provide a complete list and description of all positions that are considered officers, executives and senior managers at each of the Transacting Parties and their Affiliates.	Please see the key personnel provided at <u>Confidential Exhibit 4</u> , Curriculum Vitae for Centurion key personnel at <u>Confidential Exhibit F24</u> , and the Curriculum Vitae of the proposed leadership at <u>Confidential Exhibit F25</u> .
35.	Question 4(a)	redacted	redacted
36.	Question 4(a)	Explain how the function of Chief Executive Officer (“CEO”) of PMH is being shared between Von Crockett and David Topper.	Mr. Crockett mainly focuses on Prospect’s redacted while Mr. Topper focuses mainly on the redacted Mr. Crockett and Mr. Topper work in close and regular collaboration.
37.	Question 4(a)	redacted	The requested information is confidential and not relevant to the instant review related to the current Proposed Transaction. As a result, Prospect will not provide the requested information.

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			model. redacted
39.	Question 4(a)	Do the Prospect Transacting Parties currently maintain a CMO, or has it in the prior three years? If not, how are the functions of a CMO being performed within the Prospect system?	At each hospital, there is a physician who performs the duties of a CMO.
40.	Question 4(a)	redacted	redacted
41.	Question 4(a)	redacted	redacted
42.	Question 4(a)	redacted	redacted
43.	Question 4(a)	Please respond to the following regarding Centurion and its Affiliates: a. Describe the day-to-day operations of Centurion and its Affiliates.	a. Please see the response to Question 2 herein. On a day-to-day basis, the Centurion employees communicate with clients and other healthcare systems regarding financings, developments, or other matters, strategize and develop solutions to help lower healthcare costs, write emails,

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		<ul style="list-style-type: none"> b. How many employees does Centurion and/or its Affiliates have? c. Since Centurion does not have a Chief Financial Officer (“CFO”), who is responsible for the duties of a CFO? d. Are there any essential business functions of Centurion or its Affiliates that are performed by independent contractors or consultants? If so, please explain. 	<p>participate in phone calls and other meetings, work on structuring deals, and work on closings.</p> <ul style="list-style-type: none"> b. Centurion and its affiliates have 3 employees and use a number of outside consultants as detailed herein. If the Proposed Transaction closes, Centurion will hire a full-time employee to work on the New CharterCARE System. c. Steve Lovoy d. RSM serves as Centurion’s outsourced bookkeeper, controller, and tax preparer. Centurion also outsources its legal needs and outsources deal work to bankers as necessary.
44.	Question 4(a)	Please clarify if Centurion representatives would include representatives or employees of CCHRI or the New Hospitals.	Centurion representatives are Centurion officers or directors. As demonstrated by the current CharterCARE Health of Rhode Island Board, the community board members will include not only representatives or employees of the New CharterCARE System (i.e., Jeff Liebman) but also community stakeholders (i.e., Ed Santos and Maria Leonard).
45.	Question 4(a)	<p>Regarding the New Hospitals’ advisory boards:</p> <ul style="list-style-type: none"> a. Has there been a decision as to who will serve on the local hospital advisory boards post-transaction? b. Is it expected that the entirety of the hospital advisory boards members will be replaced as a result of the Proposed Transaction? If so, please 	<ul style="list-style-type: none"> a. [redacted] b. [redacted] [redacted] [redacted]

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		explain that decision and how that will affect the continuity of the boards' functions.	
46.	Question 6	redacted ████████████████████ ████████████████████ ████████████████████ ████████████████████ ████████████████████ ████████████████████ ████████████████████ ████████████████████	redacted ████████████████████ ████████████████████
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48.	Question 6	redacted ████████████████████ ████████████████████ ████████████████████ ████████████████████ ████████████████████	redacted ████████████████████ ████████████████████
49.	Question 6	The sentence starting “the meeting participants discussed the....” does not appear to be reflected on the privilege log and was not provided in unredacted	See the privilege log provided at C-CNT-PMH-012088 through C-CNT-PMH-012093.

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		form during the in-camera review (06-R-C-CNT-PMH-003322). Please address.	
50.	Question 6	redacted [redacted] [redacted] [redacted] [redacted] [redacted]	redacted [redacted] [redacted] [redacted]
51.	Question 6	redacted [redacted] [redacted] [redacted] [redacted] [redacted]	redacted [redacted] [redacted] [redacted] [redacted]
52.	Question 6	redacted [redacted] [redacted] [redacted] [redacted] [redacted] [redacted] [redacted] [redacted] [redacted]	redacted [redacted] [redacted] [redacted]
53.	Question 6	redacted [redacted] [redacted] [redacted] [redacted] [redacted] [redacted] [redacted] [redacted] [redacted]	redacted [redacted] [redacted] [redacted] [redacted] [redacted] [redacted]

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55.	Question 6	redacted [Redacted text]	redacted [Redacted text]
56.	Question 6	redacted [Redacted text]	redacted [Redacted text]

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		redacted redacted redacted	
57.	Question 6	redacted redacted redacted. Please provide all responsive minutes or indicate that no such minutes exist.	The Audit and Compliance Committee is the same as the Management Audit Committee, which minutes were produced.
58.	Question 6	Regarding the Prospect Management Audit Committee (MAC): <ul style="list-style-type: none"> a. The minutes at 06-R-C-CNT-PMH-003752 were not provided in unredacted form for the in-camera review. Please address. b. The minutes at 06-R-C-CNT-PMH-003758 are redacted and not included on the privilege log. Please include or provide in unredacted form. 	<ul style="list-style-type: none"> a. Please see the minutes provided at C-CNT-PMH-010646. b. Please see the updated privilege log provided as Exhibit See the privilege log provided at C-CNT-PMH-012088 through C-CNT-PMH-012093.
59.	Question 6	No minutes were provided for PMH MAC between October 2022 and March 2023. Did the committee not meet during this time? Please provide an explanation.	The Committee did not meet during this period of time.

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60.	Question 6	<p>redacted</p> <p>redacted</p> <p>redacted</p> <p>redacted</p> <p>redacted</p> <p>redacted</p> <p>redacted</p> <p>redacted</p>	<p>redacted</p> <p>redacted</p> <p>redacted</p>
61.	Question 6	<p>redacted</p> <p>redacted</p> <p>redacted</p> <p>redacted</p> <p>redacted</p> <p>redacted</p>	<p>redacted</p> <p>redacted</p> <p>redacted</p>
62.	Question 6	<p>redacted</p> <p>redacted</p> <p>redacted</p> <p>redacted</p> <p>redacted</p>	<p>redacted</p>
63.	Question 6	<p>Please provide the following related to the redacted at 06-R-C-CNT-PMH-redacted:</p> <ul style="list-style-type: none"> a. Process letter, teaser and NDA sent redacted b. Any documentation submitted to redacted the interested parties identified in this presentation; c. A detailed description of all initial phone calls mentioned in this report, 	<p>Please see C-CNT-PMH-010647 through C-CNT-PMH-010691. With respect to request (c), redacted to locate the contact log detailing the initial phone calls and, if it locates the log, will produce it.</p>

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		including the date, the name and role of all participants in the call, and description of the key discussion points.	
64.	Question 6	redacted redacted redacted redacted redacted	redacted redacted redacted
65.	Question 6	Please respond to the following regarding the PCC minutes of October 11, 2023: a. redacted redacted redacted redacted redacted redacted b. redacted redacted redacted redacted redacted	a. redacted redacted redacted redacted b. redacted redacted redacted
66.	Question 6	Please provide the packets referenced in the PCC agendas dated 10/20/21, 12/8/21, 2/10/22, 5/12/22, 8/17/22, 11/10/22, 2/15/23, 5/1/23, and 7/13/23.	Prospect is gathering the response to this question and will produce it on or before February 6, 2023.

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67.	Question 6	Provide the minutes for the PCC executive sessions that took place on 2/10/22, 5/12/22, 8/17/22, 11/10/22, 5/17/23, and 10/11/23. If no minutes exist, provide a detailed description of what occurred in each executive session.	Prospect is gathering the response to this question and will produce it on or before February 6, 2023.
68.	Question 6	There were no minutes provided for the RWMC and OLF advisory boards between December 2021 and May 2022. Did these boards not meet for five months? Please provide an explanation.	Prospect is gathering the response to this question and will produce it on or before February 6, 2023.
69.	Question 6	There were no minutes provided for the RWMC and OLF advisory boards after May 2023. Have these boards not met since May? Please provide an explanation.	Prospect is gathering the response to this question and will produce it on or before February 6, 2023.
70.	Question 6	The minutes for RWMC and OLF advisory board reference Medical Executive committees, but no minutes for these committees were provided. Please provide all responsive minutes or indicate that no such minutes exist.	Prospect is gathering the response to this question and will produce it on or before February 6, 2023.
71.	Question 6	Regarding the minutes for the Centurion board: a. The statements on 06-R-C-CNT-PMH-003888 were not provided	a. The statements on 06-R-C-CNT-PMH-003888 are subject to attorney client privilege. Please see the attached privilege log at C-CNT-PMH-012088 through C-CNT-PMH-012093.

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		<p>unredacted for the in camera review. Please address.</p> <p>b. The redactions on 06-R-C-CNT-PMH-003889 are not listed on the privilege log. Please update the log or provide unredacted minutes.</p>	<p>b. Please see the updated privilege log at See the privilege log provided at C-CNT-PMH-012088 through C-CNT-PMH-012093.</p>
72.	Question 6	<p>redacted</p> <p>redacted</p> <p>redacted</p>	<p>redacted</p> <p>redacted</p> <p>redacted</p> <p>redacted</p>
73.	Question 6	<p>Please explain redacted</p> <p>redacted</p> <p>redacted</p> <p>redacted</p> <p>redacted</p> <p>redacted</p> <p>redacted</p>	<p>redacted</p> <p>redacted</p> <p>redacted</p> <p>redacted</p> <p>redacted</p> <p>redacted</p>
74.	Question 6	<p>redacted</p> <p>redacted</p> <p>redacted</p> <p>redacted</p> <p>redacted</p> <p>redacted</p> <p>redacted</p> <p>a. redacted</p> <p>redacted</p>	<p>a. redacted</p> <p>redacted</p> <p>b. redacted</p> <p>c. redacted</p> <p>redacted</p> <p>redacted</p>

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		<p>b. redacted [Redacted]</p> <p>c. redacted [Redacted]</p>	
75.	Question 6	<p>redacted [Redacted]</p>	<p>[Redacted]</p>
76.	Question 6	<p>Please provide minutes and agendas for any meeting that has taken place since the submission of the Initial Application that would be responsive to Question 6.</p>	<p>Centurion does not have any additional final meeting minutes since submission of the Initial Application that would be responsive to Question 6.</p>
77.	Question 7	<p>Please provide an explanation for the process for selecting board members, including any required qualifications, for the boards of CharterCARE Health of Rhode Island, Inc., CharterCARE Health</p>	<p><u>CharterCARE Health of Rhode Island Board of Directors:</u> For community representatives, Centurion, with Mr. Liebman’s help, looked for individuals who had ties to the local community, experience in business, finance, or the law, and dedication to the existing Prospect CharterCARE system and Hospitals. As a result, Mr. Liebman recommended to Centurion the former Prospect</p>

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		<p>of Rhode Island Foundation, Inc. and the New Hospitals.</p>	<p>CharterCARE board chair, Ed Santos, and the current chair of RWMC Advisory Board and Prospect CharterCARE Board member, Maria Leonard. Upon identifying these individuals, Mr. Liebman spoke with them. Next, Mr. Mingle reviewed their background, along with Mr. Liebman’s recommendation, and each candidate attended an approximately 90 minute interview with Mr. Mingle and Mr. Liebman. Finally, the candidates for the board were presented to the Centurion Board of Directors for review and approval. Centurion is still working on identifying one additional community member for the board and does not have a timeline for that process.</p> <p><u>New Hospital Advisory Boards and CharterCARE Health of Rhode Island Foundation, Inc.:</u> To select the advisory board members for the New Hospitals and the CharterCARE Foundation board members, Mr. Liebman will consider the Existing Hospital’s Board Members, as well as new candidates who will be identified. To identify new candidates, Mr. Liebman will ask for recommendations from the existing Prospect CharterCARE Board of Directors community members, Existing Hospitals advisory board members, and stakeholders in the hospitals. The New CharterCARE System has not yet appointed any advisory board members or CharterCARE Foundation board members and anticipates beginning and completing the process of identifying advisory board members and CharterCARE Foundation within three months of regulatory approval for the Proposed Transaction.</p>
78.	Question 8	<p>Please include the following Prospect joint ventures in this response: Grayhawk Home Car 1, LLC; Tech Park Properties, Inc.; Metro wheelchair, Inc.; Chemosynergy, LLC.</p>	<p>Please see C-CNT-PMH-010692 through C-CNT-PMH-010694.</p>

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79.	Question 9	The following Centurion Affiliates are not listed on the organization chart provided in this response: Centurion Biosquare, Inc.; Centurion Hospital Foundation of Kentucky I, LLC; Centurion Foundation North Graham Street, LLC. Please submit an organization chart that includes these entities.	Please see C-CNT-PMH-010705.
80.	Question 10(b)	This response states the “current fiscal status quo is not sustainable.” Please explain.	The for-profit status of the hospitals, combined with its low reimbursement rates, has led to the current fiscal state of the Existing Hospitals. Centurion, as a non-profit entity, has immediate access to cost savings through property and sales tax savings, as well as 340B pricing.
81.	Question 13	redacted ████████████████████ ████████████████████ ████████████████████ ████████████████████	redacted ████████████████████ ████████████████████ ████████████████████ ████████████████████
82.	Question 13	Please respond to the following regarding the Alvarez & Marsal (A&M) engagement: a. Why was this engagement necessary? redacted ████████████████████ ████████████████████ ████████████████████ redacted ████████████████████ ████████████████████ ████████████████████ ████████████████████	redacted ████████████████████ ████████████████████ ████████████████████ ████████████████████ ████████████████████ ████████████████████ ████████████████████ ████████████████████ ████████████████████ ████████████████████

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		<p>c. Explain to what extent A&M is assisting in day-to-day operations of PCC (such as time spent on-site, in meetings with staff, etc.).</p> <p>d. Describe the work of A&M to date and provide any reports or documents that A&M has prepared.</p> <p>e. How long is this engagement anticipated to last?</p> <p>f. Will A&M be providing other services to PCC or the New CharterCARE system? If so, please detail those services (see reference at 06-R-C- CNT-PMH-003906).</p>	<p>redacted [redacted]</p> <p>[redacted]</p> <ul style="list-style-type: none"> ■ [redacted] [redacted] [redacted] [redacted] [redacted] [redacted] [redacted] [redacted] [redacted] [redacted] ■ [redacted] [redacted] [redacted] ■ [redacted] [redacted] [redacted] [redacted] [redacted]
83.	Question 13	<p>Please respond to the following regarding the MSA between Prospect and QHR that started in July 2022:</p> <p>a. Please state the specific reasons this engagement was terminated.</p> <p>b. When was the effective date of termination of this agreement?</p> <p>c. If any fees were paid to effectuate the termination, please state the amount and who paid those fees.</p> <p>d. Provide all documentation related to the termination of this agreement.</p>	<p>a. Please see the October 11, 2023 Prospect CharterCARE Board of Directors meeting minutes.</p> <p>b. redacted [redacted]</p> <p>c. redacted [redacted]</p> <p>[redacted]</p> <p>[redacted]</p> <p>d. redacted [redacted]</p> <p>[redacted]</p> <p>e. redacted [redacted]</p> <p>[redacted]</p> <p>[redacted]</p> <p>[redacted]</p>

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		<p>e. Provide a detailed description of the services provided by QHR during the engagement and provide any reports, assessment, or the like, that QHR prepared during the engagement.</p> <p>f. Provide the amount of fees paid to QHR during the engagement.</p> <p>g. Did the engagement yield any savings or create efficiencies for PCC? If so, please explain.</p>	<p>f. redacted</p> <p>g. QHR’s engagement identified opportunities for savings and efficiencies but did not execute on those identified opportunities or savings. A&M is now executing on the opportunities for savings and efficiencies.</p>
84.	Question 13	<p>Please respond to the following regarding the engagement letter between Centurion and QHR dated May 15, 2023:</p> <p>a. Please state the specific reasons this agreement terminated.</p> <p>b. When was the effective date of termination of this agreement?</p> <p>c. If any fees were paid to effectuate the termination, please state the amount and who paid those fees.</p> <p>d. Provide all documentation related to the termination of this agreement.</p> <p>e. Provide a detailed description of the services provided by QHR during the engagement and provide any reports, assessments, or the like, that</p>	<p>a. Centurion felt confident in the existing management team’s capability in carrying out the tasks needed that QHR was initially hired to perform. Centurion did not see the value in continuing redacted when the existing management team is capable.</p> <p>b. redacted</p> <p>c. redacted</p> <p>d. The documentation has not yet been finalized.</p> <p>e. QHR assisted in the operational due diligence of the Existing Hospitals, and that report is attached at Confidential Exhibit 22.</p> <p>f. Please see the response to Question 83.</p>

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		QHR prepared during the engagement. f. Provide the amount of fees paid to QHR during the engagement.	
85.	Question 14/Conflicts of Interest	redacted ██ ██ ██ ██ ██ ██ ██ ██ ██ ██	redacted ██ ████████
86.	Question 16	Please provide copies of the Letter of Intent signed by the Transacting Parties, as well as all prior substantive drafts of the Asset Purchase Agreement (APA).	To the extent that drafts of the APA were not exchanged between the parties, such drafts are protected by the attorney-client privilege. With respect to drafts of the APA that were exchanged between the parties, the parties did not keep a clean record/log of all such drafts. Please see C-CNT-PMH-010707 through C-CNT-PMH-010715 for a copy of the original Letter of Intent and <u>Confidential Exhibit 13</u> for a copy of the Amended Letter of Intent.
87.	Question 16	Please state the most heavily negotiated terms and clauses of the APA and an explanation as to why those particular terms or clauses were the most heavily negotiated.	redacted ██ ██ ██

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88.	Question 16	Explain the reason for the amendments to the APA dated April 18, 2023, related to the Purchase Price and determination of the Purchase Price, including a detailed explanation for changing the process for determining the Purchase Price.	The process for determining the purchase price was changed to make the transaction and the purchase price simpler.
89.	Question 16	redacted	redacted
90.	Question 16	Schedule 3.3(b) of the APA references financing agreements between the hospitals and Rosemawr Capital V. Provide copies of those Financing Agreements.	Please see C-CNT-PMH-010716 through C-CNT-PMH-010824.
91.	Question 16	What is the status of the application requesting favorable determination referenced in Schedule 3.12(b) of the APA?	Please see C-CNT-PMH-010825 through C-CNT-PMH-010827.
92.	Question 16	Explain the process and status for obtaining the MPT third party consents as described in Schedule 3.1(b)(ii) of the APA.	Prospect will send a letter to MPT requesting consent. It will do so after receiving the required regulatory approval.

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93.	Question 16	Please explain the reason for the increase in the Acquisition Cost Budget under Section 1.1(e) of the amended APA.	The Acquisition Cost Budget was increased redacted redacted redacted .
94.	Question 16	Please state the expected cost of consultant referenced in Section 1.1(g) of the amended APA and the services expected to be performed.	Centurion understands this question to be referencing the insurance consultant fees referenced in this section. There is no anticipated cost for such fees.
95.	Question 16	<p>Please respond to the following regarding Section 8.17 of the amended APA:</p> <ol style="list-style-type: none"> a. Explain why QHR is responsible for Acquisition Costs, which costs they will be responsible for, and why they would be reimbursed for these costs. b. Explain how the Transacting Parties will enforce QHR responsibilities under the APA since QHR is not a party. c. Explain how this clause will be affected with Centurion’s decision not to engage QHR for management services. d. Has QHR/Ovation sought reimbursement for any Acquisition Costs that were paid prior to the decision to not further engage QHR? If so, please explain. 	<ol style="list-style-type: none"> a. redacted redacted redacted. QHR will be compensated for the services they provided prior to their termination. b. QHR has already paid its portion of the Acquisition Costs so nothing further needs to be enforced. QHR is no longer a party to the APA. c. Nothing is affected due to Centurion’s decision not to engage QHR. d. QHR has completed its funding obligation of the Acquisition Costs and there is nothing further required of QHR. As set forth above, QHR will be compensated for the services they provided prior to their termination.

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96.	Question 16	Please explain the plan to address capital needs at the facilities.	The New CharterCARE System plans to follow the three-year capital budget as set forth in <u>Appendix A</u> .
97.	Question 19	Please confirm Centurion has no pending litigation and/or investigations or update this response as necessary.	Centurion does not have any litigation responsive to Question 19 because it does not have any current or impending litigation “against” it or its affiliates. As set forth in the CEC Application at Question 20B, Centurion Holdings 1, Inc. is a plaintiff in a Connecticut Superior Court case captioned “Centurion Holdings 1, Inc. v. Town of South Windsor and Mary Huda, Assessor for Town of South Windsor, HHB-CV22-6073236-S,” which involves an appeal of property tax assessment. There is no further responsive information.
98.	Question 19	redacted ██ ██ ██ ██ ██ ██	redacted ██ ██ ██. As a result, it does not have redacted information to include on a privilege log.
99.	Question 20	redacted ██ ██ ██ ██ ██. How will Centurion, as the parent organization, ensure that the New CharterCARE System has the tools and resources to perform these duties, given that these duties have been the responsibility of	As set forth herein, Centurion is confident in the local management team’s expertise and ability to manage the hospitals successfully on a stand-alone basis. Please see the Transition and Integration Plan included at Question 48 for further information. In addition, the currently outsourced/regionalized positions will return to Rhode Island and be managed locally in the New CharterCARE System. Finally, the New CharterCARE System will engage consultants on an as needed basis to support operations.

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		Prospect since it acquired Prospect CharterCARE in 2014?	
100.	Question 20	Explain the rationale for including Section 1.3(B) in the Corporate Services Agreement.	redacted redacted. As stated in other parts of this application and these questions, Centurion is not a guarantor for the liabilities of the New CharterCARE System.
101.	Question 20	Please provide the anticipated fee under Section 2.1 of the Corporate Services Agreement, which is currently blank.	Centurion currently anticipates that the anticipated fee under Section 2.1 will be redacted redacted redacted redacted
102.	Question 20	Explain how Section 4.2 of the Corporate Services Agreement is appropriate given Centurion will become the parent organization of CharterCARE Health of Rhode Island, Inc.	As the parent entity, Centurion is not engaged in any partnership, joint venture, or lease with its subsidiary, CharterCARE Health of Rhode Island. Additionally, subsidiaries do not typically have the right or authority to commit or otherwise obligate a parent entity.
103.	Question 21	How is Centurion informed of the current operations of the Existing Hospitals as referenced in this response?	Centurion and Prospect CharterCARE leadership teams are in ongoing regular – typically daily – communication regarding the current operations of the Existing Hospitals.
104.	Question 21	redacted redacted redacted redacted redacted a. redacted redacted redacted redacted	a. redacted redacted redacted redacted redacted b. redacted redacted redacted redacted

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		<p>redacted</p> <p>b. redacted</p> <p>c. redacted</p> <p>d. redacted</p>	<p>c. redacted</p> <p>d. redacted</p>
105.	Question 22/25	<p>Has Centurion considered any Proposed Transactions in the prior three (3) years? If so, provide responsive documents.</p> <p>If no responsive documents are available related to <i>any</i> Proposed Transaction of Centurion, please provide a detailed description of all Proposed Transactions in the prior three (3) years, including the value and status. Please also explain Centurion’s decision to not have any assessments or reports prepared in anticipation of a transaction.</p>	<p>For purposes of this question, Centurion assumes that “Proposed Transactions” means similar transactions to the current Proposed Transaction – <i>i.e.</i>, acquisition of a hospital system assets and operations.</p> <p>Centurion has considered the following:</p> <ul style="list-style-type: none"> • redacted • redacted

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			<p>redacted</p> <p>redacted</p> <p>redacted</p> <p>redacted</p> <ul style="list-style-type: none"> redacted
106.	Question 23	According to the Form 990 provide for 2019 and 2020, Greg Grove, with the title of CEO, was not compensated. Please explain why he was not compensated.	Greg Grove was employed by The Guardian Foundation, Inc., and served as a Director and its Chief Executive Officer until January 17, 2020, through which time he was compensated by Guardian with a salary and benefits. He served The Centurion Foundation, Inc., on a voluntary basis for many years and began receiving compensation from The Centurion Foundation, Inc., starting on July 1, 2021, after retiring from The Guardian Foundation. Since Centurion is on a fiscal year and employee compensation reports run on a calendar year, Greg Grove’s compensation, while it began on July 1, 2021, did not show up until the July 1, 2022 Form 990.
107.	Question 26	Many of these policies listed in this exhibit still appear to be expired. Please indicate whether expired policies are in effect or have been replaced.	Please see C-CNT-PMH-010828.
108.	Question 27	Explain how the funding for the New Hospitals will come from the provision of charitable health care services in the community. How will this be done differently than in the past?	The New CharterCARE System will provide charity care pursuant to its charity care policy (<u>Exhibit 45</u>). The New CharterCARE System will seek donations for charitable health care services, as well as potential grant funding to support such care and initiatives. Prospect CharterCARE, as a for-profit entity, did not have access to either donations or grants.

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109.	Question 33	<p>Regarding Mr. Liebman's duties as outlined in Exhibit A of his employment agreement:</p> <p>[Redacted]</p>	<p>[Redacted]</p>
110.	Question 34	<p>To the extent it is not provided elsewhere in the Application, please identify the title for all employees identified in the agreements provided in Confidential Exhibit 34.</p>	<p>Please see below for the titles of employees identified in the agreements provided in Confidential Exhibit 34 that are not otherwise provided in the Application:</p> <p>[Redacted]</p>

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			redacted redacted redacted redacted redacted redacted
111.	Question 34	Please indicate what prompted the Change In Control Severance Agreements and why these particular individuals were identified for such agreements (as opposed to other executives or senior managers).	redacted redacted redacted redacted redacted
112.	Question 39	Please explain the Buyer’s standard hiring practices as referenced in Section 8.3 of the APA.	As the New CharterCARE System has not yet developed standard hiring practices, it will use Prospect CharterCARE’s current hiring standards for this section.
113.	Question 39	This response indicates Prospect will no longer maintain tail coverage, but maintain current levels for 5 years post transaction. Please explain this decision.	Maintaining coverage serves the same purpose as maintaining tail coverage. For the current transaction, it proved to be a more economical way of continuing appropriate coverage following closing of the Proposed Transaction.
114.	Question 40	If the interest rates for PACE are not accretive to the transaction, what is the plan for those loans?	Centurion currently intends to assume the PACE loans as long as the interest rate remains below market. If the interest rates do not remain below market, the parties will consider the best option for the loan.
115.	Question 41	Did Centurion seek any expert advice regarding converting Prospect CharterCARE, LLC from for-profit to nonprofit? If so, please provide any documentation related to this advice. If	Technically, there is no conversion taking place. Centurion is purchasing the assets of Prospect and putting those assets into new nonprofit entities based on legal advice from Hall Render and local legal counsel. No documentation exists.

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		no documentation exists, provide a detailed description of the advice received.	
116.	Question 41	<p>Regarding the conversion of Prospect CharterCARE, LLC from for-profit to nonprofit:</p> <ul style="list-style-type: none"> a. How long is the process expected to take? b. Are there any anticipated concerns that will impede the approval of the 501(c)(3) status? c. Do the Transacting Parties expect any resistance from local governmental agencies regarding this change (for instance, related to the payment of real estate taxes)? 	<ul style="list-style-type: none"> a) Technically, there is no conversion taking place. Centurion is purchasing the assets of Prospect and putting those assets into new nonprofit entities. The nonprofit entities being formed to hold the assets have submitted their applications for tax exemption with the Internal Revenue Service. The process to receive approval for tax exemption can take up to 9 months, but the tax exemption status will be retroactive to the application date. b) No. c) No.
117.	Question 45	This response references that that as a nonprofit the New CharterCARE System will be able to seek grants for behavioral health awareness. Is there any plan to sub-award these grants to trusted community organizations? Why or why not?	At this time, the New CharterCARE system does not have any specific plans to subaward grants but looks forward to working with the local behavioral health networks and is not opposed to such subaward of grants if warranted.
118.	Question 45	Please provide a description of how the New CharterCARE System will track output and outcome measures as it relates to their community work.	The New CharterCARE System will use the CHNA process, in addition to the medical staff, hospital departments, and social services department to track output and outcome measures as it relates to their community work. In addition, departments of the New CharterCARE System will monitor the impact of their programs. The New CharterCARE System’s local management team has extensive experience in monitoring and developing such programs. For example, Donna Rubinate, the Chief Executive Officer, Lynn Leahey, the Chief Nursing Officer, and Kara Lefebvre, Director of Social Work and Case Management,

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			monitor and develop strategies for such programs and interventions currently.
119.	Question 48/Question 20	<p>Respond to the following regarding the Transition Services Agreement:</p> <p>a. When do the Transacting Parties expect to draft a Transition Services Agreement (TSA) and why has it not been drafted to date?</p> <p>b. How and when will Centurion identify its needs regarding the scope of the TSA?</p> <p>c. How much has Centurion budgeted for the costs associated with the TSA?</p>	<p>The Transacting Parties expect to draft a Transition Services Agreement (“TSA”) closer to closing of the Proposed Transaction. The parties have not yet drafted the TSA because the services and term for the TSA are highly dependent on the circumstances at closing – <i>i.e.</i>, the New CharterCARE System’s need. redacted</p> <p>redacted</p> <p>redacted</p> <p>redacted</p> <p>redacted</p> <p>redacted</p> <p>redacted</p> <p>redacted</p>
120.	Question 48	Please state the name of all individuals that participated in the preparation of the Integration Plan and describe all prior experience those individuals have in preparing integration plans for healthcare or hospital facilities.	Centurion and the local management team authored the Integration Plan taking into account feedback, guidance, and/or input from a host of advisors, including legal counsel, bankers, redacted Alvarez & Marsal. Please see the biographies of Mr. Mingle, Mr. Grove, Mr. Lovoy, and Mr. Liebman for their experience.
121.	Question 48	Has Centurion ever prepared an integration plan for any of its associated healthcare facilities to date? If so, please describe.	No.
122.	Question 48	Provide the “comprehensive risk assessment” referenced in the response. To the extent no documentation exists, provide a detailed description of the	There is no written comprehensive risk assessment. The risk assessment is based on the significant experience and day-to-day assessment of the CEO of the New CharterCARE System, Jeff Liebman, who has 30 years of experience in hospital operations

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		process for conducting this assessment, who was involved, and specifically state the “steps already taken.”	and is assessing the needs of the hospital on a daily basis. Mr. Liebman and the proposed leadership team are present at the Existing Hospitals each day and providing updates to the Centurion team on needs of the Existing Hospitals. In terms of “steps already taken,” Mr. Liebman and his leadership team are making efforts to make changes as possible prior to closing. For example, Mr. Liebman and his leadership team have localized the HR leadership by hiring a HR leader, have begun decoupling the IT contracts, and have restructured the management of home health, the employed physician group, and the surgery center as described above.
123.	Question 48	Explain what is meant by “local organizations will spin out as part of the New CharterCARE System” and how this will be done.	The current Prospect CharterCARE hospitals and facilities will become standalone self-sustaining system that is not a part of a national hospital system.
124.	Question 48	PCC was previously a non-profit entity that was ultimately not self-sustaining resulting in a sale to PMH. Please explain how the transition to a non-profit is expected to be successful given this history.	Many of the matters that were issues for the prior CharterCARE Health Partners no longer exist. For example, the New CharterCARE System will not be faced with the prior system’s pension issues. Moreover, since Prospect’s acquisition of Prospect CharterCARE, it has opened or expanded clinical services, spent over \$100 million in new infrastructure (including a new emergency department), and engaged in significant physician recruitment. Based on the developments in the last 10 years and the financial plan included in <u>Confidential Exhibit 1</u> , the New CharterCARE System is well positioned for success as a standalone non-profit health system.
125.	Question 48	Explain the decision to not engage a consultant for the preparation of the integration plan.	Mr. Liebman and his management team not only have an overall operational expertise, but also have a deep understanding of the Existing Hospitals and their needs in order to create a self-sustaining system. Coupled with Centurion’s financial and strategic expertise, the parties did not require a consultant’s services to prepare the integration plan.


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126.	Question 48	Provide a detailed description of Centurion’s partnership with the New England healthcare community as referenced in this response.	redacted [Redacted] [Redacted] [Redacted] [Redacted] [Redacted] [Redacted] [Redacted] [Redacted] [Redacted] [Redacted]
127.	Question 48	Provide the “work plans” developed with A&M as referenced in this response. Are these plans developed under PCC’s current engagement with A&M or another engagement?	Prospect is gathering the work plans and will produce them on or before February 6, 2023. These plans are developed under the Prospect and Prospect CharterCARE current engagement with Alvarez & Marsal.
128.	Question 48	When will the Chief Information Officer referenced in this response be hired? Is there currently an executive serving this function?	Amanda Cox is currently the Interim Chief Information Officer and Centurion anticipates that she will serve as the Chief Information Officer for the New CharterCARE System.
129.	Question 48	Respond to the following regarding “Finance” under the Integration Plan: a. Provide redacted [Redacted] [Redacted] [Redacted]. b. Who will serve on the finance committee?	a. Please see <u>Confidential Exhibit 1</u> . b. The Finance Committee will be a subset of the Board (including the CEO) and the CFO. The subset of the Board, besides Mr. Liebman, has not yet been determined.
130.	Question 48	Respond to the following:	a. The costs to implement the integration plan are included in the financial plan at <u>Confidential Exhibit 1</u> .

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		<p>a. What are the expected costs to implement the integration plan and how will those costs be funded?</p> <p>b. Has a budget been established for all items in the integration plan?</p>	<p>b. The financial plan considers and incorporates all costs.</p>
131.	Question 51	Please provide additional details as to the proposed method for increasing access to primary care.	Following closing, the New CharterCARE System will develop a medical staff recruitment plan, as well as a market analysis as part of the strategic plan. The plan will include the recruitment of primary care physicians and needs of the system and community to ensure that access to primary care is increased within the community.
132.	Question 51	Does the New CharterCARE System have additional plans for increasing access for women’s healthcare other than hiring three female physicians? If so, please describe. If not, please explain how the hiring of the three female physicians will meet the priority.	While Prospect CharterCARE does not offer obstetric services, the New CharterCARE System will endeavor to partner with other local institutions (e.g., federally qualified health centers) to promote access to women’s healthcare. Additionally, the New CharterCARE System will continue to offer mammography at both campuses. Finally, the New CharterCARE System will evaluate the need in terms of women’s health services in its strategic plan and medical staff recruitment plan.
133.	Question 52/Appendix A	According to Appendix A, there is no Medical Director at RWMC, and it appears that there are no plans to hire for this position. Please explain.	Dr. Rebecca Brown currently serves the duties of that role as the Executive Physician of Clinical Integration. She is an independent contractor.
134.	Question 52/Appendix A	According to Appendix A, there is a part time Medical Director at OLF. Please explain how the functions of Medical Director are carried out on a part-time basis.	Dr. William Beliveau served the duties as medical director and worked part time overseeing the SNF rehabilitation program and as an employee (hence, the part time FTE for medical director). HE is on longer an employee of Prospect CharterCARE, which is why his compensation drops from the table. However, he is still paid the medical director compensation as an independent contractor.

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135.	Question 57 (c)	The response to 57(c)(i) implies the same approach is applied to both short-term and long-term cost savings. Please distinguish between approaches to each.	Please see the financial plan at <u>Confidential Exhibit 1</u> , which demonstrates the difference between short-term and long term savings. For example, the New CharterCARE System will realize some immediate short term savings in 340B pricing, as well as sales and property tax savings. There will also be long term savings based on the initiatives proposed by the system and the localization of services that were previously regionalized. While such savings may require short term investment or cost (that is included in the financial plan) by the system, the long term savings will allow the New CharterCARE System to operate on a standalone basis.
136.	Question 61	Provide a detailed summary of the propriety of the Proposed Transaction under the Rhode Island Nonprofit Corporation Act, R.I. Gen. Laws § 7-6-1 <i>et seq.</i>	<p>redacted</p> 

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137.	Appendix F-7	Please confirm all material liabilities have been disclosed on the balance sheets provided.	Confirmed.
138.	Appendix F-8	Provide AP aging reports for each entity showing the exact aging of each payable as opposed to grouping them into aging buckets.	Please see C-CNT-PMH-010831 through C-CNT-PMH-010836.
139.	Appendix F-21	Explain in detail what “all available options” are as referenced in this response.	The available options will depend on the circumstances at the time. The Prospect Transacting Parties expect that the Proposed Transaction will be approved given its benefit to the hospitals and the community. The “available options” will depend on a variety of factors, including the state of the market, the state of the hospitals, and interests in the hospitals from third parties.
140.	Appendix F-37	The report provided in this response indicates Centurion has “unrelated business income subject to taxation under Section 511 of the Code.” Please explain what this unrelated business income is and provide a copy of any IRS Form 990-T for Centurion and its Affiliates for the prior three (3) years.	This is not correct. The IRS Form 990-T does not indicate that Centurion has “unrelated business income.”
141.	Appendix F-37	Does owning hospital operations (as opposed to just real estate) have any implications for Centurion’s status as a private foundation? Are there any other business or tax implications? Have any reports been done? If so, please provide these reports.	CharterCARE Health of Rhode Island is a Rhode Island nonprofit corporation. CharterCARE Health of Rhode Island is organized and shall be operated exclusively for charitable, educational, and/or scientific purposes within the meaning of Section 501(c)(3)*. CharterCARE Health of Rhode Island recently filed an application for recognition as an organization that is exempt from federal income tax under Code Section 501(c)(3) and a public charity under Code Section 509(a)(3) with the Internal Revenue Service (“IRS”) on December 20, 2023. Centurion fully anticipates that the IRS will approve CharterCARE Health of

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		<p>Rhode Island’s application for exemption and issue a favorable determination letter.</p> <p>Centurion is the sole corporate member of CharterCARE Health of Rhode Island. Members of public charities often have rights and responsibilities akin to shareholders of for-profit organizations, but they do not “own” those public charities. Public charities, such as CharterCARE Health of Rhode Island, are expressly prohibited by state law and the Code from paying dividends to its members (i.e., private inurement) or distributing proceeds from the sale or dissolution of the organization to any entity that is not also tax-exempt pursuant to Section 501(c)(3) and classified as a public charity pursuant to Sections 509(a)(1) and 509(a)(2). Centurion is not a public charity. Centurion is characterized by the IRS as an exempt operating foundation pursuant to Code Section 4940(d)(2). As a result, CharterCARE Health of Rhode Island is prohibited by law from distributing any net assets from its sale or dissolution to Centurion.</p> <p>Centurion’s role as the sole corporate member of CharterCARE Health of Rhode Island will have no impact on Centurion’s status as an exempt operating foundation. Centurion’s membership interest in CharterCARE Health of Rhode Island is not characterized as an “asset” for accounting purposes, therefore the membership interest will not be reflected in any way on Centurion’s balance sheet, income statement, or federal and state tax returns.</p> <p>Likewise, Centurion’s role as the sole corporate member of CharterCARE Health of Rhode Island will have no impact on CharterCARE Health of Rhode Island’s status as a tax-exempt charitable organization under Section 501(c)(3) or public charity status under Section 509(a)(3). The IRS determines tax-exempt</p>
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			<p>and public charity status on the basis of the activity of the organization and its public support, not who has f of the organization.</p> <p>While not as common as the numerous examples of one public charity serving as the sole corporate member of another public charity, private foundations are not prohibited by state nonprofit law or federal tax laws from serving as the sole corporate member of a public charity.</p> <p>No reports or other analysis have been prepared on this issue.</p> <p>*All Section references are to the Internal Revenue Code of 1986, as amended (the “Code”).</p>
142.	Appendix F-39	Please provide a description of all roles/titles the Centurion principals held at Guardian, including the duration of the positions and responsibilities of the positions.	<p>See response to Question 66/Appendix F-39.</p> <p>Gregory K. Grove is the Founder, CEO, and a Director of Centurion which was organized 1996 to acquire, own, and operate a variety of healthcare facilities including nursing homes and related health care operations, as well as to acquire and lease tangible property to other 501(c)(3) organizations for use primarily in furtherance of their exempt purpose.</p> <p>Previously in 1989, Mr. Grove founded The Guardian Foundation, Inc., a non-profit organization, and served as a Director and its President and Chief Executive Officer until January 17, 2020. Thereafter, he remained on its Board of Directors until November of 2021 when he resigned from the Board of Directors and has not been affiliated with that organization or any of its affiliates since that time.</p> <p>During his thirty-year tenure with The Guardian Foundation, he spearheaded its growth and that of its affiliates to operate more</p>

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			<p>than thirty long term care and senior housing facilities which provided services to the elderly and to developmentally disabled individuals. Its operations were located in seven states, comprised a total of over 2,100 beds, and employed more than 3,200 nursing, administrative, and support staff.</p> <p>As CEO, Mr. Grove was responsible for the overall growth, management, success, and image of the organization. A particular objective was to bring into a financially secure organization various long term care facilities which were experiencing financial and/or operational challenges. Such facilities could typically be acquired at a lower cost and returned to operating profitability by engaging specialized management teams and working with them to restructure operations, training and supporting staff, and engaging outside services to support the organization’s initiatives. Over the course of his tenure, he was primarily responsible for locating new opportunities, negotiating contracts and agreements to develop and/or acquire selected opportunities, negotiating the financing and funding for acquisitions and operations, locating and hiring qualified and experienced staff, and managing the organization’s legal and non-profit status.</p> <p>His prior experience as an investment banker and municipal bond underwriter of healthcare issues facilitated his securing lower cost financing for the organization. During his career he financed approximately 100 healthcare facilities in various roles as either an investment banker or borrower.</p>
143.	Appendix F-39	This response indicates the Centurion principals “have experience operating healthcare facilities in connection with their prior roles...where they sponsored and oversaw health facilities which were	<p>“Sponsored” is to have aided, affirmed, advocated, or facilitated with funding.</p> <p>The experience and responsibilities of Gregory Grove are as previously stated:</p>

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		<p>managed by local leadership.” Please explain what is meant by “sponsored” and indicate if any of the principals referenced have firsthand experience in healthcare operations, including the role and responsibilities of such experience.</p>	<p>While he was CEO of Guardian, his responsibilities included:</p> <ul style="list-style-type: none"> • Providing services to and through its 12 affiliates, which operated more than 30 healthcare and senior housing facilities for the elderly and for the developmentally disabled. • The overall growth, management, success, and image of the organization. • Seeking opportunities to acquire or develop healthcare facilities in furtherance of the charitable mission. • Acquiring facilities and operations located in seven states comprising a total of over 2,100 beds and employing more than 3,200 nursing, administrative, and support staff. • Engaging specialized management teams and working with them to restructure operations, training and supporting staff, and engaging outside services to support the organization’s initiatives. • Originating, negotiating, and arranging financing for its affiliates to acquire, develop, staff, and operate its healthcare facilities. • Maintaining compliance with IRS, state, and local regulations for the organization.
144.	Appendix F-39	<p>Has a healthcare facility associated with Centurion and/or Guardian ever closed during or following Centurion or Guardian’s relationship with that facility? If yes, for each such instance, please describe.</p>	<p>No healthcare facility associated with Centurion and/or Guardian closed during Gregory Grove’s tenure with either Centurion or Guardian. The Transacting Parties are unable to provide any information regarding the Guardian Foundation, Inc. (“Guardian”), as there is no affiliation among Guardian and any of the Transacting Parties. Greg Grove, the Chief Executive Officer of Centurion, resigned as the President and Chief Executive Officer of Guardian on January 17, 2020, and has no knowledge of its operations after resigning from its Board of Directors in November 2021.</p>

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145.	Appendix F-39	Describe the systems, process and procedures Centurion will implement to monitor those items that are reserved powers of Centurion as referenced in this response. Have these systems, processes and procedures been used by Centurion in the past? Please explain.	Centurion plans on hiring a full-time employee to be dedicated to managing the systems, processes and procedures that are reserved powers of Centurion and to work closely with Mr. Liebman and the local management team. Also, Centurion will have representatives on each subsidiary board which will allow it to monitor and coordinate its reserved powers. Monitoring these items is not a new function for Centurion. Centurion will work closely with the New CharterCARE System CFO to manage endowment and treasury functions, attend the board and committee meetings, and regularly review reporting produced by the management team.
146.	Appendix F-39	Please provide a list and description of all professionals that support Centurion on an on-going basis as referenced in this response.	RSM serves as Centurion’s outsourced bookkeeper, controller, and tax preparer. Centurion also outsources its legal needs and outsources deal work to bankers as necessary.
147.	Appendix F-45	Provide a copy of all policies referenced in response, or reference where they can be found in the Application.	Please see the Response to Question 45 and accompanying Exhibit 45 for the Community Health Needs Assessment and Centurion Transacting Parties proposed financial assistance policies.
148.	Appendix F-46	The last compensation study is dated January 1, 2021. How often does Centurion have compensation studies performed?	redacted
149.	Appendix F-89	redacted	redacted

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150.	Appendix F-89	redacted [redacted] [redacted]	[redacted] [redacted] [redacted]
151.	Appendix F-89	redacted [redacted] [redacted]	[redacted] [redacted] [redacted]
152.	Appendix F-89	redacted [redacted] [redacted] [redacted] [redacted]	[redacted] [redacted]
153.	Appendix F-89	redacted [redacted] [redacted] [redacted] [redacted] [redacted]	[redacted] [redacted]
154.	Appendix F-89	redacted [redacted] [redacted] [redacted] [redacted] [redacted]	[redacted] [redacted]
155.	Appendix F-89	redacted [redacted] [redacted] [redacted]	[redacted]

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156.	Appendix F-108	Please provide a timeline with milestones over the next five years for the initiatives identified in this response.	Prospect CharterCARE is currently working on these initiatives. The New CharterCARE System will continue with these initiatives following closing. Based on the updated CHNA in 2025, the New CharterCARE System will develop a plan to implement initiatives based on the identified local community need.
157.	Miscellaneous	Does PCC currently have a strategic plan? If so, please provide. If not, why not.	Prospect CharterCARE does not currently have a strategic plan. As Prospect CharterCARE has planned to sell to a new operator, it has not developed a strategic plan.
158.	Miscellaneous	Have the Transacting Parties notified, discussed with, or received any feedback related to the Proposed Transaction from any municipality where Prospect CharterCARE, LLC is operating an entity? Please describe.	No.
159.	Financial	For Questions 159 to 174, the requested information includes fiscal year (FY) FY2021, FY2022, and FY2023 (“the Historical Period”); unless otherwise noted. Additionally, reference to the Facility (singularly) or the Facilities (collectively) shall refer to Roger Williams Medical Center, Our Lady of Fatima Hospital, Prospect Blackstone Valley Surgicare, and any subsidiaries thereof (e.g., Prospect RI Home Health and Hospice and Prospect CharterCARE Home Health and Hospice).	All responsive documents for Prospect were submitted at <u>Confidential Exhibit 24</u> . There are no responsive documents for any of the Facilities or Prospect CharterCARE.

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		Provide management letters and summary of audit adjustments for FY2021 and FY2022 for the Facilities and Prospect Medical Holdings (PMH).	
160.	Financial	Provide a summary of all related party transactions, contracts, arrangements, etc. of the Transacting Parties.	With respect to Prospect CharterCARE, please see C-CNT-PMH-011448 through C-CNT-PMH-011449, which includes the general ledger detail on intercompany transactions. redacted redacted redacted redacted redacted redacted redacted redacted
161.	Financial	redacted redacted redacted redacted redacted redacted	redacted redacted redacted redacted redacted redacted redacted redacted redacted redacted
162.	Financial	Provide a summary of key operating statistics, by month, and by Facility, including, but not limited to, inpatient admissions, discharges, outpatient visits by site of service, observation patients, emergency room visits, average daily census (ADC), average length of stay (ALOS), gross charges, visits, and	Please see C-CNT-PMH-010837 through C-CNT-010838.

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		collections by payer and by type of service for FY2021, FY2022, and FYTD 2023.	
163.	Financial	Provide a summary of all federal funding received, including from the CARES Act, for each of the Transacting Parties during the Historical Period, including but not limited to: - Provider Relief Fund (PRF). - Medicare Accelerated and Advanced Payments (MAAP). - Employee Retention Credit (ERC). - Other stimulus funds. Specifically note any balances on any payments that are currently due back to a governmental entity.	Please see C-CNT-PMH-010839.
164.	Financial	Provide aged accounts receivable (or aged billing schedule) by payer for each of the Facilities as of fiscal year end (FYE) 2021, 2022, and 2023.	Please see C-CNT-PMH-010840 through C-CNT-PMH-010842.
165.	Financial	Provide AR lookback analysis for each of the facilities as of FYE2021, FYE2022, and FYE2023.	Prospect is gathering the requested information and will supplement this response on or before February 6, 2024.
166.	Financial	Provide listing/aging of vendor payments to process for each Facility (or PMH if PMH handles these payments on behalf of the Facilities) as of FYE2021, FYE2022, and FYE2023.	Please see C-CNT-PMH-010843 through C-CNT-PMH-010848.

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167.	Financial	Provide a list of current real estate lease agreements, including lessor information and term, for each of the Facilities.	Please see C-CNT-PMH-010849.
168.	Financial	Provide equipment lease schedule, by Facility, showing the type of lease, lessor, equipment, contract amount, buyout, and monthly payment.	Please see C-CNT-PMH-010850.
169.	Financial	Provide the fixed asset and depreciation schedule for each of the Facilities as of FYE2021, FYE2022, and FYE2023.	Please see C-CNT-PMH-010851 through C-CNT-PMH-010853.
170.	Financial	Provide a listing of capital expenditures for the last three years at each of the Facilities.	Please see C-CNT-PMH-010854 through C-CNT-PMH-010856.
171.	Financial	Provide a listing of fixed asset disposals for the last three years at each of the Facilities.	Please see C-CNT-PMH-010857 through C-CNT-PMH-010859.
172.	Financial	Provide a listing of any financing agreements for existing debt including banking agreements, borrowing terms, debt covenant, credit facilities, inception-to-date and current debt covenant compliance, and outstanding indebtedness amounts.	Please see C-CNT-PMH-010863 through C-CNT-PMH-010865.
173.	Financial	Provide a listing of any investigation by governmental entities during the Historical Period.	Please see the items provided at <u>Confidential Exhibit 19</u> and C-CNT-PMH-010523.

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174.	Financial	Provide a listing of any restricted assets and the terms of these restrictions.	Please see C-CNT-PMH-010866.
175.	Financial	Provide a copy of the seller note referenced in the asset purchase agreement in Section 7.4 and referenced in response to Question 1 (“The APA also provides for the issuance of a subordinated seller note should market conditions produce Bond proceeds insufficient to fund the entire financing plan.”).	The subordinated note has not yet been drafted and will not be negotiated until a closing date is set.
176.	Financial	Provide summary level and detailed information (including but not limited to general ledger transaction detail) of the activity in any intercompany (whether between Hospitals, PCC, or PMH) receivable and payable accounts for every month from October 2021 through October 2023, including documentation to support the transactions for RWMC, OLF and PCC.	Please see C-CNT-PMH-011448 through C-CNT-PMH-011449.
177.	Financial	A copy of the payroll register for RWMC and OLF for the prior twelve pay period. Include in this response all documents related to the compensation for any individuals who are considered “corporate employees” (i.e., employed by Prospect CharterCARE, LLC or above on the organization chart) that sit at the local hospital.	Please see C-CNT-PMH-010867.

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178.	Financial	Provide a listing and related documents that show the disbursement register for the one hundred eighty (180) days prior to the date of this request, including vendor, amount due, date due, amount paid, date paid, and general ledger distribution. Documents should also include transfers (i.e. sweeps) to the parent company (i.e. PMH) and any other related parties.	Please see C-CNT-PMH-010868.
179.	Financial	Provide a listing and related documents of any non-reoccurring disbursements anticipated in the next one hundred eighty (180) days, including any payments only made quarterly, semi-annually, or annually, for RWMC and OLF.	Prospect is reviewing the question and will provide a supplemental response on or before February 6, 2024.
180.	Financial	Provide documents related to all local-Hospital bank accounts to include bank balance as of date of this request and bank account activity for then one hundred eighty (180) days prior to the date of this request for RWMC, OLF, and PCC.	Please see C-CNT-PMH-010869 through C-CNT-PMH-011440.
181.	Financial	Provide the cash receipts register for the one hundred eighty (180) days prior to the date of this request to include gross charges, payments, refunds, date of service, date of collection, primary payer for RWMC and OLF.	Please see C-CNT-PMH-011441 through C-CNT-PMH-011442.

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182.	Financial	Provide the general ledger account activity for all local-hospital bank accounts for the one hundred eighty (180) days prior to the date of this request. RWMC, OLF and PCC.	Please see C-CNT-PMH-011443.
183.	Financial	Provide a description of any all documents of any treasury management policies and/or procedures of RWMC, OLF or PCC which outline cash disbursements or receipts handled at the corporate level (PMH).	Prospect is gathering the responsive documents and will produce them on or before February 6, 2024.
184.	Financial	Please provide a current listing of accounts payable aging and a current listing of accounts receivable aging including anticipated contractual adjustment for RWMC and OLF.	Please see C-CNT-PMH-011444 through C-CNT-PMH-011447.
185.	Financial	Provide a listing of all corporate allocation to include expenses paid at the corporate-level and allocated to the local hospital for both RWMC and OLF.	Please see C-CNT-PMH-011448 through C-CNT-PMH-011449.
186.	Financial	Provide a narrative and any documents to the financial impact of the cyber security act that occurred on or about August 2023 on RWMC, OLF, PCC and/or PMH, including the length of time the IT systems were not functioning, any expenses needed to remediate the act, and	Please see C-CNT-PMH-011450. redacted ██ ██ ██ ██ ██ ██ ██

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		the timing and amount of business interruption insurance proceeds.	redacted . .
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11A.	Strategy and Operations:	Reference ¹	Transacting Parties Response(s)
I.A.1	Please provide Centurion Foundation (“Centurion”) assessment of the business case, financial feasibility, and overall rationale for the Proposed Transaction.		Centurion’s leadership team spent over 6 months studying the feasibility of the Proposed Transaction prior to presenting the Proposed Transaction to its board for approval. The Proposed Transaction aligns with Centurion’s mission of ensuring quality care and helping bring down the cost of healthcare in communities.
I.A.2	In addition to the information provided in response to Question 57, please provide specific detail on how the Centurion will provide higher quality health care, including investments in health care quality improvement and the health workforce beyond a continuation of Prospect’s historical efforts in this regard.	Q. 57	<p>Upon closing of the Proposed Transaction, the New CharterCARE System plans to provide high quality healthcare by:</p> <ul style="list-style-type: none"> - Improving access to care in the community by enhancing community-based offices. For example, the New CharterCARE System will rotate specialists through primary care offices to increase access to this care. By enhancing access both to primary care and specialist services, the New CharterCARE System can improve health outcomes in the community. There is no substantial capital need related to this initiative. - Improving and updating equipment. As is the case in hospital systems throughout the country, the Existing Hospitals’ imaging equipment is currently beyond its useful life. The capital leases are accounted for in the <i>pro formas</i> attached at Exhibit 1 of the HCA Application. - Developing a process of engaging and training clinical care employees through high reliability efforts and on campus training programs, including

¹ If the question references a document, the citation is provided. Otherwise, the question is formulated based upon review of the complete application.

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			<p>both in-person clinical trainings and, for example, an LPN training program on campus that is certified by the Rhode Island Department of Health. Both efforts will increase the quality of clinical care, as well as aid in recruitment.</p> <p>Following the period of transition, the New CharterCARE System will continue to develop new practices and strategies for enhancing and providing high quality care. Although Centurion will not provide an additional investment into the New CharterCARE System, all revenue in excess of expenses generated by the New CharterCARE System will remain and be reinvested into the New CharterCARE System and the surrounding communities. Through the strategic planning process, as well as the 2025 CHNA, the New CharterCARE System will identify areas of priority for reinvestment.</p>
I.A.3	Please detail the plan to provide high-quality, cost-effective care and what is meant by this general statement to “explore opportunities for clinical improvements to drive high performance”.	Q. 12	<p>The general statement expresses the New CharterCARE System’s intent to find ways to improve the overall delivery of care to the community, including quality and efficiency. Driving high performance speaks to the intent of having providers within the New CharterCARE System working efficiently and effectively with the team around them to make sure the right person is assisting with the services being provided at each step.</p>
I.A.4	Please provide a description of the identified multiple opportunities for improvement referenced in response to Question 1. Please note that this statement appears to be contradictory to Centurion’s position of continuing Prospect’s operational strategy and continuing with	Q. 1	<p>The multiple opportunities for improvement (the “Improvement Initiatives”) are listed in response to Question 48 of the Application and within the financial plan at <u>Confidential Exhibit 1</u>.</p> <p>The New CharterCARE System does not plan on “continuing Prospect’s operational strategy” and its Improvement Initiatives are not contradictory to its</p>

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	the same management team as so stated by the Applicants.		dedication to continuing with the local management team, who have the requisite expertise and local knowledge to successfully operate the New Hospitals and implement the New CharterCARE System’s strategy.
I.A.5	What are the specific operating results the New CharterCARE System promises to produce that “will allow it to invest and reinvest in its communities and enhance the health and wellbeing of Rhode Islanders”?	Q. 1	As set forth in its Financial Plan and <i>pro forma</i> , the New CharterCARE System expects to operate with revenues in excess of expenses. All such excess revenues from the New CharterCARE System will remain and would be reinvested in the New Hospitals and the communities that they serve.
I.A.6	In several responses throughout the application, Centurion represents that it will continue to provide the same high-quality care provided by Prospect. How did Centurion assess the quality of care provided by Prospect to confirm that its care is high- quality? What clinical and operational benchmarks serve as the baseline for such assessment?	Tab. G1	The New CharterCARE System will continue to provide high quality care to the community. This representation is based on Centurion’s assessment of the high quality and experience of the local management team and the physician staff.
I.A.7	Please explain why Centurion is confident about a financial turnaround of the New Hospitals (as assumed in the financial pro-forma(s) included in the application) if Centurion has yet to develop a specific strategic plan for the 5-year period post the Proposed Transaction?		The local leadership team, in concert with Centurion, has developed a plan that covers 3-years post transaction, and this plan was submitted with the HCA Application (see response to Question 48). Centurion’s leadership has significant experience in financial modeling and cost savings, which is why Centurion is confident about a financial turnaround of the New Hospitals. Centurion and the local leadership team have not developed a strategic plan beyond 3 years post transaction because of the fluid nature of healthcare and market volatility.
I.A.8	In the first application submission, Centurion, with the same management team that it currently proposes, stated	Q. 1	a) Since the first application submission, Centurion has had further time to evaluate the current leadership team in place and obtain a better

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<p>it needed QHR to operate the New CharterCARE System because it did not have the requisite experience to operate hospitals. Now, however, with the current application submission, Centurion stated that:</p> <p>“Centurion is steadfastly dedicated to retaining the leadership and senior management of the Existing Hospitals for the New CharterCARE System in order to bolster operations. Jeffrey H. Liebman is the current CEO of the Existing Hospitals and will lead the New CharterCARE System as its CEO. Centurion posits that it leaves to localized management the responsibility for operational excellence.”</p> <ul style="list-style-type: none"> a) Please explain why Centurion decided to terminate its management services agreement with QHR, and what factors contributed to the change. b) Please explain why Centurion believes that localization of the management team is sufficient to address the challenges of the New CharterCARE System when it was previously believed by Centurion that QHR was an essential 		<p>understanding of the operations of the New CharterCARE System. As a result, Centurion has determined that the current leadership team is fully capable of managing the New CharterCARE System without the assistance of QHR Health, LLC (“QHR” or “Ovation”). The main factor in making the decision not to move forward with the management services agreement with QHR was Centurion’s enhanced confidence in the current leadership team.</p> <ul style="list-style-type: none"> b) As previously stated, Centurion has had a significant amount of time to evaluate the current leadership team, and no longer feels that QHR is an essential component of success. Centurion feels very confident that the local leadership is the key to the New CharterCARE System success and will work with the local leadership team to evaluate if and when outside consultants or managers are needed in the future. c) Centurion is confident the management team will achieve different outcomes under the New CharterCARE System because has the requisite expertise needed to run independently and intends to allow the management team to have opportunity to operate without the tight restrictions it has been under with a national system. Furthermore, Centurion looks forward to aligning the New CharterCARE System with its existing nonprofit mission and believes this will assist the New CharterCARE System obtaining better outcomes.
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	<p>component to a successful turnaround.</p> <p>c) Please explain why Centurion is confident that the Prospect leadership team, which it states will follow Prospect operational policies and procedures, will achieve different outcomes under the New CharterCARE System than while implemented by Prospect.</p>		
I.A.9	In the absence of QHR, what are the projected annual budgeted expense amounts for consultants and where is it reflected in the financial pro forma(s)?		Please see <u>Confidential Exhibit 1</u> and C-CNT-PMH-010135 through C-CNT-PMH-010161, which still includes the expense for QHR in the EBITDA Bridge (Reduction for Manager) and, therefore, allows for engagement of consultants as necessary.
I.A.10	Please provide a list of all consultants retained by Centurion and its affiliates to review or advise with respect to the Proposed Transaction since it was decided to disengage from QHR.		Since Centurion decided that the New CharterCARE System would not move forward with QHR, neither Centurion nor its affiliates have engaged a consultant – other than those listed in the Application – to review or advise with respect to the Proposed Transaction.
I.A.11	In the application, Centurion states, “Built on the foundation of the Existing Hospitals, the New CharterCARE System is elevated by virtue of the move to a non-profit framework as well as an intentional recalibration of the operating model that shifts operational focus back to patients and local needs.”	Q. 1	As set forth in both the integration plan at Question 48 and the Financial Plan at Confidential Exhibit 1, the New CharterCARE System has a detailed plan for financial viability following closing. Additionally, the current management team has deep expertise in hospital operations, as well as knowledge of the local community. Combining that expertise with the integration plan will result in a financially stable hospital system. Moreover, the

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	Without a precise strategic plan for accomplishing the recalibrated operating model or, a specific capital commitment and timeline for implementation, please share what reliable assurances Centurion can provide that Centurion and the existing hospitals have the expertise for a “recalibration” or turnaround?		local management team will engage consultants as necessary and warranted.
I.A.12	In response to Question 1, Centurion claims it has deep nonprofit experience in connection with real estate transactions and financing. How does such non-profit experience in real estate extend to operating nonprofit health care facilities?	Q. 1	All tax-exempt entities are subject to similar rules and regulations, which Centurion has knowledge of and experience in navigating. Centurion believes its nonprofit/tax-exempt experience will assist the New CharterCARE System in returning to nonprofit status and navigating the rules and regulations which apply to tax-exempt entities.
I.A.13	Please provide specific examples and supporting data demonstrating Centurion’s track record for lowering the costs of health care delivery other than as it relates to the area of financing and or real estate business strategies.	Q. 57	Centurion’s experience is focused on lowering the cost of healthcare and increasing access through financing, development, and ownership of facilities. There are no further examples.
I.A.14	In response to Question 1, Centurion states that the future success of the Existing Hospitals will depend upon Centurion’s strategic expertise. a) With respect to the following statement in the initial application, “Centurion will effectively serve as the New Proposed System’s ‘sponsor,’ providing guidance and		a. As stated in the application, Centurion brings deep experience in board governance, strategic real estate development, non-profit design, treasury activities, fund raising, and financial and accounting systems. In addition, they have partnerships with the New England healthcare community and many other markets. Some of these are previously untapped benefits that will be realized as a result of the Proposed Transaction.

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	<p>expertise where necessary to ensure the New Proposed System is successful,” please explain what is meant by this statement and including specific examples of what types of guidance and expertise will be provided by Centurion to the New Hospitals and/or New CharterCARE System.</p> <p>b) Please describe in detail the expertise held by Centurion with respect to operating hospitals. Please include with your response the names of hospitals wherein Centurion is the sole corporate member of a tax-exempt hospital, along with the term of ownership, and documented evidence of changes in the financial status of each of those hospitals.</p> <p>c) Please provide a detailed narrative describing the experience of Centurion’s principals in owning and operating hospitals, ASCs, medical practices, or home health agencies, and explain in detail how such experience will benefit the New CharterCARE System.</p>		<p>b. Centurion has attempted to make it clear in this application that it has not in the past and does not currently operate hospitals. However, as indicated above, Centurion brings a wealth of experience in the nonprofit healthcare sector that it believes can be very beneficial to the New CharterCARE System as a nonprofit system.</p> <p>c. Centurion does not have any experience owning or operating hospitals, ASCs, medical practice, or home health agencies. Centurion will rely on the local management team for the operational expertise and will bring complementary expertise in other areas as noted above.</p>
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I.A.15	<p>Please provide and describe the health care transactions Centurion completed with [redacted], and in the states of New Jersey and Pennsylvania.</p>	Ex. 6	<ul style="list-style-type: none"> - [redacted] operates non-profit teaching hospitals in the New England Market. Centurion has completed [redacted] different transactions with [redacted] over the past 2 ½ years. [redacted] - Centurion has completed [redacted] transactions with [redacted] - Centurion financed the construction and leasing of a Jewish college dormitory in New Jersey. Centurion has not been involved in any other transactions in New Jersey. - Centurion has not completed any transactions in Pennsylvania.
I.A.16	<p>In Exhibit 48 (transition and integration plan), there is a general restatement of earlier needs identified by QHR and the Transacting Parties. Please provide any additional detail regarding timelines and technological transition/integration, or confirm that the parties do not have this information. If the parties do not have any such information, please explain how the parties plan to develop more detailed plans to facilitate this transition.</p>	Ex. 48	<p>There are no additional timelines regarding technological transition and/or integration. As a result of the cost and work involved with formulating the plan, along with the fluid and developing nature of IT systems, the New CharterCARE System will begin the process of an IT plan upon receipt of HCA approval and during the bond financing process. Additionally, the New CharterCARE System will engage IT consultants as needed for such a transition upon closing of the Proposed Transaction.</p>

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I.A.17	<p>Please explain what is included in Centurion’s strategic plan that will differentiate the New CharterCARE System from other health systems in the region with a larger market share.</p>		<p>The New CharterCARE System’s plan is first focused on shoring up the operations of the existing facilities and locations. Once the core operations are stabilized, first, the New CharterCARE System intends to implement a cohesive ambulatory care plan to increase access to care across the service area. This plan will be comprehensive and likely include consolidations of existing off-site service locations into HealthCare destinations. Second, the New CharterCARE system will formulate a 5-year strategic plan that will build out the centers of excellence for the system.</p>
I.A.18	<p>With respect to a strategic plan:</p> <ul style="list-style-type: none"> a) Please explain if Centurion has any plans to develop “destination” services. b) Please explain if Centurion has budgeted allocations to provide additional clinical services if the Community Health Needs Assessment (“CHNA”) dictates or requires such. <p>Please explain any plans for consolidated service lines and operations for the New Hospitals in order to achieve economies of scale and avoid duplication.</p>		<ul style="list-style-type: none"> A) The New CharterCARE System’s initial plans are to grow and enhance the already existing destination services that exist at Prospect CharterCARE, including, for example, inpatient bone marrow therapy, inpatient behavioral health services, and surgical oncology and acute cancer services. B) The current expenses for meeting the current CHNA initiatives are included within the existing budget. When a new CHNA is released, the New CharterCARE System will update the budget to include any necessary expenses related to new or revised initiatives. <p>The New CharterCARE system will continue to consolidate systems and programs where opportunities exist to achieve economies of scale and avoid duplication if such consolidation will improve clinical services or access to care for its respective communities.</p>

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I.A.19	Please describe the previously untapped benefits Centurion is referring to in the New England health care market that it will tap into for the benefit of the New CharterCARE System.	Q. 48	Centurion will bring an ability to develop a real estate and physical plant strategy as well as expertise in financial decisions, such as equipment and property leasing. As the New CharterCARE System will be a tax-exempt non-profit, Mr. Liebman will be able to further develop current relationships throughout New England, including, but not limited to, with the Rhode Island Foundation and regional medical schools.
I.A.20	Please describe what experience Centurion has in running ACGME programs.		As the current local management team of the Existing Hospitals will continue to manage the New CharterCARE System, there is extensive experience in running ACGME programs because Prospect CharterCARE currently has 70 residents and fellows. Additionally, beyond his current experience at Prospect CharterCARE, Mr. Liebman has extensive experience in hospitals that train residents and fellows including teaching affiliates of Harvard, Boston University Medical School, and University of Tennessee. That experience includes being the primary liaison between the Dean of the Medical School at University of Tennessee where Mr. Liebman’s hospital was the primary teaching site for the Medical School.
I.A.21	How many accredited ACGME programs are currently in place at the Existing Hospitals and will each one be continued after the Proposed Transaction?		The following programs are currently accredited by ACGME: <ul style="list-style-type: none"> • Internal Medicine (Core program) • Hematology Oncology • Pulmonary • Rheumatology • Surgical Oncology • Mohs (Dermatology) • Podiatry - Podiatry is accredited by the CPME (ACGME does not accredit podiatry programs).

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			The New CharterCARE System plans to continue these accreditations following closing of the Proposed Transaction.
I.A.22	Please describe Centurion’s or Mr. Liebman’s experience with respect to the administration and compliance of a 340B program.		In his previous work experience, Mr. Liebman was ultimately responsible for an extensive 340B program accounting for more than \$25 million in drug discounts. Additionally, the compliance officer and head of pharmacy also have experience with 340B. The New CharterCARE System will also engage consultants as necessary to aid in the administration and compliance of the 340B program.
I.A.23	<p>Please specify the type, amount, cost, financing strategy, timeline, and location of the referenced upgrades to various areas of the New Hospitals, including:</p> <ul style="list-style-type: none"> • New imaging equipment and robotic surgery equipment (Q. 52); • Modernization of the OLF emergency department (Q. 52); • Additional outpatient/ambulatory services in Johnston (Q. 48); and <p>Investment in cancer care in clinic office locations (Q. 48).</p>	Q. 48, 52	<div style="background-color: black; width: 100%; height: 100%; display: flex; flex-direction: column;"> <div style="background-color: black; width: 100%; height: 15px;"></div> <div style="background-color: black; width: 100%; height: 15px;"></div> <div style="background-color: black; width: 100%; height: 15px;"></div> <div style="background-color: black; width: 100%; height: 15px;"></div> <div style="background-color: black; width: 100%; height: 15px;"></div> <div style="background-color: black; width: 100%; height: 15px;"></div> <div style="background-color: black; width: 100%; height: 15px;"></div> <div style="background-color: black; width: 100%; height: 15px;"></div> <div style="background-color: black; width: 100%; height: 15px;"></div> <div style="background-color: black; width: 100%; height: 15px;"></div> <div style="background-color: black; width: 100%; height: 15px;"></div> <div style="background-color: black; width: 100%; height: 15px;"></div> <div style="background-color: black; width: 100%; height: 15px;"></div> <div style="background-color: black; width: 100%; height: 15px;"></div> <div style="background-color: black; width: 100%; height: 15px;"></div> <div style="background-color: black; width: 100%; height: 15px;"></div> <div style="background-color: black; width: 100%; height: 15px;"></div> <div style="background-color: black; width: 100%; height: 15px;"></div> <div style="background-color: black; width: 100%; height: 15px;"></div> <div style="background-color: black; width: 100%; height: 15px;"></div> <div style="background-color: black; width: 100%; height: 15px;"></div> <div style="background-color: black; width: 100%; height: 15px;"></div> </div>

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I.A.24	What does Centurion mean when it states that it plans to use lowest-cost health care services? How will this be accomplished and what profit margins are expected?	Q. 48	<p>The New CharterCARE System will encourage a coordinated regional care approach, which is linked to lower costs, and will optimize population health management strategies. The network will be able to coordinate care to ensure that a patient is seeing the right provider at the right time, allowing costs to be lower (e.g. lower hospital admissions and emergency department use). This initiative will serve to lower healthcare costs in the community.</p>
I.A.25	What is Centurion’s financial commitment to hiring primary care physicians over the next 3 years should the Proposed Transaction be approved? In addition to the recruitment of the 4 new primary care physicians, what other specific investments will Centurion make to support primary care?	Q. 51	<p>The New CharterCARE System will be partnering and contracting with the coordinated regional care network to encourage and support primary care growth. The New CharterCARE System aims to add 10 new clinically affiliated primary care doctors to its network via employment or contracting within the first 3 years following closing of the Proposed Transaction.</p> <p>Although Centurion will not make any investment, if there is excess revenue after expenses in any given year, the New CharterCARE System will invest that excess revenue in the New Hospitals and surrounding communities as described herein.</p>
I.A.26	What type of workforce retraining is necessary and what will be the associated cost and timeline?		<p>Within the first 12 months following closing of the Proposed Transaction, the New CharterCARE System will complete assessments throughout the departments to</p>

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			determine the necessary training to enhance the clinical skills of the workforce. Following the initial assessment, the New CharterCARE System will implement an ongoing training system. The New CharterCARE System does not have information available for the cost of this program at this point in time.
I.A.27	Is there a financial pro forma that includes the cost of designing competitive wage and benefit programs?		Prospect CharterCARE believes that it currently has competitive wage and benefit programs. Centurion has included the current programs in the <i>pro forma</i> as part of the HCA Application.
I.A.28	redacted		redacted
I.A.29	redacted	Q. 50	redacted
I.A.30	Have the patient volumes for the two Existing Hospitals returned to pre-COVID levels? If not, by what percentage have they been reduced at each of the Existing Hospitals? What is Centurion’s specific plan to recapture volume?		Please see the response to II.A.8. The New CharterCARE System has developed its Integration Plan (see <u>Question 48</u> of the HCA Application) which includes its initial plan to recapture volume. Following the initial period of transition, the New CharterCARE System’s strategic plan will further develop a plan to increase volume for the system.

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I.A.31	What is Centurion’s strategic plan for addressing the poor financial performance of the Prospect home health entity?		The performance of the Prospect home health entity evolves based on the current market and needs of the community.
I.A.32	Please describe Centurion’s strategic plan with respect to developing physician-hospital joint ventures		There is no such plan at this time.
I.A.33	Please provide the budget for enhancing services by service line (e.g., oncology, ambulatory care, etc.), including recruitment, provider compensation, and facility development.		The costs related to enhancing service lines are included within the amounts reflected in the EBITDA bridge at <u>Confidential Exhibit 1</u> . There is no specific budget for each service line. Please see the document provided in response to question I.C.26 for further information.
I.A.34	Please explain why Centurion determined there to be a need for more specialty services, and what data is there that demonstrates a need for those specialty services.	Q. 55(b)	CharterCARE Health of Rhode Island determined that additional specialty services are warranted in the community based on the internal analysis of need for specialty services (<i>i.e.</i> waitlists for services), as well as planned retirements. Moreover, the addition of specialty services also focuses on bringing such services into the community to increase community access.
I.A.35	Has Centurion reviewed all recent Quality Assurance and Performance Improvement assessments for the Existing Hospitals to understand the current practices, deficiencies, and corrective action plans?		Centurion has reviewed a number of documents for the Existing Hospitals, but has more heavily relied on the current management team to explain current practices, deficiencies, and corrective action plans to understand the current state of the Existing Hospitals.
I.A.36	Please provide a description of Centurion’s plan with respect to continuity in the implementation of any corrective action plans developed in response to any pending regulatory citations for Prospect.	Q. 39	The New CharterCARE System will continue in the implementation of any corrective action plan developed in response to any pending regulatory citations at the time of closing for the acquired Prospect CharterCARE entities.
I.A.37	Please provide any detailed workplans prepared by Alvarez & Marsal for either	Q. 47	Prospect is gathering the requested information and will provide it on or before February 6, 2024. Centurion is

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	Prospect or Centurion with respect to the New CharterCARE System. Is Centurion planning on engaging Alvarez & Marsal to provide strategic advice? If so, please describe.		confident that the local management team can lead the New CharterCARE System to operational success based on its experience with the team, their expertise, and the transition plan prepared by Centurion and the local management team. If a consultant is needed to support the local management team following closing, the New CharterCARE System will consider engaging Alvarez & Marsal (“A&M”).
I.A.38	Please provide a copy of the Transition Services Agreement between Centurion and Prospect. Describe Centurion’s decision to engage Prospect for IT, accounting, HR and supply chain services.		As set forth in Confidential Exhibit 20E, the Transition Services Agreement has not yet been drafted. The New CharterCARE System has planned to enter into a transition services agreement with Prospect, as described in Confidential Exhibit 20E, to ensure a smooth transition of the currently centralized services to the local New CharterCARE System. As a result, the Transition Services Agreement will be for a limited time period.
I.A.39	Please list and describe what specific services will be provided under the Transition Services Agreement between Prospect and Centurion. Please provide and explain: (a) what is the anticipated duration and cost of those services; (b) how will Centurion enforce the agreement and what recourse is available to Centurion in the event of a breach by Prospect of its obligations under; and (c) how these services are not duplicative with the services provided by Centurion under the Corporate Services Agreement.	Ex. 20	The terms of the transition services agreement have not been finalized and will not be finalized until closer to closing as the services and terms are dependent on the circumstances at that point in time.
I.A.40	Will New CharterCARE System be leasing any Prospect owned property, equipment, or other assets from Prospect post-closing		The New CharterCARE System does not anticipate leasing any Prospect owned property, equipment, or other assets

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	of the Proposed Transaction, should it be approved? Please provide detail and any related supporting documentation behind any such arrangement.		from Prospect following closing of the Proposed Transaction.
I.A.41	Please provide the policies and procedures or other documentation reflecting Centurion’s standard hiring practices referenced in Section 8.3 of the APA.	Asset Purchase Agreement	As the New CharterCARE System has not yet developed standard hiring practices, it will use Prospect CharterCARE’s current hiring standards for this section.
I.A.42	Please explain the basis/rationale for identifying an Excluded Employee under Section 8.3 of the APA.	Asset Purchase Agreement	redacted ██ ██ ██ ██ ██ ██ ██
I.A.43	How will operational, legal and oversight support be provided to the New CharterCARE System following the closing of the Proposed Transaction, and will it be provided directly by Centurion? Are these services included under the Corporate Services Agreement?		The Corporate Services Agreement (<u>Confidential Exhibit 20</u>) sets forth the specific services to be provided under that agreement. redacted ██ ██ ██ ██ ██ ██ ██ ██ ██ ██ ██

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			<p>redacted</p> <p>Other than as set forth above and in the Corporate Services Agreement, the operational, legal, and oversight support will be provided by the local management team, as well as the CharterCARE Health of Rhode Island Board of Directors and the New Hospitals’ Advisory Boards. To the extent that the New CharterCARE System requires the support of a consultant or other third parties for operational, legal, and/or oversight, it will retain such consultant and/or third party.</p>
I.A.44	Please describe all functions currently supported by Prospect that will need to be brought in-house and/or accessed via a third-party post-closing of the Proposed Transaction. For all such functions, what are the specific, associated incremental FTEs required and estimated expenses?	Ex. 48	<p>The functions currently supported by Prospect that will need to be brought in house include the following:</p> <ul style="list-style-type: none"> - Human Resources - Oversight of physician groups - Hospital contracting - Managed Care Contracting - Physician recruitment - Physician billing services - Information systems - Union negotiations - Home health care oversight - Surgery Center oversight <p>Please see the response to I.C.2 for all existing detail on the estimated expenses and detail on the EBIDTA Bridge initiatives.</p>

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I.A.45	Please provide a list of Prospect employees who will not continue employment post-Proposed Transaction. Please provide role, salary, and anticipated severance terms if not previously provided.		No one currently identified as a result of the Proposed Transaction.
I.A.46	The employment contract with Mr. Liebman is for redacted . Please explain the rationale for this long-term commitment with Mr. Liebman.	Appx F. 33	Mr. Liebman has been an excellent leader for the Existing Hospitals, and Centurion is very excited that he will be working with the New CharterCARE System. The initial few years for the New CharterCARE System will be critical in setting it up for long-term success, and Centurion is confident that Mr. Liebman is an ideal candidate for ensuring a smooth transition and successful initial set up. Therefore, Centurion determined it was in the best interest of the New CharterCARE System to confirm Mr. Liebman’s employment with the New CharterCARE System for redacted in order to accomplish these goals.
I.A.47	redacted redacted redacted redacted redacted		redacted redacted redacted During his tenure with Prospect, Mr. Liebman has worked to ensure the continuation of quality care by Prospect CharterCARE and the growth of their presence in Rhode Island. redacted redacted redacted redacted redacted redacted redacted

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I.A.48	Please explain why Centurion requiring Mr. Liebman to have a successor in place at the end of his redacted		It is a sound business practice to plan for a successor of a key leader. Mr. Liebman has had a long and successful career, and it is prudent of Centurion to anticipate the day when Mr. Liebman is no longer working for the New CharterCARE System.
I.A.49	What is the status of unfilled nursing positions, and what is Centurion’s plan for addressing such vacancies? What is Centurion’s capital commitment to address these vacancies?		Prospect CharterCARE has increased its number of internal recruiters for nurses to redacted which has led to more nursing applicants. In addition, it is introducing a RIDOH certified LPN training program that will increase the number of LPN candidates at the Existing Hospitals. The New CharterCARE System plans to continue both efforts. Centurion will not make a capital commitment to these efforts, but the New CharterCARE System will re-invest all revenue in excess of expenses in a given years to benefit the New Hospitals and the local community.
I.A.50	How many jobs and positions does Centurion estimate will be brought to Rhode Island following the Proposed Transaction, should it be approved? On what basis?	Q. 52(g)	As set forth in response to Question 52, Centurion estimates that up to 200 jobs may return to Rhode Island following the Proposed Transaction. That estimate is based on the services currently outsourced and/or centralized that will be performed locally in the New CharterCARE System as described herein.
I.A.51	What roles and jobs has Centurion identified to be kept locally? If Centurion is hiring new staff, please indicate where it is reflected in the financial pro-forma(s) submitted with the application.		Currently, Prospect CharterCARE’s management and administrative services are centralized with other hospitals in the Prospect system and take place outside of Rhode Island. These services include: revenue cycle, physician management services, home health billing, construction and equipment management projects, physician recruitment, compliance, legal services and information systems. These positions and systems will be brought back to Rhode Island after the acquisition and a necessary transition period with Prospect. Any of the costs and

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			savings expected with the new staff are included in the financial plan in the respective departments.
I.A.52	Please provide Centurion’s plan for staff/employee: (a) development; (b) retention; and (c) engagement, satisfaction, and the prevention of staff burnout.		<p>a) Development: Please see the response to I.A.27.</p> <p>b) Retention: The New CharterCARE System will retain employees by offering competitive pay and benefits, as well as engaging training programs for staff. It will also re-invest in the New Hospitals and community by providing updated equipment and facilities for the staff’s use.</p> <p>c) Engagement, satisfaction, and the prevention of staff burnout: Please see the response to Question 57(a) in the HCA Application.</p>
I.A.53	With respect to Question 39, what employee benefits do employees of Centurion receive and how do they differ from the rank-and-file employees of the New CharterCARE System?	Q. 39	The current health insurance plans for Prospect CharterCARE offer greater benefits than the current Centurion health insurance plan. The New CharterCARE System’s health plan will be substantively similar to the current Prospect CharterCARE health plans. The retirement plans for Prospect CharterCARE and Centurion differ due to the size of the entities and, as a result, the nature of the plans.
I.A.54	Please provide diversity statistics with respect to the current medical staff and explain how the commitments described herein will increase minority representation on each New Hospital’s medical staff.	Q. 55	<p>Prospect CharterCARE does not maintain diversity statistics of its medical staff apart from gender. Following closing of the Proposed Transaction, the New CharterCARE System can perform a survey of the medical staff to gather diversity statistic information.</p> <p>As set forth in response to Question 55 of the HCA Application, the New CharterCARE System will continue to recruit minority physicians. CharterCARE Health of Rhode Island recognizes that adding additional minority clinical care staff increases access to care for traditionally underserved populations by breaking down barriers.</p>

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I.A.55	Please explain the succession plan for currently employed physicians.	Q. 48	The succession plans for currently employed physicians are made by need on a department-by-department basis. Prospect CharterCARE encourages its physicians to identify (or recruit as necessary) successors and train them before retirement. Succession plans are formulated to allow for the continuation of clinical care following a physician’s retirement or departure.
I.A.56	Please state the planned percentage wage increases for rank-and-file staff in years 1-3 should the Proposed Transaction be approved.		The union rate increases as set forth in the current respective collective bargaining agreements, including COLA adjustments, are included in the financial analysis at <u>Exhibit 1</u> . While there is no separate line item for non-union employees included at <u>Exhibit 1</u> , all non-identified expenses (which would include such non-union salaries) are projected to increase redacted year over year.
I.A.57	What is the total number of staff operating the Centurion Foundation?		Centurion has three employees. In addition to Centurion’s employees, it likewise relies on a number of consultants and outside professionals for services. For example, RSM serves as Centurion’s outsourced bookkeeper, controller, and tax preparer. Centurion also outsources its legal needs and outsources deal work to bankers as necessary.
I.A.58	The application includes statements regarding challenges in obtaining anesthesia coverage and recruiting more physicians. Confirm whether Centurion plans to undertake a medical staff development plan, and if so, please provide the capital commitment associated with such staff development plan, along with a specific timeline for addressing recruitment needs.		The Transacting Parties do not agree that the application includes statements regarding challenges in obtaining anesthesia coverage and recruiting more physicians. Nevertheless, in the first twelve months following closing of the Proposed Transaction, CharterCARE Health of Rhode Island will formulate a medical staff development plan. Before such a plan is finalized, CharterCARE Health of Rhode Island will continue actively recruiting. No capital commitment is required for these efforts. Any cost will be budgeted for the New CharterCARE System.
I.A.59	The application states that Prospect has invested more than \$100,000,000 in	Q. 48	Prospect has invested in excess of \$100,000,000 in the Existing Hospitals since its acquisition in 2014. Those

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	<p>improvements in the hospitals. What are these investment? What evidence is there of these investments having made a positive impact on operations?</p>		<p>investments are numerous. As documented in the December 2021 Final Report on Compliance by Prospect CharterCARE, CharterCARE Community Board, and CharterCARE Foundation by Affiliated Monitors, Inc. (“AMI”) and the October 18, 2021 RSM US LLP Prospect Medical Holdings Inc. Hospital Conversion Monitorship: Reduction in CAPEX Funds for the period through June 30, 2021 (“RSM Report”), these improvements include, but are not limited to, renovation of the RWMC and OLF emergency departments, OLF main entrance renovation, OLF main corridor remodel, RWMC main entrance remodel, RWMC upgrade of the HVAC system, RWMC pharmacy extension, RWMC pharmacy USP 800 alterations, purchase of Omnicell equipment, OLF HVAC system, OLF Pharmacy USP alterations, RWMC Curtain Wall replacement, new equipment, and equipment replacement. AMI confirmed that between 2014 and 2018, Prospect spent over \$115,000,000 on the Existing Hospitals. Likewise, RSM confirmed that between October 1, 2019 through June 30, 2021, Prospect spent approximately \$12,040,601 on capital expenditures for the Existing Hospitals. Prospect has also provided documentation to RSM of capital expenditures in excess of \$24,000,000 between October 1, 2021 and September 30, 2026. As AMI noted, Prospect “not only shored up aging buildings, they helped the hospitals sustain and grow their outreach services, attracted new physicians and established a business entity for the physicians to negotiate with health insurance payors (including Medicare) thereby making the practices more accessible to local residents.” In short, Prospect’s investment in the Existing Hospitals has not</p>
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			only allowed the current facilities to continue to provide care to the surrounding communities, but has also increased access to care by improving and modernizing the facilities. For further evidence, please see the voluminous documentation provided to AMI and RSM as the monitors for the RIAG.
I.A.60	Please explain whether the Roger Williams Radiation Therapy Joint Venture is being purchased as part of the Proposed Transaction.		Yes, Roger Williams Radiation Therapy, LLC will be purchased as part of the Proposed Transaction pursuant to APA Section 1.1 which defines Joint Venture as: “Joint Venture (and Seller’s interest in such Joint Ventures, whether through stock, partnership, membership, or other ownership interests, the “Joint Venture Interests”) means the applicable Selling Entity’s joint venture interests in Chemosynergy, LLC, Rhode Island PET Services, LLC, Roger Williams Radiation Therapy, LLC, Southern New England Radiation Cancer Center, LLC, and Partners in Clinical Research, LLC.” APA Section 2.1(a)(xviii) states that all Joint Venture Interests will be part of the Purchased Assets.
I.A.61	Please provide a detailed description of each of the insurance policies that will be obtained by the New CharterCARE System including proposed coverage limits, endorsements, exclusions, etc.	Q. 39	The specific details of insurance policies for the New CharterCARE System have not yet been obtained or discussed. Once a closing date is set, the New CharterCARE System will work with the insurance broker identified in the HCA Application to get the necessary policies in place. Policies will be consistent with industry standards.
I.A.62	Please provide a detailed explanation of Centurion’s plans with respect to the Existing Hospital’s Community Health Improvement Plan (“CHIP”), including whether and how the New CharterCARE System will complete those elements of the	Q. 45	As set forth in the HCA Application in response to Question 45, the New CharterCARE System will continue to further Prospect CharterCARE’s efforts in the CHIP priority areas following closing. While Centurion will not make any capital contribution or investment, the New CharterCARE System will continue to budget for

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	CHIP still outstanding after the closing of the Proposed Transaction. Describe what investments Centurion will make pursuant to the CHIP.		implementing CHIP priority areas. Additionally, once there are updated CHIP priority areas in the next CHNA, the New CharterCARE System will revise its budget for such CHIP priority areas.
I.A.63	Please provide a specific explanation with examples of how Centurion will continue to further or expand Prospect’s efforts in the CHIP priority areas.	Q. 45	Please see the response to Question 45 in the HCA application for specific information. Upon closing, the New CharterCARE System will review Prospect CharterCARE’s ongoing programs and assess the current community needs to determine whether additional programs are necessary.
I.A.64	Has Centurion developed an updated summary similar to the QHR presentation related to the Acquisition of the Prospect facilities that reflects QHR’s exit from the Proposed Transaction and updated price, cost, and other financial estimates? If yes, please provide.	Ex. 22, C	Please see the financial plan in <u>Confidential Exhibit 1</u> and the integration plan in response to Question 48. There are no additional documents.
I.A.65	Please describe Centurion’s view of how the following situations would be handled post-closing of the Proposed Transaction: a) New CharterCARE System has insufficient funds to support operations (meet payroll, pay vendors, etc.) and they can no longer draw on cash reserves without violating debt covenants; b) New CharterCARE System has a material capital requirement that is necessary to maintain		Eighty days cash on hand is the industry benchmark for credit rated non-profit health systems. By having \$80 million (approximately 80 days) in cash on hand at closing, the New CharterCARE System will be positioned for success and remain independent. While Centurion will not fund the New CharterCARE System’s losses, Centurion will not take out any revenue that exceeds expenses of the New CharterCARE System and, instead, the New CharterCARE System will reinvest such excess revenue in the New Hospitals and local community. This structure follows the standard practice of other non-profit health systems. While Centurion cannot predict the New CharterCARE System’s response to the listed hypotheticals, the New CharterCARE System will do its best to resolve any challenges by working with its

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	<p>operations/provision of care, but it cannot fund that capital requirement with its cash reserves; and</p> <p>c) New CharterCARE System experiences a material event (e.g., cyberattack, material natural disaster, pandemic, etc.) that disrupts normal operations and requires capital beyond available cash reserves.</p>		<p>counterparts in the state and taking necessary actions as part of the state’s health ecosystem.</p>
<p>I.A.66</p>	<p>With respect to Centurion’s due diligence of the Proposed Transaction:</p> <p>■ [REDACTED]</p> <p>■ [REDACTED]</p> <p>■ [REDACTED]</p>		<p>■ [REDACTED]</p> <p>■ [REDACTED]</p> <p>■ [REDACTED]</p>

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	redacted		redacted
I.A.67	The revised HCA Application notes that additional due diligence will be completed after review and approval by the Attorney General and RIDOH. How will Centurion proceed if there are unfavorable findings in subsequent due diligence that would impact the risk profile and financial viability of the Proposed Transaction?		redacted
I.A.68	Please provide redacted request for Prospect, inclusive of all areas in which diligence was to be performed.		See C-CNT-PMH-010134.
I.A.69	Does Centurion intend to pursue other opportunities to acquire hospitals?		Not at this time.
I.A.70	redacted redacted redacted redacted redacted redacted redacted	redacted	Please see C-CNT-PMH-010161. redacted redacted redacted The Transacting Parties are reviewing further communications with redacted and will produce further responsive materials on or before February 6, 2024.
I.A.71	In Question F29, it states that Centurion “analyzed opportunities for improvement in the operations.” In the original	Q. F29	Yes, Centurion has worked closely with Mr. Liebman to identify and analyze improvement opportunities.

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	application included the same sentence but indicated it was QHR (rather than Centurion) that worked with Mr. Liebman on this plan. Has Centurion worked directly with Mr. Liebman to identify and analyze improvement opportunities?		
I.A.72	Please provide all completed disclosure schedules associated with the asset purchase agreement.	Asset Purchase Agreement	No changes have been made to the disclosure schedules since the APA was initially provided.
B.	Governance:		
I.B.1	redacted	Ex. 32	redacted
I.B.2	Please disclose the total compensation each board member of Centurion received in 2022 and 2023 from Centurion and each of its affiliates, both as an employee and or board member.	Ex. 32	redacted
I.B.3	Please provide a narrative description of the search, nominating, and appointment process with respect to forming the boards of directors of each of the entities associated with the New CharterCARE System, including any updates and a timeline for the establishment of each of the boards.	Q. 4	<u>CharterCARE Health of Rhode Island Board of Directors:</u> For community representatives, Centurion, with Mr. Liebman’s help, looked for individuals who had ties to the local community, experience in business, finance, or the law, and dedication to the existing Prospect CharterCARE system and Hospitals. As a result, Mr. Liebman recommended to Centurion the former Prospect CharterCARE board chair, Ed Santos, and the current chair of RWMC Advisory Board and Prospect CharterCARE Board member, Maria Leonard. Upon identifying these

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			<p>individuals, Mr. Liebman spoke with them. Next, Mr. Mingle reviewed their background, along with Mr. Liebman’s recommendation, and each candidate attended an approximately 90 minute interview with Mr. Mingle and Mr. Liebman. Finally, the candidates for the board were presented to the Centurion Board of Directors for review and approval. Centurion is still working on identifying one additional community member for the board and does not have a timeline for that process.</p> <p><u>New Hospital Advisory Boards:</u> To select the advisory board members for the New Hospitals, Mr. Liebman will consider the Existing Hospital’s Board Members, as well as new candidates who will be identified. To identify new candidates, Mr. Liebman will ask for recommendations from the existing Prospect CharterCARE Board of Directors community members, Existing Hospitals advisory board members, and stakeholders in the hospitals. The New CharterCARE System has not yet appointed any advisory board members and anticipates beginning and completing the process of identifying advisory board members within three months of regulatory approval for the Proposed Transaction.</p>
I.B.4	<p>Given Centurion’s stated lack of experience in operating hospitals, explain why the Advisory Boards of each New Hospital will have roles that are limited to credentialing, quality, local operations, and fundraising.</p>	Q. 4	<p>While the New Hospitals’ Advisory Boards are not fiduciary or financial boards, the Advisory Boards do have an oversight role in operations. Indeed, as noted by the question, the Advisory Boards will oversee the traditional operational roles of hospitals – credentialing, quality, local operations, and fundraising. Moreover, the CharterCARE Health of Rhode Island board is a fiduciary board that will oversee the hospital system and financials. As discussed herein, it consists of both Centurion and community</p>

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			representatives who have experience in business, healthcare or the law.
I.B.5	Please describe how Centurion will select community members for the Advisory Boards of the New Hospitals, including: (a) how many candidates from the community will Centurion add to the board with health care and business experience; and (b) the selection criteria and board competencies for each board position.	Q. 1	Centurion will work with Mr. Liebman and other directors to identify individuals in the community that would be a good fit for the Advisory Boards. The Bylaws of the New Hospitals require that a minimum of one third of the directors be affiliated with the community. Specific selection criteria and board competencies have not yet been outlined, but the President and Centurion will select individuals that they believe will best serve the New Hospitals based on the skillsets offered by the individual and the needs of the New Hospitals.
I.B.6	Please explain how Centurion will coordinate the implementation of the procedures, policies, protocols, review of budgets, and structuring and executing financings for each of the boards.		Centurion is the sole corporate member of CharterCARE Health of Rhode Island, Inc., and CharterCARE Health of Rhode Island, Inc. is the sole corporate member of RWMC, OLF, and the Foundation. There are certain reserved powers of each Member, which are outlined completely in the Bylaws for entity. These reserved powers include the ability to appoint and remove directors on the board, establish capital and operationalize budgets, approve strategic plans, etc. Centurion will have representatives on each subsidiary board which will allow it to coordinate and implement the policies, procedures, protocols, and budgets.
I.B.7	Please explain how Ben Mingle will fulfill his obligations to the New CharterCARE System Board of Directors given his responsibilities relating to the other affiliates that Centurion operates.	Q. 4	Presidents and CEOs are often given additional responsibilities and more to manage as they progress in their career. Ben Mingle is a strong leader who is able to manage additional responsibilities and delegate tasks which can be handled by others.
I.B.8	Please list all community board members for each Advisory Board of the New		The community board members and the respective compositions for each Advisory Board of the New Hospitals have not yet been determined.

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	Hospitals and the composition of community board members for each entity.		
I.B.9	Please explain what parameters are in place to prevent Centurion from constituting a board that is less than independent and not hand-picked by Centurion.	Q. 1	Centurion’s ultimate goal is the success of the New CharterCARE System. Currently, Centurion believes that having a board that includes local individuals is important to this success. However, Centurion is the ultimate member of the New CharterCARE System, and therefore, has the ability to appoint or remove members of the boards in consultation with the President (see Section 3.2 in the Bylaws of RWMC, OLF, and CharterCARE Health of Rhode Island). The President and Centurion will select individuals that they believe will best serve the New Hospitals, but the Bylaws of CharterCARE Health of Rhode Island, RWMC, and OLF require that a minimum of one third of the directors be affiliated with the community.
C.	Centurion Finances:		
I.C.1	Please provide specific details with respect to how the New CharterCARE System will achieve savings through population health strategies including, without limitation, any commitments with respect to savings through value-based, long-term spending strategies. What expertise does Centurion, or the proposed management team have to implement such initiatives? Does Centurion have any plans to engage a third-party consultant to advise in the area of value-based care and population health?	Q. 57	The New CharterCARE System will continue to participate in both the accountable entity organization and the coordinated regional care programs. In anticipation of the Proposed Transaction, Prospect CharterCARE has hired a Vice President, Maria Zammitti, who has expertise in value based/alternative payment models, managed care analytics, and network strategy, negotiations, and management. Please see her resume at <u>Confidential Exhibit F25</u> . Ms. Zammitti will continue employment with the New CharterCARE System as set forth in <u>Confidential Exhibit 33</u> . Additionally, Prospect CharterCARE uses consultants as necessary depending on the needs of the of the hospital contracting team. There is no specific plans for the New CharterCARE System to engage with such consultants,

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			however, it would consider such an engagement if necessary.
I.C.2	Please provide specific details on how Centurion will prioritize short-term and long-term cost saving strategies; whether short-term and long-term savings will be reinvested to generate additional benefit to the New CharterCARE System; and how Centurion intends to invest in community infrastructure.	Q. 57	<p>Please see the EBITDA bridge at <u>Confidential Exhibit 1</u> and C-CNT-PMH-010135 through C-CNT-PMH-010161 for details on both long term and short term savings. Initial focus will be on short terms savings related to the non-profit status of the New Hospitals to try to cover gaps in the immediate financial performance, but also on beginning initiatives for long term savings as detailed in Confidential Exhibit 1. As all revenue exceeding expenses will be re-invested in the New CharterCARE System and local community, the benefit of such short-term and long-term savings will be reinvested to generate additional benefit.</p> <p>While Centurion itself will not make investments in community infrastructure, the New CharterCARE System will reinvest in community infrastructure as described in the responses to Questions 56 and 57 of the HCA Application and will update its plan regarding such reinvestments as necessary over time.</p>
I.C.3	Please provide Centurion’s capital commitment for each of the items listed in the business/strategic plan(s) described in response to Questions 55-57 of the application.	Q. 55-57	The current initiatives through Prospect CharterCARE listed in response to questions 55-57 are included within the budget and <i>pro forma</i> . Once the CHNA is updated in 2025, the New CharterCARE System will develop a plan and budget for the updated initiatives. Centurion will not provide any capital commitment. However, if revenue exceeds expenses in any given year, the New CharterCARE System will reinvest all excess revenue in the New Hospitals and local community.

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I.C.4	What is the New CharterCARE System’s debt expected to be following the initial financing of the Proposed Transaction?		Please see <u>Confidential Exhibit 1</u> at 01-R-C-CNT-PMH-003161.
I.C.5	Please provide and explain Centurion’s willingness to incur additional debt in the event that the expected financial results are not achieved from its strategic plan. In your response, please include whether Centurion is willing to encumber or otherwise leverage its other assets in order to obtain financing for the New Hospitals, if necessary.		Centurion is not willing to leverage its other assets in order to obtain financing for the New Hospitals. Additional debt will be evaluated as needed and will be obtained based on the New CharterCARE System’s ability to sustain the additional debt.
I.C.6	How many employees comprise line item 50100 (Total Salaries, Wages and Benefits)?	Ex. 31	Three
I.C.7	Please explain whether any of the Centurion financial pro forma(s) recognize the Rhode Island limitations on rate increases for inpatient hospital stays.		The <i>pro formas</i> included with the HCA Application use the OHIC approved rate increases.
I.C.8	As to Centurion’s statement that it is assuming the PACE financing, explain the specific uses of the funds and whether it is reflected in Centurion’s pro forma(s).	Q. 40	The PACE funds’ use is restricted by their terms. They will be used consistent with those restrictions. Planned Capital Expenditures have been provided in Appendix A.
I.C.9	With respect to Centurion’s plan to bring functions previously performed by Prospect in-house, please explain whether the costs associated with such “localization” have	Q. 1	All costs to localize operations are included in the financial analysis at <u>Confidential Exhibit 1</u> . The net effect of the localization results in savings, despite any costs.

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	been included in Centurion’s financial projections and/or financial pro forma(s).		
I.C.10	Please confirm whether \$80,000,000 is the total consideration in cash or in kind being paid by Centurion to Prospect in connection with the Proposed Transaction.	Q. 1	As set forth in response to Question 1 of the HCA Application, the net purchase price to Prospect is \$80 million. Centurion intends to finance the \$160 million value, plus closing costs, and place \$80 million of cash on CharterCARE Health of Rhode Island’s balance sheet at closing. Prospect agreed to the Amendment to the APA including a revised purchase price in order to ensure that the New CharterCARE System is established with a foundation to allow for a successful transition to the new operators.
I.C.11	Please describe and provide supporting analysis/detail relating to Centurion’s determination that 80 days of cash on hand would be a sufficient and reasonable cash reserve to support New CharterCARE System operating losses, capital needs, meet debt covenants, and meet other cash requirements post-closing of the Proposed Transaction.		Eighty days cash on hand is the industry benchmark for credit rated non-profit health systems. By having \$80 million (approximately 80 days) in cash on hand at closing, the New CharterCARE System will be positioned for success and remain independent. At closing of the Proposed Transaction, the New CharterCARE System will have a debt service coverage ratio consistent with that of an average not-for-profit A rated health system. Moreover, the assumptions supporting the 80 days cash on hand were vetted by local leadership and VMG.
I.C.12	Upon the closing of the Proposed Transaction, is Centurion committed to deposit a minimum amount of \$80,000,000 in financial reserves into a segregated bank account with a RI based financial institution, to be used solely to pay for costs and expenses incurred by OLF and RWMC after the closing of the asset purchase? If not, what is the minimum		The New CharterCARE System will have 80 million dollars in cash and investments on hand at closing. Its accounts will be segregated and owned by the New CharterCARE System for the benefit of the New CharterCARE System and no other party. The \$80,000,000 will be deposited with an established financial institution(s) that is qualified to manage that amount of cash and investments.

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	amount of money which Centurion is willing to agree to deposit into such an account upon closing of the asset purchase?		
I.C.13	If Centurion’s proposed bond financing does not generate sufficient funds to cover the \$80,000,000 proposed capital fund, will Centurion upon the closing cover the shortfall to ensure that the New CharterCARE System has access to the full \$80,000,000 in capital funds? Will Centurion deposit such an amount into a segregated bank account with a RI based financial institution, to be used solely to pay for costs and expenses incurred by OLF and RWMC after the closing of the asset purchase?		If the financing for the New CharterCARE System does not cover the \$80,000,000 proposed cash on hand, Centurion is not obligated to consummate the transaction per the APA Section 6.4 and will not cover the shortfall. As set forth above, the New CharterCARE System will have 80 million dollars in cash and investments on hand at closing. Its accounts will be segregated and owned by the New CharterCARE System for the benefit of the New CharterCARE System and no other party. The \$80,000,000 will be deposited with an established financial institution(s) that is qualified to manage that amount of cash and investments.
I.C.14	Please explain whether the 80 days cash on hand estimate for the New CharterCARE System includes and factors the additional costs of the services provided by Centurion pursuant to the Corporate Services Agreement.	Q. 1	80 days cash on hand is over and above all transaction costs. The fees for the Corporate Services Agreement are accounted for in the budget as set forth herein.
I.C.15	Please explain why the proposed plan does not involved a capital commitment from Centurion and has significantly limited its liability and responsibility under the Corporate Services Agreement with respect to the success or operation of the New Hospitals. If Centurion is going to derive profit from the New CharterCARE		Centurion will not be deriving profit from the New CharterCARE System, which is why it will not be taking on any risk. The only payment Centurion will receive from the New CharterCARE System is the fee outlined in the Corporate Services Agreement, which shall be fair market value for the services provided.

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	System’s net revenue, why isn’t Centurion financially at risk for the viability of the New CharterCARE System?		
I.C.16	What is the maximum amount of money via a capital contribution which Centurion is willing to make upon closing to fund the asset purchase and capital fund for the New CharterCARE System?		None. As set forth above, the New CharterCARE System will have \$80 million cash on hand at closing based on the structure of the Proposed Transaction and financing. While Centurion will not make any capital contribution, the new CharterCARE System will reinvest all revenues in excess of expenses in a given year in the New Hospitals and the local community.
I.C.17	Please confirm whether Centurion is assuming and or set aside any reserves for Stark law violations, false claims, HIPAA breaches, self-disclosures, or other overpayment scenarios associated with Prospect’s operations. Alternatively, will all those liabilities, known or unknown, be assumed by Prospect?		The New CharterCARE System will not be putting aside any money for the scenarios outlined. Prospect will retain all liabilities for the scenarios outlined for its operations prior to Closing pursuant to APA Section 2.4.
I.C.18	Please provide all analysis conducted to support the sufficiency of the \$5,000,000 indemnity escrow for a period of five years.	Asset Purchase Agreement	According to APA Section 1.1(vvvv), the total amount of the indemnity escrow is \$20,000,000. Based on allocation of risk and other indemnity provisions in the APA, Centurion felt comfortable with indemnification coverage amount of \$20,000,000.
I.C.19	Is the \$5,000,000 indemnity escrow account intended to fund liabilities post-closing of the Proposed Transaction should they arise? What protections are there for breach of contract claims within a 6-year statute of limitations or a longer period for fraud allegations if the \$5,000,000 escrow	Asset Purchase Agreement	The \$20,000,000 indemnity escrow amount covers liabilities that arise post-closing, except for any liabilities arising from fraud and or a breach of fundamental representations pursuant to APA Section 9.3(b)(iv). Any liabilities arising from fraud or a breach of fundamental representations do not have a statute of limitations. The terminations and indemnification limits in the APA were

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	is only available for 5 years and is reduced each year?		negotiated at arms-length and were felt to be commercially reasonable and sufficient to protect Centurion’s interests.
I.C.20	Please confirm and/or explain whether all of Prospect’s real property leases, assigned contracts, and excluded contracts, as set forth in the Asset Purchase Agreement, are compliant with the Stark Law. Please identify any of the foregoing arrangements with physicians, their families, or entities owned by physicians or their families, being assigned and assumed in connection with the Proposed Transaction.	Asset Purchase Agreement	Prospect believes that its real property leases, assigned contracts, and excluded contracts, as set forth in the Asset Purchase Agreement, are compliant with Stark Law. The list of contracts to be assumed in the Proposed Transaction is not yet final, but will be updated once a closing date is set.
I.C.21	As set forth in the Asset Purchase Agreement, please identify any liabilities associated with the assumed contracts, the amount of such liability, and whether such liability will transfer from Prospect to Centurion in connection with the Proposed Transaction.	Asset Purchase Agreement	It is important to distinguish the difference between contingent and known liabilities. Contingent liabilities are unknown liabilities based on certain events that may happen. Known liabilities are liabilities that are certain to happen according to the terms of the contract (such as payment required for services). redacted redacted redacted redacted redacted
I.C.22	What is Centurion predicting its DSH and Upper Payment Limit reimbursement to be for fiscal year 2024?		redacted redacted redacted redacted

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			redacted ██ ██ ██ ██ ██ ██ ██ ██
I.C.23	Please confirm whether Centurion is assuming Prospect’s Asset Based Lending credit agreement, and if so, are there any outstanding Prospect liabilities with the Asset Based Lending credit agreement that Centurion is assuming? If so, how does that factor into the purchase price for the New CharterCARE System?		No, Centurion is not assuming Prospect’s Asset Based Lending credit agreement.
I.C.24	Section 4.7 of the Asset Purchase Agreement requires Centurion to have evaluated the financial feasibility of the Proposed Transaction prior to execution of the Asset Purchase Agreement. Was this completed? If so, please provide the financial feasibility study in unredacted form.	Asset Purchase Agreement	redacted ██ ██ ██ ██ ██
I.C.25	Please provide what fees have been incurred to date relating to Acquisition Financing.	Asset Purchase Agreement	No fees have been incurred to date relating to acquisition financing.
I.C.26	Please provide a more fulsome financial pro forma(s) based upon the Improvement Initiatives and the financing plan for the	Q. 1	Please see C-CNT-PMH-010135 through C-CNT-PMH-010161.

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	first 5 years post-closing of the Proposed Transaction		
I.C.27	In the event that the financial outcomes projected in connection with the Proposed Transaction are not achieved within the first 3-5 years post-closing of the Proposed Transaction, please explain Centurion’s plans with respect to how it will address the continued shortfalls for the New CharterCARE System. With your response: (a) please include under what circumstances Centurion will terminate any services or close either of the New Hospitals; and (b) whether Centurion will agree to make capital contributions to address such shortfalls and to what extent. If not, why not?		80 days cash on hand – a requirement for closing of the Proposed Transaction – is the industry benchmark for credit rated non-profit health systems. By having \$80 million (approximately 80 days) in cash on hand at closing, the New CharterCARE System will be positioned for success. The New CharterCARE System will remain independent. As a result, Centurion will not take out any revenue that exceeds expenses and also will not fund the system’s losses or shortfalls. This structure follows the standard practice of other non-profit health systems. While Centurion cannot predict exact circumstances, the New CharterCARE System will try to resolve any challenges, work with its counterparts in the state, and take all actions as part of the state’s health ecosystem.
I.C.28	Please explain if Centurion agreed to assume any additional Prospect liabilities in exchange for the significant reduction of the purchase price. If so, please specify which additional liabilities were assumed by Centurion.		No, Centurion did not agree to assume any additional Prospect liabilities in exchange for the reduction in the purchase price.
I.C.29	Please provide a copy of the subordinated note (the “Buyer Note” as defined in Section 7.4 of the Asset Purchase Agreement) in the event that bond financing is inadequate. Please include with your response the threshold for	Q. 1 Asset Purchase Agreement	No subordinated note has been drafted.

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	entering into such note, and how will the note be secured.		
I.C.30	Please explain Centurion’s rationale for borrowing the shortfall amount of the bond financing from Prospect rather than contributing its own funds.	Q. 1 Asset Purchase Agreement	Based on the hospital operations at the time that the APA was executed, Centurion is confident of the bond financing. The procedure set forth in the APA regarding a potential note with Prospect does not involve the transfer of any funds from Prospect to the New CharterCARE System. Instead, the potential note (if needed) would allow the New CharterCARE System to pay Prospect part of the purchase price later, and Prospect would not collect the full purchase price amount at closing.
I.C.31	What is Prospect’s capacity to provide possible financing through the subordinated note given its other capital and cash challenges?	Q. 1 Asset Purchase Agreement	The procedure set forth in the APA regarding a potential note with Prospect does not involve the transfer of any funds from Prospect to the New CharterCARE System. Instead, the potential note (if needed) would allow the New CharterCARE System to pay Prospect part of the purchase price later, and Prospect would not collect the full purchase price amount at closing.
I.C.32	Please provide any information regarding a timeline for the anticipated tax-exempt and taxable bond financing.		Centurion anticipates the bond financing will take approximately 90 to 120 days to obtain following HCA approval.
I.C.33	Please explain whether Centurion has accounted for an increase in the Medicaid payer mix as a safety net and nonprofit hospital in its financial pro forma(s).		The financial pro formas do include assumed government payer increases. Please also see response to Question I.C.22 above regarding DSH payments.
I.C.34	Other than savings associated with tax-exemption, 340B, and group purchasing, what other plans does Centurion have for reducing expenses at each of the New Hospitals?		Please see the EBITDA Bridge at <u>Confidential 1</u> and the further analysis and calculations at C-CNT-PMH-010135 through C-CNT-PMH-010161.

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I.C.35	Please explain to what extent has Centurion factored savings from the 340B drug program into its pro forma(s) over the next 5 years.		Please see the financial plan at <u>Confidential Exhibit 1</u> , which includes a line item for 340B savings.
I.C.36	Please explain why Centurion does not have audited financials.		<p>The users of Centurion’s financial statements are generally not external to Centurion, as the financial statements are typically not distributed outside the organization. The preparation of Centurion’s financial statements is supported by RSM and Centurion’s tax returns, which are prepared by RSM and are publicly available. As Centurion’s revenues and expenses are generally known and fixed consistent with long-term contracts, Centurion management finds it easier to manage the affairs of the organization by monitoring cash and daily activities. Furthermore, significant time and expense is involved in engaging an audit firm, preparing for and responding to the audit team’s requests. Centurion has determined it to be more prudent to invest that time and expense other ways in the furtherance of its mission.</p> <p>In addition, Mr. Mingle and Mr. Lovoy are both former auditors and have more than 40 years of experience as CPAs.</p>
I.C.37	Please provide an accounting of revenue from all sources, including affiliates, paid to Centurion for the last 3 fiscal years.		Please see Centurion’s financial statements at Exhibit 24 for an accounting of Centurion’s revenue. Generally, Centurion’s revenue comes from clients or affiliates. Any revenue from affiliates comes from clients. Clients are non-profit health systems.

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I.C.38	What is the basis for concluding that Centurion will save redacted	Q. 57	The redacted was identified and vetted by QHR. The New CharterCARE System plans to go forward with using Health Trust assuming that the pricing at the time of closing is consistent with the projection.
I.C.39	redacted	Q. 56	See the EBITDA bridge at Confidential Exhibit 1, as well as the further analysis and calculations at C-CNT-PMH-010135 through C-CNT-PMH-010161.
I.C.40	redacted	Q. 57	redacted
I.C.41	What happens if Centurion’s projections on revenue from 340B, DSH, Medicaid increases, group purchasing and tax-exempt savings do not amount to that which is projected? How likely will losses result in reductions in workforce and termination of essential services?		While Centurion cannot predict specific exact circumstances, the local management team and the CharterCARE Health of Rhode Island Board of Directors will respond accordingly to any such challenges. The New CharterCARE System will take the steps warranted to achieve financial stability and to attempt to ensure that the New Hospitals can continue to serve their communities. Please see the responses above for further information.
I.C.42	redacted		redacted

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			redacted redacted redacted redacted
I.C.43	Please provide all materials provided to and by redacted to Centurion, including but not limited communication with redacted following the May 2, 2023 finance-ability letter.		Centurion is gathering the responsive materials and will produce them on or before February 6, 2024.
I.C.44	Does Centurion have any plans to seek additional financing for unrelated acquisitions? If yes, please summarize.		As part of its normal course of business, Centurion routinely closes charitable transactions for non-profit health systems and is actively continuing its work in that line of business. None of the charitable leasing transactions for other non-profit health systems will affect the New CharterCARE Health Systems or Proposed Transaction.
I.C.45	redacted redacted redacted	Q. 1	redacted redacted redacted redacted redacted redacted redacted redacted redacted redacted redacted redacted redacted redacted

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I.C.46	What was the basis for Prospect agreeing to an redacted in the purchase price?		Prospect agreed to the Amendment to the APA including a revised purchase price in order to ensure that the New CharterCARE System is established with a foundation to allow for a successful transition to the new operators.
I.C.47	What is Centurion planning to do to address the redacted	Ex. 39	Centurion reviewed redacted
I.C.48	Please provide an up-to-date timeline for the Proposed Transaction, including but not limited to, all consents/approvals, licensure, and other regulatory requirements, securing financing, and conversion from for-profit to non-profit.		The parties anticipate once approval is received from RIDOH and RIAG, it will take approximately 90 to 120 days to obtain financing for the Proposed Transaction, and approximately an additional 90 to 120 days to finalize the disclosure schedules to the APA and satisfy other conditions to closing. During that time period, the Transacting Parties will provide and/or seek the other required governmental and third-party notices and consents. This is a best-case scenario timeline so if any setbacks or hurdles arise during the process, it will likely take longer.
I.C.49	Please provide the plan for revenue cycle management post-closing of the Proposed Transaction.		The New CharterCARE System plans on bringing this department in-house, but will engage in outside consultants as necessary.
I.C.50	Please confirm and explain that the current financial status of the Existing Hospitals will not negatively impact the issuance and feasibility of tax-exempt bond financing.		The financial package for bond financing, including the EBITDA bridge at <u>Confidential Exhibit 1</u> , will use projections and actuals based on the hospitals operating on a standalone basis (<i>i.e.</i> , outside of their current cost

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			structure) with a net working capital of 0 on the day of closing. As a result, Centurion believes that the current financial status of the Existing Hospitals will not negatively impact the issuance and feasibility of tax-exempt bond financing.
I.C.51	Please provide details regarding the PACE loans described in the Asset Purchase Agreement, including the anticipated purchase price impact, loan terms, and confirmation of assignability.	Asset Purchase Agreement	redacted ██ ██ ██ ██ ██ ██ ██
I.C.52	Please confirm whether Centurion is assuming Prospect’s: (a) MAAP liabilities; (b) any liabilities under assumed provider agreements; and/or (c) asbestos removal liabilities. Please explain and identify how any/all such liabilities are factored into the relevant financial pro forma(s).	Asset Purchase Agreement	<ul style="list-style-type: none"> a) There are none. b) The New CharterCARE System will assume the existing provider agreements pursuant to APA Sections 2.1(a)(xii) and 8.19 and will assume the ongoing responsibilities under these contracts. However, to the extent Prospect breached an agreement prior to closing, Prospect is obligated for that liability. c) Yes, the New CharterCARE System will assume the liability for asbestos removal pursuant to APA Section 2.3(b). d) There are no known liabilities at this point in time. To the extent that there are any unknown liabilities, CharterCARE Health of Rhode Island will manage them using its reserves and free cash flow.
I.C.53	What is the total amount of fees to be paid to each investment banking firm engaged in connection with the Proposed Transaction?	Asset Purchase Agreement	The fees for each investment banking firm redacted are included in their respective engagement

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	Who will be responsible for paying such fees? If Centurion, will those fees be considered Acquisition Fees that get paid for from the proposed tax-exempt bond financing?		letters at <u>Confidential Exhibit 13</u> . Prospect is responsible for redacted Centurion is responsible for redacted
I.C.54	As set forth in the Asset Purchase Agreement, please identify each entity to whom Prospect will assign ownership rights after it acquires the “Purchased Assets,” and which “Purchased Assets” shall be transferred to each entity.	Asset Purchase Agreement	Based on correspondence with Julia Harvey, Esq., the Transacting Parties understand that this question is referring to Centurion rather than Prospect. Following closing of the Proposed Transaction, Centurion is currently planning that assets will generally stay with the respective successor entity that currently owns them. For example, the current assets of RWMC will generally stay with the successor entity of RWMC (CharterCARE RWMC). Similarly, the current assets of OLF will generally stay with the successor entity of OLF (CharterCARE OLF).
I.C.55	Please provide a breakdown of acquisition costs incurred to-date compared to budget (as estimated for purposes of development of the Acquisition Cost Budget).	Asset Purchase Agreement	redacted redacted
I.C.56	Have the disclosure schedules been updated since November 2022 (Section 5.2(b))? If so, please provide.	Asset Purchase Agreement	No.
I.C.57	Please provide detail supporting the redacted Acquisition Cost Budget.	Asset Purchase Agreement	The Acquisition Cost Budget was formulated based on the Transacting Parties’ good faith belief of the cost of the Proposed Transaction based on its size and the cost of other transactions of this size.

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I.C.58	redacted [Redacted text]	[Redacted]	Yes.
I.C.59	redacted [Redacted text]	[Redacted]	[Redacted]
I.C.60	redacted [Redacted text]	[Redacted]	[Redacted]

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I.C.61	redacted [Redacted text]	[Redacted text]	[Redacted text]
I.C.62	redacted [Redacted text]	[Redacted text]	[Redacted text]
I.C.63	redacted [Redacted text]	[Redacted text]	[Redacted text]

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			<p>redacted</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p>
I.C.64	<p>redacted</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p>	[Redacted]	<p>[Redacted]</p> <p>[Redacted]</p> <ul style="list-style-type: none"> [Redacted] [Redacted] [Redacted] [Redacted] [Redacted] [Redacted] [Redacted] [Redacted] [Redacted] [Redacted] [Redacted] <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p>
I.C.65	<p>redacted</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p>	[Redacted]	Please see the response below to I.C.66.

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	redacted [redacted]		
I.C.66	redacted [redacted]	[redacted]	[redacted]
I.C.67	redacted [redacted]	[redacted]	Please see the response to I.C.66 and page 5 of the redacted [redacted] at <u>Confidential Exhibit 21</u> .
I.C.68	redacted [redacted]	[redacted]	[redacted]

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	redacted		
I.C.69	redacted		
I.C.70	redacted		
I.C.71	Please indicate how the forward-looking/post-transaction financial estimates consider delays in collections related to Medicare, governmental, and other consents/approvals, licensure, and/or regulatory requirements.		The financial projections incorporate the historical time-frame for all collections. The historical performance and budget of Prospect CharterCare was used as the basis upon which the EBITDA bridge initiatives were built. Accordingly, all delays in collections have been incorporated into the forward-looking projections. No additional collection delays are anticipated. CharterCare Health of Rhode Island will be assuming the provider numbers of the Existing Hospitals. To the extent delays are

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			encountered, sufficient days cash on hand will provide means to withstand the delay.
I.C.72	Is the Plan B document also a volume submitter document from redacted . Does it have a favorable determination letter?	Ex. 52	The Plan B plan is not a volume submitter document from redacted . Please see C-CNT-PMH-010162 through C-CNT-PMH-010164.
I.C.73	Is Plan B maintained pursuant to a collective bargaining agreement(s)?	Ex. 52	Yes, the plan is a collectively bargained plan.
I.C.74	Have the plans been operated in compliance with these documents?	Ex. 52	Yes.
I.C.75	Have participant contributions been timely deposited into the plans’ trusts?	Ex. 52	Yes.
I.C.76	Are there any restrictions on terminating the plans?	Ex. 52	No
I.C.77	Are there any pending or threatened lawsuits against the plans, fiduciaries or trustees in relation to the plans, or pending or threatened claims against the plans that could lead to future litigation?	Ex. 52	No.
I.C.78	Are there any Voluntary Correction Program filings with the IRS or Voluntary Fiduciary Correction Program filings with the DOL?	Ex. 52	No
I.C.79	Have the plans been audited by the IRS or the DOL in the last 3 years?	Ex. 52	No
I.C.80	redacted		redacted

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	redacted redacted redacted redacted redacted		redacted redacted redacted redacted
I.C.81	Section 5.11 requires the buyer use best efforts to complete the acquisition financing prior to or by closing – please provide an update on the status of this process.	Asset Purchase Agreement	There is no update on the status of this process because Centurion cannot begin the financing process until approval for the Proposed Transaction is obtained.
I.C.82	Will Centurion consolidate the financials of the New CharterCARE System post-conversion?		Yes. Centurion will account for CharterCARE Health of Rhode Island pursuant to GAAP, which requires a reporting entity to consolidate an entity that it controls.
I.C.83	Please confirm whether Centurion will be part of the obligated group.	Apx. C	No, Centurion will not be part of the obligated group.
I.C.84	How were the 6.03 percent (tax-exempt) and 7.28 percent (taxable) probable interest rates estimated? When were they estimated?	Apx. C	redacted redacted redacted redacted Given the volatility of the interest rate market and environment, these amounts will inevitably be different by the time the New CharterCARE System is able to obtain financing.
I.C.85	What has informed the redacted redacted? Have the parties secured quotes? If yes, please provide.	Apx. C.	These estimates are based on Centurion’s experience with prior financing. No specific quotes have been obtained yet given the uncertainty of when Centurion will be going to the market for this financing.
I.C.86	Please provide a detailed comparative summary of the historical costs allocated to	Ex. 48	Please see C-CNT-PMH-011448 through C-CNT-PMH-011449 related to intercompany charges detail for the

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	<p>the functions that will be brought in-house and the new anticipated in-house costs, including the required investments in staffing, systems, consultants, etc. Based on the responses to the application, these areas include (but may not be limited to) the following:</p> <ul style="list-style-type: none"> a) Human Resources; b) Information Technology; c) Supply Chain; d) Managed Care contracting; e) Revenue Cycle; f) Compliance; g) Finance; h) Physician group leadership and management; i) Strategy; j) Marketing; and k) Other. 		<p>current Prospect CharterCARE System and C-CNT-PMH-010135 through C-CNT-PMH-010161 or the calculation related to the initiatives.</p>
I.C.87	<p>Please provide a comprehensive list of all capital and other incremental operating costs (including physician recruitment and retention) that would be required to support the integration plan and associated financial improvements, including but not limited to:</p> <ul style="list-style-type: none"> a) Behavioral health service line reboot/additional beds; b) Critical Care bed expansion; c) Orthopedic service line expansion; 	Ex. 48	<p>All costs required to support the integration plan and associated financial improvements are included in the financial plan at <u>Confidential Exhibit 1</u>. Please also see C-CNT-PMH-010135 through C-CNT-PMH-010161.</p>

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	<p>d) Primary care service line expansion;</p> <p>e) Investment in facilities to “allow for additional observation/acute admissions”;</p> <p>f) Development/growth of ambulatory services and offerings – including orthopedics and gastroenterology;</p> <p>g) Strategic investments in cancer, orthopedics, bone marrow, primary care, emergency services and behavioral health;</p> <p>h) Development of outpatient facilities in Johnston, Rhode Island;</p> <p>i) IT;</p> <ul style="list-style-type: none"> a. Upgrading the Meditech platform; b. Three-year replacement program for hardware and software needs; c. New cybersecurity system; d. Improved IT/equipment systems in nurse call system; 		
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	<p>e. Modernization of emergency department at OLF;</p> <p>f. Replacement of any systems that have historically been outsourced/centrally provided (e.g., revenue cycle, financial systems/reporting, etc.); and</p> <p>j) Improvements to working environments for staff in identified clinical areas.</p>		
I.C.88	Please provide Centurion Consolidated Financial Statements and Notes for fiscal year end 2023 including all adjusting entries.		Please see C-CNT-PMH-010165 through C-CNT-PMH-010166. This is the most current Consolidated Financial Statement and Notes for Centurion.
I.C.89	Please provide supporting analysis that the parties will be able to negotiate more favorable third-party payer contracts post-Proposed Transaction.	Ex. 48	<p>redacted</p> <p>██</p> <p>██</p> <p>██</p> <p>██</p> <p>██</p> <p>██</p> <p>██</p> <p>██</p>
D.	Centurion’s Tax-Exempt Status:		
I.D.1	Please provide a detailed explanation with respect to how Centurion will achieve its organizational goals of providing high	Q. 39	Please see the EBITDA Bridge and the integration plan for a detailed explanation with respect to how the New CharterCARE System will provide high quality and needed

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	quality and needed services to the communities of the New Hospitals’ while ensuring their stability for the future and reinvesting in the local community. Please include examples of how much and under what circumstances Centurion would reinvest in the local community.		services to the communities of the New Hospitals while ensuring their stability for the future and reinvesting in the local community. The New CharterCARE System will reinvest any revenue in excess of expenses in a given year in the New Hospitals and local community as set forth above.
I.D.2	If the New CharterCARE System becomes tax-exempt, please explain whether the New CharterCARE System has budgeted for the CHNA.	Q. 1	The programs set forth in the CHNA are already in the budget within various departments as applicable. Once a new CHNA is completed, CharterCARE Health of Rhode Island will review and revise its budget as necessary.
I.D.3	Please specify why Centurion’s strategic plan to enhance access and meet the needs of the community relies upon an assessment performed by a for-profit hospital system (even if the Prospect CHNA was jointly performed with other nonprofits).	Ex. 45	As referenced in the question, the CHNA is primarily drafted by the Hospital Association of Rhode Island in concert with its consultant. The CHNA’s initiatives are currently serving the Existing Hospitals’ local community. When the CHNA is updated in 2025, the New CharterCARE System will revisit its implementation strategy.
I.D.4	Please provide Centurion’s annual capital commitment to addressing the identified needs of the communities of the New Hospitals and confirm whether those capital commitments are reflected in the pro forma(s) included in the application. If so, please reference the document.		Centurion will not be making any annual capital commitment to address the needs of the community. However, any revenues in excess of expenses generated by the New CharterCARE System will be reinvested in the New Hospitals and the local community.
I.D.5	Has Centurion had any meetings with community stakeholders to evaluate unmet community needs of the New Hospitals? If so, who and when? What were the finding?	Q. 45-46	No, however, the local management team are involved in the community and have deep relationships with the community and its stakeholders. That management team, as a result, has an understanding of the unmet community needs. Additionally, the community board members of

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			CharterCARE Health of Rhode Island are active in the community and can provide insight on the needs of the local community.
I.D.6	How many other community non-profit providers has Centurion consulted regarding the establishment of a collaborative approach to meeting the community’s needs? Please describe.		Centurion has not yet directly consulted with any other community non-profit providers. However, the local management team are involved in the community and have deep relationships with the community and its stakeholders. Additionally, the community board members of CharterCARE Health of Rhode Island are active in the community and can provide insight on the needs of the local community.
I.D.7	Please provide copies of the written regulatory compliance program as it relates a nonprofit tax-exempt entity, along with a description of the compliance program staff responsible for compliance with tax-exempt rules.	Q. 39	Please see <u>Confidential Exhibit 39</u> for the current regulatory compliance program and the response to Exhibit 39 for a description of program staff responsible for compliance. The Vice President of Compliance, as well as the CFO as warranted, will be responsible for compliance with tax-exempt rules. The current regulatory compliance program will be updated as necessary closer to closing of the Proposed Transaction.
I.D.8	Please provide copies of IRS Form 1023 for each of the newly formed Centurion-related Transacting Parties.	Q. 23	Please see C-CNT-PMH-010167 through C-CNT-PMH-010447.
I.D.9	Please explain in detail how the “return to nonprofit status will enable the New CharterCARE System to reinvest in the local community and further its mission”. In your response, please confirm whether those commitments will remain if the proposed profit margins are not achieved.	Appx. F. 29	<p>If revenue exceeds expenses in a given year, the New CharterCARE System will reinvest all such excess revenue in the New Hospitals and local community allowing it to further serve its mission, as set forth above.</p> <p>If revenue does not exceed expenses in any given year, the return to non-profit status will still facilitate the New CharterCARE System to fulfill its organizational mission and provide quality care to the local community through,</p>

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			for example, its already budgeted initiatives, its mission, and governance.
I.D.10	Please provide a detailed explanation of the basis for Centurion’s statement that “the Proposed Transaction was viable and in line with Centurion’s charitable mission.”	Appx F. 29	Centurion’s mission is to help charitable organizations achieve their purposes by developing, arranging financing, and leasing facilities. Centurion strives to help charitable organizations do good and do well. Centurion has been providing this support of other charities’ missions for almost thirty years. Centurion now desires to elevate and support the New CharterCARE System. Centurion performed its own financial analysis of the current CharterCARE system (in conjunction with QHR) and engaged outside counsel familiar with the healthcare industry. With this expertise, Centurion determined that the Proposed Transaction was viable, and the New CharterCARE System is likely to succeed under a nonprofit model.
I.D.11	Please explain why Centurion changed its tax status from a 501I(3) to private foundation status. In addition, explain how Centurion will comply with the specific IRS regulations applicable to private foundations, who Centurion lists as disqualified individuals, and how it will maintain its status as an exempt operating foundation.	Q. 1	<p>Centurion is the sole corporate member of CharterCARE. Centurion has the ability to control CharterCARE as a result of its power to appoint all members of CharterCARE’s Board of Directors subject to certain requirements in the Bylaws, but Centurion does not “own” CharterCARE. As a result, Centurion will not be required to make any changes to continue to comply with federal tax laws and regulations applicable to exempt operating foundations.</p> <p>Centurion has been recognized by the IRS as an exempt operating foundation described in Section 4940(d)(2) pursuant to a determination letter dated August 14, 2020. Centurion will continue to qualify as an exempt operating foundation for the foreseeable future. Centurion’s status as the sole corporate member of CharterCARE Health of</p>

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		<p>Rhode Island will not impact in any way Centurion’s current status as a tax-exempt organization under Section 501(c)(3), an operating foundation under 4942(j)(3), or exempt operating foundation under Section 4940(d)(2).</p> <p>To qualify as an exempt operating foundation, a private foundation must have the following characteristics:</p> <ol style="list-style-type: none"> 1. Qualify as an “operating foundation” pursuant to Section 4942(j)(3); 2. Be publicly supported for at least 10 years; 3. Have a board that consists of individuals that are broadly representative of the general community; and 4. Less than 25% of the individuals on the Board are “disqualified individuals.” <p>Since its formation in 1996, Centurion has not had, does not currently have, or ever will have, any person who is a “disqualified individual” serve on its Board. According to Section 4949(d)(2)(C), a person is a “disqualified individual” if he or she is:</p> <ol style="list-style-type: none"> 1) As substantial contribution to the foundation; 2) An owner of more than 20% of the combined voting power of a corporation, the profits interest of a partnership, or the beneficial interest in a trust or unincorporated enterprise which is a substantial contribution to the foundation; or 3) A member of any of the foregoing. <p>Since its formation in 1996, Centurion’s Board of Directors has consisted, currently consists, and will continue to</p>
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			<p>consist of individuals that are broadly representative of the general community. The “representative governing body” standard is virtually identical to the “facts and circumstances” test for public charity status under Section 170(b)(1)(A)(vi). According to Treas. Reg. §1.170(A)-9(e)(3)(v), a governing body will be treated as “represent[ing] the broad interests of the public” if it is:</p> <p align="center">“comprised of public officials acting in their capacities as such; of individuals selected by public officials in their capacities as such’ of persons having special knowledge or expertise in the particular field or discipline in which the organization is operating; of community leaders, such as elected or appointed officials, clergymen, educators, civic leaders, or other such persons representing a broad cross section of the views and interests of the community; or, in the case of a membership organization, of individuals elected pursuant to the organization’s governing instrument or bylaws by a broadly based membership.”</p> <p>Each member of Centurion’s Board of Directors was selected because of his or her demonstrated community and civic interest and leadership, his or her special knowledge and expertise in the charitable programs and activities which constitute the basis for Centurion’s tax-exemption under Section 501(c)(3), and history of active involvement and influence in community and civic affairs.</p>
I.D.12	<p>redacted</p> <p>redacted</p> <p>redacted</p>		<p>Yes, there has been further correspondence with the IRS over the nearly 30 years of Centurion’s history. redacted</p> <p>redacted</p>

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	redacted		redacted
I.D.13	Please explain what qualified Centurion as a 501I(3) and provide a list of what charitable contributions Centurion has made while a 501I(3).	Q. 1	Please see the response to I.D.11, the IRS Determination letter regarding Centurion’s non-profit 501(c)(3) status at <u>Confidential Exhibit F37</u> , and the independent legal opinion regarding Centurion’s non-profit 501(c)(3) status at <u>Confidential Exhibit F37</u> . Regarding charitable contributions, please see the response to I.D.27.
I.D.14	Please provide a percentage of Centurion and its affiliated entities’ profit that was paid to Centurion’s senior leadership and or board members in fiscal years 2020, 2021, 2022 and 2023.		redacted
I.D.15	Please explain whether there were any IRS communications that called Centurion’s tax-exempt status into question. If so, please provide.	Q. 1	There are no IRS communications calling into question Centurion’s tax-exempt status.
I.D.16	Has Centurion submitted a 2023 990? If so, please provide.	Q. 1	Centurion has not yet filed its 2023 Form 990. Centurion plans to file its 2023 990 prior to the final deadline of May 15, 2024.
I.D.17	In 2020, Prospect’s charity care was listed as \$1,094,000. Please provide Centurion’s budget for its charity care amount for the first fiscal year of operations.		See Appendix A for charity care projections.
I.D.18	Please explain how Centurion defines “traditionally underserved populations”.	Q. 17	As defined by the federal government, traditionally underserved population refers to groups that do not have adequate access to medical care, including, but not limited

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			to “rural, elderly, low-literacy, blue collar, and poor populations.” According to the Federal Government, while minority ethnic groups are not <i>per se</i> included, they may often belong to one or more included categories, as well as individuals with special needs and homeless people. <i>See Toolkit for Patient-Focused Therapy Development</i> , https://toolkit.ncats.nih.gov/glossary/underserved-group/ .
I.D.19	Please explain why Centurion has stated that it will provide the minimum level of charity care required under Rhode Island law for the New CharterCARE System.	Q. 16	Centurion has not stated that “it will provide the minimum level” of charity care required under Rhode Island law. It is not clear to what statement this question refers. Please see the response to Question 45 regarding the provision of charity care.
I.D.20	Please explain why Centurion’s financial assistance does not extend to those at the 400% of the Federal Poverty Income Guidelines.	Q. 16	It is common in the industry to extend financial assistance to those individuals who make 400% of the Federal Poverty Income Guidelines or less. There are no requirements that financial assistance to be provided to individuals above that threshold. The New CharterCARE System anticipates this is an appropriate threshold to provide financial assistance to the community without jeopardizing the financial health of the New CharterCARE System.
I.D.21	Given that one of Centurion’s core value propositions is its tax- exempt status and charitable mission, please explain why the citizens of Rhode Island should not expect to see significant increases in charity care provided by the New CharterCARE System in comparison to that provided by Prospect through the Existing Hospitals – especially considering the New Hospitals are safety net hospitals. For example, Prospect shows its charity care approximately \$7,732,838 on	Q. 16	The New CharterCARE System anticipates providing a level of financial assistance to the community without jeopardizing the financial health of the New CharterCARE System and based on the needs of the community. Since the New Hospitals are safety net hospitals, the first priority is to stabilize the New CharterCare System’s financial health as it transitions to a nonprofit system. Additional charity care may be considered in the future if it is needed in the community and the New CharterCARE System is able to support it.

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	an annual basis and the New Hospitals project \$9,250,000.		
I.D.22	Please describe the nature of the tax dispute in South Windsor, CT and whether the Town of South Windsor is disputing Centurion’s tax-exempt status.	Q. 20	As set forth in the CEC Application at Question 20B, Centurion Holdings 1, Inc. is a plaintiff in a Connecticut Superior Court case captioned “Centurion Holdings 1, Inc. v. Town of South Windsor and Mary Huda, Assessor for Town of South Windsor, HHB-CV22-6073236-S,” which involves an appeal of property tax assessment. There is no further responsive information. The Town has not disputed Centurion’s tax-exempt status.
I.D.23	What controls, if any, will Centurion place on funds raised through the New CharterCARE System to ensure that they are used exclusively for the benefit of the New Hospitals?		As the New CharterCARE System will operate as a non-profit for the benefit of the hospitals and providing quality care to the local community, the entire financial internal control system of the New CharterCARE Health System will serve to ensure that its funds are used exclusively for the New Hospitals and the CharterCARE Health of Rhode Island facilities.
I.D.24	Please explain whether Centurion will include bad debt in its calculation of uncompensated charity care. If so, what amount represents bad debt versus charity care?	Q. 44	The New CharterCARE System will not include bad debt in its calculation of charity care. The New CharterCARE System will include both bad debt and charity care in its calculation of uncompensated care. Please see the response to HCA Question 44a for the definition of and distinction between uncompensated care, charity care, and bad debt.
I.D.25	As a tax-exempt organization, please explain why Centurion believes that Prospect’s existing charity care policy provides “robust charity care” for Centurion to model after. With your	Q. 45	The New CharterCARE System is not modeling its charity care policy after Prospect’s policy. As stated in the original answer, the New CharterCARE System is adopting its own policies, including a new charity care policy. The New CharterCARE System believes the new policy will allow it

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	<p>response, please include what benchmark this was evaluated against.</p>		<p>to provide robust charity care as compared to industry standards.</p>
<p>I.D.26</p>	<p>As the potential tax-exempt owner of two safety net hospitals serving an economically disadvantaged population, please explain why Centurion has determined the levels of charity care provided by Prospect are sufficient to meet the ongoing needs of the community served by the New Hospitals. With your response, please include what specific investments that Centurion will make to ensure sufficient behavioral health, chronic disease, maternal and child health services remain available within the community.</p>		<p>The HCA Application does not include a statement that Centurion “determined the levels of charity care provided by Prospect are sufficient to meet the ongoing needs of the community.” The New CharterCARE System is adopting its own policies, including a new charity care policy. The New CharterCARE System believes the new policy will allow it to provide robust charity care as compared to industry standards. In addition, the New CharterCARE System anticipates providing a level of financial assistance to the community without jeopardizing its financial health and based on the needs of the community. Since the New Hospitals are safety net hospitals, the first priority is to stabilize the New CharterCare System’s financial health as it transitions to a nonprofit system. Additional charity care may be considered in the future if it is needed in the community and the New CharterCARE System is able to support it.</p> <p>While Centurion itself will not make an investment to ensure that sufficient behavioral health, chronic disease, maternal and child health services remain available within the community, the existing services are included in the financial plan (<u>Confidential Exhibit 1</u>) and the New CharterCARE System will re-invest all revenue in excess of expenses into the New Hospitals and community programs.</p>

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I.D.27	Please explain why Centurion did not make any charitable donations in fiscal year 2022. Additionally, please provide Centurion’s charitable donations in fiscal year 2023.		For information regarding charitable donations, please see Centurion’s 990s. Centurion is an operating foundation and is not required to make charitable donations. As stated in Response to Question I.D.29, Centurion has not had excess cash because it has been in an aggressive growth mode to help its nonprofit clients.
I.D.28	Please explain why Centurion is being reimbursed for the transaction fees from the Proposed Transaction tax-exempt bond financing.		The Transacting Parties read this question to be referring to “Acquisition Costs” as defined in the APA and amendments thereto. Prospect and Centurion negotiated this reimbursement as part of the Proposed Transaction. Prospect agreed to reimburse Centurion for its Acquisition Costs in order to ensure that the New CharterCARE System has the foundation to operate successfully following closing.
I.D.29	How often is excess cash available to contribute to Centurion’s nonprofit clients or affiliates? What was the excess cash contributed by Centurion in fiscal years 2023, 2022 and 2021?		There has not been excess cash as Centurion has been in an aggressive growth mode to help its nonprofit clients.
I.D.30	Centurion states “...that under the current for-profit approach, the Existing Hospitals couldn’t serve the community as much as possible within a non-profit framework.” What does the aforementioned statement mean, given that in the first application submission, Centurion stated that Prospect did an excellent job in serving the community and that in essence, it will step in its shoes?	Q. 1	Centurion has not stated that it will “step in[to Prospect’s] shoes.” From Centurion’s standpoint, while Prospect has provided numerous community benefits, it is limited due to its for-profit status. As a non-profit health system, the New CharterCARE System will not only be reinvesting any revenue in excess of expenses into the New Hospitals and the surrounding community, but it will also have access to funding (e.g., grant funding, donations) to aid in its programs for the local community that a for-profit system would not be able to access.

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I.D.31	<p>What is Centurion’s specific plan to identify worthwhile local entities for investments from fundraising activities and partnering with key organizations to improve health care and the quality of life in Rhode Island?</p>	Ex. 48	<p>The CharterCARE Health of Rhode Island, New Hospital Advisory Boards, and local management team will identify such entities.</p>
I.D.32	<p>In response to Deficiency 186, Centurion stated that it will also assist in efforts to improve environmental determinants of health in the community by supporting key initiatives and partnering with other organizations who will have experience and expertise in certain specific areas of the state.</p> <p>What is the annual budgeted capital commitment by Centurion to address each of the determinants of health identified with respect to heart disease, cancer, obesity, substance use disorder?</p>		<p>While Centurion will not provide any capital to the New CharterCARE System, the New CharterCARE System will reinvest all revenue in excess of expenses in the New Hospitals and the local community. The New CharterCARE System is currently identifying priority areas for such reinvestment. It is worth noting, however, that the New CharterCARE System plans to continue Prospect CharterCARE’s dedication to ensuring access to the local community for such treatments, including, for example, its substance use disorder and cancer centers. Such funding is already included in the <i>pro forma</i> submitted in <u>Confidential Exhibit 1</u>.</p>
I.D.33	<p>Please provide a detailed description, including examples, of how the New CharterCARE System will promote local leadership and reinvest in the New Hospitals.</p>	Q. 52	<p>Centurion is dedicated to empowering local leadership to make the best decisions possible for the New CharterCARE System. It will do so by retaining the leadership and senior management of the Existing Hospitals for the New CharterCARE System and allowing them to guide the New Hospitals through this pivotal period of transition. Likewise, Centurion will provide any guidance and council as needed by the local leadership team. With respect to reinvestment in the New Hospitals, as set forth herein, if the New CharterCARE System’s revenues exceed expenses in a given year, it will reinvest</p>

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			that amount in the New Hospitals and the community. The local leadership team in concert with Centurion is developing a list of priority areas for such reinvestment.
I.D.34	<p>Please provide complete Forms 990-PF (and schedules) and audited financial statements from past four fiscal years.</p> <p>Note: Some schedules were not included as required by Form 990-PF.</p>	Form 990-PF	Centurion does not have any additional documentation to produce. The documents produced are the entirety of the Forms 990-PF and schedules. The copies provided were the filed copies given to Centurion by its accountant for its records. If there are specific schedules that the RIAG believes are missing, Centurion will review further and address if they exist.
I.D.35	<p>Please provide an explanation for changes in savings and temporary cash investments over last four fiscal years as reported on Part II of Forms 990-PF.</p>		<p>redacted</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p>
I.D.36	<p>redacted</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p>		<p>redacted</p> <p>_____</p> <p>_____</p>
I.D.37	<p>Describe any familial or business relationships among Centurion Foundation’s officers, directors, members and/or managers and/or Centurion Foundation’s affiliated entities and highest paid independent contractors.</p>	Form 990-PF	Greg Grove’s sister, Mitzi Ball, is on the Centurion Foundation Board of Directors. Ms. Ball has been on the Board of Directors since it was founded in 1996. Ms. Ball was not compensated for her role on the Board until board compensation began at Centurion in 2022. As set forth in Ms. Ball’s biography, she is a tax attorney specializing in

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			work with non-profit organizations. Otherwise, there is no further responsive information.
I.D.38	Please provide sources of compensation paid to officers and directors of Centurion Foundation from its affiliated organizations.		Centurion’s officers and directors receive no compensation from Centurion’s affiliates. The officers and directors of Centurion only receive compensation from Centurion.
I.D.39	Please provide tax returns for each affiliated entity if they file separately from Centurion Foundation.	Form 990-PF	The only entities with separate IRS Form 990’s are Centurion Holdings 1, Inc. and the Centurion Foundation of Massachusetts, Inc. All other Centurion affiliates are consolidated into Centurion’s filing.
I.D.40	Please provide all correspondence between the Internal Revenue Service and Centurion Foundation since formation. At a minimum, provide all correspondence relating to requests for changes in Centurion Foundation’s exempt status including, but not limited to, its May 8, 2020 letter to the IRS, Form 8940, and all correspondence with the IRS after May 8, 2020.	Form 990-PF	Since its founding in 1996, Centurion has from time to time submitted and received correspondence to and from the IRS. None of this correspondence consists of any audits, inquiries, or adverse determinations with respect to Centurion’s 501(c)(3) status. Please see <u>Confidential Exhibit F37</u> for the Form 1023 for the Centurion Foundation, the IRS Exemption Determination Letter, and an independent legal opinion regarding Centurion’s non-profit 501(c)(3) status. Further production of correspondence would be unduly burdensome and not relevant, especially in light of the documents included at <u>Confidential Exhibit F37</u> .
I.D.41	redacted		redacted
I.D.42	Centurion Foundation’s highest paid independent contractors listed on Part VIII	Form 990-PF	Each construction project is a facility Centurion is building for a health system and has entered into a lease by which

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	of Forms 990-PF include construction companies and architects of approx.. \$23M in compensation in fiscal year 2020 and approx. \$20M in compensation in fiscal year 2021. Please describe the construction projects and their purposes.		the health system will occupy the facility on a favorable basis.
I.D.43	Please explain the purpose and recipient of “Other Professional Fees” listed on Part I of Form 990-PF (\$36,418 in 2020 and \$162,729 in fiscal year 2021).	Form 990-PF	Other Professional Fees reflects amounts paid to redacted ██████████ for insurance services and redacted ██████████ for business development/marketing services.
I.D.44	Provide the accompanying schedule for Line 7 of Part II of Form 990-PF, which identifies the borrower and any other required information.	Form 990-PF	It is unclear what schedule this question is requesting. However, please see C-CNT-PMH-010448 through C-CNT-PMH-010448.
I.D.45	Did Centurion Foundation request a tax-exempt bond ruling from the IRS confirming any impact on its exempt status as disclosed in its Form 1023? If so, provide a copy.		No.
I.D.46	Has Centurion Foundation provided low-income housing and facilities for the housing and care of the elderly and children’s day care facilities as noted in its Form 1023?		Yes, Centurion financed a dormitory for a religious-based charter school and facilities for developmentally disabled individuals.
I.D.47	According to The Centurion Foundation, Inc.’s 2021 Form 990 PF, as of June 30, 2022, it had \$145,415,504 in bonds payable. How will the Proposed Transaction impact		This transaction will not impact existing bond covenants. Centurion has not obtained, nor does it need to obtain, consent from the issuers to engage in this Proposed Transaction. No assets involved in this Proposed

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	Centurion’s outstanding bond covenants? Has Centurion obtained consent from the issuers to engage in this Proposed Transaction? Will any assets involved in this Proposed Transaction be pledged as security for Centurion’s outstanding bonds?		Transaction will be pledged as security for Centurion’s outstanding bonds.
I.D.48	When will CharterCARE Health of Rhode Island, Inc. appoint the community directors as set forth within Section 4.2.1 of its Bylaws? How does Centurion interpret the provision, “Not less than one-third of the Directors from time to time shall be Community Directors,” as permitting a Board without Community Directors?		CharterCARE Health of Rhode Island has appointed community directors. As set forth in Exhibit 4, the current directors of CharterCARE Health of Rhode Island are Ben Mingle (Centurion), Greg Grove (Centurion), Jeff Liebman (community), Edwin Santos (community), Maria Leonard (community), J. Sue Painter (Centurion). Centurion plans to appoint the final community director prior to closing of the Proposed Transaction but has not yet identified that individual.
I.D.49	According to Section 4.5 of the CharterCARE Health of Rhode Island, Inc. Bylaws, “Any Director may receive compensation from the Corporation for services rendered to, and reimbursement for expenses incurred in serving the Corporation as Director, or in a capacity other than as a Director while conducting activities on behalf of the System in accordance with System Policy” (emphasis added). If such a System Policy exists, please provide a copy and clarify whether this means Directors can receive payment for serving as a director to the entity itself? Does the System Policy (or any other policy or practice) provide for Directors to be		The policy does not yet exist, but will be put in place prior to closing. The policy will describe the expectations of directors, which includes the directors being public ambassadors for the New CharterCARE System, attending board meetings, reviewing board materials, providing strategic advice to leadership, etc. Because of the high expectations placed on the directors, the unique expertise required, and the potential risk of liability, the policy will allow for director compensation. Any payments made to the directors will be limited to an amount equal to fair market value for the time spent serving on the board.

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	compensated for participation in board meetings?		
I.D.50	The CharterCARE Health of Rhode Island Articles of Incorporation provide that the sole member of the corporation is “CharterCARE of Rhode Island, Inc.” “Health” is missing. The name is correct in the Bylaws, but the Articles of Incorporation would override the Bylaws. Has this error been corrected?		This is a typographical error, and Centurion has amended the Articles in order to reflect the correct name of the member, which are reflected in C-CNT-PMH-010449 through C-CNT-PMH-010452.
I.D.51	Please provide tax counsel’s opinions related to the issuance and feasibility of tax-exempt bonds.		None exist
E.	Access for Underserved & Vulnerable Populations:		
I.E.1	Please describe how the New CharterCARE System will measure the need for programs and interventions addressing the socio-economic and environmental determinants of health and measure the impact of such programs interventions on health outcomes. What expertise does Centurion, or the proposed management team have for identifying such needs?	Q. 55	The New CharterCARE System will use the CHNA process, in addition to the medical staff, hospital departments, and social services department to monitor the need for such programs and interventions. In addition, departments of the New CharterCARE System will monitor the impact of their programs. The New CharterCARE System’s local management team has extensive experience in monitoring and developing such programs. For example, Donna Rubinate, the Chief Executive Officer, Lynn Leahey, the Chief Nursing Officer, and Kara Lefebvre, Director of Social Work and Case Management, monitor and develop strategies for such programs and interventions currently.
I.E.2	In addition to the information provided in response to Question 55, please provide specific examples of how the New	Q. 55	As set forth in the response to Question 55 of the HCA Application, the New CharterCARE System will continue and further expand the current outreach and services

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	<p>CharterCARE System will continue the outreach and services directed to traditional underserved communities performed by Prospect, and how the New CharterCARE System will expand those efforts, including how the New CharterCARE System will identify the need for programs and interventions.</p>		<p>directed to traditional underserved communities. For example:</p> <ul style="list-style-type: none"> • Following closing, the New CharterCARE System will develop a physician recruitment plan and, as part of that plan, will plan to recruit minority physicians to foster medical staff diversity; • The New CharterCARE System will enact the financial assistance policy at <u>Exhibit 45</u>. • The local leadership team of the New CharterCARE System will meet with and foster relationships with community stakeholders to aid in identifying the need for and developing programs for traditionally underserved populations. <p>Furthermore, the response to Question 56(b) of the HCA Application outlines numerous strategies and tactics to address barriers to access to care for behavioral health, chronic disease, and maternal/children health. The New CharterCARE System plans to continue these efforts. Upon the issuance of an updated CHNA, the New CharterCARE System will develop new strategies and programs to address areas of need.</p>
I.E.3	<p>Please provide Centurion’s stated plan and capital commitment for it to systematically work to remove obstacles to health including poverty, discrimination, racism within and outside the health care system, including but not limited to, safety for undocumented immigrants, anti-discrimination, language access for people who are not fluent in English and for the</p>	Q. 55	<p>The New CharterCARE System will continue the current programs offered by Prospect CharterCARE and, following closing and issuance of an updated CHNA, will develop new strategies and programs to remove obstacles to access to healthcare. Please see the responses to Questions 55, 56, and 57 of the HCA Application. While Centurion will not make a capital commitment, the New CharterCARE System will reinvest all revenue in excess of expenses in a given year. The areas of priority for such reinvestment are in development.</p>

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	deaf and hard of hearing and visually impaired.		
I.E.4	With respect to the information provided in response to Question 56, please indicate additional or new efforts to be undertaken by the New CharterCARE System, including how it will measure outcomes attributable to the items listed and continue to identify additional interventions to reduce or eliminate health disparities in the service area(s) of the New Hospitals following the closing of the Proposed Transaction should it be approved.	Q. 56	Following closing, the New CharterCARE System will continue Prospect CharterCARE’s current efforts to measure and reduce/eliminate health disparities in its community area. Following the revised CHNA, the New CharterCARE System will update its efforts to measure and reduce/eliminate health disparities based on the specific need identified in the community at that time.
I.E.5	Please describe how Centurion will promote social cohesion and connectedness to achieve patient engagement and support recovery from addiction both before and after the closing of the Proposed Transaction should it be approved.		To promote social cohesion and connectedness to achieve patient engagement and support recovery from addiction, the New CharterCARE System will continue its work with Anchor Recovery Center and their Peer Recovery coaches in the emergency departments. Additionally, the New CharterCARE System will continue to offer support groups.
I.E.6	Please provided a specific plan as to how Centurion will improve health outcomes and disparities across the life course, focusing on equity and the integration of behavioral health (including mental health and substance use) with physical health (including oral health). If there is no specific plan, please describe the reasons why there is not a plan included in the application.	Q. 57	Currently, the New CharterCARE System will use the CHNA as a plan for improving health outcomes and disparities focusing on equity. Following closing, the New CharterCARE System will use the CHNA, as well as input from community leaders, to guide its efforts in improving health outcomes and disparities in the community.

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I.E.7	Aside from continuing the efforts of Prospect described in response to Question 57, what new or additional commitments will the New CharterCARE System make with respect to providing and achieving improved health outcomes and promoting social cohesion and connectedness to achieve active patient engagement and support recovery from addiction as requested by Question 57?	Q. 57	Please see I.E.2 and I.E.5. As set forth therein, the New CharterCARE System will continue the significant efforts of Prospect CharterCARE and expand those efforts. It will use the updated CHNA and input from community leaders to achieve improved health outcomes and promote social cohesion and connectedness to achieve active patient engagement and support recovery from addiction.
I.E.8	Please provide evidence and details regarding Prospect’s “track- record in the community” for providing services and care to traditionally underserved populations that Centurion plans to emulate.	Q. 17	Centurion is not planning to “emulate” Prospect. However, Prospect has, for example, provided numerous free COVID vaccine clinics, clinic services at its St. Joseph’s clinic that moved to a larger updated location on the RWMC campus, participated in community education and outreach initiatives to increase awareness of substance use disorders, distributed Narcan 2, created a food pantry, and partnered with the East Bay Recovery Center to established improved patient access.
I.E.9	Please describe how Centurion will promote social cohesion and connectedness to achieve patient engagement and support recovery from addiction both before and after the closing of the Proposed Transaction should it be approved.	Q. 57	Please see response to I.E.5.
I.E.10	What specific capital investments will Centurion commit to making with respect to ED access for the underserved, and why is that a lower cost option for access to care? Are there any plans for providing access to the underserved populations	Q. 55	The Transacting Parties did not state that emergency departments are a lower cost option. Instead, in response to Question 55, the Transacting Parties stated that the New CharterCARE System anticipates adding physicians in a number of areas, including emergency room services, “to ensure that Rhode Islanders have sufficient access to

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	outside of an emergency room setting? If so, what are the plans and timeline for implementation?		quality care in those areas.” The response to Question 55 also includes references to increasing access to primary care and other specialty services. By increasing access to these other services in the community, the New CharterCARE System endeavors to reduce reliance on emergency departments. While Centurion will not make a capital investment, in addition to the already budgeted amount for capital improvements, the New CharterCARE System will reinvest all revenues over expenses in a given year in the New Hospitals and the local community.
I.E.11	Please explain why there is no formal impact analysis for the affected communities both pre and post the Proposed Transaction.	Q. 52	The Transacting Parties did not require an impact analysis to review the Proposed Transaction or its effect on the local community.
I.E.12	In the absence of a formal impact analysis, please explain specifically what basis Centurion has to expect that the Proposed Transaction will have a significant positive benefit on the community.	Q. 52	The response to Question 55(g) contains a detailed basis for Centurion’s belief that the Proposed Transaction will have a significant positive benefit on the community.
F.	Information Technology/Electronic Health Records:		
I.F.1	Please provide Centurion’s timeline for implementing a new EHR system along with the associated estimated cost. In your response, please include whether Centurion has made any adjustments to its plan for an EHR given the recent Prospect cyber-attacks that negatively impacted clinical operations.	Q. 17	The New CharterCARE System will begin the process of creating a formal plan for a new EHR system along with developing the estimated cost following regulatory approval of the Proposed Transaction. As a result of the fluid nature of IT systems, cost of the plan development, and the timeframe for regulatory approval, developing an EHR plan now is not warranted as it would continually evolve and require significant revision over time.

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			Centurion has not made any adjustments to its plan for an EHR given the recent Prospect cyber-attack. Instead, the recent cyber-attack proved to Centurion that Prospect CharterCARE’s local management team had greater control of its IT environment than the other Prospect hospitals.
I.F.2	Please explain how Centurion will implement its strategic plan with respect to the provision of “robust quality care” during the 24–36-month implementation period without a fully and highly functional EHR.	Ex. 48	Prospect CharterCARE’s EHR is currently fully and highly functional. As previously stated, the New CharterCARE System does intend to upgrade or replace the current EHR system; however, the current system is fully and highly functional and will allow for robust quality care until full implementation of a new EHR system.
I.F.3	Please provide Centurion’s detailed 5-year plan for information technology systems maintenance, enhancement and improvement including the anticipated costs and financial commitment.		Please see the response to I.F.1. The New CharterCARE System will begin the process of creating such a formal plan upon regulatory approval given the fluid nature of IT systems.
I.F.4	redacted ██ ██ ██ ██ ██		██ ██ ██ ██ ██ ██ ██
I.F.5	With respect to clinical operations, Centurion states that it will quickly improve IT by having computers on wheels, patient monitors, communication devices and patient identification scanners, along with improvements in nurse call systems. Does Centurion believe that these basic		Yes, as set forth in response to I.F.2, the current EHR system is fully and highly functional.

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	improvements will suffice while it replaces the EHR in 3 years?		
I.F.6	What proof does Centurion have that Prospect’s addition of redacted will sufficiently protect against a cyber security breach? Specifically, has Centurion conducted a security risk assessment of the Prospect IT system and an evaluation of its effectiveness?		redacted, Prospect and Prospect CharterCARE, with the support of their numerous vendors, have confirmed that their IT systems are sufficiently secure. Prospect CharterCARE will supplement this response by February 6, 2024 with further information.
I.F.7	Is the EHR fully restored since the ransomware breach in August? If not, please describe.		The EHR has been fully restored since the ransomware breach in August.
G.	Centurion Corporate Services Agreement:		
I.G.1	Why can’t the services to be provided by Centurion pursuant to the Corporate Services Agreement be provided by the New CharterCARE System’s management team?	Q. 1	Centurion will add value to the New CharterCARE System management team through Centurion’s officers and directors and expertise in different areas, e.g., financial management, governance, strategic planning. The services and support Centurion will provide are limited and relate to the role Centurion will play as the parent of the New CharterCARE System, which are captured in the Corporate Services Agreement.
I.G.2	redacted	redacted	redacted
I.G.3	redacted	redacted	redacted

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	<p>redacted</p>		
I.G.4	<p>redacted</p>		<p>redacted</p>
I.G.5	<p>Please explain whether the New Hospitals will enter into any other contractual relationships with Centurion or any of its affiliates if and when the Proposed Transaction is approved. If so, please identify the affiliate, the services to be provided, and the associated costs to be paid to the affiliate. What parameters are there to prevent conflicts of interest or self-dealing with Centurion affiliates?</p>		<p>redacted</p>
I.G.6	<p>Please provide the methodology and associated analysis supporting the determination of the fees to be paid to Centurion for services provided under the Corporate Services Agreement, including:</p> <p>a) redacted</p> <p>b) redacted</p>		<p>a. redacted</p> <p>b. redacted</p>

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	c) redacted [REDACTED]		redacted [REDACTED]
H.	Asset Use and Disposition:		
I.H.1	Are there any plans to have the New CharterCARE System affiliate with any other hospitals within the next 5-10 years both in and/or outside of Rhode Island?	Q. 1	redacted [REDACTED]
I.H.2	Will Centurion own any of the real property that the New CharterCARE System sits upon? Please describe. If so, will there be a real property lease between the hospitals and Centurion? If so, please provide the proposed lease terms and their impact on the relevant financial pro-forma(s).	Q. 16	No. The New Hospitals will own their own real estate.
I.H.3	Does Centurion have any plans to sell the New CharterCARE System to private equity, a venture capital group, or another party?	Q. 28	No, Centurion does not have any current plans to sell the New CharterCARE System.
I.H.4	Will Centurion have unlimited ownership rights with respect to the buildings in which the Existing Hospitals operate in and the land on which the Existing Hospitals sit on (collectively, the “Real Estate”)?		The land and real property will be owned by the New Hospitals.

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I.H.5	Will Centurion transfer any real estate to a REIT or other entity following the closing of the Proposed Transaction?		Centurion has no current plans to transfer any real estate to a REIT or other entity following the closing of the Proposed Transaction.
I.H.6	Is Centurion willing to agree that if the New Hospitals fail, they will not sell the Real Estate to a non-health care organization or to a for profit entity?		Centurion currently has no plans to sell the Real Estate to a non-health care organization or to a for-profit entity. However, as Centurion cannot predict the future, it cannot agree to such a commitment.
I.H.7	Has Centurion considered whether it (or any other for-profit third-party management company) will have tax liability if Centurion enters into a management company relationship with such a third party in space that is funded with tax-exempt bonds?		Centurion plans to comply with any restrictions related to tax-exempt financing it receives for the Proposed Transaction. Centurion currently has no plans to enter into a management arrangement with a for-profit entity.
I.H.8	If the financial condition of the New Hospitals cannot be turned around, does Centurion plan on closing the hospitals and re-purposing and/or leveraging real estate for purposes other than the provision of acute hospital services?		While Centurion is not stepping in as a guarantor for the New Hospitals, it has no current plans to close the facilities. It is pursuing the Proposed Transaction because it feels confident the New CharterCARE System can be successful. If the unfortunate situation occurred where the New Hospitals cannot operate in a sustainable way on a stand-alone basis, Centurion would work with the state of Rhode Island and the local community on the best path forward for the benefit of the community. Centurion would only leverage the New CharterCARE System’s assets to benefit a charitable purpose and would not seek to make any profit.
I.H.9	What plans does Centurion have with respect to use of the property assessed clean energy (“PACE”) Funds as related to the Real Estate?		If the New CharterCARE System assumes the PACE loans, the remaining funds will be used on qualifying expenses pursuant to the terms of the PACE loan. These funds are part of the three year capital plan.

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I.	Miscellaneous:		
I.I.1	What concerns does Centurion have given that 25 other health systems walked away from the New CharterCARE System transaction?		Centurion believes that because it is not a health system, it can be successful once the Proposed Transaction occurs. Centurion does not have the typical carrying costs that other health systems have, which will allow the New CharterCARE System to have lower overhead costs and a shorter runway to obtain a healthy financial state. Additionally, Centurion’s structure has a unique ability to give more governance and control back to the local community while bringing the New Hospitals back to nonprofit status. Centurion is very excited about helping the Rhode Island community create a successful New CharterCARE System.
I.I.2	Please provide all internally developed materials (that have not already been provided) related to Centurion’s review of the Proposed Transaction and decision to proceed with the letter of intent (“LOI”), original Asset Purchase Agreement, and two amendments to the Asset Purchase Agreement, specifically including (but not limited to) the decision to proceed with the Proposed Transaction without QHR involvement.		There are no other internally developed reports related to Centurion’s review of the Proposed Transaction and decision to proceed with the LOI, original Asset Purchase Agreement, and two amendments to the Asset Purchase Agreement.
I.I.3	What conditions on the Proposed Transaction, if imposed by the Rhode Island Attorney General, would cause Centurion to terminate the Asset Purchase Agreement?	Asset Purchase Agreement	Any conditions that would potentially be detrimental to Centurion’s current business, any hardships that would impact Centurion’s activities wholly unrelated to this transaction, or any conditions that would threaten the viability of the New CharterCARE System moving forward.
I.I.4	Under the Asset Purchase Agreement, when must the Closing occur so as not to	Asset Purchase Agreement	Based on APA Section 8.1(a)(iv), as amended by the Second Amendment, either party has the right to terminate

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	trigger a termination of the Proposed Transaction?		the APA on November 17, 2024 if the closing has not occurred. Note that the APA does not provide for an automatic termination on November 17, 2024, but just gives the parties an option to terminate. The parties can continue to proceed with the Proposed Transaction after that date if they desire.
I.I.5	Please explain why QHR was a party to the redacted engagement letter.	Ex.13	QHR was not a party to the redacted engagement letter; they simply received a copy of the engagement letter.
I.I.6	As referenced in response to Deficiency Question 127, please provide Centurion’s restructuring plan with respect to the management functions of the home health agency, freestanding surgery center, and the employed physician group (CCMA).	Q. 33	The management of each of home health, the freestanding surgery center, and the employed physician group has recently shifted to local leadership. Specifically, redacted redacted redacted redacted redacted
I.I.7	Please provide a copy of the Right of Refusal Agreement referenced in the Asset Purchase Agreement.	Asset Purchase Agreement	This document will not be drafted and negotiated until a closing date is set.
I.I.8	Did the parties receive any responses to the drafted Request for Proposal? If not, please confirm. If yes, please provide.	Ex. 11	redacted did not receive any formal responses to the initial request for proposal/confidential information memorandum process. It had only a few conversations until the letter of intent with Centurion was formalized in 2022. Please see C-CNT-PMH-010453 through C-CNT-PMH-010457 for more information.
I.I.9	redacted redacted redacted redacted	Ex. 13	redacted redacted redacted

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I.I.10	Is the October 2023 [redacted] engagement letter the only engagement letter with [redacted]? Were the services [redacted] provided prior to October 2023 not covered under an engagement letter?		The October 2023 letter is the only engagement letter with [redacted] did not provide any services prior to October 2023.
I.I.11	[redacted]. Please provide the Rhode Island results.	Apx. F6	[redacted]

II. Prospect

A.	Prospect Finances:		Transacting Parties Response(s)
II.A.1	Please provide the amounts Prospect has expended in connection with capital investments and improvements for the Existing Hospitals since June 1, 2021. Include with your response any and all documentation evidencing such capital investments and/or improvements.		Please see C-CNT-PMH-010458 through C-CNT-PMH-010460 for Prospect CharterCARE.
II.A.2	Please provide Prospect’s capital budgets for the last 3 fiscal years.		Please see C-CNT-PMH-010135 through C-CNT-PMH-010161 for Prospect CharterCARE.
II.A.3	Please provide any evidence, explanations or other support demonstrating that Prospect is not leaving the Existing Hospitals in a worse condition than on June 1, 2021, when the prior transaction was approved.		Prospect has dedicated significant investments to the Existing Hospitals and, when the Proposed Transaction closes, the Existing Hospitals will be in the same or better condition than on June 1, 2021. First, as set forth in the RSM Report, Prospect has continued fund the operating losses of the Existing Hospitals. <i>See</i> RSM Report at 10. Second, as set forth above, RSM

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			confirmed that Prospect had funded \$12,040,601 in capital expenditures between October 1, 2019 through June 30, 2021. Moreover, Prospect has provided RSM with evidence of over \$24,000,000 in capital expenditures for Prospect CharterCARE between October 1, 2021 and September 30, 2023. Finally, as a result of the purchase price, Prospect is ensuring that, at closing, the New CharterCARE System will have 80 million dollars for operations at closing with a net working capital of 0.
II.A.4	What are the current losses at CharterCARE Medical Associates and what is the plan for addressing?		redacted redacted redacted redacted redacted redacted
II.A.5	Please explain whether there been a going concern opinion prepared or issued with respect to the Existing Hospitals. If so, please provide said opinion(s).		No, there has not been a going concern opinion prepared or issued with respect to the Existing Hospitals.
II.A.6	With respect to documents submitted by the Applicants, Prospect shows a projected redacted Please provide the actual amount (to date) of the losses for fiscal year 2023.	Ex. 004	Please see C-CNT-PMH-010468.
II.A.7	If cash is swept daily by Prospect, please provide what Prospect believes the amount of days cash on hand to continue operations for the Existing Hospitals.	Ex. 6	Prospect believes that the current available cash for Prospect CharterCARE is sufficient to continue operations. It does not perform cash on hand calculations for Prospect CharterCARE.

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II.A.8	Please provide the fiscal year to date 2023 visit numbers for the Existing Hospitals and whether there has been a full recovery of patient volumes since the COVID pandemic?	Appx F. 47	Please see C-CNT-PMH-010469.
II.A.9	Please provide Prospect’s current cash and cash equivalent amounts. Include with your response whether Prospect has any receivables due from its affiliates and subsidiaries that are liquid.		Please see C-CNT-PMH-010470 through C-CNT-PMH-010471 There are no receivables from affiliates and subsidiaries outside of intercompany that are liquid.
II.A.10	Please provide Prospect’s current asset retirement obligations.		Please see pages 55-57 of the Prospect FY22 Audited Financial Statements at <u>Exhibit 24</u> .
II.A.11	redacted		Prospect is reviewing this question and will supplement its response on or before February 6, 2024.
II.A.12	redacted		redacted
II.A.13	Please provide a status update regarding the restricted cash of \$500,000 for research purposes.		Prospect is not clear on the reference to the \$500,000 of restricted cash for research purposes.
II.A.14	redacted	Ex. 002	Prospect is gathering the response to this question and will produce it on or before February 6, 2023.
II.A.15	Please explain why Prospect has not implemented new or different interventions to prevent or mitigate the negative financial outcomes it is currently experiencing.		Prospect has implemented new/different interventions at Prospect CharterCARE. In addition to the various initiatives of the local management team, Prospect has engaged Alvarez & Marsal for Prospect CharterCARE. Please see <u>Confidential Exhibit 13</u> for the terms of that engagement and the services provided.
II.A.16	Please respond to the requests below with respect to PMH: a) Have lenders raised any concerns around potential financial risk or default? If yes, please		a) All of the lenders are aware and kept up to date on Prospect’s fiscal status. Please see the

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	<p>provide any related communications and/or documents.</p> <p>b) redacted</p> <p>c) Please provide a description of, and data/reporting related to, the financial impact of the 2023 cyberattack. Please describe the overall financial impact for PMH, as well as the Rhode Island-specific impact.</p> <p>d)) Please provide Consolidated Statements of Cash Flows for the year-to-date period ending 9/30/23.</p>		<p>minutes of the Prospect Board of Directors at <u>Confidential Exhibit 6</u> for more information.</p> <p>b) redacted</p> <p>c) Please see C-CNT-PMH-010472 through C-CNT-PMH-010472. redacted</p> <p>d) Prospect is gathering the requested information and will produce it on or before February 6, 2024.</p>
II.A.17	<p>Please respond to the requests below with respect to the PMH Balance Sheet:</p> <p>a) Please provide a complete list of long-term assets held for sale for fiscal years 2019 through 2023.</p> <p>b) Where is the right of use asset related to MPT lease liabilities on the balance sheet?</p> <p>c) Please describe the MPT liabilities and how the liability is calculated/accounted for, including the initial transaction.</p> <p>d) redacted</p>		<p>a) Please see the 2022 audited financials for Prospect at note 4.</p> <p>b) Prospect is gathering the requested information and will produce it on or before February 6, 2024.</p> <p>c) Prospect is gathering the requested information and will produce it on or before February 6, 2024.</p> <p>d) Prospect is gathering the requested information and will produce it on or before February 6, 2024.</p>

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	<p>e) Please provide detail on the refund liability for fiscal years 2019 through 2023, including how the liability is calculated.</p> <p>f) Please provide any reports, analyses, and similar documents related to new or existing debt across the past five fiscal years.</p> <p>g) Please provide Consolidated Balance Sheets as of 9/30/23.</p>		<p>e) Refund liability is related to Medicare COVID advances repayment approved by CMS.</p> <p>f) Prospect is gathering the requested information and will produce it on or before February 6, 2024.</p> <p>g) Prospect is gathering the requested information and will produce it on or before February 6, 2024.</p>
II.A.18	<p>Please respond to the requests below with respect to the PMH Income Statement:</p> <p>a) redacted [REDACTED]</p> <p>b) redacted [REDACTED]</p> <p>c) redacted [REDACTED]</p> <p>d) redacted [REDACTED]</p>		<p>a) Prospect is gathering the requested information and will produce it on or before February 6, 2024.</p> <p>b) redacted [REDACTED]</p> <p>c) Prospect is gathering the requested information and will produce it on or before February 6, 2024.</p> <p>d) Prospect is gathering the requested information and will produce it on or before February 6, 2024.</p>
II.A.19	<p>Please respond to the requests below with respect to the Prospect CharterCARE Balance Sheet:</p> <p>a) Please provide an updated/current calculation of net working capital (“NWC”), including actual/reported and adjusted/definitional NWC “retained by buyer” under the <u>Asset Purchase Agreement</u>.</p> <p>a. redacted [REDACTED]</p> <p>b) redacted [REDACTED]</p>		<p>A) The NWC calculation that is attached as a schedule to the APA that includes actual/reported and adjusted/definitional NWC “retained by buyer” has not been updated at this point and time and will be updated closer to closing of the Proposed Transaction.</p> <p>a) Please see C-CNT-PMH-010473 and C-CNT-PMH-010474.</p> <p>B) See C-CNT-PMH-012080 through C-CNT-PMH-012081.</p> <p>C) See C-CNT-PMH-012082.</p>

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	<p>c) Please provide detail on the other long-term liabilities for fiscal years 2020 through 2023.</p> <p>d) Please provide any reports, analyses, and similar documents related to debt taken on in the past five years (at the Prospect level).</p> <p>e) Please provide balance sheets as of 9/30/20, 9/30/21, 10/31/22, and 11/30/22 in the same format as Confidential Exhibit 24, A, 5, ix of the HCA Revised Application.</p> <p>f) Related to Appendix F7, please provide detail related to current financial liabilities as of September 30, 2023 and November 30, 2023.</p> <p>g) What is included in Intercompany Accounts – Receivables (1234) and redacted [REDACTED]</p> <p>h) redacted [REDACTED]</p>		<p>D) Prospect CharterCARE has not taken on any debt level during the past 5 years. As a result, Prospect does not have any reports regarding such debt.</p> <p>E) See C-CNT-PMH-012083 through C-CNT-PMH-012086.</p> <p>F) See C-CNT-PMH-012087.</p> <p>G) See C-CNT-PMH-010473 and C-CNT-PMH-010474.</p> <p>H) See C-CNT-PMH-010473 and C-CNT-PMH-010474.</p>
II.A.20	<p>Please quantify any abnormal or non-recurring revenues and expenses impacting financial results in fiscal years 2020, 2021, 2022 and 2023.</p>		<p>For Prospect CharterCARE,</p> <p>redacted [REDACTED]</p>
II.A.21	<p>Based on the documents submitted with this current application, it appears that the Medicaid Payor Mix for the Existing Hospitals (combined) decreased from 28% to 4.6% between 2020 and 2022? If this is accurate, please explain.</p>		<p>This is not accurate. Please see Appendix A.</p>

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II.A.22	Section 3.12 of the Asset Purchase Agreement makes certain representations and warranties regarding Prospect’s Employee Benefit Plans. Are all of those plans fully funded as of the date of your response. If not, what is the dollar amount of underfunding?	Asset Purchase Agreement	Prospect is gathering the requested information and will produce it on or before February 6, 2024.
II.A.23	redacted	redacted	redacted
II.A.24	As set forth in Section 5.3, have there been any notices of material impacts on/changes to operations since November 2022?	Asset Purchase Agreement	redacted
II.A.25	Please provide monthly balance sheet and income statements in Excel spreadsheets for RWMC, OLF, Blackstone Valley Surgicare, LLC, and Prospect RI Home Health & Hospice, LLC from April 2023 through September 2023, in the same format as Appendix F3 of the HCA Revised Application.		Please see C-CNT-PMH-010475 through C-CNT-PMH-010482.
II.A.26	Please provide Prospect CharterCARE, LLC’s Consolidated Statement of Cash Flows for the 6 months ending 3/31/21 and fiscal year end 9/30/23.		Prospect CharterCARE assumes that this question intends “3/31/23” rather than “3/31/21.” Please see C-CNT-PMH-010483 through C-CNT-PMH-010484. The cash flow statement for FYE 9/30/2023 is in the year end audit process and not yet complete.
II.A.27	Please provide Prospect CharterCARE, LLC’s Consolidated Statement of Cash Flows for the 6 months ending 3/31/23 and 9 months ending 6/30/23.		Please see C-CNT-PMH-010483 through C-CNT-PMH-010484. The cash flow statement for FYE 9/30/2023 is in the year end audit process and not yet complete.
II.A.28	Please provide a current accounts receivable aging report that is dated no later than December 15, 2023.		Please see C-CNT-PMH-011445 for the most current account receivable aging report.

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II.A.29	Please provide a budget package for fiscal year 2024 similar to that in Appendix F4 and indicate if any initiatives are related to Centurion and the Proposed Transaction.	Apx. F4	Please see C-CNT-PMH-010489 through C-CNT-PMH-010489[for the budget in the form that is available.
II.A.30	How was the EBITDA impact of each budget initiative calculated? Please provide any additional detail available.	Apx. F4	Centurion and the local management team, along with the review and support of QHR and review and endorsement of A&M, calculated each budget initiative. Please see C-CNT-PMH-010135 through C-CNT-PMH-010161.
II.A.31	redacted	Q. 10	Please see the Board Presentation at <u>Confidential Exhibit 6</u> and the EBITDA Bridge (<u>Confidential Exhibit 1</u>)
II.A.32	Please provide information surrounding the medication administration lawsuits filed in March 2023 and a financial estimate of what may potentially accrue to Centurion.		These cases are in discovery. redacted
II.A.33	Have capital expenditures kept up with capital needs across all Rhode Island entities? Please describe and quantify any deficits and plans to fund capital expenditure deficits in the future.		Prospect and Prospect CharterCARE have exceeded the conditions of approval related to capital expenditures. Consistent with every hospital in the United States, there is equipment that is aging out. Based on the financial analysis, the New CharterCARE System anticipates that, in the near future following closing, there will be no deficits and it will be able to fund all capital needs and aging equipment.
II.A.34	What is the plan to address aged payables for Prospect?		Prospect is working on paying down its accounts payable over time. At closing, Prospect must deliver a \$0 net working capital as set forth in the APA.
II.A.35	Please provide copies of all correspondence with vendors relating to outstanding invoices, particularly including any indication that supplies and/or services will be suspended if outstanding payable balances are not made current and/or reduced.		As the RIAG is aware, due to the cyber attack, Prospect and Prospect CharterCARE are working to normalize revenue and accounts payable. They are actively

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			working with vendors to ensure that the necessary supplies are provided and there has been no patient harm. To search for and produce all correspondence with vendors relating to outstanding invoices would be overbroad and unduly burdensome. In addition, such correspondence is not relevant to the instant review as net working capital must be \$0 at closing of the Proposed Transaction.
II..36	<p>What is included in non-operating sources of cash (i.e., capital investments, etc.)?</p> <p>Please confirm there are no other uses of cash, especially non-operating.</p> <p>Please confirm “Other G&A” excludes any depreciation/other non-cash expenses.</p>	Apx. F32	Appendix F32 references Centurion financials rather than Prospect, as referenced herein.
II.A.37	Please provide a description and financial estimate (including associated revenues, expenses, and capital costs that have already accrued and are anticipated to complete the initiative) of each revenue generating or cost saving initiative undertaken since fiscal year 2019.		Prospect CharterCARE does not regularly create this type of report and is not able to create this type of report based on its financial systems.
II.A.38	<p>Please outline the following:</p> <p>a) Specific relevant technology and/or intellectual property that would be treated as Excluded Assets under Section 2.2; and</p> <p>b) Plans to replace the functionality of such assets after the Proposed Transaction.</p>	Asset Purchase Agreement	The Transacting Parties have not yet determined what, if any, technology or intellectual property would be treated as excluded assets under Section 2.2.
II.A.39	Related to Schedule 3.8(a)(ii), what are the terms of the identified payer agreements? When will each agreement be up for renegotiation?	Asset Purchase Agreement	Please see C-CNT-PMH-011531 through C-CNT-PMH-012079.

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II.A.40	Related to Schedule 3.8(a)(vii), what is the term of the Anesthesia contract identified in item 6? When is this up for renegotiation?	Asset Purchase Agreement	redacted redacted redacted
II.A.41	<p>Related Exhibit E and the Statement of Operations:</p> <p>a) Who developed these financial estimates?</p> <p>b) Please describe the corporate allocation expense and who it is paid to redacted redacted</p> <p>c) redacted redacted</p> <p>d) Where are Centurion’s administration fees and participation fee included?</p> <p>e) Are expenses for all services included (e.g., PMH’s services and overhead expenses in historical periods)?</p> <p>f) What is the Baseline based on and what is it supposed to represent? How is it different from Year 1?</p>	Ex. 1	<p>A) The development involved a combination of Steve Lovoy, Dan Ison, Jeff Liebman, and their Prospect CharterCARE team, as well as input from QHR.</p> <p>B) redacted redacted redacted redacted</p> <p>C) redacted redacted</p> <p>D) The administration fee is reflected under “Corporate Administrative Services Charge”</p> <p>E) Yes</p> <p>F) The baseline period is Prospect CharterCARE’s actual 9/30/22. This was used as the basis for developing projections for future years. Year 1 is the first full operating year and assumes that net working capital is 0 at closing.</p>
II.A.42	<p>Related Exhibit E and the EBITDA Bridge:</p> <p>a) Who developed the EBITDA bridge estimates?</p> <p>b) Please provide the supporting calculations, assumptions, and detail (including revenues, expenses, and capital expenses) underlying the financial impact estimates of each of the management initiatives.</p> <p>c) Please confirm all cash flows are net of expenses and capital costs.</p>	Ex. 1	<p>A) The development involved a combination of Steve Lovoy, Dan Ison, Jeff Liebman, and their Prospect CharterCARE team, as well as input from QHR and review and endorsement by Alvarez & Marsal.</p> <p>B) Please see C-CNT-PMH-010135 through C-CNT-PMH-010161.</p> <p>C) Yes, please see C-CNT-PMH-010135 through C-CNT-PMH-010161.</p>

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	<p>d) Please also directly comment on the timing assumptions associated with each management initiative – when implemented, when effects would be realized, etc.</p> <p>e) Please categorize each management initiative under the areas identified in the transition and integration plan from Confidential Exhibit 48 of the HCA Revised Application:</p> <ul style="list-style-type: none"> a. Human resources; b. Information technology; <ul style="list-style-type: none"> i. Where is the impact renegotiation of ~65 information system contracts included in the EBITDA Bridge? c. Supply chain management; d. Clinical operations; e. Workforce adjustments; f. Ambulatory and outpatient centers; g. Strategic market adjustments; h. Physician services; i. Revenue cycle management; j. Finance; k. Managed care operational changes; and l. Compliance. <p>f) Please confirm if QHR is still involved with future operations. What is their involvement with the QHR Health Coding Program (CCM) and is the estimated cash flow net of all fees?</p> <p>g) redacted</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p>		<p>D) For each initiative, there was a different timing assumption. Please see C-CNT-PMH-010135 through C-CNT-PMH-010161.</p> <p>E) redacted</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>F) No</p> <p>G) redacted</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p>
II.A.43	<p>Related Exhibit E and the Consolidating Statement of Net Assets:</p> <p>a) What time period is used as the basis of the opening balance sheet?</p>	Ex. 1	<p>FY22 served as the basis for the opening balance sheet. Nonetheless, the time period for the opening balance</p>


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	b) Please provide an opening balance sheet based on most recent year end as of September 30, 2023.		sheet is not relevant as the net working capital must be 0 at closing of the Proposed Transaction.
II.A.44	What is the expected capital required to support the investments described in response to Questions 51 and 52(g)?	Q. 51 Q. 52 (g)	The EBIDTA Bridge and detail (see C-CNT-PMH-010135 through C-CNT-PMH-010161) contain the anticipated expense for the initiatives.
II.A.45	How will the New CharterCARE System fund the investments described in response to Questions 51 and 52(g)?	Q. 51 Q.52 (g)	The New CharterCARE System will reinvest all revenue in excess of expenses in a given year to fund such investments.
II.A.46	Two sources of aggregated debt service were provided in the HCA Revised Application: Confidential Exhibit 1, E (Bates # 01-R-C-CNT-PMH-0003160) and Appendix C1. Which is accurate?	Ex. 1 Apx. C1	Confidential Exhibit 1, E is accurate.
II.A.47	redacted	Ex. 22	redacted
II.A.48	Please provide the supporting analysis and diligence to support the finding that redacted	Ex. 48	Please see the detail at C-CNT-PMH-010135 through C-CNT-PMH-010161.
II.A.49	Please confirm whether Prospect has any agreement or arrangement with Leonard Green & Partners for Prospect to indemnify Leonard Green in the case that funds contributed by Leonard Green to the escrow accounts funded as a result of the Attorney General’s 2021 Hospital Conversions Act Decision are not release back to Leonard Green. If so, please provide such agreement.		Please see C-CNT-PMH-010490 through C-CNT-PMH-010496.

Prospect/Centurion – Transacting Parties’ Responses to First Set of Supplemental Questions from RIAG
January 23, 2024

B. Compliance & Liabilities:			
II.B.1	redacted redacted redacted redacted redacted	Apx .14	There has been no change to the information provided with the HCA Application.
II.B.2	redacted redacted redacted redacted	Ex. 9	redacted redacted
II.B.3	redacted redacted redacted redacted		redacted redacted redacted redacted
II.B.4	Please provide Prospect’s current gross claims liability as of October of 2023.		Prospect is reviewing this question and will supplement its response on or before January 6, 2024.
II.B.5	Please confirm/explain whether all asbestos has been removed from the Existing Hospital(s) and provide a status update with respect to 3M asset remediation relating to asbestos mentioned in the notes to Financial Statements submitted by the applicants.		Generally, any renovations to the existing hospitals would require pre-renovation hazmat surveys and associated asbestos abatement costs, as would any project for any building in Rhode Island. Furthermore, generally suspect and known asbestos building materials still have value until the end of their life expectancy or need for removal due to renovations or repair. The estimates on page 19 of the 2022 Prospect CharterCARE Consolidated Audited Financial Statement are related to any actual current or future

Prospect/Centurion – Transacting Parties’ Responses to First Set of Supplemental Questions from RIAG
January 23, 2024

			damage (if any) and the need for future renovations related to changing technology and operational needs.
II.B.6	Please provide the most current loss run report for professional liability and workers’ compensation claims and provide an explanation regarding how those claims are going to be funded and by whom.		Please see C-CNT-PMH-010521 through C-CNT-PMH-010522. Please note the columns identifying the claimant and date of birth have been removed to preserve privilege and confidential information of the claimant.
II.B.7	redacted 	Tab. G1	Prospect CharterCARE is gathering this information and will produce it on or before February 6, 2024.
II.B.8	Please explain whether Prospect has received any notice of termination from any of its third-party vendors within the last 24 months due to Prospect’s failure to timely pay for contracted services. If so, is Prospect obligated to extinguish all outstanding AP prior to the Centurion closing?	Ex. 008	As Prospect CharterCARE is behind on certain vendor payments, as a result it occasionally receives demand letters. Upon receipt of demand letters, it works with the vendors to resolve the issues through payment plans. Under the terms of the APA, Prospect is required to deliver a zero net working capital balance to Centurion. If Prospect CharterCARE is in a negative situation at time of the closing of the sale, Prospect would be required to deliver sufficient cash to Centurion to bring the balance to zero. Centurion can then use the cash to pay off vendors.
II.B.9	Please explain whether there is any litigation occurring between Prospect and any of its employees or consultants regarding unpaid contractual obligations?		Prospect CharterCARE is subject to three employment related litigation matters, all of which it believes lack merit.
II.B.10	Please explain whether there are any additional governmental investigations being conducted of the Prospect facilities since the preparation of the disclosure schedules to the Asset Purchase Agreement by any payors or governmental bodies? If so, please describe.		Please see the items provided at <u>Confidential Exhibit 19</u> and C-CNT-PMH-010523.

Prospect/Centurion – Transacting Parties’ Responses to First Set of Supplemental Questions from RIAG
January 23, 2024

II.B.11	redacted		
II.B.12	Please provide a status update regarding all government (including local, state, or federal) permits, licenses, or other approvals necessary to implement the Proposed Transaction.	Q. 17	There is no update. The Transacting Parties will not pursue any additional permits, licenses, or other approvals until receiving HCA approval.
II.B.13	Please identify whether any false claims or overpayments were identified by redacted with respect to the Existing Hospitals. If so, have they all been addressed and resolved with the applicable payors?	Ex. 13	The redacted findings are protected by the attorney-client privilege.
II.B.14	Has Prospect made any self-disclosures under the OIG or CMS self-disclosure protocol(s)? If so, please identify and describe any/all such disclosures as it relates to the Proposed Transaction.		redacted
II.B.15	Please provide Prospect’s explanation/rationale for not making an investment in an integrated and functional EHR system for the Existing Hospitals. Include with your response to what extent did this decision factor into or contribute to – either directly or indirectly the vulnerabilities that were exploited in the most recent cyberattack that crippled Prospect’s systems and negatively impacted patient care.		redacted
II.B.16	Please identify/explain what Prospect’s liabilities are with respect to Section 8.3(c) and severance obligations.	Asset Purchase Agreement	Please see C-CNT-PMH-010524.
II.B.17	What safeguards or standard operating procedures have been put in place related to contingent liabilities such as cybersecurity attacks?		With respect to cybersecurity, Prospect has worked diligently with the support of numerous vendors to restore its systems and ensure adequate security. Prospect is gathering responsive documentation

Prospect/Centurion – Transacting Parties’ Responses to First Set of Supplemental Questions from RIAG
January 23, 2024

			demonstrating safeguards or standard operating procedures and will supplement this response on or before February 6, 2024.
C.	Transactional Matters:		
II.C.1	In Prospect’s October 2023 board meeting minutes, Mr. Liebman states redacted redacted redacted redacted		Please see Leslie Parker’s September 11, 2023 correspondence to representatives of the RIAG and RIDOH, which outlines redacted redacted
II.C.2	Please provide the bonus amounts received by Mr. Liebman from Prospect over the last 4 years based upon achieving stated goals and objectives.	Q. 35	Please see C-CNT-PMH-010525 through C-CNT-PMH-010526.
II.C.3	Please explain whether there will be any administrative or back-office services provided by Prospect that are not included in the contracts and payment arrangements with Centurion post the closing of the Proposed Transaction should it be approved. If so, please identify those services, the entity responsible for providing them, and the associated costs.		No, all services provided will be memorialized in a written agreement.
II.C.4	If the Proposed Transaction is not approved, please explain what services Prospect will discontinue (and in what order) if financial conditions require.		If the transaction is not approved, Prospect CharterCARE will consider its options at that point in time. redacted redacted redacted redacted
II.C.5	Please explain if any other parties, besides Centurion, were interested in acquiring the Existing Hospitals? If other parties were interested, what were the reasons given for not proposing to acquire Existing Hospitals after performing due diligence?		redacted redacted redacted redacted

Prospect/Centurion – Transacting Parties’ Responses to First Set of Supplemental Questions from RIAG
January 23, 2024

			redacted redacted
II.C.6	Since June of 2021, when the Attorney General required that the Prospect annual management fees for the Existing Hospitals cease, please explain how the Existing Hospitals have managed without Prospect providing those management services, have expenses been reduced by \$6,000,000, and whether such unpaid management fees are an accrued liability of the Existing Hospitals.		Although Prospect has ceased charging a management fee, Prospect has continued to provide administrative services – <i>i.e.</i> , centralized administrative services and support such as information technology and human resources – to the Existing Hospitals. Prospect previously did not collect on its management fee. As a result, expenses have not decreased because such fee was never in fact paid by the Existing Hospitals to Prospect.
II.C.7	Please provide all documents and information pertaining to: (a) the consideration and/or discussion of affiliations with entities other than Centurion; and (b) the decision Prospect made that the current fiscal status quo is not sustainable and that the Existing Hospitals must be sold.	Q. 10	(a) Prospect is not in possession of communications with other potential buyers in consideration of the Proposed Transaction (b) Please see financial information at Appendix A and the financial documentation at <u>Exhibit 24</u> and <u>Confidential Exhibit 24</u> , as well as the Prospect and Prospect CharterCARE meeting minutes.
II.C.8	Please provide what leases Prospect has entered into that survive the Proposed Transaction and/or that are being assigned to Centurion.		Please see C-CNT-PMH-010527 through C-CNT-PMH-010542.
II.C.9	Please list all consultants retained by Prospect and its affiliates to review or advise with respect to the Proposed Transaction.		All consultants are listed in response to Question 12 of the HCA Application.
II.C.10	Is Prospect a party to any joint ventures in Rhode Island and, if so, (a) why were they not reflected in the organization chart; and (b) is Centurion assuming ownership interests in any such joint venture.		Yes, all such joint ventures are included in <u>Confidential Exhibit 9</u> at 09-R-C-CNT-PMH-003920. Yes, CharterCARE Health of Rhode Island is assuming such ownership interests.

Prospect/Centurion – Transacting Parties’ Responses to First Set of Supplemental Questions from RIAG
January 23, 2024

II.C.11	<p>In response to Question 10(b), Prospect states, “The Prospect CharterCARE board considers the Proposed Transaction as the only alternative in carrying out its mission.” How does this statement reconcile with the fact that Centurion was the only interested party. Please explain what attributes of Centurion compelled Prospect to choose Centurion despite Centurion’s admitted lack of experience managing and operating acute care facilities and not making any capital commitments to invest in or develop the Existing Hospitals to address the survivability of the Existing Hospitals while meeting the needs of the community.</p>	Q. 10	<p>As the Prospect CharterCARE Board discussed, the current fiscal state of the Existing Hospitals is not sustainable. Without Centurion, there are no other options for the Existing Hospitals and the future is uncertain.</p> <p>Centurion, as a non-profit, has access to funding and cost savings that the current system does not. Such funding and cost savings will immediately aid the hospitals’ fiscal position. Furthermore, Centurion’s significant experience in financing and development to allow charitable health systems to advance their missions uniquely positions Centurion to provide oversight and management services to the New Hospitals so that they can continue to provide quality care to the community for years to come. Furthermore, Centurion’s dedication to empowering local leadership allows the local stakeholders with knowledge of the community to operate the New Hospitals. Finally, the New CharterCARE’s reinvestment in the New Hospitals and community will bolster the services provided and the system’s mission.</p>
II.C.12	<p>After the closing of the Proposed Transaction, will Prospect (including any of its affiliates or creditors) hold any liens on any of the assets purchased by Centurion in connection with the Proposed Transaction?</p>		<p>No, Prospect will not hold any liens on any of the assets.</p>
II.C.13	<p>redacted ██ ██ ██ ██</p>		<p>Prospect agreed to the Amendment to the APA including a revised purchase price in order to ensure that the New CharterCARE System is established with a foundation to allow for a successful transition to the new operators.</p>

Prospect/Centurion – Transacting Parties’ Responses to First Set of Supplemental Questions from RIAG
January 23, 2024

	redacted		Centurion did not assume any liabilities on behalf of the Existing Hospitals in exchange for the Amendment to the APA. Any obligations for Centurion to assume any liabilities are set forth in the APA.
II.C.14	Please provide what other health care facilities across the country does Prospect plan to sell, close, or discontinue services at within the next 5 years.		Prospect currently plans to sell its healthcare facilities in Connecticut, Pennsylvania, Rhode Island, redacted
II.C.15	Please describe financial gain, impact to salary, severance, or stock that any officer, director, board member, or senior manager of Prospect could expect if they are terminated or continue with their position, either before or after the Proposed Transaction, and provide copies of supporting or associated documents.	Q. 34	No officer, director, board member, or senior manager of Prospect would expect any financial gain, impact to salary, severance, or stock if they are terminated or continue with their position as a result of the Proposed Transaction other than as set forth in II.B.16, as well as disclosed in response to <u>Confidential Exhibit 32</u> .
II.C.16	Please provide data reflecting the outcomes achieved through Prospect engagement with QHR across the 12 workstreams identified in response to Question 57, including specific data pertaining to the savings achieved or revenue generated and an explanation as to how such additional savings or revenue is attributable to the relationship with QHR.	Q. 57	There is no data.
II.C.17	Please advise as to whether Prospect’s or Mr. Liebman’s experience with QHR had any impact on Centurion’s decision to disengage from QHR.		redacted but Centurion and Mr. Liebman came to the realization that the local management could handle the services initially anticipated to be provided by QHR.
II.C.18	Please identify all other contractual relationships currently in place between Prospect and QHR.	Q. 90	None
II.C.19	Please provide copies of all collective bargaining agreements described/listed in Exhibit 52.	Ex. 52	The collective bargaining agreements are attached to the Application at <u>Confidential Exhibit 52</u> .

Prospect/Centurion – Transacting Parties’ Responses to First Set of Supplemental Questions from RIAG
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II.C.20	Please explain whether Prospect will seek to continue to purchase any health care facilities after the closing of the Proposed Transaction in the state of Rhode Island. If yes, please describe.		Prospect has no current plans to purchase any health care facilities after the closing of the Proposed Transaction in the State of Rhode Island.
II.C.21	Please provide a copy of Prospect’s Letter of Intent with Centurion.		Please see <u>Confidential Exhibit 13</u> for the Amended Letter of Intent. Please see C-CNT-PMH-010543 through C-CNT-PMH-010551 for the original Letter of Intent. The Transacting Parties do not have a copy signed by QHR/Ovation.
II.C.22	Does Prospect own all of the real property that the Existing Hospitals sit on? If not, who does, and have they agreed to the sale of all of such real property to Centurion?	Asset Purchase Agreement	Yes
II.C.23	Please identify all Prospect joint venture ownership interests and identify which ownership interests will be considered “Purchased Assets” under the Asset Purchase Agreement to be conveyed at the closing.	Asset Purchase Agreement	APA Section 1.1 defines Joint Venture as: “Joint Venture (and Seller’s interest in such Joint Ventures, whether through stock, partnership, membership, or other ownership interests, the “Joint Venture Interests”) means the applicable Selling Entity’s joint venture interests in Chemosynergy, LLC, Rhode Island PET Services, LLC, Roger Williams Radiation Therapy, LLC, Southern New England Radiation Cancer Center, LLC, and Partners in Clinical Research, LLC.” APA Section 2.1(a)(xviii) states that all Joint Venture Interests will be part of the Purchased Assets.
II.C.24	Do the Existing Hospitals currently benefit from (or is a party to) any of the “Excluded Contracts” under the Asset Purchase Agreement? If so, please identify which specific contracts will be excluded.	Asset Purchase Agreement	The excluded contracts are system wide agreements with various vendors that affect multiple hospitals. Obviously, the New CharterCARE System cannot assume enterprise wide agreements. To the extent that Prospect has not segregated agreement specifically for the New CharterCARE System by the time of the closing, the parties will enter into a TSA at cost until such time as buyer has secured its own agreements.

Prospect/Centurion – Transacting Parties’ Responses to First Set of Supplemental Questions from RIAG
January 23, 2024

II.C.25	Please identify any Prospect intercompany assets that are Excluded Assets under the Asset Purchase Agreement, and whether any additional Prospect assets have been excluded from the Proposed Transaction as a result of the reduction in the Purchase Price.	Asset Purchase Agreement	The parties have not yet identified the excluded intercompany assets. No Prospect assets have been excluded from the Proposed Transaction as a result of the reduction in the purchase price.
II.C.26	Please identify the specific Prospect IT Systems (as that term is defined in the Asset Purchase Agreement) that constitute Excluded Assets. Is there a lease agreement contemplated for Centurion to utilize any of the IT Systems that may be Excluded Asset, and if so, please provide such lease.	Asset Purchase Agreement	The Transacting Parties have not determined what IT Systems, if any, will be included as Excluded Assets.
II.C.27	Please provide updates to all exhibits and disclosure schedules to the extent there have been any updates since November of 2022.	Asset Purchase Agreement	There have been no updates since November of 2022.
II.C.28	What conditions on the Proposed Transaction if approved that may be imposed by the Rhode Island Attorney General, would cause the Transacting Parties to terminate the Asset Purchase Agreement?	Asset Purchase Agreement	Any conditions that would potentially be detrimental to Centurion’s current business, or any hardships that would threaten the viability of Centurion or the New Hospitals moving forward.
II.C.29	With respect to Section 6.8 of the Asset Purchase Agreement, has the Seller considered a voluntary bankruptcy? Please provide your rationale for either an affirmative or negative response.	Asset Purchase Agreement	Section 6.8 of the APA is a standard representation and warranty in a transaction. The Seller intends to comply with the representation and warranty upon a sale. A bankruptcy proceeding is the last possible option that Prospect or Prospect CharterCARE would consider because it would not benefit the community or employees. It is in the interest of the community to have the Existing Hospitals open, operational, and providing quality care to the community.
II.C.30	Please explain why has (a) the definition of days cash on hand been deleted in the amended Asset Purchase Agreement and (b) Exhibit A was deleted in its entirety from the Asset Purchase Agreement.	Asset Purchase Agreement	a) Days Cash on Hand was deleted from the APA because the parties have agreed that Prospect is not required to leave any cash in the bank for the New CharterCARE System.

Prospect/Centurion – Transacting Parties’ Responses to First Set of Supplemental Questions from RIAG
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			b) Exhibit A was deleted in its entirety because the purchase price was not yet determined when the APA was initially signed. Now that the purchase price is a set amount [redacted] Exhibit A was no longer needed.
II.C.31	[redacted]	Q. 10	[redacted]
II.C.32	Please provide Prospect’s assessment of the business case, financial feasibility, and overall rationale for the Proposed Transaction.		As set forth above, the financial status quo of the Existing Hospitals is not sustainable. As a non-profit health system, the New CharterCARE System will immediately achieve cost savings thereby stabilizing the system. Centurion’s experience through financing and development positions it to successfully create a self-sustaining health system. [redacted]
II.C.33	[redacted]	Q. 29 Apx. F	[redacted]

Prospect/Centurion – Transacting Parties’ Responses to First Set of Supplemental Questions from RIAG
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	redacted redacted		redacted redacted
II.C.34	Please specifically describe – and provide supporting analysis related to - how the for-profit model inhibited historical operational and financial success.	Ex. 48	The for-profit model inhibits historical operational and financial success due to property taxes, sales taxes, lack of 340B pricing, lack of fundraising, lack of access to grants, and lack of certain federal funding. Please see the EBITDA bridge at <u>Confidential Exhibit 1</u> for information on the benefit of a number of these items.
II.C.35	Please describe – and provide supporting analysis related to – the assertion that decoupling from PMH will improve operations and decrease overhead.	Ex. 48	As set forth herein, many of the management and administrative services are centralized with Prospect. By bringing those services in-house to the New CharterCARE System, the New CharterCARE System will not only benefit by having the employees locally, but also will decrease the cost for those services by bringing them from California to Rhode Island.
II.C.36	Please provide the supporting analysis and diligence to support the finding redacted redacted redacted redacted redacted	Ex. 48	This question is duplicative to Question II.A.48.
II.C.37	Please provide analysis and detail related to the managed care renegotiation benefit that is described in response to Question 48 and included in the forward-looking financial estimates in Confidential Exhibit 1 (Estimated Rate Increases [One-time Increase to commercial OHIC Max - 7.3%]).	Ex. 48	The OHIC 7.3% increase has already occurred.
II.C.38	Related to the May 2023 Alvarez & Marsal (“A&M”) engagement:	Ex. 13	a) Please see C-CNT-PMH-010552

Prospect/Centurion – Transacting Parties’ Responses to First Set of Supplemental Questions from RIAG
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	<p>a) How many officers and/or employees currently providing services to Prospect are provided under the terms of the A&M engagement?</p> <p>b) How much of the finance function remains outsourced to A&M?</p> <p>c) Will the finance functions and personnel currently provided by A&M be replaced with in-house employees?</p>		<p>b) The only finance function that is outsourced to A&M is the CFO function. Otherwise, A&M provides a consulting role</p> <p>c) Yes</p>
II.C.39	<p>Related to the August 2023 A&M engagement:</p> <p>a) The application notes that A&M was engaged by PMH, not by the parties jointly. However, the August 2023 engagement letter indicates joint engagement. Please clarify/confirm the party(ies) that have engaged A&M for the services described in the August 2023 engagement letter.</p> <p>b) redacted ██ ██ ██ ██</p>	Ex. 13	<p>a) The A&M letter was signed by Prospect and Prospect CharterCARE. Neither Centurion nor any Centurion affiliated entity is a party to that agreement.</p> <p>b) redacted ██ ██ ██ ██ ██ ██ ██</p>
D.	Miscellaneous:		
II.D.1	Please provide patient days, adjusted patient days, and discharges by month for fiscal years 2019 through 2023 for RWMC and for OLF.		Please see C-CNT-PMH-010553 through C-CNT-PMH-010554.
II.D.2	<p>Figures in revised application materials indicated that RWMC has 220 licensed beds, of which 156 are staffed, and OLF has 359 licensed beds, of which 184 are staffed. Please provide the most recent updated figures for both Hospitals.</p> <p>a) Are the unstaffed beds being utilized in any other way?</p>		<p>a) No</p> <p>b) No</p>

Prospect/Centurion – Transacting Parties’ Responses to First Set of Supplemental Questions from RIAG
January 23, 2024

	b) Have any units of either of the Existing Hospitals been shut down or converted, either currently or during any period over the past three years?		
II.D.3	What are the main contributors and factors driving volume decreases since fiscal year 2019?		1) COVID-19; 2) Staffing needs; 3) the August 2023 Cyber-Attack
II.D.4	<p>Please provide Real Property information broken out between RMWC, OLF, and all other entities relevant to the Proposed Transaction.</p> <ul style="list-style-type: none"> a) List of owned real estate including land size acres, building square footage, and function. b) List of real property leases showing commencement date, term, and payment. c) Any prior appraisals. d) Property condition assessments. e) Property tax bills. f) Contacts to review real property. 		Please see C-CNT-PMH-010565 through C-CNT-PMH-010590.
II.D.5	<p>Please provide Personal Property information broken out between RMWC, OLF, and all other entities relevant to the Proposed Transaction.</p> <ul style="list-style-type: none"> a) List of owned real estate including land size acres, building square footage, and function. b) List of real property leases showing commencement date, term, and payment. c) Any prior appraisals. d) Property condition assessments. e) Property tax bills. 		Please see C-CNT-PMH-010565 through C-CNT-PMH-010590.

Prospect/Centurion – Transacting Parties’ Responses to First Set of Supplemental Questions from RIAG
January 23, 2024

	f) Contacts to review real property.		
II.D.6	<p>Please provide financial information broken out between RMWC, OLF, and all other entities relevant to the Proposed Transaction.</p> <p>a) Updates to key assumptions, including but not limited to: debt-free net working capital, long-term liabilities transferred to the purchaser, capital obligations to outside parties, and other liabilities including malpractice claims, insurance, and state medical demands.</p> <p>b) Management comments on any material change to the overall outlook, financial position, or business operations of the entity.</p> <p>c) Fiscal years 2022 and 2023 key financial ratios and calculations, including but not limited to: accounts receivable turnover, days sale outstanding, and days inventory on hand.</p>		<p>a) Please see C-CNT-PMH-010135 through C-CNT-PMH-010161.</p> <p>b) Please see the management letter/reports from BDO at <u>Confidential Exhibit 24</u>. There is no further responsive documentation.</p> <p>c) Please see C-CNT-PMH-010592 through C-CNT-PMH-010593.</p>
II.D.7	<p>Please provide staffing information broken out between RMWC, OLF, and all other entities relevant to the Proposed Transaction: staffing statistics for fiscal years 2022 and 2023, including employed FTEs, paid hours per adjusted patient day, FTEs per adjusted occupied bed, average hourly rate, and average salary per FTE (in Excel).</p>		<p>Please see Appendix A for FTE information. Prospect CharterCARE is gathering further responsive information and will produce it on or before February 6, 2024.</p>



**Department of the Treasury
Internal Revenue Service
Tax Exempt and Government Entities**

Employee Plans
P.O. Box 2508
Cincinnati, OH 45201

ELIZABETH T. DOLD
GROOM LAW GROUP, CHARTERED
1701 PENNSYLVANIA AVE., NW, STE. 1200
WASHINGTON, DC 20006

Date:
3/9/2023
Taxpayer ID number:
33-0564370
Taxpayer or applicant name:
Prospect Medical Holdings, Inc.
Form or application number:
29007049052002
Person to contact:
Name: Christi Dressman
ID number: 100030328
Telephone: 513-975-6217
Fax: 855-840-5372

Dear Elizabeth T. Dold:

We're sending the enclosed material to you because of a power of attorney or other authorization we have on file.

If you have questions, contact the person listed at the top of this letter.

Sincerely,

Christi Dressman

Christi Dressman
Internal Revenue Agent

Enclosures:
5274 Letter



Department of the Treasury
Internal Revenue Service
Tax Exempt and Government Entities
 Employee Plans
 P.O. Box 2508
 Cincinnati, OH 45201

PROSPECT MEDICAL HOLDINGS, INC
 345 SOUTH SEPULVEDA 9TH FL
 LOS ANGELES, CA 90034

Date:
3/9/2023
Employer ID number:
33-0564370
Plan name:
Prospect Medical Retirement Savings
Plan B
Plan number:
003
Document Locator Number (DLN):
29007049052002
Person to contact:
 Name: Christi Dressman
 ID number: 1000203038
 Telephone: 513-975-6217

Dear Applicant:

We're issuing this favorable determination letter for your plan listed above, based on the information you provided. Our favorable determination applies only to the status of your plan under the Internal Revenue Code (IRC) Section 401(a). In order to rely on this letter as proof of the plan's status, you must keep this letter, the application forms, the information submitted with the application, and all other correspondence.

Your determination letter doesn't apply to any qualification changes that become effective, any guidance issued, or any statutes enacted after the dates specified in the applicable Required Amendments List you submitted with your application.

This letter considered up to the 2020 Required Amendments List changes in plan qualification requirements.

This determination letter applies to the plan adopted on 4/30/18.

This determination letter also applies to the amendments dated on 2/16/23, 12/21/21, 12/16/20 & 12/31/19.

This determination letter also applies to the amendments dated on 12/30/19 & 12/23/19.

We made this determination on the condition you adopt the proposed amendments submitted in your letter dated 2/20/23, on or before the date provided in Tax Regulations Section 1.401(b)-1.

This determination letter applies to the trust document adopted on 4/25/18.

Your plan's continued qualification in its present form will depend on its effect in operation (Treasury Regulations Section 1.401-1(b)(3)) and on satisfying reporting requirements. We may review and determine the status of the plan in operation periodically.

You can find more information on favorable determination letters in Publication 794, Favorable Determination Letter, including:

- The significance and scope of reliance on this letter.
- The effect of any elective determination request in your application materials.
- The reporting requirements for qualified plans.
- Examples of the effect of a plan's operation on its qualified status.

You can get a copy of Publication 794 by visiting our website at www.irs.gov/forms-pubs or by calling 800-TAX-FORM (800-829-3676).

CONFIDENTIAL

If you submitted a Form 2848, Power of Attorney and Declaration of Representative, or Form 8821, Tax Information Authorization, with your application and asked us to send your authorized representative or appointee copies of written communications, we will send a copy of this letter to him or her.

If you have questions, you can contact the person at the top of this letter.

Sincerely,



Daniel Dragoo

Director, Employee Plans
Rulings and Agreements

cc: Elizabeth T. Dold Power of Attorney and Kimberly M. Boberg Power of Attorney

**Application for Recognition of Exemption
Under Section 501(c)(3) of the Internal Revenue Code**

(Rev. January 2020)

Department of the Treasury
Internal Revenue Service

Do not enter social security numbers on this form as it may be made public.

Go to www.irs.gov/Form1023 for instructions and the latest information.

Note: *If exempt status is approved, this application will be open for public inspection.*

Use the "?" buttons throughout this form for help in completing this application. For additional help, call IRS Exempt Organizations Customer Account Services toll-free at 1-877-829-5500.

If you cannot complete required responses within the textbox limits throughout this form, upload your additional narratives with the other required documents.

Part I Identification of Applicant

1a Full Name of Organization (exactly as it appears in your organizing document) CHARTERCARE HEALTH OF RHODE ISLAND FOUNDATION INC		b Care of Name (if applicable) BENJAMIN M MINGLE	
c Mailing Address (Number, street and room/suite) 825 CHALKSTONE AVENUE	d City PROVIDENCE	e Country United States	
f State Rhode Island	g Zip Code + 4 02908	h Foreign Province (or State)	i Foreign Postal Code
2 Employer Identification Number 92-1341158	3 Month Tax Year Ends JUNE	4 Person to Contact if More Information is Needed (officer, director, trustee, or authorized representative) SEE SUPPLEMENTAL INFORMATION	
5 Contact Telephone Number 317-977-1409	6 Fax Number (optional) 317-633-4878	7 User Fee Submitted \$600.00	

8 Organization's Website (if available):

9 List the names, titles, and mailing addresses of your officers, directors, and/or trustees.

First Name: BENJAMIN	Last Name: MINGLE	Title: DIRECTOR & CHAIR
Mailing Address: 3060 PEACHTREE ROAD NW SUITE 1030		City: ATLANTA
State (or Province): GA		Zip Code (or Foreign Postal Code): 30305
First Name: GREGORY	Last Name: GROVE	Title: DIRECTOR, VC, SEC/TREAS.
Mailing Address: 3060 PEACHTREE ROAD NW SUITE 1030		City: ATLANTA
State (or Province): GA		Zip Code (or Foreign Postal Code): 30305
First Name: JEFFREY	Last Name: LIEBMAN	Title: DIRECTOR
Mailing Address: 3060 PEACHTREE ROAD NW SUITE 1030		City: ATLANTA
State (or Province): GA		Zip Code (or Foreign Postal Code): 30305
First Name:	Last Name:	Title:
Mailing Address:		City:
State (or Province):		Zip Code (or Foreign Postal Code):
First Name:	Last Name:	Title:
Mailing Address:		City:
State (or Province):		Zip Code (or Foreign Postal Code):

Check here to add more officers, directors, and/or trustees.

Part II Organizational Structure

1 You must be a corporation, limited liability company (LLC), unincorporated association, or trust to be tax exempt.

Select your type of organization.

Corporation

At the end of this form, you must upload a copy of your articles of incorporation (and any amendments) that shows proof of filing with the appropriate state agency.

Limited Liability Company (LLC)

At the end of this form, you must upload a copy of your articles of organization (and any amendments) that shows proof of filing with the appropriate state agency. Also, if you adopted an operating agreement, upload a copy, along with any amendments.

Unincorporated Association

At the end of this form, you must upload a copy of your articles of association, constitution, or other similar organizing document that is dated and includes at least two signatures. Include signed and dated copies of any amendments.

Trust

At the end of this form, you must upload a signed and dated copy of your trust agreement. Include signed and dated copies of any amendments.

2 Enter the date you formed. (MM/DD/YYYY)

12/05/2022

3 Select your state (or U.S. territory) of incorporation or other formation. If you were formed under the laws of a foreign country, select Foreign Country.

Rhode Island

4 Have you adopted bylaws? If "Yes," at the end of this form, upload a current copy showing the date of adoption. If "No," explain how you select your officers, directors, or trustees.

Yes No

5 Are you a successor to another organization?

Yes No

Answer "Yes" if you have taken or will take over the activities of another organization, you took over 25% or more of the fair market value of the net assets of another organization, or you were established upon the conversion of an organization from for-profit to nonprofit status. If "Yes," complete Schedule G.

Part III Required Provisions in Your Organizing Document

Part III helps ensure that, when you submit this application, your organizing document contains the required provisions to meet the organizational test under section 501(c)(3).

If you cannot check "Yes" in both Lines 1 and 2, your organizing document does not meet the organizational test. DO NOT file this application until you have amended your organizing document. Remember to upload your original and amended organizing documents at the end of this form.

- 1** Section 501(c)(3) requires that your organizing document limit your purposes to one or more exempt purposes within section 501(c)(3), such as charitable, religious, educational, and/or scientific purposes.

The following is an example of an acceptable purpose clause: The organization is organized exclusively for charitable, religious, educational, and scientific purposes under section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code.

Does your organizing document meet this requirement?

Yes No

- 1a** State specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document (Page/Article/Paragraph):

Page 2, Section 6, Paragraph (a)

- 2** Section 501(c)(3) requires that your organizing document provide that upon dissolution, your remaining assets be used exclusively for section 501(c)(3) exempt purposes, such as charitable, religious, educational, and/or scientific purposes. Depending on your entity type and the state in which you are formed, this requirement may be satisfied by operation of state law.

The following is an example of an acceptable dissolution clause: Upon the dissolution of this organization, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose.

Does your organizing document meet this requirement?

Yes No

- 2a** State specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document (Page/Article/Paragraph) or indicate that you rely on state law.

Page 4, Section 11

Part IV Your Activities

1 Describe completely and in detail your past, present, and planned activities. Do not refer to or repeat the purposes in your organizing document.

For each past, present, or planned activity, include information that answers the following questions:

- a. What is the activity?
- b. Who conducts the activity?
- c. Where is the activity conducted?
- d. What percentage of your total time is allocated to the activity?
- e. How is the activity funded (for example, donations, fees, etc.) and what percentage of your overall expenses is allocated to this activity?
- f. How does the activity further your exempt purposes?

As is more particularly described in the attached Supplemental Information for Form 1023 (the Supplemental Information), CharterCARE Health of Rhode Island Foundation, Inc. (the Applicant) is a newly formed Rhode Island nonprofit corporation that is organized and will be operated exclusively for purposes that are charitable, educational, and/or scientific within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the Code). Applicant shall be a component part of a newly-created integrated healthcare delivery that will be known as CharterCARE Health System (the Health System) that would result from the approval and consummation of the proposed Transaction (as further described in the Supplemental Information). The Health System will be operated in a nonprofit and charitable manner and will provide a broad array of inpatient and outpatient healthcare services to improve the health and quality of life for residents of Providence, Rhode Island and the surrounding communities (the Community).

SEE SUPPLEMENTAL INFORMATION FOR ADDITIONAL DETAILS.

Part IV Your Activities (continued)

2 Enter the 3-character NTEE Code that best describes your activities.

E22

Or check here if you want the IRS to select the NTEE Code that best describes your activities.

3 Do any of your programs limit the provision of goods, services, or funds to a specific individual or group of specific individuals? For example, answer "Yes" if goods, services, or funds are provided only for a particular individual, your members, individuals who work for a particular employer, or graduates of a particular school. If "Yes," explain the limitation and how recipients are selected for each program. Yes No

4 Do any individuals who receive goods, services, or funds through your programs have a family or business relationship with any officer, director, trustee, or with any of your highest compensated employees or highest compensated independent contractors? If "Yes," explain how these related individuals are eligible for goods, services, or funds. Yes No

5 Do you or will you support or oppose candidates in political campaigns in any way? If "Yes," explain. Yes No

6 Do you or will you attempt to influence legislation? If "Yes," explain how you attempt to influence legislation. Yes No

At this time, the Applicant has no intention of engaging directly in any attempts to influence legislation. The Applicant does anticipate that it may become a member of one or more hospital associations or other Code Section 501 (c)(6) organizations that engage in a variety of activities on behalf of their members, including attempts to influence legislation. The Applicant will conform with all applicable requirements concerning such activity, such as by reporting on its Form 990, Return of Organization Exempt from Income Tax (Form 990). More significantly, the Applicant will ensure that any attempts to influence legislation, whether direct or indirect, do not comprise a substantial portion of its activities.

Part IV Your Activities *(continued)*

- 6a** Did you or will you make an election to have your legislative activities measured by expenditures by filing Form 5768? Yes No
 If "No," describe whether your attempts to influence legislation are a substantial part of your activities. Include the time and money spent on your attempts to influence legislation as compared to your total activities.

At this time, the Applicant does not intend to file Form 5768. As noted above, Applicant will not engage directly in legislative activities, and its only expenditures associated with such activities (if any) will be a portion of the dues the Applicant pays as a member of hospital associations or other Code Section 501 (c)(6) organizations that engage in legislative activities to serve the interests of their members. Such nominal expenditures will be insubstantial in comparison to Applicant's total activities.

- 7** Do you or will you publish, own, or have rights in music, literature, tapes, artworks, choreography, scientific discoveries, or other intellectual property? If "Yes," describe who owns or will own any copyrights, patents, or trademarks, whether fees are or will be charged, how the fees are determined, and how any items are or will be produced, distributed, and marketed. Yes No

- 8** Do you or will you provide educational information to the general public on budgeting, personal finance, financial literacy, saving and spending practices, the sound use of consumer credit, and/or assist individuals and families with financial problems such as credit card debt and foreclosure by providing them with counseling? If "Yes," explain. Yes No

- 9** Do you or will you make grants, loans, or other distributions to organizations? If "Yes," describe the type and purpose of the grants, loans, or distributions, how you select your recipients including submission requirements (such as grant proposals or application forms), and the criteria you use or will use to select recipients. Also describe how you ensure the grants, loans, and other distributions are or will be used for their intended purposes (including whether you require periodic or final reports on the use of funds and any procedures you have if you identify that funds are not being used for their intended purposes). Finally, describe the records you keep with respect to grants, loans, or other distributions you make and identify any recipient organizations and any relationships between you and the recipients. If "No," continue to Line 10. Yes No

Part IV Your Activities (continued)

9a Do you or will you make grants, loans, or other distributions to organizations that are not recognized by the IRS as tax exempt under section 501(c)(3)? If "Yes," name and/or describe the non-section 501(c)(3) organizations to whom you do or will make distributions and explain how these distributions further your exempt purposes. Yes No

9b Do you or will you make grants, loans, or other distributions to foreign organizations? If "Yes," name each foreign organization (if not already provided), the country and region within each country in which each foreign organization operates, any relationship you have with each foreign organization, and whether the foreign organization accepts contributions earmarked for a specific country or organization (if so, specify which countries or organizations). If "No," continue to Line 10. Yes No

9c Do your contributors know that you have ultimate authority to use contributions made to you at your discretion for purposes consistent with your exempt purposes? If "Yes," describe how you relay this information to contributors. Yes No

9d Do you or will you make pre-grant inquiries about the recipient organization? If "Yes," describe these inquiries, including whether you inquire about the recipient's financial status, its tax-exempt status under the Internal Revenue Code, its ability to accomplish the purpose for which the resources are provided, and other relevant information. Yes No

9e Do you or will you use any additional procedures to ensure that your distributions to foreign organizations are used in furtherance of your exempt purposes? If "Yes," describe these procedures, including periodic reporting requirements, auditing grantees, site visits by your employees or compliance checks by impartial experts, etc., to verify that grant funds are being used appropriately. Yes No

Part IV Your Activities (continued)

9f Do you share board members or other key personnel with the recipient organization(s)? If "Yes," identify the relationships. Yes No

9g When you make grants, loans, or other distributions to foreign organizations, will you check the OFAC List of Specially Designated Nationals and Blocked Persons for names of individuals and entities with whom you are dealing to determine if they are included on the list? Describe any other practices you will engage in to ensure that foreign expenditures or grants are not diverted to support terrorism or other non-charitable activities. Yes No

9h Will you comply with all United States statutes, executive orders, and regulations that restrict or prohibit U.S. persons from engaging in transactions and dealings with designated countries, entities, or individuals, or otherwise engaging in activities in violation of economic sanctions administered by OFAC? Yes No

9i Will you acquire from OFAC the appropriate license and registration where necessary? Yes No

10 Do you or will you operate in a foreign country or countries? If "Yes," name each foreign country and region within each country in which you do or will operate and describe your operations in each one. If "No," continue to Line 11. Yes No

10a When you conduct activities in foreign countries, will you check the OFAC List of Specially Designated Nationals and Blocked Persons for names of individuals and entities with whom you are dealing to determine if they are included on the list? Describe any other practices you will engage in to ensure that foreign expenditures or grants are not diverted to support terrorism or other non-charitable activities. Yes No

10b Will you comply with all United States statutes, executive orders, and regulations that restrict or prohibit U.S. persons from engaging in transactions and dealings with designated countries, entities, or individuals, or otherwise engaging in activities in violation of economic sanctions administered by OFAC? Yes No

10c Will you acquire from OFAC the appropriate license and registration where necessary? Yes No

Part IV Your Activities (continued)

11 Are you a sponsoring organization that maintains one or more donor advised funds? If yes, please provide a complete description of your program, including the specific advice that such donors may provide. Describe in detail the control you maintain (or will maintain) over the use of the funds. Yes No

12 Do you or will you operate a school? Yes No
If "Yes," complete Schedule B.

13 Is your principal purpose or function to provide hospital or medical care? Yes No
If "Yes," complete Schedule C.

14 Do you or will you provide low-income housing? Yes No
If "Yes," complete Schedule F.

15 Do you or will you provide scholarships, fellowships, educational loans, or other educational grants to individuals, including grants for travel, study, or other similar purposes? Yes No
If "Yes," complete Schedule H - Section I.

16 Check any of the following fundraising activities that you will undertake (check all that apply):

- | | |
|--|---|
| <input checked="" type="checkbox"/> Website, mail, email, personal, and/or phone solicitations | <input checked="" type="checkbox"/> Foundation grant solicitations |
| <input checked="" type="checkbox"/> Receive donations from another organization's website | <input checked="" type="checkbox"/> Government grant solicitations |
| <input type="checkbox"/> Bingo | <input checked="" type="checkbox"/> Other (non-bingo) gaming activities |
| <input checked="" type="checkbox"/> Other (describe) | |

SEE SUPPLEMENTAL INFORMATION.

We will not engage in fundraising activities.

17 Do you or will you engage in fundraising activities for other organizations? If "Yes," describe these arrangements, including the names or descriptions of the organizations for which you raise funds. Yes No

SEE SUPPLEMENTAL INFORMATION.

Part V Compensation and Other Financial Arrangements

1 Do you or will you compensate officers, directors, or trustees, or do or will you have highest compensated employees, or highest compensated independent contractors? If "No," continue to Line 2. Yes No

In establishing compensation for your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors:

1a Do or will the individuals that approve compensation arrangements follow a conflict of interest policy? Yes No

1b Do or will you approve compensation arrangements in advance of paying compensation? Yes No

1c Do or will you document in writing the date and terms of approved compensation arrangements? Yes No

1d Do or will you record in writing the decision made by each individual who decided or voted on compensation arrangements? Yes No

1e Do or will you approve compensation arrangements based on information about compensation paid by similarly situated taxable or tax-exempt organizations for similar services, current compensation surveys compiled by independent firms, or actual written offers from similarly situated organizations? Yes No

1f Do or will you record in writing both the information on which you relied to base your decision and its source? Yes No

1g Do or will you have any other practices you use to set reasonable compensation? If "Yes," describe these practices. Yes No

SEE SUPPLEMENTAL INFORMATION.

2 Have you adopted a conflict of interest policy consistent with the sample conflict of interest policy in Appendix A to the instructions? If you are a hospital, answer "Yes" if your conflict of interest policy includes provisions consistent with the additional healthcare related provisions in the sample document. If "No," describe the procedures you will follow to ensure that persons who have a conflict of interest will not have influence over setting their own compensation or regarding business deals with themselves. Yes No

[Empty box for describing conflict of interest procedures]

3 Do you or will you compensate any of your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors through non-fixed payments, such as discretionary bonuses or revenue-based payments? If "Yes," describe all non-fixed compensation arrangements, including how the amounts are determined, who is eligible for such arrangements, whether you place a limitation on total compensation, and how you determine or will determine that you pay no more than reasonable compensation for services. Yes No

[Empty box for describing non-fixed compensation arrangements]

Part V Compensation and Other Financial Arrangements (continued)

- 4 Do you or will you purchase or sell any goods, services, or assets from or to: (i) any of your officers, directors, or trustees; (ii) any family of any of your officers, directors, or trustees; (iii) any organizations in which any of your officers, directors, or trustees are also officers, directors, or trustees, or in which any individual officer, director, or trustee owns more than a 35% interest; (iv) your highest compensated employees; or (v) your highest compensated independent contractors? If "Yes," describe any such transactions that you made or intend to make, with whom you make or will make such transactions, how the terms are or will be negotiated at arm's length, and how you determine you pay no more than fair market value or you are paid at least fair market value. Yes No

As part of the Health System, the Applicant may purchase services from other tax-exempt or taxable entities within the Health System, and some of those entities may have one or more trustees, directors, or officers who also serve as trustees, directors or officers of the Applicant. Such arrangements will be entered into at arm's length, and any compensation paid for such services will be fair market value and will not be affected in any way by the overlapping governance across the Health System's various entities. Beyond this, the only services that will be purchased from employees or independent contractors are their services as employees and independent contractors.

- 5 Do you or will you have any leases, contracts, loans, or other agreements with: (i) your officers, directors, or trustees; (ii) any family of any of your officers, directors, or trustees; (iii) any organizations in which any of your officers, directors, or trustees are also officers, directors, or trustees, or in which any individual officer, director, or trustee owns more than a 35% interest; (iv) your highest compensated employees; or (v) your highest compensated independent contractors? If "Yes," describe any written or oral arrangements that you made or intend to make, with whom you have or will have such arrangements, how the terms are or will be negotiated at arm's length, and how you determine you pay no more than fair market value or you are paid at least fair market value. Yes No

As noted above, the Applicant will be part of the Health System and may enter into service agreements with other tax exempt or taxable entities within the Health System that have one or more trustees, directors, or officers who also serve as trustees, directors, or officers of the Applicant. Such arrangements are common within tax-exempt health care systems and will be reasonable for all participants in the arrangement.

- 6 Do you or will you contract with another organization to develop, build, market, or finance your facilities? Yes No
If "Yes," describe each facility, the role of the other organization, and any business or family relationship between the organization and your officers, directors, or trustees. Explain how that entity is selected, how the terms of any contract(s) are negotiated at arm's length, and how you determine you will pay no more than fair market value for services.

Part V Compensation and Other Financial Arrangements *(continued)*

- 7 Does or will someone other than your own employees or volunteers manage your activities or facilities? Yes No
 If "Yes," describe the activities or facilities that will be managed by others, the names of the persons or organizations that manage or will manage your activities or facilities, and any business or family relationship between the organization and your officers, directors, or trustees. Explain how these managers were or will be selected, how the terms of any contracts or other agreements were or will be negotiated, and how you determine you will pay no more than fair market value for services.

- 8 Do you participate in any joint ventures, including partnerships or limited liability companies treated as partnerships, in which you share profits and losses with partners? If "Yes," state your ownership percentage in each joint venture, list your investment in each joint venture, describe the tax status of other participants in each joint venture (including whether they are section 501(c)(3) organizations), describe the activities of each joint venture, describe how you exercise control over the activities of each joint venture, and describe how each joint venture furthers your exempt purposes. Yes No

Part VI Financial Data

- 1 Select the option that best describes you to determine the years of revenues and expenses you need to provide.
- You completed less than one tax year.
Provide a total of three years of financial information (including the current year and two future years of reasonable and good faith projections of your future finances) in the following Statement of Revenues and Expenses.
 - You completed at least one tax year but fewer than five.
Provide a total of four years financial information (including the current year and three years of actual financial information or reasonable and good faith projections of your future finances) in the following Statement of Revenues and Expenses.
 - You completed five or more tax years.
Provide financial information for your five most recent tax years (including the current year) in the following Statement of Revenues and Expenses.

Part VI Financial Data (continued)

A. Statement of Revenues and Expenses

Type of revenue	Current tax year	4 prior tax years or 2 succeeding tax years				
		From: 07/01/2023	From: 07/01/2024	From: 07/01/2025	From: 07/01/2026	From: 12/05/2022
		To: 06/03/2024	To: 06/03/2025	To: 06/30/2026	To: 06/30/2027	To: 06/30/2023
1 Gifts, grants, and contributions received (do not include unusual grants)	\$0.	\$750,000.	\$825,000.	\$1,000,000.	\$0.	
2 Membership fees received	\$0.	\$0.	\$0.	\$0.	\$0.	
3 Gross investment income	\$0.	\$0.	\$0.	\$0.	\$0.	
4 Net unrelated business income	\$0.	\$0.	\$0.	\$0.	\$0.	
5 Taxes levied for your benefit	\$0.	\$0.	\$0.	\$0.	\$0.	
6 Value of services or facilities furnished by a governmental unit without charge (not including the value of services generally furnished to the public without charge)	\$0.	\$0.	\$0.	\$0.	\$0.	
7 Any revenue not otherwise listed above or in lines 9 - 12 below (provide an itemized list below)	\$0.	\$0.	\$0.	\$0.	\$0.	
8 Total of lines 1 through 7	\$0.	\$750,000.	\$825,000.	\$1,000,000.	\$0.	
9 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to your exempt purposes (provide an itemized list below)	\$0.	\$0.	\$0.	\$0.	\$0.	
10 Total of lines 8 and 9	\$0.	\$750,000.	\$825,000.	\$1,000,000.	\$0.	
11 Net gain or loss on sale of capital assets (provide an itemized list below)	\$0.	\$0.	\$0.	\$0.	\$0.	
12 Unusual grants (provide an itemized list below)	\$0.	\$0.	\$0.	\$0.	\$0.	
13 Total Revenue (add lines 10 through 12)	\$0.	\$750,000.	\$825,000.	\$1,000,000.	\$0.	
Type of expense	Current tax year	4 prior tax years or 2 succeeding tax years				
14 Fundraising expenses	\$0.	\$500,000.	\$515,000.	\$550,000.	\$0.	
15 Contributions, gifts, grants, and similar amounts paid out (provide an itemized list below)	\$0.	\$0.	\$0.	\$0.	\$0.	
16 Disbursements to or for the benefit of members (provide an itemized list below)	\$0.	\$0.	\$0.	\$0.	\$0.	
17 Compensation of officers, directors, and trustees	\$0.	\$0.	\$0.	\$0.	\$0.	
18 Other salaries and wages	\$0.	\$0.	\$0.	\$0.	\$0.	
19 Interest expense	\$0.	\$0.	\$0.	\$0.	\$0.	
20 Occupancy (rent, utilities, etc.)	\$0.	\$0.	\$0.	\$0.	\$0.	
21 Depreciation and depletion	\$0.	\$0.	\$0.	\$0.	\$0.	
22 Professional fees	\$0.	\$0.	\$0.	\$0.	\$0.	
23 Any expense not otherwise classified, such as program services (provide an itemized list below)	\$0.	\$0.	\$0.	\$0.	\$0.	
24 Total Expenses (add lines 14 through 23)	\$0.	\$500,000.	\$515,000.	\$550,000.	\$0.	

25 Itemized financial data

Part VI Financial Data (continued)

B. Balance Sheet (for your most recently completed tax year)		Year End: 06/30/2022
Assets		
1	Cash	\$0.
2	Accounts receivable, net	\$0.
3	Inventories	\$0.
4	Bonds and notes receivable (provide an itemized list below)	\$0.
5	Corporate stocks (provide an itemized list below)	\$0.
6	Loans receivable (provide an itemized list below)	\$0.
7	Other investments (provide an itemized list below)	\$0.
8	Depreciable assets (provide an itemized list below)	\$0.
9	Land	\$0.
10	Other assets (provide an itemized list below)	\$0.
11	Total Assets (add lines 1 through 10)	\$0.
Liabilities		
12	Accounts payable	\$0.
13	Contributions, gifts, grants, etc. payable	\$0.
14	Mortgages and notes payable (provide an itemized list below)	\$0.
15	Other liabilities (provide an itemized list below)	\$0.
16	Total Liabilities (add lines 12 through 15)	\$0.
Fund Balances or Net Assets		
17	Total fund balances or net assets	\$0.
18	Total Liabilities and Fund Balances or Net Assets (add lines 16 and 17)	\$0.

19 Itemized financial data

Part VII Foundation Classification

Part VII is designed to classify you as an organization that is either a private foundation or a public charity. Public charity classification is a more favorable tax status than private foundation classification. If you are a private foundation, this part will further determine whether you are a private operating foundation.

1 Select the foundation classification you are requesting from the list below.

- You are described in 509(a)(1) and 170(b)(1)(A)(vi) as an organization that receives a substantial part of its financial support in the form of contributions from publicly supported organizations, from a governmental unit, or from the general public.
- You are described in 509(a)(2) as an organization that normally receives not more than one-third of its financial support from gross investment income and receives more than one-third of its financial support from contributions, membership fees, and gross receipts from activities related to its exempt functions (subject to certain exceptions).
- You are described in 509(a)(1) and 170(b)(1)(A)(i) as a church or a convention or association of churches. Complete Schedule A.
- You are described in 509(a)(1) and 170(b)(1)(A)(ii) as a school. Complete Schedule B.
- You are described in 509(a)(1) and 170(b)(1)(A)(iii) as a hospital, a cooperative hospital service organization, or a medical research organization operated in conjunction with a hospital. Complete Schedule C.
- You are described in 509(a)(1) and 170(b)(1)(A)(iv) as an organization operated for the benefit of a college or university that is owned or operated by a governmental unit.
- You are described in 509(a)(1) and 170(b)(1)(A)(ix) as an agricultural research organization directly engaged in the continuous active conduct of agricultural research in conjunction with a college or university.
- You are described in 509(a)(3) as an organization supporting either one or more organizations described in 509(a)(1) or 509(a)(2) or a publicly supported section 501(c)(4), (5), or (6) organization. Complete Schedule D.
- You are described in 509(a)(4) as an organization organized and operated exclusively for testing for public safety.
- You are a publicly supported organization and would like the IRS to decide your correct classification.
- You are a private foundation.

1a As a private foundation, section 508(e) requires special provisions in your organizing document in addition to those that apply to all organizations described in section 501(c)(3). Check this box to confirm that your organizing document includes these provisions or you rely on state law.

State specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document (Page/Article/Paragraph) or state that you rely on state law.

1b Do you or will you provide scholarships, fellowships, educational loans, or other educational grants to individuals, including grants for travel, study, or other similar purposes? Yes No
If "Yes," complete Schedule H - Section II.

1c Are you a private operating foundation? Yes No

To be a private operating foundation you must engage directly in the active conduct of charitable, religious, educational, and similar activities, as opposed to indirectly carrying out these activities by providing grants to individuals or other organizations.

Part VII Foundation Classification (continued)

1d Describe how you meet the requirements for private operating foundation status, including how you meet the income test and either the assets test, the endowment test, or the support test. If you've been in existence for less than one year, describe how you are likely to satisfy the requirements for private operating foundation status.

2 If you have been in existence more than 5 years, you must confirm your public support status. To confirm your qualification as a public charity described in 509(a)(1) and 170(b)(1)(A)(vi) in existence for five or more tax years, you must have received one-third or more of your total support from governmental agencies, contributions from the general public, and contributions or grants from other public charities; or 10% or more of your total support from governmental agencies, contributions from the general public, and contributions or grants from other public charities and the facts and circumstances indicate you are a publicly supported organization. Calculate whether you meet this support test for your most recent five-year period.

i. Did you receive contributions from any person, company, or organization whose gifts totaled more than the 2% amount of line 8 in Part VI-A? Yes No

If "Yes," identify each person, company, or organization by letter (A, B, C, etc.) and indicate the amount contributed by each. Keep a list showing the name of and amount contributed by each of these donors for your records.

ii. Based on your calculations, did you receive at least one-third of your support from public sources or did you normally receive at least 10 percent of your support from public sources and you have other characteristics of a publicly supported organization? Yes No

2a If you have been in existence more than 5 years, you must confirm your public support status. To confirm your qualification as a public charity described in 509(a)(2) in existence for five or more tax years, you must have normally received more than one-third of your support from contributions, membership fees, and gross receipts from activities related to your exempt functions, or a combination of these sources, and not more than one-third of your support from gross investment income and net unrelated business income. Calculate whether you meet this support test for your most recent five-year period.

i. Did you receive amounts from any disqualified persons? Yes No

If "Yes," identify each disqualified person by letter (A, B, C, etc.) and indicate the amount contributed by each. Keep a list showing the name of and amount contributed by each of these donors for your records.

ii. Did you receive amounts from individuals or organizations other than disqualified persons that exceeded the greater of \$5,000 or 1% of the amount on line 10 of Part VI-A Statement of Revenues and Expenses? Yes No

If "Yes," identify each individual or organization by letter (A, B, C, etc.) and indicate the amount contributed by each. Keep a list showing the name of and amount contributed by each of these donors for your records.

iii. Based on your calculations, did you normally receive more than one-third of your support from a combination of gifts, grants, contributions, membership fees, and gross receipts (from permitted sources) from activities related to your exempt functions and normally receive not more than one-third of your support from investment income and unrelated business taxable income? Yes No

Part VIII Effective Date

In general, a determination letter recognizing exemption of an organization described in section 501(c)(3) is effective as of the date of formation of an organization if: (1) its purposes and activities prior to the date of the determination letter have been consistent with the requirements for exemption; and (2) it has filed an application for recognition of exemption within 27 months from the end of the month in which it was organized.

1 Are you submitting this application within 27 months of the end of the month in which you were legally formed? Yes No

If "No," complete Schedule E.

Part IX Annual Filing Requirements

If you fail to file a required information return or notice for three consecutive years, your exempt status will be automatically revoked.

1 Certain organizations are not required to file annual information returns or notices (Form 990, Form 990-EZ, or Form 990-N, e-Postcard). If you are granted tax-exemption, are you claiming to be excused from filing Form 990, Form 990-EZ, or Form 990-N? Yes No

If "Yes," are you claiming you are excused from filing because you are:

- A church or association of churches
- An integrated auxiliary (such as a men's or women's organization, religious school, mission society, or religious group)
- A church-affiliated organization (other than a section 509(a)(3) organization) that is exclusively engaged in managing funds or maintaining retirement programs and is described in Revenue Procedure 96-10, 1996-1 C.B. 577
- A school below college level affiliated with a church or operated by a religious order
- A mission society (other than a section 509(a)(3) supporting organization) sponsored by, or affiliated with, one or more churches or church denominations, if more than half of the society's activities are conducted in, or directed at, persons in foreign countries
- An affiliate of a governmental unit that meets the requirements of Revenue Procedure 95-48, 1995-2 C.B. 418 (other than a section 509(a)(3) supporting organization)
- Other (describe)

Part X Signature

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization and that I have examined this application, and to the best of my knowledge it is true, correct, and complete.

Benjamin Mingle

 (Type name of signer)

DIRECTOR & CHAIR

 (Type title or authority of signer)

12/18/2023

 (Date)

Upload checklist:

- Organizing document (and any amendments)
- Bylaws, if adopted
- Form 2848, Power of Attorney and Declaration of Representative (if applicable)
- Form 8821, Tax Information Authorization (if applicable)
- Supplemental responses (if applicable)
- Expedited handling request (if applicable)

Schedule D. Section 509(a)(3) Supporting Organizations

1 List the names, addresses, and EINs of the organizations you support.

SEE SUPPLEMENTAL INFORMATION.

2 Are all your supported organizations public charities under section 509(a)(1) or (2)? If "Yes," continue to Line 3. Yes No

2a Are your supported organizations tax exempt under section 501(c)(4), 501(c)(5), or 501(c)(6) and do your supported organizations meet the public support test under section 509(a)(2)? If "No," explain how each organization you support is a public charity under section 509(a)(1) or 509(a)(2). Yes No

SEE SUPPLEMENTAL INFORMATION.

3 Which of the following describes your relationship with your supported organization(s)?

- A majority of your governing board or officers are elected or appointed by your supported organization(s). (Type I supporting organization)
- Your control or management is vested in the same persons who control or manage your supported organization(s). (Type II supporting organization)
- One or more of your officers, directors, or trustees are elected or appointed by the officers, directors, trustees, or membership of your supported organization(s), or one or more of your officers, directors, trustees, or other important office holders, are also members of the governing body of your supported organization(s), or your officers, directors, or trustees maintain a close and continuous working relationship with the officers, directors, or trustees of your supported organization(s). (Type III supporting organization)

4 Describe how your governing board and officers are selected. If you are a Type III organization, also describe how your officers, directors, or trustees maintain a close and continuous working relationship with the officers, directors, or trustees of your supported organization(s).

SEE SUPPLEMENTAL INFORMATION.

Schedule D. Section 509(a)(3) Supporting Organizations *(continued)*

- 5** Do any persons who are disqualified persons (except individuals who are disqualified persons only because they are foundation managers) with respect to you or persons who have a family or business relationship with any disqualified persons appoint any of your foundation managers? If "Yes," (1) describe the process by which disqualified persons appoint any of your foundation managers, (2) provide the names of these disqualified persons and the foundation managers they appoint, and (3) explain how control is vested over your operations (including assets and activities) by persons other than disqualified persons. Yes No

- 6** Do any persons who are disqualified persons (except individuals who are disqualified persons only because they are foundation managers) have any influence regarding your operations, including your assets or activities? If "Yes," (1) provide the names of these disqualified persons, (2) explain how influence is exerted over your operations (including assets and activities), and (3) explain how control is vested over your operations (including assets and activities) by individuals other than disqualified persons. Yes No

- 7** Does your organizing document specify your supported organization(s) by name? Yes No
 If "Yes" and you selected Type I above, continue to Line 8.
 If "Yes," and you selected Type II, do not complete the rest of Schedule D.
 If "No" and you selected Type III above, amend your organizing document to specify your supported organization(s) by name or you will not meet the organizational test and need to reconsider your requested public charity classification; then continue to Line 8.

- 7a** Does your organizing document name a similar purpose or charitable class of beneficiaries as to your supported organization(s)? If "No," amend your organizing document to specify your supported organization(s) by name, purpose, or class or you will not meet the organizational test and need to reconsider your requested public charity classification. Yes No

If you selected Type II above, do not complete the rest of Schedule D.

- 8** Do you or will you receive contributions from any person who alone, or combined with family members or an entity at least 35% controlled by that person, controls any of your supported organizations, or will you receive contributions from any family member of, or an entity at least 35% controlled by, any person who controls any of your supported organizations? If "Yes," explain. Yes No

If you selected Type I above, do not complete the rest of Schedule D.

Schedule D. Section 509(a)(3) Supporting Organizations *(continued)*

- 9 Do the officers, directors, or trustees of your supported organization have a significant voice in your investment policies, the timing and making of grants, the selection of grant recipients, and in otherwise directing the use of your income or assets? If "Yes," explain. Yes No

- 10 In each taxable year, do you or will you provide each of your supported organizations with (a) a written notice addressed to a principal officer of the supported organization describing the type and amount of all of the support you provided to the supported organization during the immediately preceding taxable year, (b) a copy of your most recently filed Form 990-series return or notice, and (c) a copy of your governing documents? If 'No,' explain. Yes No

- 11 Do you exercise a substantial degree of direction over the policies, programs, and activities of your supported organization(s) and appoint or elect (directly or indirectly) a majority of the officers, directors, or trustees of your supported organization(s)? If "Yes," explain. Yes No

- 12 Do substantially all of your activities directly further the exempt purposes of one or more supported organizations to which you are responsive by performing the functions of, or carrying out the purposes of, such supported organization(s) and but for your involvement would normally be engaged in by such supported organization(s). If "Yes," explain and do not complete the rest of Schedule D. Yes No

Schedule D. Section 509(a)(3) Supporting Organizations *(continued)*

13 Do you distribute at least 85% of your annual net income or 3.5% of the aggregate fair market value of all of your non-exempt-use assets (whichever is greater) to your supported organization(s)? If "No," explain. Yes No

13a How much do you contribute annually to each supported organization?

13b What is the total annual revenue of each supported organization?

13c Do you or the supported organization(s) earmark your funds for support of a particular program or activity? If "Yes," explain. Yes No

Supplemental Information for Form 1023**Part I, Line 4.**

If additional information is needed, the Service should contact the Applicant's Authorized Representatives, James R. Willey and Kelci R. Laster. A Form 2848, Power of Attorney and Declaration of Representative, for Mr. Willey and Ms. Laster is attached as **Exhibit A**.

Part II, Line 1.

Articles of Incorporation, with proof of filing, attached as **Exhibit B**.

Part II, Line 2.

Bylaws, as adopted March 6, 2023, attached as **Exhibit C**.

Part IV, Line 1.

(continued from Form 1023)

Background.

In 2009, Roger Williams Medical Center ("RWMC")¹ and Our Lady of Fatima Hospital ("OLFH")² agreed to affiliate through the creation of CharterCARE Health Partners ("CCHP"). RWMC and OLFH each shared a long, proud history of providing charity care to the poor and vulnerable residents of the Community and believe that the creation of CCHP as the parent organization of their combined hospital systems would allow them to better serve the needs of the residents of the Community.

RWMC was founded in 1878 as a community owned and governed hospital known as the Homeopathic Hospital of Rhode Island. Since 1922, RWMC has been located in the Smith Hill neighborhood of Providence, which is one of the city's oldest neighborhoods. OLFH's history in the Community dates back to 1892 when the Roman Catholic Diocese of Providence (the "Diocese") opened St. Joseph Hospital. OLFH was opened by the Diocese in North Providence in 1954. In 1970, the Diocese merged OLFH and St. Joseph Hospital and consolidated their operations on OLFH's North Providence campus.

Despite the affiliation between RWMC and OLFH, CCHP continued to face increasing financial and operational challenges that threatened the future of both hospitals. In 2014, CCHP sold substantially all of the assets used in the operation of RWMC, OLFH, and

¹ RWMC was at the time an independent, nonprofit, tax-exempt community hospital located in Providence, Rhode Island.

² OLFH was at the time a nonprofit, tax-exempt hospital sponsored by the Diocese of Providence located in North Providence, Rhode Island.

their respective affiliates (collectively, the "CharterCARE Assets") to Prospect Medical Holdings, Inc., a for-profit healthcare system based in California ("Prospect"), and thereafter Prospect began to operate RWMC, OLFH, and their respective affiliates in a for-profit manner.

At all times prior to the sale of the CharterCARE Assets to Prospect, RWMC and OLFH were organized and operated exclusively for charitable, educational, scientific, and/or religious purposes within the meaning of Section 501(c)(3) of the Code (or its predecessors). While RWMC and OLFH are no longer organized as non-profit hospitals under state law, they each continue to play a vitally important role in the Community because of their designation as safety net hospitals by the Rhode Island Attorney General and Department of Health (collectively, the "State Officials").

On November 18, 2022, The Centurion Foundation, Inc. (the "Foundation"), which is a Georgia nonprofit corporation that has been recognized by the Internal Revenue Service (the "IRS") as exempt from federal income tax under Code Section 501(c)(3), entered into an agreement to acquire the CharterCARE Assets from Prospect (the "Transaction"). The Transaction is subject to approval by State Officials. Applications for approval of the Transaction were submitted to State Officials on November 14, 2023 and such applications were accepted by State Officials on December 14, 2023. By statute (R.I. Gen Laws § 23-177.14-3, State Officials have one hundred twenty (120) calendar days to approve or reject the Transaction (*i.e.*, April 12, 2024). If the Transaction is approved by State Officials, the Applicant anticipates that the Transaction would likely close on or before September 30, 2024.

Charitable Purposes and Activities.

The purpose of the Transaction is for CharterCARE Health of Rhode Island, Inc.(the "Health System Parent"), through the various legal entities that will comprise the Health System (collectively, the "Health System Entities"), to acquire the CharterCARE Assets in order to create a new Health System that will be operated in a nonprofit and charitable manner to serve the residents of the Community. The proposed Post-Transaction Organizational Chart of the Health System is attached as **Exhibit D.**

The Health System Parent, which is a newly created Rhode Island nonprofit corporation which has separately applied for recognition as an organization that is exempt from federal income taxation pursuant to Code Section 501(c)(3), shall serve as the parent organization of the Health System. The Primary activities of the Health System Parent shall be to provide administrative and management services to the following Health System Entities:

1. **CharterCARE Roger Williams Medical Center**, a newly-created Rhode Island nonprofit corporation that is organized and will be operated exclusively for purposes that are charitable, educational, and/or scientific within the meaning of Code Section 501(c)(3) and classified as a public charity under Code Sections 509(a)(1) and 170(b)(1)(A)(iii) by virtue of its ownership and operation of RWMC,

which currently is a 220-licensed bed acute care, community hospital located in Providence, Rhode Island that also serves as an academic medical affiliated with Boston University School of Medicine;

2. **CharterCARE Our Lady of Fatima Hospital**, a newly-created Rhode Island nonprofit corporation that is organized and will be operated exclusively for purposes that are charitable, educational, and/or scientific within the meaning of Code Section 501(c)(3) and classified as a public charity under Code Sections 509(a)(1) and 170(b)(1)(A)(iii) by virtue of its ownership and operation of OLFH, which currently is a 278-licensed bed acute care, community hospital located in North Providence, Rhode Island, and in a manner consistent with its history of sponsorship by the Catholic Church;
3. **CharterCARE Blackstone Surgery Center, LLC**, a newly-created Rhode Island limited liability company created for the primary purpose of operating an outpatient surgery center located in Johnston, Rhode Island to or for the benefit of patients of the Hospitals and other members of the Community;
4. **CharterCARE Physicians, LLC**, a newly-created Rhode Island limited liability company created for the primary purpose of employing multi-specialty physicians and other health care practitioners to provide medical services to or for the benefit of patients of the Hospitals and other members of the Community.
5. **CharterCARE Home Health and Hospice, LLC**, a newly-created Rhode Island limited liability company created for the primary purpose of providing hospital-based, in-home visiting nurse services to or for the benefit of patients of the Hospitals and other members of the Community.
6. **CharterCARE of Rhode Island Foundation, Inc.**, which as described above, is a newly-created Rhode Island nonprofit corporation that is organized and will be operated exclusively for purposes that are charitable, educational, and/or scientific within the meaning of Code Section 501(c)(3) by raising funds and providing assistance to RWMC and OLFH (Individually, a "Health System Hospital" and collectively, the "Health System Hospitals") and other Health System Entities that are described under Code Section 501(c)(3) and are classified as public charities under Code Sections 509(a)(1) or 509(a)(2) (the "CharterCARE Foundation").

As set forth in the Applicant's governing documents attached as **Exhibit B** and **Exhibit C**, the Applicant has been created to raise funds and provide assistance specifically to, and for the benefit of, the Health System Hospitals and other Health System Entities that are described under Code Section 501(c)(3) and are classified as public charities under Code Sections 509(a)(1) or 509(a)(2) and, on that basis, will be a supporting organization to such supported organizations within the meaning of Code Section 509(a)(3).

The Health System Parent anticipates that the primary funding for the Health System will come from the provision of charitable health care services in the Community. However, philanthropic fundraising endeavors are a significant source of support for Code Section 501(c)(3) health care organizations. The Applicant anticipates that it will undertake such endeavors on behalf the Health System Hospitals and the Health System's other Code Section 501(c)(3) organizations by conducting fundraising programs and receiving donations (including lifetime gifts and bequests), grants, and investment income for the Health System Hospitals. All monies generated from the Applicant's fundraising activities will be paid directly by the donor to either the Applicant or the Health System Hospitals. Upon recognition of the Applicant's tax-exempt status, the Applicant will begin to solicit funds and make distributions to the Health System Hospitals in accordance with its governing documents.

The Applicant anticipates that its principal source of income (in descending order of magnitude) will be donations (including lifetime gifts and bequests), grants, and investment income. The Applicant's primary expenditures will be distributions for the benefit of the Health System Hospitals to further their charitable mission, vision, values, and programs. The Applicant may make direct payments to the Health System Hospitals or may purchase and deliver to the Health System Hospitals items of medical equipment or other personal or real property that will assist the Health System Hospitals in accomplishing their tax-exempt purposes.

Part IV, Line 16.

The following represent planned fundraising activities by the Applicant:

- Sending mailings to past donors of the Health System Hospitals;
- Operating a planned giving program;
- Preparing and submitting applications for annual grants;
- Conducting an annual campaign for donations from employees of the Health System Hospitals;
- Publishing and distributing materials to promote memorial and tribute gifts; and
- Conducting fundraising events.

The forgoing activities will be conducted by the Applicant's staff, with assistance from volunteers, and will take place in the Community through the Applicant's office.

Part IV, Line 17.

The following is a list of the names, addresses, and EINs of the Applicant’s supported organizations (which are referred to above collectively as the Health System Hospitals) for whom the Applicant will engage in fundraising activities:

<u>Name</u>	<u>Address</u>	<u>EIN</u>
CharterCARE Roger Williams Medical Center	825 Chalkstone Avenue Providence, Rhode Island 02908	92-1361532
CharterCARE Our Lady of Fatima Hospital	200 High Service Avenue North Providence, Rhode Island 02904	92-1354378

Part V, Line 1g.

With respect to any employees who are or will become disqualified persons, the Applicant will follow a process consistent with the requirements for the rebuttable presumption of reasonableness under the Treasury Regulations in establishing compensation for employees and independent contractors. The amounts the Applicant pays for such employees will be reasonable because all organizations within the Health System are committed to paying compensation that does not exceed the thresholds for reasonableness, which they accomplish by following compensation surveys and by following a process consistent with the requirements for the rebuttable presumption, where necessary, and the Applicant will pay only actual costs (*i.e.*, reimbursing the affiliate for wages and the value of benefits) for the employees it leases.

Part VI-A, Line 25.

Applicant has included financial information for the most recently completed tax year (*i.e.*, 12/05/2022 – 06/30-2023). Projections of Applicant’s likely income and expenses for the current tax year (*i.e.*, 07/01/2023 – 06/30/2024) and three (3) succeeding tax years (*i.e.*, 07/01/2023 – 06/30/2024, 07/01/2024 – 06/30/2025, and 07/01/2025 – 06/30/2026) are based upon (a) an assumption that approval and closing of the Transaction will occur on or about September 30, 2024, and (b) a reasonable and good faith estimate of Applicant’s future finances during the (3) tax years following the closing of the Transaction. Figures for the tax year ending 06/30/2025 have been annualized for year-over-year comparison purposes. An itemized list of “[A]ny expenses not otherwise classified, such as program services” reported on Part VI-A, Line 23 is attached as **Exhibit E.**

Part VI-B, Line 19.

Applicant had no assets or liabilities for the most recently completed tax year (*i.e.*, 12/05/2022 - 06/30/2023) and will likely have no assets or liabilities at the end of the current tax year (*i.e.*, 07/01/2023 - 06/30/2024). Applicant is not expected to have any assets or liabilities until such time as the Transaction is approved by State Officials and the Transaction closes.

Part X.

Consistent with the IRS guidance concerning signature on an electronically submitted Form 1023, as issued May 5, 2020, a separate signature page including all information from Part X of the Form 1023 is attached as **Exhibit E**.

Schedule D, Line 1.

The following is a list of the names, addresses, and EINs of the Applicant’s supported organizations (which are referred to above collectively as the Health System Hospitals):

<u>Name</u>	<u>Address</u>	<u>EIN</u>
CharterCARE Roger Williams Medical Center	825 Chalkstone Avenue Providence, Rhode Island 02908	92-1361532
CharterCARE Our Lady of Fatima Hospital	200 High Service Avenue North Providence, Rhode Island 02904	92-1354378

Schedule D, Line 4.

The sole corporate member of the Applicant is the Health System Parent. The Applicant's Board of Directors is appointed by the Health System Parent. The Health System Parent also appoints the Board of Directors of the Health System Hospitals.

The Applicant is supervised and controlled in connection with the Health System Hospitals, which are Code Section 509(a)(1) public charities that the Applicant supports, and therefore is a type II supporting organization. Section 1.509(a)-4(h)(1) of the Treasury Regulations (the “Regulations”) provides as follows:

In order for a supporting organization to be “supervised or controlled in connection with” one or more publicly supported organizations, there must be common supervision or control by the persons supervising or controlling both the supporting organization and the publicly supported organizations to ensure that the supporting organization will be responsive to the needs and requirements of the publicly supported organizations. Therefore, in order to meet such requirement, the control and management of the supporting organization must be vested in the same persons that control or manage the publicly supported organizations.

These requirements are satisfied by the Applicant, which is controlled by its Board of Directors. The Applicant's Board of Directors and the Board of Directors of the Health System Hospitals (the Applicant's supporting organizations) are each appointed by the Health System Parent. The Health System Parent has indirect control over the Applicant and the Health System Hospitals by virtue of its power to appoint the Board of Directors of the Applicant and the Health System Hospitals. Accordingly, the same individuals that have control over the Health System Parent have indirect control over the Applicant and the Health System Hospitals. This gives the Board of Directors of the Health System Parent the ability "to ensure that [the Applicant] will be responsive to the needs of the Health System [Hospitals]."

CONFIDENTIAL

CharterCARE Health of Rhode Island Foundation Inc.
EIN: 92-1341158

EXHIBIT A

Form 2848 – Power of Attorney and Declaration of Representative

See attached.

Form **2848**
(Rev. January 2021)
Department of the Treasury
Internal Revenue Service

Power of Attorney and Declaration of Representative

OMB No. 1545-0150

► Go to www.irs.gov/Form2848 for instructions and the latest information.

For IRS Use Only

Received by:

Name _____

Telephone _____

Function _____

Date / /

Part I Power of Attorney

Caution: A separate Form 2848 must be completed for each taxpayer. Form 2848 will not be honored for any purpose other than representation before the IRS.

1 Taxpayer information. Taxpayer must sign and date this form on page 2, line 7.

Taxpayer name and address CharterCARE Health of Rhode Island Foundation Inc. 825 Chalkstone Avenue Providence, RI 02908		Taxpayer identification number(s) 92-1341158	
		Daytime telephone number 404-233-9000	Plan number (if applicable)

hereby appoints the following representative(s) as attorney(s)-in-fact:

2 Representative(s) must sign and date this form on page 2, Part II.

Name and address James R. Willey, Hall, Render, Killian, Heath & Lyman, P.C. 500 North Meridian Street, Suite 400 Indianapolis, IN 46204 Check if to be sent copies of notices and communications <input checked="" type="checkbox"/>	CAF No. 3206-14361R PTIN _____ Telephone No. 317-977-1409 Fax No. 317-633-4878 Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>
Name and address Kelci R. Laster, Hall, Render, Killian, Heath & Lyman, P.C. 500 North Meridian Street, Suite 400 Indianapolis, IN 46204 Check if to be sent copies of notices and communications <input checked="" type="checkbox"/>	CAF No. 0313-39660R PTIN _____ Telephone No. 317-977-1401 Fax No. 317-633-4878 Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>
Name and address (Note: IRS sends notices and communications to only two representatives.)	CAF No. _____ PTIN _____ Telephone No. _____ Fax No. _____ Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>
Name and address (Note: IRS sends notices and communications to only two representatives.)	CAF No. _____ PTIN _____ Telephone No. _____ Fax No. _____ Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>

to represent the taxpayer before the Internal Revenue Service and perform the following acts:

3 Acts authorized (you are required to complete line 3). Except for the acts described in line 5b, I authorize my representative(s) to receive and inspect my confidential tax information and to perform acts I can perform with respect to the tax matters described below. For example, my representative(s) shall have the authority to sign any agreements, consents, or similar documents (see instructions for line 5a for authorizing a representative to sign a return).

Description of Matter (Income, Employment, Payroll, Excise, Estate, Gift, Whistleblower, Practitioner Discipline, PLR, FOIA, Civil Penalty, Sec. 4980H Shared Responsibility Payment, etc.) (see instructions)	Tax Form Number (1040, 941, 720, etc.) (if applicable)	Year(s) or Period(s) (if applicable) (see instructions)
Application for Recognition of Exemption under Section 501(c)(3) of the Internal Revenue Code	1023	2022-2024

4 Specific use not recorded on the Centralized Authorization File (CAF). If the power of attorney is for a specific use not recorded on CAF, check this box. See Line 4. Specific Use Not Recorded on CAF in the instructions

5a Additional acts authorized. In addition to the acts listed on line 3 above, I authorize my representative(s) to perform the following acts (see instructions for line 5a for more information): Access my IRS records via an Intermediate Service Provider; Authorize disclosure to third parties; Substitute or add representative(s); Sign a return; _____

Other acts authorized: **Authority to receive SS-4 application processing status, Notice 147C letter(s), and any determination letter(s) regarding tax exemption by secure fax with effective dates and/or filing requirements.**

b Specific acts not authorized. My representative(s) is (are) not authorized to endorse or otherwise negotiate any check (including directing or accepting payment by any means, electronic or otherwise, into an account owned or controlled by the representative(s) or any firm or other entity with whom the representative(s) is (are) associated) issued by the government in respect of a federal tax liability. List any other specific deletions to the acts otherwise authorized in this power of attorney (see instructions for line 5b):

6 Retention/revocation of prior power(s) of attorney. The filing of this power of attorney automatically revokes all earlier power(s) of attorney on file with the Internal Revenue Service for the same matters and years or periods covered by this form. If you do not want to revoke a prior power of attorney, check here. YOU MUST ATTACH A COPY OF ANY POWER OF ATTORNEY YOU WANT TO REMAIN IN EFFECT.

7 Taxpayer declaration and signature. If a tax matter concerns a year in which a joint return was filed, each spouse must file a separate power of attorney even if they are appointing the same representative(s). If signed by a corporate officer, partner, guardian, tax matters partner, partnership representative (or designated individual, if applicable), executor, receiver, administrator, trustee, or individual other than the taxpayer, I certify I have the legal authority to execute this form on behalf of the taxpayer.

IF NOT COMPLETED, SIGNED, AND DATED, THE IRS WILL RETURN THIS POWER OF ATTORNEY TO THE TAXPAYER.

Handwritten signature of Benjamin M. Mingle

12.19.2023

Director & Chair

Signature

Date

Title (if applicable)

Benjamin M. Mingle

Print name

CharterCARE Roger Williams Medical Center

Print name of taxpayer from line 1 if other than individual

Part II Declaration of Representative

Under penalties of perjury, by my signature below I declare that:

- I am not currently suspended or disbarred from practice, or ineligible for practice, before the Internal Revenue Service;
I am subject to regulations in Circular 230 (31 CFR, Subtitle A, Part 10), as amended, governing practice before the Internal Revenue Service;
I am authorized to represent the taxpayer identified in Part I for the matter(s) specified there; and
I am one of the following:
a Attorney—a member in good standing of the bar of the highest court of the jurisdiction shown below.
b Certified Public Accountant—a holder of an active license to practice as a certified public accountant in the jurisdiction shown below.
c Enrolled Agent—enrolled as an agent by the IRS per the requirements of Circular 230.
d Officer—a bona fide officer of the taxpayer organization.
e Full-Time Employee—a full-time employee of the taxpayer.
f Family Member—a member of the taxpayer's immediate family (spouse, parent, child, grandparent, grandchild, step-parent, step-child, brother, or sister).
g Enrolled Actuary—enrolled as an actuary by the Joint Board for the Enrollment of Actuaries under 29 U.S.C. 1242 (the authority to practice before the IRS is limited by section 10.3(d) of Circular 230).
h Unenrolled Return Preparer—Authority to practice before the IRS is limited. An unenrolled return preparer may represent, provided the preparer (1) prepared and signed the return or claim for refund (or prepared if there is no signature space on the form); (2) was eligible to sign the return or claim for refund; (3) has a valid PTIN; and (4) possesses the required Annual Filing Season Program Record of Completion(s). See Special Rules and Requirements for Unenrolled Return Preparers in the instructions for additional information.
k Qualifying Student or Law Graduate—receives permission to represent taxpayers before the IRS by virtue of his/her status as a law, business, or accounting student, or law graduate working in a LITC or STCP. See instructions for Part II for additional information and requirements.
r Enrolled Retirement Plan Agent—enrolled as a retirement plan agent under the requirements of Circular 230 (the authority to practice before the Internal Revenue Service is limited by section 10.3(e)).

IF THIS DECLARATION OF REPRESENTATIVE IS NOT COMPLETED, SIGNED, AND DATED, THE IRS WILL RETURN THE POWER OF ATTORNEY. REPRESENTATIVES MUST SIGN IN THE ORDER LISTED IN PART I, LINE 2.

Note: For designations d-f, enter your title, position, or relationship to the taxpayer in the "Licensing jurisdiction" column.

Table with 5 columns: Designation, Licensing jurisdiction, Bar, license, certification, registration, or enrollment number, Signature, Date. Contains handwritten entries for two representatives.

CONFIDENTIAL

CharterCARE Health of Rhode Island Foundation Inc.
EIN: 92-1341158

EXHIBIT B

Articles of Incorporation
(with proof of filing)

See attached.



State of Rhode Island

Department of State - Business Services Division

RECEIVED
R.I. DEPT. OF STATE
BUS SVCS DIV

2022 DEC -5 P 3:33-

Articles of Incorporation

DOMESTIC Non-Profit Corporation

→ Filing Fee: \$35.00

The undersigned, acting as incorporator(s) of a corporation under RIGL 7-6-34, adopt(s) the following Articles of Incorporation for such corporation:

1. The name of the corporation is: CharterCARE Health of Rhode Island Foundation, Inc.		
2. The period of its duration is: CHECK ONE BOX ONLY		
<input checked="" type="checkbox"/> Perpetual (on-going)		
<input type="checkbox"/> Date certain for dissolution _____		
3. The specific purpose or purposes for which the corporation is organized are: See attached		
		Check the box to indicate an attachment <input checked="" type="checkbox"/>
4. Provisions, if any, not consistent 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: See attached		
		Check the box to indicate an attachment <input checked="" type="checkbox"/>
5. Name and address of the initial registered agent/office in Rhode Island is:		
Agent Name Chace Ruttenberg & Freedman, LLP		
Street Address (NOT a P.O. Box) One Park Row, Suite 300		
City Providence	State RHODE ISLAND	Zip Code 02903

MAIL TO:

Division of Business Services

148 W. River Street, Providence, Rhode Island 02904-2615

Phone: (401) 222-3040

Website: www.sos.ri.gov

FILED 333
DEC 05 2022
BY WB 3533
C-CNT-PMH-010200

6. The number of the initial Board of Directors of the Corporation is 3 (not less than 3 directors) and the names and address of the persons who are to serve as the initial directors are:

NAME	ADDRESS
See attached	

Check the box to indicate an attachment

7. The name and address of each incorporator is:

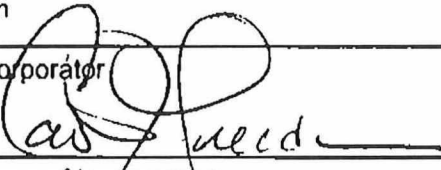
NAME	ADDRESS
Carl I. Freedman	One Park Row, Suite 300, Providence, RI 02903

Check the box to indicate an attachment

8. Date when these Articles of Incorporation will be effective: **CHECK ONE BOX ONLY**

- Date received (Upon filing)
- Later effective date (Date must be no more than 30 days from the date of filing) _____

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

Type or Print Name of Incorporator Carl I. Freedman	Date 12/5/22
Signature of Incorporator 	
Type or Print Name of Incorporator	Date
Signature of Incorporator	
Type or Print Name of Incorporator	Date
Signature of Incorporator	

ARTICLES OF INCORPORATION
OF
CHARTERCARE HEALTH OF RHODE ISLAND FOUNDATION, INC.

The undersigned incorporator hereby forms a corporation under the Rhode Island Nonprofit Corporation Act (the "Act"). References included in these Articles of Incorporation ("Articles") to provisions of the "General Laws of Rhode Island" or "R.I.G.L." or "G.L." shall refer to provisions of the State of Rhode Island General Laws 1956, as amended; and references included in these Articles to provisions of the "Code" shall refer to provisions of the Internal Revenue Code of 1986, as amended (or the corresponding provisions of any future United States Internal Revenue Law). Capitalized terms used and not otherwise defined herein shall have the meanings set forth in the Corporation's bylaws.

1. Name. The name of the corporation is CharterCARE Health of Rhode Island Foundation, Inc. (the "Corporation").

2. Nonprofit Corporation. The Corporation is a nonprofit and shall not have or issue shares or make distributions except as provided in R.I.G.L. § 7-6-31 and as further provided in these Articles or the bylaws of the Corporation.

3. Membership. The Corporation is a membership corporation. The sole member of the Corporation is CharterCARE of Rhode Island, Inc., a charitable nonprofit corporation organized and existing under the laws of the State of Rhode Island (the "Member"). Except as otherwise provided herein, the Member shall have those exclusive rights and powers set forth in the Corporation's bylaws, and all other rights, privileges, and obligations which are accorded to the Member under the Corporation's bylaws or under Rhode Island law.

4. Registered Agent. The Corporation's initial registered agent shall be Chace Ruttenberg & Freedman LLP, with an address of One Park Row, Suite 300, Providence, Rhode Island 02903.

5. Duration. The duration of the Corporation shall be perpetual.

6. Purpose.

(a) The Corporation is organized and at all times shall be operated exclusively for charitable, religious, educational, and scientific purposes within the meaning of Section 501(c)(3) of the Code, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Code.

(b) In furtherance of the Corporation's charitable purposes, the Corporation shall manage, raise, and disburse funds and donations for the benefit of the charitable, tax-exempt purposes of the Member and its Affiliates that qualify under Section 501(c)(3) and under Section 509(a)(1) or Section 509(a)(2) of the Code, as part of the integrated healthcare delivery system (the "System") under the control of the Member and the successors and assigns of the Member.

7. Board of Directors.

(a) Board Management and Composition. The activities, business, property, and affairs of the Corporation shall be managed by a board (the "Board") of not less than three (3) directors (each a "Director"), as may be further provided in the Corporation's bylaws.

(b) Initial Directors. The initial Board consists of the following three (3) Directors:

<u>Name</u>	<u>Address</u>
Benjamin Michael Mingle	1440 Garmon Ferry Rd. NW, Atlanta, GA 30327
Gregory Kent Grove	1075 W. Conway Dr. NW, Atlanta, GA 30327
Jeffrey Howard Liebman	4 Wallace Court, Watertown, MA 02129

8. Limitation on Liability of Directors. The personal liability of a Director to the Corporation or its Member for monetary damages for breach of duty as a Director shall be limited to the amount of compensation, if any, received by the Director for serving the Corporation during the year of the violation, so long as the breach was not of a sort for which such limitation of liability is not permitted by chapter 6 of title 7 of the General Laws of Rhode Island.

Nothing contained in this Section 8 shall be construed to deny a Director of the Corporation the benefit of chapter 6 of title 7 of the General Laws of Rhode Island, or of any other limitation of liability available to such Director under law. Any repeal or modification of this Section 8 shall not adversely affect any right or protection of a Director existing at the time of such repeal or modification.

9. Limitations. Notwithstanding any other provision of these Articles:

(a) No part of the net earnings of the Corporation shall inure to the benefit of or be distributable to the Corporation's Directors, officers, or other private persons unless allowed by Section 501(c)(3) of the Code and the General Laws of Rhode Island; provided, however, that the Corporation shall be authorized and empowered to pay reasonable compensation for services actually rendered, reimburse reasonable expenses actually incurred by any such persons, and make payments and distributions, to the extent reasonable and necessary, in furtherance of the purpose set forth in Section 6 above;

(b) No substantial part of the activities of the Corporation shall include the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate or intervene (including by the publication or distribution of statements) in any political campaign on behalf of or in opposition to any candidate for public office;

(c) Notwithstanding any other provisions of these Articles of the Corporation's bylaws, the Corporation shall only operate for charitable purposes and in furtherance of its supported organizations and the Corporation shall not conduct any activities, nor exercise any power, not permitted to be conducted by a corporation exempt from taxation under Section 501(a) of the Code as an organization described under Sections 501(c)(3) and 509(a)(3) of the Code, or by a corporation the contributions to which are deductible by a contributor under Section 170(c)(2), 2055(a)(2) or 2522(a)(2) of the Code; and

(d) In the event that the Internal Revenue Service ("IRS) determines that the Corporation is a private foundation within the meaning of Section 509(a) of the Code, the Corporation will not engage in any act of self-dealing as defined in Section 4941(d) of the

Code, retain any excess business holdings as defined in Section 4943(c) of the Code, make any investments in a manner as to subject the Corporation to tax under Section 4944 of the Code, or make any taxable expenditures as defined in Section 4945(d) of the Code. Additionally, if such a determination is made by the IRS, the Corporation will distribute its income for each tax year at a time and in a manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Code.

10. Indemnification. The Corporation shall indemnify and advance expenses to its Directors to the fullest extent permitted by law. Without limiting the foregoing, the Corporation shall indemnify its Directors against liability to any person for any action taken, or any failure to take any action, as a Director, except liability of a sort for which indemnification is not permitted by Section 7-6-6 of the General Laws of Rhode Island; provided, however, that the Corporation's duty to so indemnify shall extend to an indemnitee in connection with a proceeding initiated by such indemnitee only if such proceeding was authorized by the Board. In addition, the Corporation may indemnify and advance expenses to officers, employees, and agents of the Corporation who are not Directors to the same extent as Directors, and may further indemnify such officers, employees, and agents to the extent provided by the specific action of the Corporation and permitted by law. The Corporation may also procure insurance providing greater indemnification as provided by law.

11. Dissolution. The existence of the Corporation shall be perpetual unless sooner dissolved. If the Corporation is dissolved, all of its assets remaining for distribution after payment of obligations or provision for the same shall be distributed (subject to any restrictions imposed by any applicable will, trust, deed, agreement or other document) to the Member, provided that the Member is at that time an organization exempt from taxation as an organization described under Section 501(c)(3) of the Code, and elects to accept such assets. If the Member is not so exempt, if it is not in existence at that time, or if it is unable or unwilling to accept such assets, then all of the Corporation's remaining assets shall be distributed for use restricted to the purpose set forth in these Articles to one or more organizations organized and operated for religious, charitable, scientific, literary, educational or other purpose set forth in Section 501(c)(3) of the Code, in such proportions as the Board (or if the Board fails to act, a court of competent jurisdiction) may determine.

12. **Interpretation.** References in these Articles to Sections of the General Laws of Rhode Island shall be deemed to include amendments adopted from time to time to such Sections and shall further be deemed to include any successor Sections thereto, and references to a Section of the Code shall be construed to refer both to such Section and to the regulations promulgated thereunder, as they now exist or may hereafter be amended.

[Signatures on following page]

I hereby declare, under the penalties of false statement, that the statements made in the foregoing Articles are true.

Dated at Providence, Rhode Island this 5th day of December, 2022.



Carl I. Freedman, Incorporator
One Park Row, Suite 300
Providence, Rhode Island 02903

Acceptance of Appointment by Registered Agent:

CHACE RUTTENBERG & FREEDMAN LLP

By: 



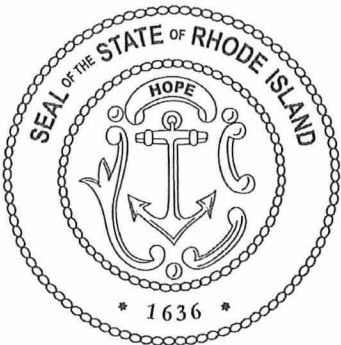
State of Rhode Island
Department of State | Office of the Secretary of State
Nellie M. Gorbea, *Secretary of State*

I, NELLIE M. GORBEA, Secretary of State of the State of Rhode Island,
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:

December 05, 2022 03:33 PM

A handwritten signature in black ink, appearing to read "Nellie M. Gorbea".

Nellie M. Gorbea
Secretary of State



CONFIDENTIAL

CharterCARE Health of Rhode Island Foundation Inc.
EIN: 92-1341158

EXHIBIT C

Bylaws

See attached.

BYLAWS
OF
CHARTERCARE HEALTH OF RHODE ISLAND FOUNDATION, INC.

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BYLAWS OF
CHARTERCARE HEALTH OF RHODE ISLAND FOUNDATION, INC.

ARTICLE I
Corporation

Section 1.1. **Name.** The name of the corporation is CharterCARE Health of Rhode Island Foundation, Inc. (the "Corporation").

Section 1.2. **Offices.** The Board shall have the powers to determine the location of the registered office, in accordance with applicable law, from time to time, and to designate the principal office of the Corporation and such additional offices as it shall determine in its discretion.

Section 1.3. **Definitions.** As used in the Governing Documents of the Corporation, the following words and phrases shall have the following meanings:

1.3.1. "**Act**" means the Rhode Island Nonprofit Corporation Act, as amended.

1.3.2. "**Affiliate Organization**" means any legal entity that is part of the System.

1.3.3. "**Articles**" means the Articles of Incorporation of the Corporation, as they may be amended or restated from time to time.

1.3.4. "**Board**" or "**Board of Directors**" means the Board of Directors of the Corporation.

1.3.5. "**Bylaws**" means by the Bylaws of the Corporation, as they may be amended or restated from time to time.

1.3.6. "**Code**" means the Internal Revenue Code of 1986, as amended.

1.3.7. "**Control**" or "**Controlled**" means:

(a) The authority, directly or indirectly, to appoint, elect, or approve at least a majority of the individual members, shareholders, partners, or equity owners of an organization; or

(b) The authority, directly or indirectly, to appoint, elect, or approve at least a majority of the governing body of an organization.

1.3.8. "**Corporate Limit**" means such dollar amount as may be established as the Corporate Limit by the Member from time to time.

1.3.9. "**Director**" means a member of the Corporation's Board of Directors.

1.3.10. "**Governing Documents**" means the Articles, these Bylaws, Board Policy documents, and other comparable documents adopted for the Corporation either by the Member, or by the Board with the approval of the Member.

1.3.11. "**Member**" means CharterCARE Health of Rhode Island, Inc., a charitable nonprofit corporation organized and existing under the laws of the State.

1.3.12. "**State**" means the State of Rhode Island.

1.3.13. "**Subsidiary Organization**" means any legal entity directly or indirectly controlled by the Corporation or a System entity.

1.3.14. "**System**" means the clinically integrated health care system comprised of the Member, the Corporation, all Subsidiary Organizations, and all Affiliate Organizations, including, but not limited to CharterCARE Our Lady of Fatima Hospital, and Roger Williams Medical Center.

1.3.15. "**System Policy**" or "**System Policies**" means all policies, procedures, technical manuals, and other written guidance established, adopted, or issued from time to time by the Member that is intended to apply to the System.

ARTICLE II

Purposes and Charitable Activities

Section 2.1. **Purposes.** The Corporation is organized and at all times shall be operated exclusively for the purposes identified in the Articles, which are incorporated herein in this **Section 2.1** by this reference.

Section 2.2. **Charitable Activities.** The Corporation shall engage in such activities that further the philosophy of the Member and the charitable purposes of the Corporation, including but not limited to the following:

2.2.1. To be an integral part of the System under the control of the Member and the successor and assigns of the Member.

2.2.2. To advance the charitable purposes of the organizations that are a part of the System and are exempt from federal income taxation under Code Section 501(c)(3), including, without limitation, the sponsorship of, or provision of assistance to or for the benefit of, System hospital buildings and health related facilities, System hospital and health care equipment, projects and programs to improve the patient care at System hospitals and facilities, and in connection with the activities of System hospitals and health care facilities, promote the general health of the public and encourage, support and promote each System hospitals' and health care facilities' education, training and research programs. Such assistance, encouragement and promotion would include financial and material assistance to any appropriate building or physical facility or equipment program and to any research and/or scientific development including, but not limited to, the maintenance and operation of any laboratory for lawful experimentation with animals for scientific research purposes.

2.2.3. To raise funds for any or all of the organizations that are a part of the System and are exempt from federal income taxation under Code Section 501(c)(3) from the public and from all other sources available; receive and maintain such funds and as

appropriate expend principal and income therefrom in support of or in furtherance of the charitable purposes of such organizations.

2.2.4. To acquire, own, use, lease as lessor or lessee, convey and otherwise deal in and with real and personal property and any interest therein, all in support and in furtherance of the charitable purposes of the organizations that are a part of the System and are exempt from federal income taxation under Code Section 501(c)(3).

2.2.5. To assist and engage in all activities which serve other charitable, educational, and/or scientific purposes, are permitted by the Act and may be carried on by an organization exempt from federal income taxation under Code Section 501(c)(3).

Section 2.3. Restrictions. The Corporation shall be prohibited from engaging in activities identified as Limitations in the Articles, which are incorporated herein in this Section 2.3 by this reference.

ARTICLE III **Membership**

Section 3.1. Member. The Corporation is a membership corporation. The sole corporate member of the Corporation is the Member.

Section 3.2. Reserved Powers of Member. The Member shall have such rights and powers as are provided for in the Articles, these Bylaws, and the laws of the State, including the following powers:

3.2.1. Approve the mission and vision statements for the Corporation, such mission and vision statements to be initially prepared by the Board;

3.2.2. Make and approve changes to the Articles or these Bylaws;

3.2.3. In consultation with/or recommendation of the Member, appoint or remove members of the Board, with or without cause;

3.2.4. In consultation with/or recommendation of the Member, appoint or remove the Chair of the Board, with or without cause;

3.2.5. In consultation with/or recommendation of the Member, appoint or remove the Executive Director, with or without cause;

3.2.6. Conduct annual performance assessment of the Board;

3.2.7. Approve the incurrence of debt by Corporation in accordance with System Policies;

3.2.8. Approve the sale, transfer, substantial change in use of all or substantially all of the assets of the Corporation and divestiture, dissolution, closure, merger,

consolidation, change in corporate membership or ownership, or corporate reorganization of the Corporation;

3.2.9. Approve the formation of a Subsidiary Organization of the Corporation; the sale, transfer or substantial change in use of all or substantially all of the assets of a Subsidiary Organization of the Corporation; or the divestiture, dissolution, closure, merger, consolidation or change in corporate membership or ownership of a Subsidiary Organization of the Corporation;

3.2.10. Approve the transfer or encumbrance of the assets of the Corporation in accordance with System Policies;

3.2.11. In consultation with/or recommendation of the Member approve the annual operating budget, capital plan, strategic plan, and business plan for the Corporation;

3.2.12. Approve any transactions of the Corporation having an individual cost greater than \$250,000 or an aggregate cost greater than \$500,000 which are not otherwise included in operating or capital budgets of the Corporation as approved by the Member or as amended, modified, or ratified from time to time by the Member; and

3.2.13. Approve any management agreement for the management of all or substantially all of the Corporation's operations.

Powers that are not reserved to the Member or otherwise delegated by the Board shall be exercised by the Board, subject to the limitations contained in the Articles, these Bylaws, and applicable law. Among such powers, the Board shall have authority to discuss, vote upon, and present any of the above matters to the Member for its approval.

Section 3.3. Appointment of Officers, Directors, Trustees, or Others to Act on Behalf of Member. The Member may appoint one (1) or more officers, or other designees, to act on its behalf in the capacity of Member of the Corporation.

Section 3.4. Member Meetings. Meetings of the Member shall be held at such time, date, and place, both within and outside of the State, and shall be conducted in accordance with the Member's Bylaws.

ARTICLE IV **Board of Directors**

Section 4.1. General Power and Duties. Subject to the authority, direction, and instructions of the Member, the business, property, affairs, and funds of the Corporation shall be managed, supervised, and controlled by its Board, which shall exercise all of the powers of the Corporation that are not reserved to the Member or otherwise delegated by the Board, subject to the limitations contained in the Articles, these Bylaws, and applicable law. The powers of the Board shall include, without limitation, the following:

4.1.1. Generally responsible for the overall direction and operation of Corporation in accordance with law and the Governing Documents of the Corporation, subject to powers reserved to the Member;

4.1.2. Implement policy established by the Member;

4.1.3. Consult with the Chief Executive Officer of the Member on the appointment, review, and removal of Corporation's Executive Director;

4.1.4. Oversee development of the organizational culture and management organization of the Corporation; and

4.1.5. Evaluate the performance of the Corporation in relation to established policies, goals and expectations of the Corporation.

Section 4.2. Specific Powers. Except as otherwise limited by the law and by the provisions of these Bylaws, including the limitations set forth in Section 4.3, the Corporation shall have, exercise, and enjoy, in furtherance only of the purposes hereinabove set forth, the following rights, privileges and powers to:

4.2.1. Solicit, receive, and accept gifts, devises, bequests, or grants of all kinds of property including but not limited to, money, bonds, stocks, real estate, and personal property, or the income therefrom, with full power of control and disposition of the same consistent with the purposes herein before set forth;

4.2.2. Receive and accept gifts, devises, or bequests of money and property of every nature and description, or the income therefrom, upon or in trust for patient health care, educational, research, or charitable purposes, and exercise all the powers given or granted by the donor or testator thereof, together with such other express or implied powers as may be vested in it by law;

4.2.3. Administer all property or funds received by this Corporation, together with the income therefrom, with full power of investment, disposition and control thereof, unless otherwise limited by the terms and conditions applicable to specific gifts, devises or bequests made to and accepted by the Corporation;

4.2.4. Appropriate and devote all property, funds and income received by the Corporation for the achievement of its purposes in the manner ordered and directed by resolution of the Board, except insofar as such discretion may be limited with respect to certain property, funds, or income by the terms and conditions imposed on the use thereof by the donor or testator thereof;

4.2.5. Create trusts and make gifts and grants from unrestricted property or funds at the disposal of the Corporation and fix the terms and conditions thereof;

4.2.6. Acquire, hold, own, lease, convey, and dispose of all kinds of property, including real estate, when and as the Board shall determine the purposes of the

Corporation shall be served thereby, except insofar as the use of such property is restricted by the terms and conditions imposed thereon by the donor or testator thereof; and

4.2.7. Petition or apply for any monetary or other assistance, in furtherance of the Corporation's purposes, from any donors, organizations, or trusts or from the Federal Government or its agencies, or from any of the governments of any of the States of the United States, or their agencies.

Section 4.3. Limitations. The authority of the Board to exercise the following powers is conditioned upon the approval of the Member and the Member may take action causing any of the following to occur and to be binding and effective with respect to the Corporation:

4.3.1. The creation of any Subsidiary or Affiliate of the Corporation;

4.3.2. Any capital expenditure in excess of the Corporate Limit;

4.3.3. Any agreement or transaction with another Subsidiary or Affiliate of the System;

4.3.4. Selection of officers;

4.3.5. The pledge, sale, or acquisition of Corporation assets (real or personal) in excess of the Corporate Limit;

4.3.6. Approval of any additions or changes to existing long-term or master institutional plans; and

4.3.7. Other matters as may be specified from time to time by the Member.

Section 4.4. Number, Identity, and Term of Office.

4.4.1. Number. The Board shall consist of such number of Directors, not fewer than three (3) and not more than nine (9), as shall from time to time be prescribed in a resolution of the Member. If the Member does not adopt or retain in force a resolution regarding the number of Directors, then the Board shall include three (3) Directors. The Board of Directors also may include one (1) or more *ex officio*, non-voting directors (each, an "*Ex Officio* Director"), as prescribed in a resolution of the Member.

4.4.2. Selection. The initial Directors shall consist of the those persons identified in the Articles. Thereafter, the Board, in consultation with the President, will provide recommendations for Directors to the Member. Replacement, election, or re-election of all Directors shall be determined by the Member.

4.4.3. Term. Each Director shall hold office until the annual meeting of the Member at which his or her term expires and at which his or her successor is duly elected and qualified or until his or her death, resignation, or removal from office, whichever comes first. The term of office for an *ex officio* Director, if any, shall continue

until the Corporation is notified that the individual no longer holds the position of by virtue of which he or she serves as an *Ex Officio* Director.

4.4.4. Term Limits. Unless otherwise determined by the Board of Directors, the number of terms, either consecutive or non-consecutive, which may be served by a director shall not be limited.

Section 4.5. Removal of Directors. The Member may remove any Director at any time, with or without cause. An *Ex Officio* Director, if any, may be removed from the Board either (a) through the modification or rescission of the resolution stating that the individual serving in the specified position shall serve *ex officio* on the Board; or (b) as a result of his or her removal from the position by virtue of which he or she had served *ex officio* on the Board.

Section 4.6. Resignations. Any Director may resign at any time by giving a written notice to the Chair or another officer of the Corporation. An *Ex Officio* Director, if any, may resign from the Board only by also resigning from the position by virtue of which he or she had served *ex officio* on the Board. Any resignation shall take effect at the time specified therein or, if not specified, upon receipt by an officer of the Corporation. Unless otherwise specified in the notice of resignation, the acceptance of such resignation shall not be necessary to make it effective.

Section 4.7. Vacancies. Any vacancy occurring in the Board by reason of an increase in the number of Directors or by the death, removal, or resignation of any Director shall be filled by the Member. Each Director so appointed to fill a vacancy shall hold office for the remainder of the term of his or her predecessor (if applicable), for such time as is specified by the Member at the time of his or her appointment (if any), and until his or her successor is duly elected and qualified or until his or her death, resignation, or removal from office, whichever comes first. A vacancy in the position of *Ex Officio* Director, if any, shall be filled through the appointment or election of a new individual to the position by virtue of which he or she shall serve *ex officio* on the Board of Directors.

Section 4.8. Compensation and Reimbursement. Any Director may receive compensation from the Corporation for services rendered to, or for expenses incurred in serving the Corporation as a Director, or in a capacity other than as a Director while conducting activities on behalf of the System.

ARTICLE V

Meetings of the Board of Directors

Section 5.1. Annual Meeting. There shall be an annual meeting of the Board of Directors for the purpose of electing officers and transacting such other business as may come before the meeting. The first regular meeting of the Board held subsequent to the annual meeting of the Member shall be designated as the annual meeting of the Board.

Section 5.2. Regular Meetings. In addition to the annual meeting, the Board shall hold regular meetings periodically, and at least quarterly (with the annual meeting counting as a regular meeting).

Section 5.3. Special Meetings. Special meetings of the Board may be called, at any time, by or at the request of the Member, the Chair, or the Board.

Section 5.4. Place of Meeting. Meetings of the Board shall be held at the principal place of business of the Corporation unless a different location, either within or without the State, is approved by the Board and specified or fixed in the call for a meeting or notice thereof.

Section 5.5. Notice of Meetings. Unless otherwise expressly required herein, no notice shall be required for any annual or regular meeting of the Board. For any special meeting, a written or printed notice stating the place, day, and hour of the meeting and the purpose or purposes for which such meeting is called shall be delivered or mailed by the Secretary or by the person or persons calling the meeting to each Director at such address as appears on the records of the Corporation not less than two (2) days before the date of the meeting, either personally, by mail, or by other electronic means capable of verification.

Section 5.6. Waiver of Notice. Notice of any meeting may be waived in writing by any Director, either before or after such meeting. Any meeting of the Board shall be a legal meeting without any notice thereof having been given if one all Directors shall be present thereat. Neither the business to be transacted at nor the purpose of any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting. Attendance at any meeting, except for the sole purpose of objecting to the holding of such meeting, shall constitute a waiver of notice of such meeting.

Section 5.7. Quorum. The presence of a majority of the total number of Directors then in office shall constitute a quorum for the transaction of business at any meeting of the Board.

Section 5.8. Manner of Acting. Except as otherwise provided by the Articles, by these Bylaws, or by law, the act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board.

Section 5.9. Order of Business at Meetings of the Board of Directors. The order of business at any meeting of the Board shall be determined by the Board, subject to the approval of the Member.

Section 5.10. Attendance by Telecommunications Device. Any or all of the members of the Board or a committee established by the Board may participate in a meeting of the Board or such committee, as applicable, by means of a conference telephone or similar communications equipment by which all persons participating in the meeting can communicate with each other simultaneously. Participation in this manner constitutes presence in person at the meeting.

Section 5.11. Action by Written Consent. Any action which is required to be taken, or which may be taken at a meeting of the Board or any committee thereof may be taken without a meeting if a consent in writing setting forth the action to be taken shall be signed by all of the Directors then in office or all members of such committee, as applicable. Such consent shall have the same force and effect as a unanimous vote of all of the Directors or committee members. Such writings shall be filed with the minutes of the proceedings of the Board or of any committee taking such action. Action taken pursuant to this Section 5.11 is effective when the last Director signs the consent unless the consent contains a prior or subsequent effective date.

ARTICLE VI

Officers

Section 6.1. Officers. The Board, subject to the approval of the Member, may select officers of the Corporation, which shall consist of a Chair, a Vice Chair, a Secretary, and a Treasurer, and also may include such other officers and assistant officers as the Board may designate by resolution. Any two (2) or more offices may be held by the same person; provided, however, that no single individual may simultaneously hold the offices of Chair and Secretary.

Section 6.2. Election and Term. Except as otherwise provided herein, each officer shall be elected by and from the Board at its annual meeting, or as soon thereafter as practicable. The term of office for each officer will be one (1) year, and each officer shall hold office until the next annual meeting of the Board and until his or her successor is duly elected and qualified or until his or her death, resignation, or removal from office, whichever comes first.

Section 6.3. Chair. The Chair shall preside at all meetings of the Board and shall perform all duties incident to the office of Chair of the Board of Directors and all other duties as may be prescribed by the Board from time to time.

Section 6.4. Vice Chair. In the absence of the Chair, or in the event of his or her inability or refusal to act, the Vice Chair shall perform the duties of the Chair, and when so acting, shall have all of the powers of, and be subject to all the restrictions upon the Chair. The Vice Chair shall also perform all duties incident to the office of Chair of the Board of Directors and all other duties as may be prescribed by the Board from time to time.

Section 6.5. Secretary. The Secretary shall keep the minutes of the meetings of the members and of the Board in one (1) or more books provided for that purpose; shall see that all notices are duly given in accordance with these Bylaws or as required by law; shall have general charge of the minute book and other corporate records (other than financial records); and shall, in general, perform all duties incident to the office of Secretary and such other duties as may be prescribed by the Board from time to time.

Section 6.6. Treasurer. The Treasurer shall be responsible for the care and custody of all monies and securities of the Corporation; shall be responsible for the keeping of full and accurate accounts of all the monies received by the Corporation and paid by the Corporation; and shall, in general, perform all duties incident to the office of Treasurer and such other duties as may be prescribed by the Board from time to time. The Treasurer may, but need not be, a Member of the Board.

Section 6.7. Other Officers and Assistant Officers. Each other officer and assistant officer, if any such officer or assistant officer is deemed necessary by the Board, with the consent of the Member, will perform such duties as may be prescribed from time to time by the Board; provided, however, that the Assistant Secretaries and Assistant Treasurers, if any, also will perform such duties as may be assigned to them by the Secretary and the Treasurer, respectively; provided, further, that an assistant officer may, but need not be, a member of the Board.

Section 6.8. Resignation. Any officer may resign at any time by giving written notice to the Board or, in the case of any officer other than the Chair, to the Chair. Any resignation shall

take effect at the time specified therein or, if no time is specified, upon receipt. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6.9. Removal. Any officer may be removed by the Board by a vote of a majority of the total number of Directors on the full Board, whenever in its judgment the best interests of the Corporation will be served thereby; provided, however, that such removal shall be without prejudice to the contractual rights, if any, of the person so removed.

Section 6.10. Vacancies. In the event of a vacancy in any office, the Board shall elect a replacement officer, and the person so elected shall hold office and serve for the unexpired term and until his or her successor is duly elected and qualified or until his or her death, resignation, or removal from office, whichever comes first.

Section 6.11. Compensation and Reimbursement. An officer shall not receive any compensation for his or her service as an officer; provided, however, that an officer may be reimbursed for reasonable expenses incurred on behalf of the Corporation and/or may serve the Corporation or one (1) or more of its Affiliates in another capacity and receive reasonable compensation therefor.

ARTICLE VII

Committees of the Board

Section 7.1. Standing Committees. The Board shall have the following standing committees: Executive Committee; and any other standing committees as determined by the Board. The Executive Committee shall consist of the officers of the Board and the President of the Corporation and have the power to transact all regular business of the Corporation during the period between meetings of the Board subject to any prior limitation imposed by the Board or applicable law.

Section 7.2. Special Committees. Special committees may be appointed by the Board for such purposes as circumstances may warrant. Every such committee shall limit its activity to the accomplishment of the purpose for which created and shall have no power to act except as is specifically conferred upon it by action of the Board. Upon completion of the duties for which any such committee was appointed, such committee shall stand discharged. The Chair of the Board shall appoint the members and a Chair of each special committee.

Section 7.3. General Conditions Governing Committees. Except as otherwise expressly stated in these Bylaws or in the resolution or charter establishing a committee, the following general conditions shall apply to all committees of the Corporation:

7.3.1. Appointment. Unless otherwise specified in these Bylaws, members of the standing committees and the Chairs thereof shall be appointed, in collaboration with the President of the Corporation, by the Chair of the Board. Vacancies in the membership of any committee may be filled by an appointment made by the chair of such committee, in collaboration with the President of the Corporation.

7.3.2. Term. The term of office of members of any committee shall commence immediately following the meeting at which they are appointed and shall continue until the

close of the next annual meeting or until successors are elected and assume their respective duties.

7.3.3. Attendance. Failure to attend a minimum of one-half (1/2) of the regular assigned committee meetings shall constitute a basis for removal or non-appointment to the committee.

7.3.4. Quorum; Manner of Acting. Each committee shall meet at the call of its chair at an hour and place to be stated in the call. A majority of the committee members shall constitute a quorum and the act of the majority of the committee members present at a meeting at which a quorum is present shall be the act of the committee.

7.3.5. Meetings by Telecommunications Device. Members of any committee appointed by the Board may participate in a meeting by means of conference telephone or similar communications equipment if all persons participating in the meeting can hear each other simultaneously. Participation in such meeting in such manner shall constitute presence in person.

7.3.6. Action by Written Consent. Any action required or permitted to be taken at a meeting of any committee may be taken without a meeting if all members of such committee, at the time in office, consent thereto in writing and the writing or writings are filed with the minutes of the proceedings of the committee. Action taken pursuant to this Section 7 is effective when the last committee member signs the consent unless the consent contains a prior or subsequent effective date.

7.3.7. Records. Each committee and subcommittee shall maintain a written record of its procedures and activities, including minutes of its meetings, and shall submit a written report of such procedures and activities at least annually to the Board.

7.3.8. Committee Evaluation. At the request of the Board or the Chair, a committee shall perform an evaluation of its activities including its support and furtherance of the mission of the Corporation. A report based upon such evaluation shall be submitted to the Board for review and consideration at its next regular or annual meeting.

7.3.9. Compensation and Reimbursement. Any member of a committee may receive compensation from the Corporation for services rendered to, or for expenses incurred in serving, the Corporation as a committee member of the Corporation, or in a capacity other than as a committee member of the Corporation while conducting activities on behalf of the System.

ARTICLE VIII **Operating Officers**

Section 8.1. Designation of Operating Officers. The operating officers of the Corporation shall be the Executive Director, Chief Financial Officer, and such senior managers as the Executive Director may recommend to the Board.

Section 8.2. **Appointment.** In consultation with the Board of Directors of the Member and the Board, the Chief Executive Officer of the Member shall appoint a qualified Executive Director and shall determine the conditions of his or her employment. The Chief Financial Officer of the Member shall serve as the Chief Financial Officer of the Corporation. In consultation with the Board and Chief Executive Officer of the Member, the remaining operating officers of the Corporation shall be appointed by the Executive Director. Each such officer is subject to removal, in consultation with the Board, by the Executive Director or Chief Executive Officer of the Corporation, with or without cause.

Section 8.3. **Executive Director.** The Executive Director shall be directly responsible for the management of the Corporation and may not serve as the Chair of the Board of Directors. Performance evaluations of the Executive Director shall be performed by the Chief Executive Officer of the Member in consultation with the Board of the Corporation and in accordance with System Policies. The Executive Director is accountable to the Board and to the Chief Executive Officer of the Member. The Executive Director shall serve as the representative of the Board for the purpose of communication between the organizations that are a part of the System, the Board, and its committees. The Executive Director, in keeping with sound principles of management and the Member's position description for the Executive Director, is responsible to:

8.3.1. Provide leadership in carrying out the philosophy and mission of the Member and the Corporation;

8.3.2. Provide leadership in strategic planning and organization;

8.3.3. Provide leadership in financial planning and budgeting;

8.3.4. Direct the operations of the Corporation in a manner consistent with the Member's position description for Executive Director, System Policies, and with the Member's philosophy, mission and values;

8.3.5. Direct and facilitate organizational communications; and

8.3.6. Provide leadership in evaluating the performance of the Corporation.

Section 8.4. **Chief Financial Officer.** The Chief Financial Officer will be responsible for managing the finances of the Corporation. The Chief Financial Officer shall have such duties as the Executive Director, in consultation with the Board and Chief Executive Officer of the Member, may establish from time to time.

ARTICLE IX **Indemnification**

Section 9.1. **Actions Other than by or in the Right of the Corporation.** The Corporation shall indemnify any member, director, officer, committee or council member, employee, or agent, who was or is a party, or is threatened to be made a party, to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (including the imposition of a tax under Section 4958(a)(2) of the Code, but excluding an action by or in the right of the Corporation) by reason of the fact that the person is or

was a member, director, officer, committee or council member, employee, or agent of the Corporation, or is or was serving at the request of the Corporation as a member, director, officer, committee or council member, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against expenses (including reasonable attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with such action, suit, or proceeding, provided the Corporation shall not be obligated to provide indemnification which would constitute excess benefit within the meaning of Code Section 4958. The indemnification shall apply only if the person acted in good faith and in a manner the person reasonably believed to be in, or not opposed to, the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. Termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner the person reasonably believed to be in, or not opposed to, the best interests of the Corporation or, with respect to any criminal action or proceeding, that the person had no reasonable cause to believe his or her conduct was unlawful.

Section 9.2. Actions by or in the Right of the Corporation. The Corporation shall indemnify any person who was or is a party or is threatened to be made a party, to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that the person is or was a member, director, officer, committee or council member, employee, or agent of the Corporation, or is or was serving at the request of the Corporation as a member, director, officer, committee or council member, employee, or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including reasonable attorneys' fees), actually and reasonably incurred by the person in connection with the defense or settlement of such action or suit, if the person acted in good faith and in a manner the person reasonably believed to be in, or not opposed to, the best interests of the Corporation, provided that no indemnification shall be made in respect of any claim, issue, or matter as to which the person shall have been adjudged to be liable for negligence or misconduct in the performance of his or her duty to the Corporation, unless, and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability, but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses as the court shall deem proper.

Section 9.3. Expenses. To the extent that a person who may be indemnified has been successful, on the merits or otherwise, in the defense of any action, suit or proceeding referred to in Section 9.1 or Section 9.2, or in the defense of any claim, issue or matter therein, the person shall be indemnified against expenses, including attorneys' fees, actually and reasonably incurred by him or her in connection with such action.

Section 9.4. Authorization of Indemnification. Any indemnification (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case, upon a determination that indemnification of the member, director, officer, committee or council member, employee, or agent is proper in the circumstances because the person acted in good faith and in a manner the person reasonably believed to be in, or not opposed to, the best interest of the Corporation. Such determination shall be made (a) by the Directors of the Corporation by a majority vote of a quorum consisting of Directors who were not parties to such action, suit, or

proceeding; or (b) if such a quorum is not obtainable, or even if obtainable, if a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion; or (c) by the Member.

Section 9.5. Payment of Expenses in Advance. Expenses incurred by a member, director, officer, committee or council member, employee, or agent in defending an action, suit, or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit, or proceeding as authorized by the Board in the specific case upon receipt of an undertaking by or on behalf of such member, director, officer, committee or council member, employee, or agent to repay such amount, unless it shall ultimately be determined that the person is entitled to be indemnified by the Corporation.

Section 9.6. Right not Exclusive. Indemnification under this Article IX shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any agreement, vote of the Member or other provision, both as to action in the person's official capacity and as to action in another capacity while holding such office, and shall, unless otherwise provided when authorized, continue as to a person who has ceased to be a member, director, officer, committee or council member, employee, or agent and shall inure to the benefit of the heirs, executors, and administrators of such a person.

Section 9.7. Insurance. The Corporation may purchase and maintain insurance on behalf of any person or entity referred to in the preceding Sections of this Article IX against any liability asserted against and incurred by the person in any such capacity, or arising out of the person's status as such, whether or not the Corporation would have the power to indemnify the person against such liability under the provisions of this Article IX.

ARTICLE X **Miscellaneous Provisions**

Section 10.1. Depositories. Except as otherwise provided herein, all funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as the Board or its duly authorized agent may designate.

Section 10.2. Checks, Drafts, Etc. All checks, drafts, or other orders for the payment of money issued in the name of the Corporation shall be signed by such officer or officers or person or persons, whether or not officers of the Corporation, in such manner as shall from time to time be determined by resolution of the Board.

Section 10.3. Deeds, Mortgages, Bonds, Contracts, and Other Instruments. Except as may be specifically limited by these Bylaws or by the Board, any deeds, mortgages, bonds and other contracts or instruments of the Corporation may be signed by any officer of the Corporation or by such other individuals as the Board may designate from time to time.

Section 10.4. Bonds. The Board may require any officer, agent, or employee to furnish bond for the faithful discharge of his or her duty and for the protection of the Corporation, in such sum and with such surety or sureties as the Board may deem advisable.

Section 10.5. Fiscal Year. The fiscal year of the Corporation shall begin on the first day of July and end on the last day of June of each year.

Section 10.6. Loans. The Corporation shall not lend money to or guarantee the obligations of any member, director, or officer of the Corporation. Any director who knowingly votes for or assents to the making of a loan to a director or officer of the Corporation, and any officer participating in the making of such loan, will be jointly and severally liable to the Corporation for the amount of such loan until the repayment thereof.

Section 10.7. Waiver of Notice. Whenever any notice whatever is required to be given by law, the Articles, or these Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before, at, or after the time stated therein, shall be deemed the equivalent to the giving of such notice.

ARTICLE XI


Amendments to Governing Documents and Effective Date

Section 11.1. Amendments. The power to make and approve changes to the Governing Documents of the Corporation shall be vested in (i) the Member; or (ii) the Board with the approval of the Member.

Section 11.2. Periodic Review. These Bylaws shall be reviewed at least once every two (2) years by the Member. The Board will review proposed amendments and provide recommendations to the Member.

Section 11.3. Effective Date. The Bylaws were adopted by the Member effective as of the 6th day of March, 2023.

**CHARTERCARE HEALTH OF RHODE ISLAND
FOUNDATION, INC.**

Signed:  _____

Printed: Gregory Grove

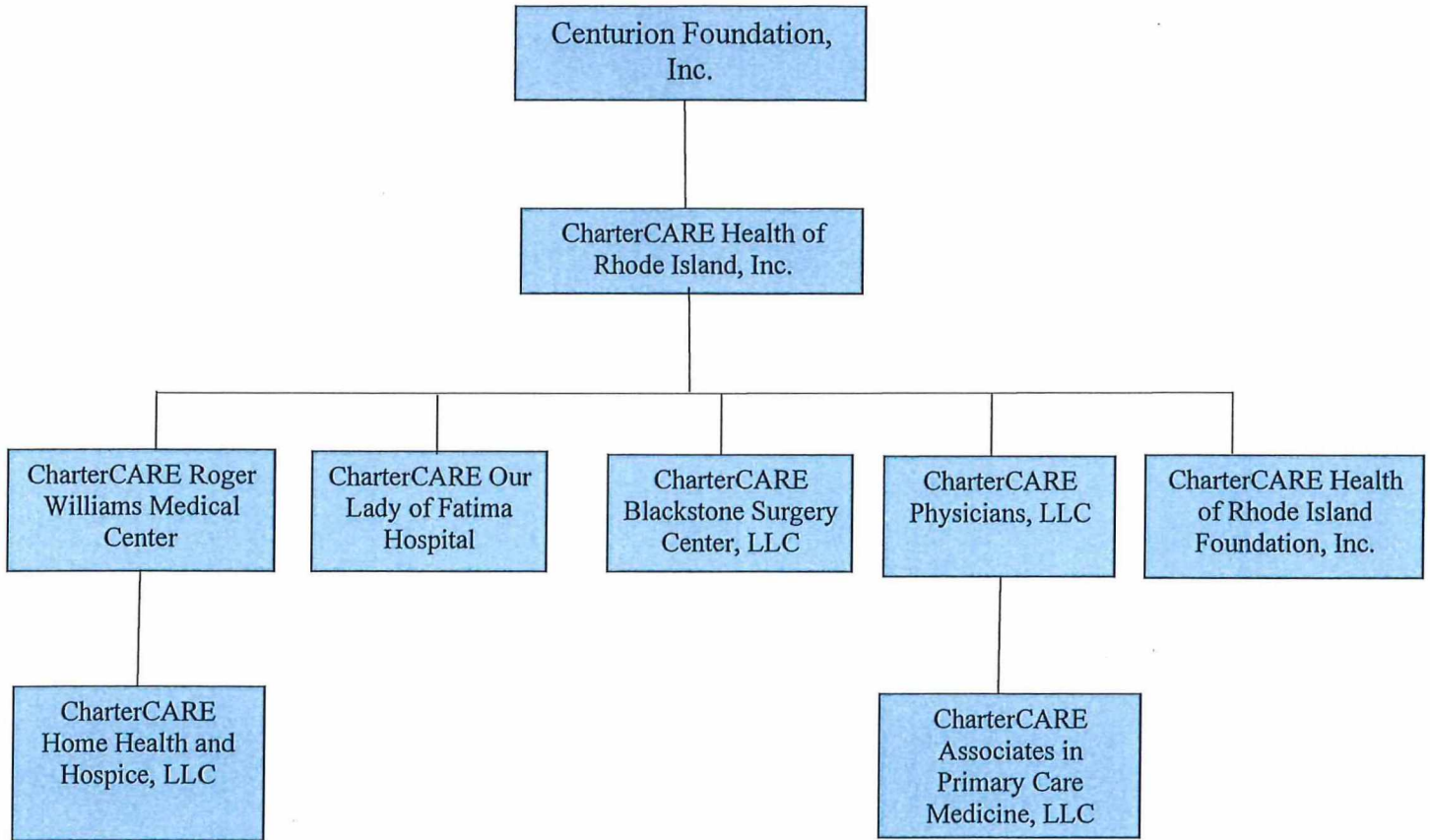
Title: Secretary

EXHIBIT D

Post-Transaction Organizational Chart

See attached.

Post-Transaction Organizational Chart



CONFIDENTIAL

EXHIBIT E

Statement of Projected Revenues and Expenses

See attached.

CONFIDENTIAL

CharterCare Foundation
Part V-A: Statement of Projected Revenues and Expenses

	Succeeding Years			
	Actual Year-Ended 6/30/2023	Year 1	Year 2	Year 3
1 Gifts, grants, and contributions received (do not include unusual grants)	\$ -	\$ 750,000	\$ 825,000	\$ 1,000,000
2 Membership fees received				
3 Gross investment income				
4 Net unrelated business income				
5 Taxes levied for your benefit				
6 Value of services or facilities furnished by a governmental unit without charge (not including the value of services generally furnished to the public without charge)				
7 Any revenue not otherwise listed above or in lines 9 - 12 below (provide an itemized list below)				
8 Total of lines 1 through 7	\$ -	\$ 750,000	\$ 825,000	\$ 1,000,000
9 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to your exempt purposes (provide an itemized list below)				\$ -
10 Total of lines 8 and 9	\$ -	\$ 750,000	\$ 825,000	\$ 1,000,000
11 Net gain or loss on sale of capital assets (provide an itemized list below)				
12 Unusual grants (provide an itemized list below)				
13 Total Revenue (add lines 10 through 12)	\$ -	\$ 750,000	\$ 825,000	\$ 1,000,000
14 Fundraising expenses	\$ -	\$ (250,000)	\$ (257,500)	\$ (265,225)
15 Contributions, gifts, grants, and similar amounts paid out (provide an itemized list below)			\$ (295,000)	\$ (356,350)
16 Disbursements to or for the benefit of members (provide an itemized list below)				
17 Compensation of officers, directors, and trustees				
18 Other salaries and wages	\$ -	\$ (130,000)	\$ (133,900)	\$ (137,917)
19 Interest expense				
20 Occupancy (rent, utilities, etc.)				
21 Depreciation and depletion				
22 Professional fees	\$ -	\$ (75,000)	\$ (77,250)	\$ (79,568)
23 Any expense not otherwise classified, such as program services (provide an itemized list below)				
24 Total Expenses (add lines 14 through 23)	\$ -	\$ (455,000)	\$ (763,650)	\$ (839,060)

Contributions, gifts, grants, and similar amounts paid out:

Contributions to Roger Williams Medical Center	\$ -	\$ -	\$ (158,036)	(190,901.79)
Contributions to Our Lady of Fatima	-	-	(136,964)	(165,448.21)
	\$ -	\$ -	\$ (295,000)	\$ (356,350)

EXHIBIT F

Signature for Part X

I declare under the penalties of perjury that I am authorized to sign this application on behalf of CharterCARE Health of Rhode Island Inc., and that I have examined this application, and to the best of my knowledge it is true, correct, and complete.

Dated this 19 day of December, 2023.



Benjamin Mingle, Director & Chair

**Application for Recognition of Exemption
Under Section 501(c)(3) of the Internal Revenue Code**

(Rev. January 2020)

Department of the Treasury
Internal Revenue Service

Do not enter social security numbers on this form as it may be made public.

Go to www.irs.gov/Form1023 for instructions and the latest information.

Note: *If exempt status is approved, this application will be open for public inspection.*

Use the "?" buttons throughout this form for help in completing this application. For additional help, call IRS Exempt Organizations Customer Account Services toll-free at 1-877-829-5500.

If you cannot complete required responses within the textbox limits throughout this form, upload your additional narratives with the other required documents.

Part I Identification of Applicant

1a Full Name of Organization (exactly as it appears in your organizing document) CHARTERCARE HEALTH OF RHODE ISLAND INC		b Care of Name (if applicable) BENJAMIN M MINGLE	
c Mailing Address (Number, street and room/suite) 825 CHALKSTONE AVENUE		d City PROVIDENCE	
e Country United States		f State Rhode Island	
g Zip Code + 4 02908		h Foreign Province (or State)	
i Foreign Postal Code		3 Month Tax Year Ends JUNE	
2 Employer Identification Number 92-1340740		4 Person to Contact if More Information is Needed (officer, director, trustee, or authorized representative) SEE SUPPLEMENTAL INFORMATION	
5 Contact Telephone Number 317-977-1409		6 Fax Number (optional) 317-633-4878	
7 User Fee Submitted \$600.00		8 Organization's Website (if available):	

9 List the names, titles, and mailing addresses of your officers, directors, and/or trustees.

First Name: BENJAMIN	Last Name: MINGLE	Title: DIRECTOR & CHAIR
Mailing Address: 3060 PEACHTREE ROAD NW SUITE 1030		City: ATLANTA
State (or Province): GA		Zip Code (or Foreign Postal Code): 30305
First Name: GREGORY	Last Name: GROVE	Title: DIRECTOR, VC, SEC/TREAS
Mailing Address: 3060 PEACHTREE ROAD NW SUITE 1030		City: ATLANTA
State (or Province): GA		Zip Code (or Foreign Postal Code): 30305
First Name: JEFFREY	Last Name: LIEBMAN	Title: DIRECTOR
Mailing Address: 3060 PEACHTREE ROAD NW SUITE 1030		City: ATLANTA
State (or Province): GA		Zip Code (or Foreign Postal Code): 30305
First Name:	Last Name:	Title:
Mailing Address:		City:
State (or Province):		Zip Code (or Foreign Postal Code):
First Name:	Last Name:	Title:
Mailing Address:		City:
State (or Province):		Zip Code (or Foreign Postal Code):

Check here to add more officers, directors, and/or trustees.

Part II Organizational Structure

1 You must be a corporation, limited liability company (LLC), unincorporated association, or trust to be tax exempt.

Select your type of organization.

Corporation

At the end of this form, you must upload a copy of your articles of incorporation (and any amendments) that shows proof of filing with the appropriate state agency.

Limited Liability Company (LLC)

At the end of this form, you must upload a copy of your articles of organization (and any amendments) that shows proof of filing with the appropriate state agency. Also, if you adopted an operating agreement, upload a copy, along with any amendments.

Unincorporated Association

At the end of this form, you must upload a copy of your articles of association, constitution, or other similar organizing document that is dated and includes at least two signatures. Include signed and dated copies of any amendments.

Trust

At the end of this form, you must upload a signed and dated copy of your trust agreement. Include signed and dated copies of any amendments.

2 Enter the date you formed. (MM/DD/YYYY)

12/05/2022

3 Select your state (or U.S. territory) of incorporation or other formation. If you were formed under the laws of a foreign country, select Foreign Country.

Rhode Island

4 Have you adopted bylaws? If "Yes," at the end of this form, upload a current copy showing the date of adoption. If "No," explain how you select your officers, directors, or trustees.

Yes No

5 Are you a successor to another organization?

Yes No

Answer "Yes" if you have taken or will take over the activities of another organization, you took over 25% or more of the fair market value of the net assets of another organization, or you were established upon the conversion of an organization from for-profit to nonprofit status. If "Yes," complete Schedule G.

Part III Required Provisions in Your Organizing Document

Part III helps ensure that, when you submit this application, your organizing document contains the required provisions to meet the organizational test under section 501(c)(3).

If you cannot check "Yes" in both Lines 1 and 2, your organizing document does not meet the organizational test. DO NOT file this application until you have amended your organizing document. Remember to upload your original and amended organizing documents at the end of this form.

- 1** Section 501(c)(3) requires that your organizing document limit your purposes to one or more exempt purposes within section 501(c)(3), such as charitable, religious, educational, and/or scientific purposes.

The following is an example of an acceptable purpose clause: The organization is organized exclusively for charitable, religious, educational, and scientific purposes under section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code.

Does your organizing document meet this requirement?

Yes No

- 1a** State specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document (Page/Article/Paragraph):

Page 2, Section 6, Paragraph (a)

- 2** Section 501(c)(3) requires that your organizing document provide that upon dissolution, your remaining assets be used exclusively for section 501(c)(3) exempt purposes, such as charitable, religious, educational, and/or scientific purposes. Depending on your entity type and the state in which you are formed, this requirement may be satisfied by operation of state law.

The following is an example of an acceptable dissolution clause: Upon the dissolution of this organization, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose.

Does your organizing document meet this requirement?

Yes No

- 2a** State specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document (Page/Article/Paragraph) or indicate that you rely on state law.

Page 4, Section 11

Part IV Your Activities

1 Describe completely and in detail your past, present, and planned activities. Do not refer to or repeat the purposes in your organizing document.

For each past, present, or planned activity, include information that answers the following questions:

- a. What is the activity?
- b. Who conducts the activity?
- c. Where is the activity conducted?
- d. What percentage of your total time is allocated to the activity?
- e. How is the activity funded (for example, donations, fees, etc.) and what percentage of your overall expenses is allocated to this activity?
- f. How does the activity further your exempt purposes?

As is more particularly described in the attached Supplemental Information for Form 1023 (the Supplemental Information), CharterCARE Health of Rhode Island, Inc. (the Applicant) is a newly formed Rhode Island nonprofit corporation that is organized and will be operated exclusively for charitable, scientific, and/or educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the Code). The Applicant has been created to serve as the parent organization of a new, integrated healthcare delivery network to be known as CharterCARE Health System (the Health System) that would result from the approval and consummation of the proposed Transaction (as further described in the Supplemental Information). The Applicant will operate the Health System in a nonprofit and charitable manner to serve the residents of Providence, Rhode Island and the surrounding communities (the Community). The primary activity of the Applicant shall be to engage in administrative and management functions that are typical for parent organizations of similar nonprofit, tax-exempt healthcare systems in order to best coordinate the activities of the organizations that comprise such complex organizations.

SEE SUPPLEMENTAL INFORMATION FOR ADDITIONAL DETAILS.

Part IV Your Activities (continued)

2 Enter the 3-character NTEE Code that best describes your activities.

E22

Or check here if you want the IRS to select the NTEE Code that best describes your activities.

3 Do any of your programs limit the provision of goods, services, or funds to a specific individual or group of specific individuals? For example, answer "Yes" if goods, services, or funds are provided only for a particular individual, your members, individuals who work for a particular employer, or graduates of a particular school. If "Yes," explain the limitation and how recipients are selected for each program.

Yes No

[Empty text box for question 3]

4 Do any individuals who receive goods, services, or funds through your programs have a family or business relationship with any officer, director, trustee, or with any of your highest compensated employees or highest compensated independent contractors? If "Yes," explain how these related individuals are eligible for goods, services, or funds.

Yes No

[Empty text box for question 4]

5 Do you or will you support or oppose candidates in political campaigns in any way? If "Yes," explain.

Yes No

[Empty text box for question 5]

6 Do you or will you attempt to influence legislation? If "Yes," explain how you attempt to influence legislation.

Yes No

At this time, the Applicant has no intention of engaging directly in any attempts to influence legislation. The Applicant does anticipate that it may become a member of one or more hospital associations or other Code Section 501 (c)(6) organizations that engage in a variety of activities on behalf of their members, including attempts to influence legislation. The Applicant will conform with all applicable requirements concerning such activity, such as by reporting on its Form 990, Return of Organization Exempt from Income Tax (Form 990). More significantly, the Applicant will ensure that any attempts to influence legislation, whether direct or indirect, do not comprise a substantial portion of its activities.

Part IV Your Activities (continued)

- 6a Did you or will you make an election to have your legislative activities measured by expenditures by filing Form 5768? Yes No
If "No," describe whether your attempts to influence legislation are a substantial part of your activities. Include the time and money spent on your attempts to influence legislation as compared to your total activities.

At this time, the Applicant does not intend to file Form 5768. As noted above, Applicant will not engage directly in legislative activities, and its only expenditures associated with such activities (if any) will be a portion of the dues the Applicant pays as a member of hospital associations or other Code Section 501 (c)(6) organizations that engage in legislative activities to serve the interests of their members. Such nominal expenditures will be insubstantial in comparison to Applicant's total activities.

- 7 Do you or will you publish, own, or have rights in music, literature, tapes, artworks, choreography, scientific discoveries, or other intellectual property? If "Yes," describe who owns or will own any copyrights, patents, or trademarks, whether fees are or will be charged, how the fees are determined, and how any items are or will be produced, distributed, and marketed. Yes No

- 8 Do you or will you provide educational information to the general public on budgeting, personal finance, financial literacy, saving and spending practices, the sound use of consumer credit, and/or assist individuals and families with financial problems such as credit card debt and foreclosure by providing them with counseling? If "Yes," explain. Yes No

- 9 Do you or will you make grants, loans, or other distributions to organizations? If "Yes," describe the type and purpose of the grants, loans, or distributions, how you select your recipients including submission requirements (such as grant proposals or application forms), and the criteria you use or will use to select recipients. Also describe how you ensure the grants, loans, and other distributions are or will be used for their intended purposes (including whether you require periodic or final reports on the use of funds and any procedures you have if you identify that funds are not being used for their intended purposes). Finally, describe the records you keep with respect to grants, loans, or other distributions you make and identify any recipient organizations and any relationships between you and the recipients. If "No," continue to Line 10. Yes No

Part IV Your Activities (continued)

9a Do you or will you make grants, loans, or other distributions to organizations that are not recognized by the IRS as tax exempt under section 501(c)(3)? If "Yes," name and/or describe the non-section 501(c)(3) organizations to whom you do or will make distributions and explain how these distributions further your exempt purposes. Yes No

9b Do you or will you make grants, loans, or other distributions to foreign organizations? If "Yes," name each foreign organization (if not already provided), the country and region within each country in which each foreign organization operates, any relationship you have with each foreign organization, and whether the foreign organization accepts contributions earmarked for a specific country or organization (if so, specify which countries or organizations). If "No," continue to Line 10. Yes No

9c Do your contributors know that you have ultimate authority to use contributions made to you at your discretion for purposes consistent with your exempt purposes? If "Yes," describe how you relay this information to contributors. Yes No

9d Do you or will you make pre-grant inquiries about the recipient organization? If "Yes," describe these inquiries, including whether you inquire about the recipient's financial status, its tax-exempt status under the Internal Revenue Code, its ability to accomplish the purpose for which the resources are provided, and other relevant information. Yes No

9e Do you or will you use any additional procedures to ensure that your distributions to foreign organizations are used in furtherance of your exempt purposes? If "Yes," describe these procedures, including periodic reporting requirements, auditing grantees, site visits by your employees or compliance checks by impartial experts, etc., to verify that grant funds are being used appropriately. Yes No

Part IV Your Activities (continued)

9f Do you share board members or other key personnel with the recipient organization(s)? If "Yes," identify the relationships. Yes No

9g When you make grants, loans, or other distributions to foreign organizations, will you check the OFAC List of Specially Designated Nationals and Blocked Persons for names of individuals and entities with whom you are dealing to determine if they are included on the list? Describe any other practices you will engage in to ensure that foreign expenditures or grants are not diverted to support terrorism or other non-charitable activities. Yes No

9h Will you comply with all United States statutes, executive orders, and regulations that restrict or prohibit U.S. persons from engaging in transactions and dealings with designated countries, entities, or individuals, or otherwise engaging in activities in violation of economic sanctions administered by OFAC? Yes No

9i Will you acquire from OFAC the appropriate license and registration where necessary? Yes No

10 Do you or will you operate in a foreign country or countries? If "Yes," name each foreign country and region within each country in which you do or will operate and describe your operations in each one. If "No," continue to Line 11. Yes No

10a When you conduct activities in foreign countries, will you check the OFAC List of Specially Designated Nationals and Blocked Persons for names of individuals and entities with whom you are dealing to determine if they are included on the list? Describe any other practices you will engage in to ensure that foreign expenditures or grants are not diverted to support terrorism or other non-charitable activities. Yes No

10b Will you comply with all United States statutes, executive orders, and regulations that restrict or prohibit U.S. persons from engaging in transactions and dealings with designated countries, entities, or individuals, or otherwise engaging in activities in violation of economic sanctions administered by OFAC? Yes No

10c Will you acquire from OFAC the appropriate license and registration where necessary? Yes No

Part IV Your Activities (continued)

11 Are you a sponsoring organization that maintains one or more donor advised funds? If yes, please provide a complete description of your program, including the specific advice that such donors may provide. Describe in detail the control you maintain (or will maintain) over the use of the funds. Yes No

12 Do you or will you operate a school? Yes No
If "Yes," complete Schedule B.

13 Is your principal purpose or function to provide hospital or medical care? Yes No
If "Yes," complete Schedule C.

14 Do you or will you provide low-income housing? Yes No
If "Yes," complete Schedule F.

15 Do you or will you provide scholarships, fellowships, educational loans, or other educational grants to individuals, including grants for travel, study, or other similar purposes? Yes No
If "Yes," complete Schedule H - Section I.

16 Check any of the following fundraising activities that you will undertake (check all that apply):

- Website, mail, email, personal, and/or phone solicitations
- Receive donations from another organization's website
- Bingo
- Other (describe)
- Foundation grant solicitations
- Government grant solicitations
- Other (non-bingo) gaming activities

We will not engage in fundraising activities.

17 Do you or will you engage in fundraising activities for other organizations? If "Yes," describe these arrangements, including the names or descriptions of the organizations for which you raise funds. Yes No

Part V Compensation and Other Financial Arrangements

1 Do you or will you compensate officers, directors, or trustees, or do or will you have highest compensated employees, or highest compensated independent contractors? If "No," continue to Line 2. Yes No

In establishing compensation for your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors:

1a Do or will the individuals that approve compensation arrangements follow a conflict of interest policy? Yes No

1b Do or will you approve compensation arrangements in advance of paying compensation? Yes No

1c Do or will you document in writing the date and terms of approved compensation arrangements? Yes No

1d Do or will you record in writing the decision made by each individual who decided or voted on compensation arrangements? Yes No

1e Do or will you approve compensation arrangements based on information about compensation paid by similarly situated taxable or tax-exempt organizations for similar services, current compensation surveys compiled by independent firms, or actual written offers from similarly situated organizations? Yes No

1f Do or will you record in writing both the information on which you relied to base your decision and its source? Yes No

1g Do or will you have any other practices you use to set reasonable compensation? If "Yes," describe these practices. Yes No

SEE SUPPLEMENTAL INFORMATION.

2 Have you adopted a conflict of interest policy consistent with the sample conflict of interest policy in Appendix A to the instructions? If you are a hospital, answer "Yes" if your conflict of interest policy includes provisions consistent with the additional healthcare related provisions in the sample document. If "No," describe the procedures you will follow to ensure that persons who have a conflict of interest will not have influence over setting their own compensation or regarding business deals with themselves. Yes No

[Empty text box for question 2]

3 Do you or will you compensate any of your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors through non-fixed payments, such as discretionary bonuses or revenue-based payments? If "Yes," describe all non-fixed compensation arrangements, including how the amounts are determined, who is eligible for such arrangements, whether you place a limitation on total compensation, and how you determine or will determine that you pay no more than reasonable compensation for services. Yes No

[Empty text box for question 3]

Part V Compensation and Other Financial Arrangements (continued)

- 4 Do you or will you purchase or sell any goods, services, or assets from or to: (i) any of your officers, directors, or trustees; (ii) any family of any of your officers, directors, or trustees; (iii) any organizations in which any of your officers, directors, or trustees are also officers, directors, or trustees, or in which any individual officer, director, or trustee owns more than a 35% interest; (iv) your highest compensated employees; or (v) your highest compensated independent contractors? If "Yes," describe any such transactions that you made or intend to make, with whom you make or will make such transactions, how the terms are or will be negotiated at arm's length, and how you determine you pay no more than fair market value or you are paid at least fair market value. Yes No

- 5 Do you or will you have any leases, contracts, loans, or other agreements with: (i) your officers, directors, or trustees; (ii) any family of any of your officers, directors, or trustees; (iii) any organizations in which any of your officers, directors, or trustees are also officers, directors, or trustees, or in which any individual officer, director, or trustee owns more than a 35% interest; (iv) your highest compensated employees; or (v) your highest compensated independent contractors? If "Yes," describe any written or oral arrangements that you made or intend to make, with whom you have or will have such arrangements, how the terms are or will be negotiated at arm's length, and how you determine you pay no more than fair market value or you are paid at least fair market value. Yes No

As noted above in Part IV, Line 1, the Applicant has been created to serve as the parent organization for the Health System. The Applicant will enter into various oral and written agreements with organizations that comprise the Health System that may have one or more trustees, directors, or officers who also serve as trustees, directors, or officers of the Applicant. Such arrangements are common within tax-exempt healthcare systems and will be reasonable for all participants in the arrangement.

- 6 Do you or will you contract with another organization to develop, build, market, or finance your facilities? If "Yes," describe each facility, the role of the other organization, and any business or family relationship between the organization and your officers, directors, or trustees. Explain how that entity is selected, how the terms of any contract(s) are negotiated at arm's length, and how you determine you will pay no more than fair market value for services. Yes No

Part V Compensation and Other Financial Arrangements (continued)

- 7 Does or will someone other than your own employees or volunteers manage your activities or facilities? Yes No
 If "Yes," describe the activities or facilities that will be managed by others, the names of the persons or organizations that manage or will manage your activities or facilities, and any business or family relationship between the organization and your officers, directors, or trustees. Explain how these managers were or will be selected, how the terms of any contracts or other agreements were or will be negotiated, and how you determine you will pay no more than fair market value for services.

- 8 Do you participate in any joint ventures, including partnerships or limited liability companies treated as partnerships, in which you share profits and losses with partners? If "Yes," state your ownership percentage in each joint venture, list your investment in each joint venture, describe the tax status of other participants in each joint venture (including whether they are section 501(c)(3) organizations), describe the activities of each joint venture, describe how you exercise control over the activities of each joint venture, and describe how each joint venture furthers your exempt purposes. Yes No

SEE SUPPLEMENTAL INFORMATION.

Part VI Financial Data

- 1 Select the option that best describes you to determine the years of revenues and expenses you need to provide.
- You completed less than one tax year.
Provide a total of three years of financial information (including the current year and two future years of reasonable and good faith projections of your future finances) in the following Statement of Revenues and Expenses.
 - You completed at least one tax year but fewer than five.
Provide a total of four years financial information (including the current year and three years of actual financial information or reasonable and good faith projections of your future finances) in the following Statement of Revenues and Expenses.
 - You completed five or more tax years.
Provide financial information for your five most recent tax years (including the current year) in the following Statement of Revenues and Expenses.

Part VI Financial Data (continued)

A. Statement of Revenues and Expenses

Type of revenue	Current tax year					4 prior tax years or 2 succeeding tax years				
	From: 07/01/2023		From: 07/01/2024		From: 07/01/2025		From: 07/01/2026		From: 12/05/2022	
	To: 06/30/2024		To: 06/30/2025		To: 06/30/2026		To: 06/30/2027		To: 06/30/2023	
1 Gifts, grants, and contributions received (do not include unusual grants)	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.
2 Membership fees received	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.
3 Gross investment income	\$0.	\$4,500,000.	\$4,500,000.	\$4,500,000.	\$4,500,000.	\$0.	\$0.	\$0.	\$0.	\$0.
4 Net unrelated business income	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.
5 Taxes levied for your benefit	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.
6 Value of services or facilities furnished by a governmental unit without charge (not including the value of services generally furnished to the public without charge)	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.
7 Any revenue not otherwise listed above or in lines 9 - 12 below (provide an itemized list below)	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.
8 Total of lines 1 through 7	\$0.	\$4,500,000.	\$4,500,000.	\$4,500,000.	\$4,500,000.	\$0.	\$0.	\$0.	\$0.	\$0.
9 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to your exempt purposes (provide an itemized list below)	\$0.	\$32,017,784.	\$33,988,764.	\$34,838,483.	\$34,838,483.	\$0.	\$0.	\$0.	\$0.	\$0.
10 Total of lines 8 and 9	\$0.	\$36,517,784.	\$38,488,764.	\$39,338,483.	\$39,338,483.	\$0.	\$0.	\$0.	\$0.	\$0.
11 Net gain or loss on sale of capital assets (provide an itemized list below)	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.
12 Unusual grants (provide an itemized list below)	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.
13 Total Revenue (add lines 10 through 12)	\$0.	\$36,517,784.	\$38,488,764.	\$39,338,483.	\$39,338,483.	\$0.	\$0.	\$0.	\$0.	\$0.
Type of expense	Current tax year					4 prior tax years or 2 succeeding tax years				
14 Fundraising expenses	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.
15 Contributions, gifts, grants, and similar amounts paid out (provide an itemized list below)	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.
16 Disbursements to or for the benefit of members (provide an itemized list below)	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.	\$0.
17 Compensation of officers, directors, and trustees	\$0.	\$3,761,569.	\$3,921,917.	\$4,000,355.	\$4,000,355.	\$0.	\$0.	\$0.	\$0.	\$0.
18 Other salaries and wages	\$0.	\$19,132,514.	\$20,132,373.	\$20,535,021.	\$20,535,021.	\$0.	\$0.	\$0.	\$0.	\$0.
19 Interest expense	\$0.	\$8,783,035.	\$11,476,793.	\$11,706,329.	\$11,706,329.	\$0.	\$0.	\$0.	\$0.	\$0.
20 Occupancy (rent, utilities, etc.)	\$0.	\$2,541,165.	\$2,549,078.	\$2,600,059.	\$2,600,059.	\$0.	\$0.	\$0.	\$0.	\$0.
21 Depreciation and depletion	\$0.	\$74,447.	\$78,201.	\$79,765.	\$79,765.	\$0.	\$0.	\$0.	\$0.	\$0.
22 Professional fees	\$0.	\$4,168,372.	\$560,243.	\$571,448.	\$571,448.	\$0.	\$0.	\$0.	\$0.	\$0.
23 Any expense not otherwise classified, such as program services (provide an itemized list below)	\$0.	\$16,320,794.	\$16,622,380.	\$16,954,828.	\$16,954,828.	\$0.	\$0.	\$0.	\$0.	\$0.
24 Total Expenses (add lines 14 through 23)	\$0.	\$54,781,896.	\$55,340,985.	\$56,447,805.	\$56,447,805.	\$0.	\$0.	\$0.	\$0.	\$0.

25 Itemized financial data

SEE SUPPLEMENTAL INFORMATION FOR ADDITIONAL DETAILS.

Part VI Financial Data (continued)

B. Balance Sheet (for your most recently completed tax year)		Year End: 06/30/2023
Assets		
1	Cash	\$0.
2	Accounts receivable, net	\$0.
3	Inventories	\$0.
4	Bonds and notes receivable (provide an itemized list below)	\$0.
5	Corporate stocks (provide an itemized list below)	\$0.
6	Loans receivable (provide an itemized list below)	\$0.
7	Other investments (provide an itemized list below)	\$0.
8	Depreciable assets (provide an itemized list below)	\$0.
9	Land	\$0.
10	Other assets (provide an itemized list below)	\$0.
11	Total Assets (add lines 1 through 10)	\$0.
Liabilities		
12	Accounts payable	\$0.
13	Contributions, gifts, grants, etc. payable	\$0.
14	Mortgages and notes payable (provide an itemized list below)	\$0.
15	Other liabilities (provide an itemized list below)	\$0.
16	Total Liabilities (add lines 12 through 15)	\$0.
Fund Balances or Net Assets		
17	Total fund balances or net assets	\$0.
18	Total Liabilities and Fund Balances or Net Assets (add lines 16 and 17)	\$0.

19 Itemized financial data

Part VII Foundation Classification

Part VII is designed to classify you as an organization that is either a private foundation or a public charity. Public charity classification is a more favorable tax status than private foundation classification. If you are a private foundation, this part will further determine whether you are a private operating foundation.

1 Select the foundation classification you are requesting from the list below.

- You are described in 509(a)(1) and 170(b)(1)(A)(vi) as an organization that receives a substantial part of its financial support in the form of contributions from publicly supported organizations, from a governmental unit, or from the general public.
- You are described in 509(a)(2) as an organization that normally receives not more than one-third of its financial support from gross investment income and receives more than one-third of its financial support from contributions, membership fees, and gross receipts from activities related to its exempt functions (subject to certain exceptions).
- You are described in 509(a)(1) and 170(b)(1)(A)(i) as a church or a convention or association of churches. Complete Schedule A.
- You are described in 509(a)(1) and 170(b)(1)(A)(ii) as a school. Complete Schedule B.
- You are described in 509(a)(1) and 170(b)(1)(A)(iii) as a hospital, a cooperative hospital service organization, or a medical research organization operated in conjunction with a hospital. Complete Schedule C.
- You are described in 509(a)(1) and 170(b)(1)(A)(iv) as an organization operated for the benefit of a college or university that is owned or operated by a governmental unit.
- You are described in 509(a)(1) and 170(b)(1)(A)(ix) as an agricultural research organization directly engaged in the continuous active conduct of agricultural research in conjunction with a college or university.
- You are described in 509(a)(3) as an organization supporting either one or more organizations described in 509(a)(1) or 509(a)(2) or a publicly supported section 501(c)(4), (5), or (6) organization. Complete Schedule D.
- You are described in 509(a)(4) as an organization organized and operated exclusively for testing for public safety.
- You are a publicly supported organization and would like the IRS to decide your correct classification.
- You are a private foundation.

1a As a private foundation, section 508(e) requires special provisions in your organizing document in addition to those that apply to all organizations described in section 501(c)(3). Check this box to confirm that your organizing document includes these provisions or you rely on state law.

State specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document (Page/Article/Paragraph) or state that you rely on state law.

1b Do you or will you provide scholarships, fellowships, educational loans, or other educational grants to individuals, including grants for travel, study, or other similar purposes? Yes No
If "Yes," complete Schedule H - Section II.

1c Are you a private operating foundation? Yes No

To be a private operating foundation you must engage directly in the active conduct of charitable, religious, educational, and similar activities, as opposed to indirectly carrying out these activities by providing grants to individuals or other organizations.

Part VII Foundation Classification (continued)

1d Describe how you meet the requirements for private operating foundation status, including how you meet the income test and either the assets test, the endowment test, or the support test. If you've been in existence for less than one year, describe how you are likely to satisfy the requirements for private operating foundation status.

2 If you have been in existence more than 5 years, you must confirm your public support status. To confirm your qualification as a public charity described in 509(a)(1) and 170(b)(1)(A)(vi) in existence for five or more tax years, you must have received one-third or more of your total support from governmental agencies, contributions from the general public, and contributions or grants from other public charities; or 10% or more of your total support from governmental agencies, contributions from the general public, and contributions or grants from other public charities and the facts and circumstances indicate you are a publicly supported organization. Calculate whether you meet this support test for your most recent five-year period.

i. Did you receive contributions from any person, company, or organization whose gifts totaled more than the 2% amount of line 8 in Part VI-A? Yes No

If "Yes," identify each person, company, or organization by letter (A, B, C, etc.) and indicate the amount contributed by each. Keep a list showing the name of and amount contributed by each of these donors for your records.

ii. Based on your calculations, did you receive at least one-third of your support from public sources or did you normally receive at least 10 percent of your support from public sources and you have other characteristics of a publicly supported organization? Yes No

2a If you have been in existence more than 5 years, you must confirm your public support status. To confirm your qualification as a public charity described in 509(a)(2) in existence for five or more tax years, you must have normally received more than one-third of your support from contributions, membership fees, and gross receipts from activities related to your exempt functions, or a combination of these sources, and not more than one-third of your support from gross investment income and net unrelated business income. Calculate whether you meet this support test for your most recent five-year period.

i. Did you receive amounts from any disqualified persons? Yes No

If "Yes," identify each disqualified person by letter (A, B, C, etc.) and indicate the amount contributed by each. Keep a list showing the name of and amount contributed by each of these donors for your records.

ii. Did you receive amounts from individuals or organizations other than disqualified persons that exceeded the greater of \$5,000 or 1% of the amount on line 10 of Part VI-A Statement of Revenues and Expenses? Yes No

If "Yes," identify each individual or organization by letter (A, B, C, etc.) and indicate the amount contributed by each. Keep a list showing the name of and amount contributed by each of these donors for your records.

iii. Based on your calculations, did you normally receive more than one-third of your support from a combination of gifts, grants, contributions, membership fees, and gross receipts (from permitted sources) from activities related to your exempt functions and normally receive not more than one-third of your support from investment income and unrelated business taxable income? Yes No

Part VIII Effective Date

In general, a determination letter recognizing exemption of an organization described in section 501(c)(3) is effective as of the date of formation of an organization if: (1) its purposes and activities prior to the date of the determination letter have been consistent with the requirements for exemption; and (2) it has filed an application for recognition of exemption within 27 months from the end of the month in which it was organized.

1 Are you submitting this application within 27 months of the end of the month in which you were legally formed? Yes No

If "No," complete Schedule E.

Part IX Annual Filing Requirements

If you fail to file a required information return or notice for three consecutive years, your exempt status will be automatically revoked.

1 Certain organizations are not required to file annual information returns or notices (Form 990, Form 990-EZ, or Form 990-N, e-Postcard). If you are granted tax-exemption, are you claiming to be excused from filing Form 990, Form 990-EZ, or Form 990-N? Yes No

If "Yes," are you claiming you are excepted from filing because you are:

- A church or association of churches
- An integrated auxiliary (such as a men's or women's organization, religious school, mission society, or religious group)
- A church-affiliated organization (other than a section 509(a)(3) organization) that is exclusively engaged in managing funds or maintaining retirement programs and is described in Revenue Procedure 96-10, 1996-1 C.B. 577
- A school below college level affiliated with a church or operated by a religious order
- A mission society (other than a section 509(a)(3) supporting organization) sponsored by, or affiliated with, one or more churches or church denominations, if more than half of the society's activities are conducted in, or directed at, persons in foreign countries
- An affiliate of a governmental unit that meets the requirements of Revenue Procedure 95-48, 1995-2 C.B. 418 (other than a section 509(a)(3) supporting organization)
- Other (describe)

Part X Signature

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization and that I have examined this application, and to the best of my knowledge it is true, correct, and complete.

Benjamin Mingle

 (Type name of signer)

DIRECTOR & CHAIR

 (Type title or authority of signer)

12/18/2023

 (Date)

~~CONFIDENTIAL~~**Upload checklist:**

- Organizing document (and any amendments)
- Bylaws, if adopted
- Form 2848, Power of Attorney and Declaration of Representative (if applicable)
- Form 8821, Tax Information Authorization (if applicable)
- Supplemental responses (if applicable)
- Expedited handling request (if applicable)

Schedule D. Section 509(a)(3) Supporting Organizations

1 List the names, addresses, and EINs of the organizations you support.

SEE SUPPLEMENTAL INFORMATION.

2 Are all your supported organizations public charities under section 509(a)(1) or (2)? If "Yes," continue to Line 3. Yes No

2a Are your supported organizations tax exempt under section 501(c)(4), 501(c)(5), or 501(c)(6) and do your supported organizations meet the public support test under section 509(a)(2)? If "No," explain how each organization you support is a public charity under section 509(a)(1) or 509(a)(2). Yes No

SEE SUPPLEMENTAL INFORMATION.

3 Which of the following describes your relationship with your supported organization(s)?

- A majority of your governing board or officers are elected or appointed by your supported organization(s). (Type I supporting organization)
- Your control or management is vested in the same persons who control or manage your supported organization(s). (Type II supporting organization)

One or more of your officers, directors, or trustees are elected or appointed by the officers, directors, trustees, or membership of your supported organization(s), or one or more of your officers, directors, trustees, or other important office holders, are also members of the governing body of your supported organization(s), or your officers, directors, or trustees maintain a close and continuous working relationship with the officers, directors, or trustees of your supported organization(s). (Type III supporting organization)

4 Describe how your governing board and officers are selected. If you are a Type III organization, also describe how your officers, directors, or trustees maintain a close and continuous working relationship with the officers, directors, or trustees of your supported organization(s).

SEE SUPPLEMENTAL INFORMATION.

Schedule D. Section 509(a)(3) Supporting Organizations (continued)

- 5 Do any persons who are disqualified persons (except individuals who are disqualified persons only because they are foundation managers) with respect to you or persons who have a family or business relationship with any disqualified persons appoint any of your foundation managers? If "Yes," (1) describe the process by which disqualified persons appoint any of your foundation managers, (2) provide the names of these disqualified persons and the foundation managers they appoint, and (3) explain how control is vested over your operations (including assets and activities) by persons other than disqualified persons. Yes No

- 6 Do any persons who are disqualified persons (except individuals who are disqualified persons only because they are foundation managers) have any influence regarding your operations, including your assets or activities? If "Yes," (1) provide the names of these disqualified persons, (2) explain how influence is exerted over your operations (including assets and activities), and (3) explain how control is vested over your operations (including assets and activities) by individuals other than disqualified persons. Yes No

- 7 Does your organizing document specify your supported organization(s) by name? Yes No
 If "Yes" and you selected Type I above, continue to Line 8.
 If "Yes," and you selected Type II, do not complete the rest of Schedule D.
 If "No" and you selected Type III above, amend your organizing document to specify your supported organization(s) by name or you will not meet the organizational test and need to reconsider your requested public charity classification; then continue to Line 8.

- 7a Does your organizing document name a similar purpose or charitable class of beneficiaries as to your supported organization(s)? If "No," amend your organizing document to specify your supported organization(s) by name, purpose, or class or you will not meet the organizational test and need to reconsider your requested public charity classification. Yes No

If you selected Type II above, do not complete the rest of Schedule D.

- 8 Do you or will you receive contributions from any person who alone, or combined with family members or an entity at least 35% controlled by that person, controls any of your supported organizations, or will you receive contributions from any family member of, or an entity at least 35% controlled by, any person who controls any of your supported organizations? If "Yes," explain. Yes No

If you selected Type I above, do not complete the rest of Schedule D.

Schedule D. Section 509(a)(3) Supporting Organizations *(continued)*

- 9 Do the officers, directors, or trustees of your supported organization have a significant voice in your investment policies, the timing and making of grants, the selection of grant recipients, and in otherwise directing the use of your income or assets? If "Yes," explain. Yes No

- 10 In each taxable year, do you or will you provide each of your supported organizations with (a) a written notice addressed to a principal officer of the supported organization describing the type and amount of all of the support you provided to the supported organization during the immediately preceding taxable year, (b) a copy of your most recently filed Form 990-series return or notice, and (c) a copy of your governing documents? If 'No,' explain. Yes No

- 11 Do you exercise a substantial degree of direction over the policies, programs, and activities of your supported organization(s) and appoint or elect (directly or indirectly) a majority of the officers, directors, or trustees of your supported organization(s)? If "Yes," explain. Yes No

- 12 Do substantially all of your activities directly further the exempt purposes of one or more supported organizations to which you are responsive by performing the functions of, or carrying out the purposes of, such supported organization(s) and but for your involvement would normally be engaged in by such supported organization(s). If "Yes," explain and do not complete the rest of Schedule D. Yes No

Schedule D. Section 509(a)(3) Supporting Organizations *(continued)*

13 Do you distribute at least 85% of your annual net income or 3.5% of the aggregate fair market value of all of your non-exempt-use assets (whichever is greater) to your supported organization(s)? If "No," explain. Yes No

13a How much do you contribute annually to each supported organization?

13b What is the total annual revenue of each supported organization?

13c Do you or the supported organization(s) earmark your funds for support of a particular program or activity? If "Yes," explain. Yes No

Supplemental Information for Form 1023**Part I, Line 4.**

If additional information is needed, the Service should contact the Applicant's Authorized Representatives, James R. Willey and Kelci R. Laster. A Form 2848, Power of Attorney and Declaration of Representative, for Mr. Willey and Ms. Laster is attached as **Exhibit A.**

Part II, Line 1.

Articles of Incorporation, with proof of filing, attached as **Exhibit B.**

Part II, Line 2.

Bylaws, as adopted March 6, 2023, attached as **Exhibit C.**

Part IV, Line 1.

(continued from Form 1023)

Background.

In 2009, Roger Williams Medical Center ("RWMC")¹ and Our Lady of Fatima Hospital ("OLFH")² agreed to affiliate through the creation of CharterCARE Health Partners ("CCHP"). RWMC and OLFH each shared a long, proud history of providing charity care to the poor and vulnerable residents of the Community and believe that the creation of CCHP as the parent organization of their combined hospital systems would allow them to better serve the needs of the residents of the Community.

RWMC was founded in 1878 as a community owned and governed hospital known as the Homeopathic Hospital of Rhode Island. Since 1922, RWMC has been located in the Smith Hill neighborhood of Providence, which is one of the city's oldest neighborhoods. OLFH's history in the Community dates back to 1892 when the Roman Catholic Diocese of Providence (the "Diocese") opened St. Joseph Hospital. OLFH was opened by the Diocese in North Providence in 1954. In 1970, the Diocese merged OLFH and St. Joseph Hospital and consolidated their operations on OLFH's North Providence campus.

Despite the affiliation between RWMC and OLFH, CCHP continued to face increasing financial and operational challenges that threatened the future of both hospitals. In 2014, CCHP sold substantially all of the assets used in the operation of RWMC, OLFH, and

¹ RWMC was at the time an independent, nonprofit, tax-exempt community hospital located in Providence, Rhode Island.

² OLFH was at the time a nonprofit, tax-exempt hospital sponsored by the Diocese of Providence located in North Providence, Rhode Island.

their respective affiliates (collectively, the "CharterCARE Assets") to Prospect Medical Holdings, Inc., a for-profit healthcare system based in California ("Prospect"), and thereafter Prospect began to operate RWMC, OLFH, and their respective affiliates in a for-profit manner.

At all times prior to the sale of the CharterCARE Assets to Prospect, RWMC and OLFH were organized and operated exclusively for charitable, educational, scientific, and/or religious purposes within the meaning of Section 501(c)(3) of the Code (or its predecessors). While RWMC and OLFH are no longer organized as non-profit hospitals under state law, they each continue to play a vitally important role in the Community because of their designation as safety net hospitals by the Rhode Island Attorney General and Department of Health (collectively, the "State Officials").

On November 18, 2022, The Centurion Foundation, Inc. (the "Foundation"), which is a Georgia nonprofit corporation that has been recognized by the Internal Revenue Service (the "IRS") as exempt from federal income tax under Code Section 501(c)(3), entered into an agreement to acquire the CharterCARE Assets from Prospect (the "Transaction"). The Transaction is subject to approval by State Officials. Applications for approval of the Transaction were submitted to State Officials on November 14, 2023 and such applications were accepted by State Officials on December 14, 2023. By statute (R.I. Gen Laws § 23-177.14-3, State Officials have one hundred twenty (120) calendar days to approve or reject the Transaction (*i.e.*, April 12, 2024). If the Transaction is approved by State Officials, the Applicant anticipates that the Transaction would likely close on or before September 30, 2024.

Charitable Purposes and Activities.

The purpose of the Transaction is for the Applicant, through the various legal entities that will comprise the Health System (collectively, the "Health System Entities"), to acquire the CharterCARE Assets in order to create a new Health System that will be operated in a nonprofit and charitable manner to serve the residents of the Community. The proposed Post-Transaction Organizational Chart of the Health System is attached as **Exhibit D**.

The Applicant will serve as the parent organization of the Health System. The Health System will provide a broad array of inpatient and outpatient services through Applicant's control and operation of the following Health System Entities:

1. **CharterCARE Roger Williams Medical Center**, a newly-created Rhode Island nonprofit corporation that is organized and will be operated exclusively for purposes that are charitable, educational, and/or scientific within the meaning of Code Section 501(c)(3) by virtue of its ownership and operation of RWMC, which currently is a 220-licensed bed acute care, community hospital located in Providence, Rhode Island that also serves as an academic medical center affiliated with Boston University School of Medicine;

2. **CharterCARE Our Lady of Fatima Hospital**, a newly-created Rhode Island nonprofit corporation that is organized and will be operated exclusively for purposes that are charitable, educational, and/or scientific within the meaning of Code Section 501(c)(3) by virtue of its ownership and operation of OLFH, which currently is a 278-licensed bed acute care, community hospital located in North Providence, Rhode Island, and in a manner consistent with its history of sponsorship by the Catholic Church;
3. **CharterCARE Blackstone Surgery Center, LLC**, a newly-created Rhode Island limited liability company created for the primary purpose of operating an outpatient surgery center located in Johnston, Rhode Island to or for the benefit of patients of the Hospitals and other members of the Community;
4. **CharterCARE Physicians, LLC**, a newly-created Rhode Island limited liability company created for the primary purpose of employing multi-specialty physicians and other health care practitioners to provide medical services to or for the benefit of patients of the Hospitals and other members of the Community;
5. **CharterCARE Home Health and Hospice, LLC**, a newly-created Rhode Island limited liability company created for the primary purpose of providing hospital-based, in-home visiting nurse services to or for the benefit of patients of the Hospitals and other members of the Community; and
6. **CharterCARE Health of Rhode Island Foundation, Inc.**, a newly-created Rhode Island nonprofit corporation that is organized and will be operated exclusively for purposes that are charitable, educational, and/or scientific within the meaning of Code Section 501(c)(3) by raising funds and providing assistance to the Health System Hospitals and other Health System Entities that are described under Code Section 501(c)(3) and are classified as public charities under Code Sections 509(a)(1) or 509(a)(2) (the "CharterCARE Foundation").

The Applicant will be operated for the benefit of, to perform the functions of, or to carry out the purposes of RWMC and OLFH (collectively, the "Health System Hospitals") and any other Health System Entities that are exempt from federal income tax under Code Section 501(c)(3) and are classified as public charities under Code Sections 509(a)(1) or 509(a)(2) and, on that basis, will be a supporting organization of such supported organizations within the meaning of Code Section 509(a)(3).

The provision of services by the Applicant will in all respects be consistent with the requirements under Code Section 501(c)(3) for health-related organizations. The Applicant will ensure that it and all Health System Entities that are tax-exempt are, and continue to be, operated in a manner consistent with the community benefit standard set forth in Revenue Ruling 69-545. The Applicant will also ensure that the Health System Hospitals fully comply with Code Section 501(r). This includes requiring that the Health System Hospitals: (a) adopt and consistently follow a financial assistance policy; (b) follow appropriate and compliant billing and collection processes; (c) do not charge patients who

are eligible for financial assistance more than insured patients; and (d) do not improperly engage in any extraordinary collection activities. Additionally, the Applicant will ensure that the Health System Hospitals timely complete community health needs assessments and adopt implementation strategies that will guide the Health System in addressing health care needs in the Community. Through these and other measures, the Applicant will operate the Health System Hospitals exclusively to promote charitable and other Code Section 501(c)(3) purposes. Moreover, by providing administrative and management services for the Health System Hospitals, the Applicant will engage in activities that comprise an "integral part" of the operations of the Health System Hospitals. In all of these ways, the Applicant will advance the charitable mission that it shares with the Health System Hospitals and other tax-exempt Health System Entities by ensuring that a continuum of high-quality and cost-effective health care services are available for the Community.

Part V, Line 1g.

With respect to any employees who are or will become disqualified persons, the Applicant will follow a process consistent with the requirements for the rebuttable presumption of reasonableness under the Treasury Regulations in establishing compensation for employees and independent contractors. The amounts the Applicant pays for such employees will be reasonable because all Health System Entities are committed to paying compensation that does not exceed the thresholds for reasonableness, which they accomplish by following compensation surveys and by following a process consistent with the requirements for the rebuttable presumption, where necessary, and the Applicant will pay only actual costs (*i.e.*, reimbursing the affiliate for wages and the value of benefits) for the employees it leases.

Part VI-A, Line 25.

Applicant has included financial information for the most recently completed tax year (*i.e.*, 12/05/2022 – 06/30-2023). Projections of Applicant's likely income and expenses for the current tax year (*i.e.*, 07/01/2023 – 06/30/2024) and three (3) succeeding tax years (*i.e.*, 07/01/2023 – 06/30/2024, 07/01/2024 – 06/30/2025, and 07/01/2025 – 06/30/2026) are based upon (a) an assumption that approval and closing of the Transaction will occur on or about September 30, 2024, and (b) a reasonable and good faith estimate of Applicant's future finances during the (3) tax years following the closing of the Transaction. Figures for the tax year ending 06/30/2025 have been annualized for year-over-year comparison purposes. An itemized list of "[A]ny expenses not otherwise classified, such as program services" reported on Part VI-A, Line 23 is attached as **Exhibit E.**

Part VI-B, Line 19.

Applicant had no assets or liabilities for the most recently completed tax year (*i.e.*, 12/05/2022 - 06/30/2023) and will likely have no assets or liabilities at the end of the current tax year (*i.e.*, 07/01/2023 - 06/30/2024). Applicant is not expected to have any assets or liabilities until such time as the Transaction is approved by State Officials and the Transaction closes.

Part X.

Consistent with the IRS guidance concerning signature on an electronically submitted Form 1023, as issued May 5, 2020, a separate signature page including all information from Part X of the Form 1023 is attached as **Exhibit F**.

Schedule D, Line 1.

The following is a list of the names, addresses, and EINs of the Applicant's supported organizations (which are referred to above collectively as the Health System Hospitals):

<u>Name</u>	<u>Address</u>	<u>EIN</u>
CharterCARE Roger Williams Medical Center	825 Chalkstone Avenue Providence, Rhode Island 02908	92-1361532
CharterCARE Our Lady of Fatima Hospital	200 High Service Avenue North Providence, Rhode Island 02904	92-1354378

Schedule D, Line 4.

The sole corporate member of the Applicant is the Centurion Foundation, Inc. (the "Foundation"). The Foundation is a Georgia nonprofit corporation that has been recognized by the Internal Revenue Service as exempt from federal income taxation under Code Section 501(c)(3).

The Applicant's Board of Directors is appointed by the Foundation. The Applicant's Board of Directors in turn appoints the Board of Directors of the Health System Hospitals.

The Applicant is supervised and controlled in connection with the Health System Hospitals, which are Code Section 509(a)(1) public charities that the Applicant supports, and therefore is a type II supporting organization. Section 1.509(a)-4(h)(1) of the Treasury Regulations (the "Regulations") provides as follows:

In order for a supporting organization to be "supervised or controlled in connection with" one or more publicly supported organizations, there must be common supervision or control by the persons supervising or controlling both the supporting organization and the publicly supported organizations to ensure that the supporting organization will be responsive to the needs

and requirements of the publicly supported organizations. Therefore, in order to meet such requirement, the control and management of the supporting organization must be vested in the same persons that control or manage the publicly supported organizations.

These requirements are satisfied by the Applicant, which is controlled by its Board of Directors. That same Board of Directors have control over the Health System Hospitals by virtue of its power to appoint the Board of Directors of the Health System Hospitals. Accordingly, the same individuals have direct control over the Applicant and indirect control over the Health System Hospitals. This gives them the ability "to ensure that [the Applicant] will be responsive to the needs of the [Health System Hospitals].

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EXHIBIT A

Form 2848 – Power of Attorney and Declaration of Representative

See attached.

Form **2848**
(Rev. January 2021)
Department of the Treasury
Internal Revenue Service

Power of Attorney and Declaration of Representative

OMB No. 1545-0150

► Go to www.irs.gov/Form2848 for instructions and the latest information.

For IRS Use Only

Received by:

Name _____

Telephone _____

Function _____

Date / /

Part I Power of Attorney

Caution: A separate Form 2848 must be completed for each taxpayer. Form 2848 will not be honored for any purpose other than representation before the IRS.

1 Taxpayer information. Taxpayer must sign and date this form on page 2, line 7.

Taxpayer name and address CharterCARE Health of Rhode Island Inc. 825 Chalkstone Avenue Providence, RI 02908		Taxpayer identification number(s) 92-1340740	
		Daytime telephone number 404-233-9000	Plan number (if applicable)

hereby appoints the following representative(s) as attorney(s)-in-fact:

2 Representative(s) must sign and date this form on page 2, Part II.

Name and address James R. Willey, Hall, Render, Killian, Heath & Lyman, P.C. 500 North Meridian Street, Suite 400 Indianapolis, IN 46204 Check if to be sent copies of notices and communications <input checked="" type="checkbox"/>	CAF No. 3206-14361R PTIN _____ Telephone No. 317-977-1409 Fax No. 317-633-4878 Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>
---	--

Name and address Kelci R. Laster, Hall, Render, Killian, Heath & Lyman, P.C. 500 North Meridian Street, Suite 400 Indianapolis, IN 46204 Check if to be sent copies of notices and communications <input checked="" type="checkbox"/>	CAF No. 0313-39660R PTIN _____ Telephone No. 317-977-1401 Fax No. 317-633-4878 Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>
---	--

Name and address (Note: IRS sends notices and communications to only two representatives.)	CAF No. _____ PTIN _____ Telephone No. _____ Fax No. _____ Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>
--	---

Name and address (Note: IRS sends notices and communications to only two representatives.)	CAF No. _____ PTIN _____ Telephone No. _____ Fax No. _____ Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>
--	---

to represent the taxpayer before the Internal Revenue Service and perform the following acts:

3 Acts authorized (you are required to complete line 3). Except for the acts described in line 5b, I authorize my representative(s) to receive and inspect my confidential tax information and to perform acts I can perform with respect to the tax matters described below. For example, my representative(s) shall have the authority to sign any agreements, consents, or similar documents (see instructions for line 5a for authorizing a representative to sign a return).

Description of Matter (Income, Employment, Payroll, Excise, Estate, Gift, Whistleblower, Practitioner Discipline, PLR, FOIA, Civil Penalty, Sec. 4980H Shared Responsibility Payment, etc.) (see instructions)	Tax Form Number (1040, 941, 720, etc.) (if applicable)	Year(s) or Period(s) (if applicable) (see instructions)
Application for Recognition of Exemption under Section 501(c)(3) of the Internal Revenue Code	1023	2022-2024

4 Specific use not recorded on the Centralized Authorization File (CAF). If the power of attorney is for a specific use not recorded on CAF, check this box. See Line 4. Specific Use Not Recorded on CAF in the instructions

5a Additional acts authorized. In addition to the acts listed on line 3 above, I authorize my representative(s) to perform the following acts (see instructions for line 5a for more information): Access my IRS records via an Intermediate Service Provider; Authorize disclosure to third parties; Substitute or add representative(s); Sign a return;

Other acts authorized: **Authority to receive SS-4 application processing status, Notice 147C letter(s), and any determination letter(s) regarding tax exemption by secure fax with effective dates and/or filing requirements.**

b Specific acts not authorized. My representative(s) is (are) not authorized to endorse or otherwise negotiate any check (including directing or accepting payment by any means, electronic or otherwise, into an account owned or controlled by the representative(s) or any firm or other entity with whom the representative(s) is (are) associated) issued by the government in respect of a federal tax liability. List any other specific deletions to the acts otherwise authorized in this power of attorney (see instructions for line 5b):

6 Retention/revocation of prior power(s) of attorney. The filing of this power of attorney automatically revokes all earlier power(s) of attorney on file with the Internal Revenue Service for the same matters and years or periods covered by this form. If you do not want to revoke a prior power of attorney, check here. YOU MUST ATTACH A COPY OF ANY POWER OF ATTORNEY YOU WANT TO REMAIN IN EFFECT.

7 Taxpayer declaration and signature. If a tax matter concerns a year in which a joint return was filed, each spouse must file a separate power of attorney even if they are appointing the same representative(s). If signed by a corporate officer, partner, guardian, tax matters partner, partnership representative (or designated individual, if applicable), executor, receiver, administrator, trustee, or individual other than the taxpayer, I certify I have the legal authority to execute this form on behalf of the taxpayer.

IF NOT COMPLETED, SIGNED, AND DATED, THE IRS WILL RETURN THIS POWER OF ATTORNEY TO THE TAXPAYER.

Handwritten signature of Benjamin M. Mingle

12-19-2023

Director & Chair

Signature

Date

Title (if applicable)

Benjamin M. Mingle

Print name

CharterCARE Roger Williams Medical Center

Print name of taxpayer from line 1 if other than individual

Part II Declaration of Representative

Under penalties of perjury, by my signature below I declare that:

- I am not currently suspended or disbarred from practice, or ineligible for practice, before the Internal Revenue Service;
I am subject to regulations in Circular 230 (31 CFR, Subtitle A, Part 10), as amended, governing practice before the Internal Revenue Service;
I am authorized to represent the taxpayer identified in Part I for the matter(s) specified there; and
I am one of the following:
a Attorney—a member in good standing of the bar of the highest court of the jurisdiction shown below.
b Certified Public Accountant—a holder of an active license to practice as a certified public accountant in the jurisdiction shown below.
c Enrolled Agent—enrolled as an agent by the IRS per the requirements of Circular 230.
d Officer—a bona fide officer of the taxpayer organization.
e Full-Time Employee—a full-time employee of the taxpayer.
f Family Member—a member of the taxpayer's immediate family (spouse, parent, child, grandparent, grandchild, step-parent, step-child, brother, or sister).
g Enrolled Actuary—enrolled as an actuary by the Joint Board for the Enrollment of Actuaries under 29 U.S.C. 1242 (the authority to practice before the IRS is limited by section 10.3(d) of Circular 230).
h Unenrolled Return Preparer—Authority to practice before the IRS is limited. An unenrolled return preparer may represent, provided the preparer (1) prepared and signed the return or claim for refund (or prepared if there is no signature space on the form); (2) was eligible to sign the return or claim for refund; (3) has a valid PTIN; and (4) possesses the required Annual Filing Season Program Record of Completion(s). See Special Rules and Requirements for Unenrolled Return Preparers in the instructions for additional information.
k Qualifying Student or Law Graduate—receives permission to represent taxpayers before the IRS by virtue of his/her status as a law, business, or accounting student, or law graduate working in a LITC or STCP. See instructions for Part II for additional information and requirements.
r Enrolled Retirement Plan Agent—enrolled as a retirement plan agent under the requirements of Circular 230 (the authority to practice before the Internal Revenue Service is limited by section 10.3(e)).

IF THIS DECLARATION OF REPRESENTATIVE IS NOT COMPLETED, SIGNED, AND DATED, THE IRS WILL RETURN THE POWER OF ATTORNEY. REPRESENTATIVES MUST SIGN IN THE ORDER LISTED IN PART I, LINE 2.

Note: For designations d–f, enter your title, position, or relationship to the taxpayer in the "Licensing jurisdiction" column.

Table with 5 columns: Designation, Licensing jurisdiction, Bar, license, certification, registration, or enrollment number, Signature, Date. Contains handwritten entries for two representatives.

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CharterCARE Health of Rhode Island Inc.
EIN: 92-1340740

EXHIBIT B

Articles of Incorporation
(with proof of filing)

See attached.



State of Rhode Island
Department of State - Business Services Division

RECEIVED
R.I. DEPT. OF STATE
BUS SVCS DIV
2022 DEC -5 11:32:32

Articles of Incorporation
DOMESTIC Non-Profit Corporation

→ Filing Fee: \$35.00

The undersigned, acting as incorporator(s) of a corporation under RIGL 7-6-34, adopt(s) the following Articles of Incorporation for such corporation:

1. The name of the corporation is: CharterCARE Health of Rhode Island, Inc.		
2. The period of its duration is: CHECK ONE BOX ONLY		
<input checked="" type="checkbox"/> Perpetual (on-going)		
<input type="checkbox"/> Date certain for dissolution _____		
3. The specific purpose or purposes for which the corporation is organized are: See attached		
		Check the box to indicate an attachment <input checked="" type="checkbox"/>
4. Provisions, if any, not consistent 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: See attached		
		Check the box to indicate an attachment <input checked="" type="checkbox"/>
5. Name and address of the initial registered agent/office in Rhode Island is:		
Agent Name Chace Ruttenberg & Freedman, LLP		
Street Address (NOT a P.O. Box) One Park Row, Suite 300		
City Providence	State RHODE ISLAND	Zip Code 02903

MAIL TO:
Division of Business Services
148 W. River Street, Providence, Rhode Island 02904-2615
Phone: (401) 222-3040
Website: www.sos.ri.gov

FILED 332
DEC 05 2022
BY *BM3 RHPD*
C:\CNT\PMH\010266

6. The number of the initial Board of Directors of the Corporation is 3 (not less than 3 directors) and the names and address of the persons who are to serve as the initial directors are:

NAME	ADDRESS
See attached	

Check the box to indicate an attachment

7. The name and address of each incorporator is:

NAME	ADDRESS
Carl I. Freedman	One Park Row, Suite 300, Providence, RI 02903

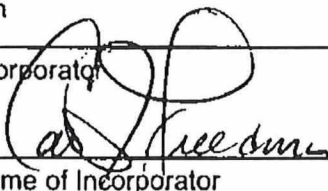
Check the box to indicate an attachment

8. Date when these Articles of Incorporation will be effective: **CHECK ONE BOX ONLY**

- Date received (Upon filing)
- Later effective date (Date must be no more than 30 days from the date of filing) _____

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

Type or Print Name of Incorporator Carl I. Freedman	Date 12/5/22
--	-----------------

Signature of Incorporator 
--

Type or Print Name of Incorporator	Date
------------------------------------	------

Signature of Incorporator

Type or Print Name of Incorporator	Date
------------------------------------	------

Signature of Incorporator

ARTICLES OF INCORPORATION
OF
CHARTERCARE HEALTH OF RHODE ISLAND, INC.

The undersigned incorporator hereby forms a corporation under the Rhode Island Nonprofit Corporation Act (the "Act"). References included in these Articles of Incorporation ("Articles") to provisions of the "General Laws of Rhode Island" or "R.I.G.L." or "G.L." shall refer to provisions of the State of Rhode Island General Laws 1956, as amended; and references included in these Articles to provisions of the "Code" shall refer to provisions of the Internal Revenue Code of 1986, as amended (or the corresponding provisions of any future United States Internal Revenue Law). Capitalized terms used and not otherwise defined herein shall have the meanings set forth in the Corporation's bylaws.

1. Name. The name of the corporation is CharterCARE Health of Rhode Island, Inc. (the "Corporation").

2. Nonprofit Corporation. The Corporation is a nonprofit and shall not have or issue shares or make distributions except as provided in R.I.G.L. § 7-6-31 and as further provided in these Articles or the bylaws of the Corporation.

3. Membership. The Corporation is a membership corporation. The sole member of the Corporation is The Centurion Foundation, Inc., a charitable nonprofit corporation organized and existing under the laws of the State of Georgia (the "Member"). Except as otherwise provided herein, the Member shall have those exclusive rights and powers set forth in the Corporation's bylaws, and all other rights, privileges, and obligations which are accorded to the Member under the Corporation's bylaws or under Rhode Island law.

4. Registered Agent. The Corporation's initial registered agent shall be Chace Ruttenberg & Freedman LLP, with an address of One Park Row, Suite 300, Providence, Rhode Island 02903.

5. Duration. The duration of the Corporation shall be perpetual.

6. Purpose.

(a) The Corporation is organized and at all times shall be operated exclusively for charitable, religious, educational, and scientific purposes within the meaning of Section 501(c)(3) of the Code, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Code.

(b) The Corporation is organized and at all times shall be operated exclusively for the benefit of, to perform the functions of, and to carry out the purposes of CharterCARE Roger Williams Medical Center, CharterCARE Our Lady of Fatima Hospital, and any other Rhode Island nonprofit corporations that become an Affiliate of the Corporation that qualify under Section 501(c)(3) and under Section 509(a)(1) or Section 509(a)(2) of the Code.

(c) In furtherance of the Corporation's charitable purposes, the Corporation shall (i) provide, develop, operate, and maintain an integrated health care delivery system; (ii) provide a continuum of high quality health care and related services; (iii) support scientific and medical related research and education and training; and (iv) engage in or support such other activities that may be lawfully carried on by corporations that are formed and are subject to the Act in effect from time to time and are not inconsistent with the Corporation's qualification as an organization described in Section 501(c)(3) of the Code.

7. Board of Directors.

(a) Board Management and Composition. The activities, business, property, and affairs of the Corporation shall be managed by a board (the "Board") of not less than three (3) directors (each a "Director"), as may be further provided in the Corporation's bylaws.

(b) Initial Directors. The initial Board consists of the following three (3) Directors:

<u>Name</u>	<u>Address</u>
Benjamin Michael Mingle	1440 Garmon Ferry Rd. NW, Atlanta, GA 30327
Gregory Kent Grove	1075 W. Conway Dr. NW, Atlanta, GA 30327
Jeffrey Howard Liebman	4 Wallace Court, Watertown, MA 02129

8. Limitation on Liability of Directors. The personal liability of a Director to the Corporation or its Member for monetary damages for breach of duty as a Director shall be limited to the amount of compensation, if any, received by the Director for serving the Corporation during the year of the violation, so long as the breach was not of a sort for which such limitation of liability is not permitted by chapter 6 of title 7 of the General Laws of Rhode Island.

Nothing contained in this Section 8 shall be construed to deny a Director of the Corporation the benefit of chapter 6 of title 7 of the General Laws of Rhode Island, or of any other limitation of liability available to such Director under law. Any repeal or modification of this Section 8 shall not adversely affect any right or protection of a Director existing at the time of such repeal or modification.

9. Limitations. Notwithstanding any other provision of these Articles:

(a) No part of the net earnings of the Corporation shall inure to the benefit of or be distributable to the Corporation's Directors, officers, or other private persons unless allowed by Section 501(c)(3) of the Code and the General Laws of Rhode Island; provided, however, that the Corporation shall be authorized and empowered to pay reasonable compensation for services actually rendered, reimburse reasonable expenses actually incurred by any such persons, and make payments and distributions, to the extent reasonable and necessary, in furtherance of the purpose set forth in Section 6 above;

(b) No substantial part of the activities of the Corporation shall include the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate or intervene (including by the publication or distribution of statements) in any political campaign on behalf of or in opposition to any candidate for public office:

(c) Notwithstanding any other provisions of these Articles of the Corporation's bylaws, the Corporation shall only operate for charitable purposes and in furtherance of its supported organizations and the Corporation shall not conduct any activities, nor exercise any power, not permitted to be conducted by a corporation exempt from taxation under Section 501(a) of the Code as an organization described under Sections 501(c)(3) and 509(a)(3) of the Code, or by a corporation the contributions to which are deductible by a contributor under Section 170(c)(2), 2055(a)(2) or 2522(a)(2) of the Code; and

(d) In the event that the Internal Revenue Service ("IRS) determines that the Corporation is a private foundation within the meaning of Section 509(a) of the Code, the Corporation will not engage in any act of self-dealing as defined in Section 4941(d) of the Code, retain any excess business holdings as defined in Section 4943(c) of the Code, make any investments in a manner as to subject the Corporation to tax under Section 4944 of the Code, or make any taxable expenditures as defined in Section 4945(d) of the Code. Additionally, if such a determination is made by the IRS, the Corporation will distribute its income for each tax year at a time and in a manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Code.

10. Indemnification. The Corporation shall indemnify and advance expenses to its Directors to the fullest extent permitted by law. Without limiting the foregoing, the Corporation shall indemnify its Directors against liability to any person for any action taken, or any failure to take any action, as a Director, except liability of a sort for which indemnification is not permitted by Section 7-6-6 of the General Laws of Rhode Island; provided, however, that the Corporation's duty to so indemnify shall extend to an indemnitee in connection with a proceeding initiated by such indemnitee only if such proceeding was authorized by the Board. In addition, the Corporation may indemnify and advance expenses to officers, employees, and agents of the Corporation who are not Directors to the same extent as Directors, and may further indemnify such officers, employees, and agents to the extent provided by the specific action of the Corporation and permitted by law. The Corporation may also procure insurance providing greater indemnification as provided by law.

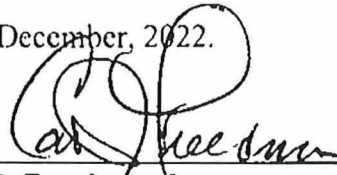
11. Dissolution. The existence of the Corporation shall be perpetual unless sooner dissolved. If the Corporation is dissolved, all of its assets remaining for distribution after payment of obligations or provision for the same shall be distributed (subject to any restrictions imposed by any applicable will, trust, deed, agreement or other document) to the Member, provided that the Member is at that time an organization exempt from taxation as an organization described under Section 501(c)(3) of the Code, and elects to accept such assets. If the Member is not so exempt, if it is not in existence at that time, or if it is unable or unwilling to accept such assets, then all of the Corporation's remaining assets shall be distributed for use restricted to the purpose set forth in these Articles to one or more organizations organized and operated for religious, charitable, scientific, literary, educational or other purpose set forth in Section 501(c)(3) of the Code, in such proportions as the Board (or if the Board fails to act, a court of competent jurisdiction) may determine.

12. Interpretation. References in these Articles to Sections of the General Laws of Rhode Island shall be deemed to include amendments adopted from time to time to such Sections and shall further be deemed to include any successor Sections thereto, and references to a Section of the Code shall be construed to refer both to such Section and to the regulations promulgated thereunder, as they now exist or may hereafter be amended.

[Signatures on following page]

I hereby declare, under the penalties of false statement, that the statements made in the foregoing Articles are true.


Dated at Providence, Rhode Island this 5th day of December, 2022.



Carl I. Freedman, Incorporator
One Park Row, Suite 300
Providence, Rhode Island 02903

Acceptance of Appointment by Registered Agent:

CHACE RUTTENBERG & FREEDMAN LLP

By: _____



State of Rhode Island
Department of State | Office of the Secretary of State
Nellie M. Gorbea, *Secretary of State*

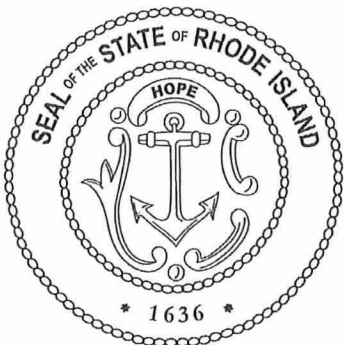
I, NELLIE M. GORBEA, Secretary of State of the State of Rhode Island,
hereby certify that this document, duly executed in accordance with the provisions
of Title 7 of the General Laws of Rhode Island, as amended, has been filed in this

office on this day:

December 05, 2022 03:32 PM

A handwritten signature in black ink, appearing to read "Nellie M. Gorbea".

Nellie M. Gorbea
Secretary of State



CONFIDENTIAL

CharterCARE Health of Rhode Island Inc.
EIN: 92-1340740

EXHIBIT C

Bylaws

See attached.

BYLAWS
OF
CHARTERCARE HEALTH OF RHODE ISLAND, INC.

EFFECTIVE: MARCH 6, 2023

**BYLAWS
OF
CHARTERCARE HEALTH OF RHODE ISLAND, INC.**

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1. CHARTERCARE HEALTH OF RHODE ISLAND, INC.

1.1. COMPOSITION. CharterCARE Health of Rhode Island, Inc. (hereinafter referred to as the "Corporation") is a nonprofit corporation organized under the laws of the State. The Corporation is the sole member of the Hospitals, and may be the sole member of other entities from time to time.

1.2. CORPORATE OFFICES. The Corporation shall have and continuously maintain in the State of Rhode Island a registered office and a registered agent whose office address is identical with such registered office and may have other offices within or without the State of Rhode Island as the Board of Directors may from time to time determine. The address of the registered agent need not be the same as the principal office of the Corporation.

1.3. DEFINITIONS. As used in the Governing Documents of the Corporation, the following words and phrases shall have the following meanings:

1.3.1. "Act" means the Rhode Island Nonprofit Corporation Act, as amended.

1.3.2. "Affiliate Organization" means any legal entity that is part of the System.

1.3.3. "Articles" means the Articles of Incorporation of the Corporation, as they may be amended or restated from time to time.

1.3.4. "Board" or "Board of Directors" means the Board of Directors of the Corporation.

1.3.5. "Bylaws" means by the Bylaws of the Corporation, as they may be amended or restated from time to time.

1.3.6. "Code" means the Internal Revenue Code of 1986, as amended.

1.3.7. "Control" or "Controlled" means:

(a) The authority, directly or indirectly, to appoint, elect, or approve at least a majority of the individual members, shareholders, partners, or equity owners of an organization; or

(b) The authority, directly or indirectly, to appoint, elect, or approve at least a majority of the governing body of an organization.

1.3.8. "Community Director" means a person from or affiliated with the communities served by the Corporation who (1) demonstrate basic qualities of honesty, integrity, justice, and sound moral character; (2) are committed to uphold the purposes and general policies of the Corporation; (3) have the ability to participate effectively in fulfilling the Board's responsibilities, and the willingness and ability to devote necessary time to Board activities; (4) have particular expertise or experience necessary or desirable for governance of the Corporation; (5) are able to apply experience and expertise to Board decisions objectively and realistically; (6) have knowledge of the health care market in the Corporation's service area; and (7) recognize and

protect the confidential nature of the information discussed at meetings of the Board and its committees.

1.3.9. "Corporate Limit" means \$5,000,000 or such other dollar amount as may be established as the Corporate Limit by the Member from time to time.

1.3.10. "Director" means a member of the Corporation's Board of Directors.

1.3.11. "Governing Documents" means the Articles, these Bylaws, Board Policy documents, and other comparable documents adopted for the Corporation either by the Member, or by the Board with the approval of the Member.

1.3.12. "Hospital" or "Hospitals" means CharterCARE Roger Williams Medical Center and CharterCARE Our Lady of Lourdes Hospital.

1.3.13. "Medical Staff" means the members of the medical staff of the Hospital.

1.3.14. "Member" means The Centurion Foundation, Inc., a charitable nonprofit corporation organized and existing under the laws of the State of Georgia.

1.3.15. "State" means the State of Rhode Island.

1.3.16. "Subsidiary Organization" means any legal entity directly or indirectly controlled by the Corporation or a System entity.

1.3.17. "System" means the clinically integrated healthcare system comprised of the Corporation, all Subsidiary Organizations, and all Affiliate Organizations.

1.3.18. "System Policy" or "System Policies" means all policies, procedures, technical manuals, and other written guidance established, adopted, or issued from time to time by the Member that is intended to apply to the System.

2. MISSION, PURPOSES, AND CHARITABLE ACTIVITIES

2.1. MISSION. The Mission of the Corporation shall be to own and operate a System comprising of one (1) or more Subsidiary Organizations operating as nonprofit, tax-exempt healthcare providers, including initially the Hospitals, Subsidiary Organizations and Affiliate Organizations operating various ventures that deliver health care services to the residents of the System's service area in Providence, Rhode Island and the surrounding communities. As directed by the Corporation, the Hospitals, the Subsidiary Organizations, and the Affiliate Organizations that make up the System shall provide necessary health care services to all persons requiring same, irrespective of the person's ability to pay, consistent with System Policies.

2.2. PURPOSES. The Corporation is organized and at all times shall be operated exclusively for the purposes identified in the Articles, which are incorporated herein in this Section 2.2 in this Section 2.2 by this reference.

2.3. CHARITABLE ACTIVITIES. The Corporation shall engage in such activities that further the mission and charitable purposes of the Corporation, including but not limited to the following:

2.3.1. To establish, maintain, support, and operate a regional health care delivery system consisting of hospitals, ambulatory care centers, clinics, and all other types of facilities and programs deemed necessary and appropriate by the Corporation for the care of persons with illnesses or disabilities which require that the patients receive inpatient or outpatient hospital care, or other types of care;

2.3.2. To act and operate as the system parent of a regional health care delivery system that manages, supports, coordinates, and provides health care services through multiple health care facilities, initiatives, and programs;

2.3.3. To carry on educational activities related to rendering care to the sick and injured or the promotion of health, which in the opinion of the Board may be justified by the facilities, personnel, funds, or other requirements that are, or can be made, available;

2.3.4. To promote and carry on scientific research related to the care of the sick and injured insofar as, in the opinion of the Board, such research can be carried on in connection with the other purposes and mission of the Corporation;

2.3.5. To participate, so far as circumstances may warrant, in any activity designed and carried on to promote general health and welfare;

2.3.6. To promote, support and assist (by distribution, donation, loan, or other payment, or otherwise) its not-for-profit and federally tax-exempt affiliates and related organizations, the purposes of which are not inconsistent with those of the Corporation, and coordinate with them concerning and with respect to their missions, objectives, activities, and resources;

2.3.7. To engage in discussions, collaborations, contracts and any other arrangements or relationships deemed beneficial to the Corporation with other organizations (for profit and nonprofit), individuals and governmental agencies in support of or in furtherance of the purposes of the System; and

2.3.8. To do any other lawful action or activity incidental to or connected with the foregoing objectives or in advancement thereof.

2.4. RESTRICTIONS. The Corporation shall be prohibited from engaging in activities identified as Limitations in the Articles, which are incorporated herein in this Section 2.4 by this reference.

3. MEMBER

3.1. MEMBERSHIP. The Corporation is a membership corporation. The sole member of the Corporation is the Member.

3.2. RIGHTS AND POWERS OF MEMBER. The Member shall have such rights and powers as are provided for in the Articles and these Bylaws and the laws of the State of Rhode Island, including, but not limited to, the exclusive power:

3.2.1. To appoint Directors to serve on the Board and to remove such Directors from office at any time and for any reason;

3.2.2. To appoint Directors to fill vacancies on the Corporation's Board;

3.2.3. To amend the Articles or these Bylaws or to change the Corporation's charitable mission; provided, however, that no such amendment shall operate to terminate the deductibility of gifts or bequests to the Corporation for federal gift, estate, or income tax purposes, or permit the conduct of affairs of the Corporation in any manner or for any purpose contrary to the provisions of Section 501(c)(3) of the Code;

3.2.4. To vote on all matters where the vote of members with voting rights is required under the Articles, these Bylaws, or the laws of the State;

3.2.5. To remove the Corporation's Chief Executive Officer or the Chair of the Board;

3.2.6. To approve the appointment of the Corporation's Chief Executive Officer and the Chair of the Board;

3.2.7. To call special meetings of the Board, as detailed in Section 4.9.3 hereof;

3.2.8. To authorize the Corporation to make any previously non-budgeted expenditure or sale in excess of the Corporate Limit (the excess of any proposed expenditure over the previously approved budgeted amount shall be deemed a non-budgeted expenditure);

3.2.9. To approve any Corporation annual or long-term capital or operational budget;

3.2.10. To approve any Corporation financial or strategic plan;

3.2.11. To approve the addition of any new member of the Corporation;

3.2.12. To approve any disposition of real property and any purchase of real property in excess of the Corporate Limit;

3.2.13. To approve the sale, transfer, or substantial change in the use of all or substantially all of the assets of the Corporation and/or any Subsidiary Organization or Affiliate Organization, and the divestiture, dissolution, closure, merger, consolidation, liquidation, change in corporate membership or ownership, or corporate reorganization of the Corporation and/or any Subsidiary Organization or Affiliate Organization, or any other disposition or encumbrance of all or substantially all of the assets of the Corporation and/or any Subsidiary Organization or Affiliate Organization;

3.2.14. To approve any transaction that would culminate in the transfer of control of the Corporation's operations to another organization, or the dissolution of the Corporation or the cessation of the Corporation's operations;

3.2.15. To approve any loan or other indebtedness of indebtedness by the Corporation, any Subsidiary Organizaton or Affiliate Organization in excess of the Corporate Limit;

3.2.16. To approve the pledge by the Corporation, any Subsidiary Organizaton or Affiliate Organization of all or any part of such entity's assets as security for a debt, liability or other obligation of the Corporation or any Subsidiary Organizaton or Affiliate Organization, including, but not limited to the issuance of any obligations under any master trust indenture to which the Corporation is or any Subsidiary Organizaton or Affiliate Organization are a party;

3.2.17. To authorize the Corporation or any Subsidiary Organizaton or Affiliate Organization to enter into any contract or engage in any transaction or activity, whether or not involving a capital expenditure, which requires application to any State agency for approval or issuance of a Certificate of Need;

3.2.18. To approve the creation of Subsidiary Organizations or Affiliate Organizations and/or the acquisition of interests in other organizations with an initial value or investment, as applicable, in excess of the Corporate Limit; and

3.2.19. To inspect the Corporation's books and records, and those of each Subsidiary Organizaton and Affiliate Organization.

3.3. APPOINTMENT OF DIRECTORS. The Board of Directors of the Corporation shall recommend candidates for appointment to the Centurion Board of Directors. The sole member shall appoint members of the Board of Directors, giving consideration to the Board's recommendations as the sole members deems appropriate.

3.4. ACCESS TO BOOKS AND RECORDS. All books and records of the Corporation may be inspected by the sole member of the Corporation, or by its agents or attorneys, for any proper purpose at any reasonable time.

3.5. MEMBER MEETINGS. Meetings of the Member shall be held in such time, date, and place, both within and outside of the State of Georgia, and shall be conducted in accordance with the Member's Bylaws.

4. BOARD OF DIRECTORS

4.1. GENERAL POWERS. The business and affairs of the Corporation shall be managed by the Board of Directors which, except as otherwise provided by the Articles or these bylaws, shall have all of the power, authority, responsibilities, and obligations given the board of directors of a nonprofit corporation under the laws of the State of Rhode Island.

The Board may, in its discretion, divide the functions and activities of the Corporation into one or more divisions for accounting, administrative and other purposes and adopt any reasonable and appropriate regulations which it may deem necessary in connection with such divisions.

4.2. COMPOSITION.

4.2.1. Number of Directors. The Board shall consist of not less than three (3) and no more than nine (9) appointed Directors, as determined from time to time by resolution of the Member. If the Member does not adopt or retain in force a resolution regarding the number of Directors, then the Board shall include three (3) Directors. Not less than one-third of the Directors from time to time shall be Community Directors. The Board may also include one (1) or more *ex officio* non-voting Directors (each, an "*Ex Officio*" Director"), as prescribed in a resolution of the Member. The Chief Executive Officer of the Corporation shall be an *ex officio*, voting Director (the "*Ex-Officio* Director").

4.2.2. Appointment; Term of Office. The initial Directors shall consist of the those persons identified in the Articles. Thereafter, the Member shall replace, appoint, or re-appoint the Directors, other than the *Ex-Officio* Directors, if any, who shall serve as long as such *Ex-Officio* Director continues to hold the position of by virtue of which he or she serves as an *Ex-Officio* Director. Appointed Directors shall hold office until such Director's successor shall have been duly appointed and qualified or until such Director's death, resignation, or removal, whichever comes first. The Directors shall be divided into three (3) groups approximately equal in size, each group to serve a term of three (3) years, with the terms expiring at successive one (1) year intervals. All Board appointments and reappointments for full three (3) year terms shall commence on July 1 following the appointment or reappointment and expire on June 30, three (3) years later.

4.2.3. Vacancies. Vacancies on the Board due to death, resignation, or other cause, or due to an increase in the number of Directors, shall be filled by the Member. A Director elected to fill such a vacancy shall hold office for the unexpired term of such Director's predecessor, or in the case of a Director appointed due to an increase in the number of Directors on the Board, for a full (three (3) year) term, or such other term as the Member may determine in order to maintain staggered terms for the Board as provided in Section 4.2.2. In the event of a vacancy in the office of the *Ex-Officio* Director, the successor will be appointed in accordance with Section 4.8 of these Bylaws. In the event that the number of appointed Directors is at any time decreased, each Director shall be permitted to serve out the remainder of their term (unless sooner removed from the Board by the Member), and the decrease in the number of Directors shall be accomplished by not replacing Directors as their terms expire until the overall number of Directors reaches the appropriate number

4.2.4. Resignation and Removals. Any Director may resign at any time by giving written notice to the Chair or Chief Executive Officer. Such resignation, which may or may not be made contingent on formal acceptance, shall take effect on the date of receipt or at any later time specified therein. The Member may at any time remove a person serving as a Director from that office for any reason. Any Director who has failed to attend three (3) consecutive meetings of the Board of Directors may be asked to resign by either the Board or the Member.

4.2.5. Chair. The Board shall have a Chair who shall have all the duties which that position would require, including presiding over the meetings of the Board; participating fully as a Director; serving as a member of the Executive Committee; appointing committees of the Board; conducting the annual performance review of the Chief Executive Officer, and performing such additional duties as are incident to the office of Chair and as may be assigned by the Board. The authority of the Chair shall include the power to function in accordance with and subject to the provisions of the Articles, these Bylaws, and the directives of the Member with respect to reserved power matters. The Chair shall be an *ex-officio* non-voting committee member of all Board committees. The Chair shall be appointed by the Member at the Board's annual meeting from among the Directors. The Chair shall hold office until the next annual meeting of the Board, or until a successor has been duly elected and qualified, and may be removed at any time by the Member.

4.2.6. Vice Chair. The Board shall have one (1) or more Vice Chair(s) who shall (in order of their designation or, if no designation, in the order of their election) serve in the place of the Chair during any absence of the Chair. The Vice Chair(s) shall have such further duties as may be determined by the Board from time to time. The Vice Chair(s) shall be elected by the Board at the Board's annual meeting from among the Directors subject to the approval of the Member. The Vice Chair(s) shall hold office until the next annual meeting of the Board, or until their successors have been duly elected and qualified, and may be removed at any time by the Member or the Board acting in the best interests of the Corporation.

4.3. BOARD RESPONSIBILITIES IN RELATION TO THE CORPORATION. Except as otherwise provided by law, the Articles, or these Bylaws, and subject to the rights and responsibilities otherwise reserved to the Member, the Board shall exercise the powers of the Corporation, conduct its business affairs, and control its property. The powers shall include, but not be limited to, the following:

4.3.1 Governing Documents. Approve requirements of, and adopt or approve changes to, the governing documents of the Hospitals and other Subsidiary Organizations of the Corporation;

4.3.2 System Boards. Appointment and removal of the Chair and members of the governing board of the Hospitals and the Subsidiary Organizations of the Corporation;

4.3.3 Mission and Vision. Establish and amend, from time to time, the Mission and Vision Statement of the Hospitals and other Subsidiary Organizations of the Corporation;

4.3.4 Strategic Plan. Develop and oversee the strategic plan of the System and all other System entities; approve the strategic priorities and metrics of the Hospitals and Subsidiary Organizations of the Corporation;

4.3.5 Incurrence of Debt. Approve the incurrence of debt of the Hospitals and other Subsidiary Organizations of the Corporation in excess of their respective Corporate Limits;

4.3.6 Budgets. Approve the operating budgets and capital budgets for the Hospitals and other Subsidiary Organizations of the Corporation;

4.3.7 Acquisitions and Affiliations. Approve the acquisition or formation of all legal entities in which a Hospital or other Subsidiary Organization of the Corporation will be an owner or have a governance interest;

4.3.8 Sale; Change in Use. Approve the sale, transfer, or substantial change in the use of all or substantially all of the assets of the Hospitals or Subsidiary Organizations of the Corporation, or the divestiture, dissolution, closure, merger, consolidation, or change in corporate membership or ownership, or corporate reorganization of the Hospitals or other Subsidiary Organizations of the Corporation;

4.3.9 Tax-Exempt Financed Assets. Approve the transfer of or encumbrance of tax-exempt financed assets and the reallocation of debt among the Hospitals and other Subsidiary Organizations of the Corporation; and

4.3.10 System Matters. Retain final approval of strategic priorities of the System and when necessary or directed, respond to sensitive and critical legal matters (e.g., compliance, governmental or other investigations, unionization activities).

4.4. AUTHORITY. Subject to the rights and responsibilities reserved to the Member, the Board shall have full power and authority to perform any and all acts and functions which are not inconsistent with the laws governing the operation of the Corporation, the Articles and these Bylaws, and the policies and directives established by the Member with respect to matters covered by its reserved powers.

4.5. COMPENSATION AND REIMBURSEMENT. Any Director may receive compensation from the Corporation for services rendered to, and reimbursement for expenses incurred in serving the Corporation as a Director, or in a capacity other than as a Director while conducting activities on behalf of the System in accordance with System Policy.

4.6. MEETINGS AND PROCEDURAL RULES.

4.6.1. Annual Meeting of the Board. The annual meeting of the Board of Directors shall be held at the principal office of the Corporation or at such other place as may be designated by the Board of Directors, and at such time and date as may be designated in the notice, for the purposes of electing officers for the coming year as herein provided and transacting such other business as shall be desirable.

4.6.2. Regular Meetings of the Board. Regular meetings of the Directors shall be held on a regular basis at a time and day determined by the Board of Directors.

4.6.3. Special Meetings of the Board. Special meetings of the Board of Directors may be called by or at the request of the Member, the Board Chair, or any two (2) other Directors. The person or persons authorized to call special meetings of the Board of Directors may fix any place, either within or without the State of Rhode Island, as the place or holding any special

meeting of the Board of Directors called by them. No business shall be conducted at a special meeting other than that stated in the notice of the meeting.

4.6.4. Notice of Board Meeting. Unless otherwise expressly required herein, no notice shall be required for any annual or regular meeting of the Board. Notice of any special meetings of the Board shall be given to each Director at least forty-eight (48) hours prior to such meeting, at the option of the Corporation's Secretary, by (1) written notice delivered personally to such Director at such Director's address as shown on the records of the Corporation; (2) by electronic means to the e-mail address, facsimile number, or other contact information on the Corporation's records to those Directors that have consented to receipt of electronic communications from the Corporation; or (3) by orally conveying such notice to such Director in a telephone call. If notice is given orally by telephone to one (1) or more Directors, the individual giving such notice shall memorialize the conversation by preparing and signing a written record summarizing the conversation which written record shall be filed with the minutes of the meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting unless required by law or these bylaws.

4.6.5. Waiver of Notice. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except when a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened and the Director provides such objection in writing to the Secretary.

4.6.6. Quorum at Board Meetings. For all meetings of the Board (other than for action taken by unanimous written consent), a quorum shall be a simple majority of the voting Directors then serving. A Director participating in any meeting by electronic communication permitted by these Bylaws is deemed to be present in person at the meeting.

4.6.7. Voting. At each meeting of the Board, each Director shall be entitled personally to cast one (1) vote on all matters presented to the Board for its approval. Voting by proxy is not permitted. At any meeting at which a quorum is present, the affirmative vote of a majority of the Directors present is the act of the Board unless these Bylaws or State law establish a greater voting requirement. In addition to the foregoing, if permitted by the Articles or State law, an action required or permitted to be taken at a meeting of the Board, other than an action requiring approval of the Member, may be taken by written action signed by the number of Directors that would be required to take the same action at a meeting of the Board at which all Directors were present. Any such written action is effective when signed by the required number of Directors, unless a different effective time is provided in the written action. When any such written action is taken, all Directors must be notified immediately of its text and effective date.

4.6.8. Use of Communication Equipment. Unless specifically prohibited by the Articles or these Bylaws, members of the Board or any committee of the Board may participate in and act at any meeting of such Board or committee by or through the use of any means of electronic communication by which either of the following occurs: (i) all participating Directors may simultaneously hear each other during the meeting; or (ii) all communication during the meeting

is immediately transmitted to each participating Director; and each participating Director is able to immediately send messages to all other participating Directors. A Director participating in such a meeting by electronic communication is deemed to be present in person at the meeting.

4.7. COMMITTEES OF THE BOARD OF DIRECTORS.

4.7.1. Types of Committees. Committees of the Board shall be standing or special. The Board shall create an Executive Committee and, by resolution adopted by a majority of Directors, may create or terminate any or all of the following standing committees: Finance Committee (including an Audit Subcommittee); Quality/Patient Safety; Compensation Committee; Governance and Nominating Committee and such other standing committees as may be authorized by a majority of Directors. Special committees may be created or terminated at any time by resolution of the Board and shall serve as long as the purpose for which they were created continues to exist, unless dissolved prior thereto by the Board.

4.7.2. System Committees. The Board may create or designate certain committees as system committees to conduct the business of any standing or special committee of the Board and, contemporaneously, to conduct the business of a corresponding committee of the board of directors of any Subsidiary Organization or Affiliate designated by the Board. The composition of such committees shall be designated in a manner to comply with committee membership requirements set forth in the Bylaws of each Subsidiary Organization or Affiliate within the scope of a System committee's duties and responsibilities. Each System committee shall report to the board of directors of each Subsidiary Organization or Affiliate within the scope of the committee's duties and responsibilities.

4.7.3. Composition of Committees. Unless otherwise provided, committee members shall be appointed by the Chair of the Board. The Board Chair shall designate one (1) committee member as the committee chairperson, and in all instances the chairperson of each committee shall be one of the Directors serving on it. The committee chairperson and members shall continue as such until the next Annual Meeting of the Board of Directors, or until their successors are appointed, or the committee is terminated, or they shall resign or be removed. Except as otherwise provided, medical staff members on committees shall be appointed after consultation with the Chief of the Medical Staff. Additional committee members, who need not be Directors, may, at the option of the Board Chair, be appointed by the Board Chair to any of the committees described in this Article 3. The term of any such appointment shall be determined by the Board Chair. Except as otherwise provided in these bylaws or in any applicable Board policy, the Chief Executive Officer, or their designee, shall be ex officio voting committee members of all committees described in this Article 3.

4.7.4. Responsibilities, Authority, and Accountability of Committees. Except as otherwise provided, or as specifically determined by the Board, standing committees shall have the responsibility of achieving their purpose as described in these bylaws, shall exercise authority reasonably necessary to achieve these responsibilities, and shall account to the Board of Directors directly or through the Executive Committee. The purposes of special committees as well as their responsibility, authority and accountability shall be set forth in the action creating such committees.

4.7.5. Committee Rules and Procedure. Unless otherwise provided, a majority of the whole committee shall constitute a quorum and the act of the majority of the committee members present at a meeting at which a quorum is present, shall be an act of the committee unless a greater number is required by the laws of the State of Rhode Island. Each committee shall keep minutes of its meetings and may adopt rules for its own governance which are not inconsistent with these bylaws or the acts and policies of the Board of Directors.

5. OFFICERS OF THE CORPORATION

5.1. DESIGNATION OF CORPORATE OFFICERS. The officers of the Corporation include the Chair; one (1) or more Vice Presidents; Secretary; Treasurer (the roles of Secretary and Treasurer may be combined); and such other officers as may from time to time be deemed desirable by the Board. The Corporation's officers shall be elected by the Board at the Board's annual meeting, provided, however, that the person selected as Chair must be approved by the Member prior to assuming such office. The Corporation's officers shall hold office for a period of one (1) year, until dismissed by the Board, or until their successors have been duly elected and qualified, and may be removed at any time by the Board acting in the best interests of the Corporation. Chair and Secretary must be selected from among the Directors. Other officers need not be Directors. Any two (2) or more offices may be held by the same person; provided, however, that no single individual may simultaneously hold two (2) or more of the following offices: Chair and Secretary.

5.2. CHAIR. The Chair shall preside at all meetings of the Board and shall perform all duties incident to the office of Chair of the Board and all other duties as set forth herein and as may be prescribed by the Board from time to time.

5.3. VICE PRESIDENT(S). The Vice President(s) shall perform such duties and have such responsibilities as may be prescribed from time to time by the Chair.

5.4. SECRETARY. The Secretary shall be responsible for keeping and reporting adequate records of the meetings of the Board in the books provided for that purpose; for ensuring that all notices are duly given in accordance with the provisions of these Bylaws and as required by law; for receiving waivers of notices, if any; for keeping a register of the post office address of, and any authorized electronic communication information for, each Director; for executing all duties incident to the office of Secretary; and for performing such additional duties as may be assigned by the Board. The Secretary shall exercise the necessary authority to accomplish the responsibilities subject to the requirements of the Articles, these Bylaws, and System Policies. The Secretary is accountable to the Board of Directors.

5.5. TREASURER. The Treasurer shall be responsible for the maintenance of adequate books of account for the Corporation and shall be responsible therefor and shall perform such other duties as from time to time may be assigned by the Board. The Treasurer shall exercise all necessary authority to accomplish these responsibilities subject to the provisions of the Articles, these bylaws, and the policies and directives of the Board of Directors. The Treasurer is accountable to the Board of Directors.

5.6. ADDITIONAL OFFICERS. Additional officers or assistant officers may be elected by the Board of Directors as they may from time to time deem necessary. The responsibilities,

authority and accountability of such officers shall be fixed by the Board of Directors and shall be subject to the requirements of the Articles and these bylaws.

5.7. ADMINISTRATIVE OFFICES. The Corporation shall have the following administrative offices: Chief Executive Officer, Chief Financial Officer, and such additional administrative offices as the Chief Executive Officer may recommend to the Board. Such additional administrative offices shall have identified responsibilities and defined levels of authority which will be developed by the Chief Executive Officer and submitted to the Board of Directors for approval. All administrative officers shall be accountable to the Chief Executive Officer, and thereby to the Board of Directors.

5.7.1. Chief Executive Officer. The Chief Executive Officer shall have the responsibility for overall executive management of the Corporation and the System. The Chief Executive Officer shall act on behalf of the Corporation, its Subsidiary Organizations, and Affiliates and shall have the authority to develop necessary policies and strategies for the System subject to the approvals required by the Member and/or Board. In all matters, the Chief Executive Officer shall act as the duly authorized representative of the Board and of the Corporation. The Chief Executive Officer shall serve as an *ex-officio* voting member of the Board. The Chief Executive Officer shall serve, or appoint a designee to serve, as an *ex-officio* non-voting member of each standing and special committee of the Board. The Chief Executive Officer shall be an executive representative of the Board in the management of the Corporation and the System and shall have all the duties and authority which such a position would customarily require.

5.7.2. Chief Financial Officer. One (1) administrative Vice President shall hold the title of Chief Financial Officer. The Chief Financial Officer shall be responsible for planning, developing, organizing, implementing, directing, and evaluating the System's fiscal performance. The Chief Financial Officer shall also be responsible for the System's long-range financial planning, as well as managing the budget process, analysis of the System's budgets, financial reporting, and management. In addition to the foregoing, the Chief Financial Officer shall perform such duties and have such responsibilities as may be prescribed from time to time by the Chief Executive Officer.

5.8. RESIGNATION AND REMOVAL. An administrative officer of the Corporation may resign at any time by filing a written resignation with the Chief Executive Office, Board, or the Secretary. Any such resignation shall take effect at the time specified therein, or upon its receipt if no time is specified. Unless otherwise specified in the resignation, the acceptance of such resignation shall not be necessary to make it effective. Further, the Board, by a majority vote, may remove any officer with, or without, cause. Upon any premature termination of the term of an officer of the Corporation, the Board shall promptly hold a meeting (whether previously scheduled or special), to elect a new officer for such position, subject in the case of the Chief Executive Officer, to the approval of the Member prior to such replacement Chief Executive Officer assuming such role.

5.9. AUTHORITY. The Chief Executive Officer shall have the authority to plan, organize, direct and control all of the services, activities, and resources of the Corporation in accordance with the policies and directives of the Board of Directors of the Corporation and, with respect to reserved power matters, the sole member, and to make and enforce necessary rules and

regulations. In the absence of a policy or directive, the Chief Executive Officer shall have the authority to take appropriate action, with all disputed or uncertain authorities to be subsequently resolved by the Board of Directors. The Chief Executive Officer may execute or delegate the execution of any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors or the Centurion Board of Directors, as the case may be, has properly authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these bylaws to some other officer or agent of the Corporation or shall be required by law to be otherwise signed or executed.

5.10. ACCOUNTABILITY. The Chief Executive Officer shall also account regularly to the Board of Directors of the Corporation on the manner in which the philosophy and purpose of the Corporation are being pursued, and on the manner in which services are being provided and resources are being utilized. The Chief Executive Officer shall provide reports to the Board of Directors on a regular ongoing basis and shall alert the Board of Directors to any developing problems or emerging opportunities. The Chief Executive Officer shall submit an annual report to the Board and the sole member.

6. AFFILIATED ORGANIZATIONS AND CORPORATIONS

6.1. CREATION OF SUBSIDIARIES AND AFFILIATED ORGANIZATIONS. The Corporation is the sole corporate member of the Hospitals and certain other Subsidiary Organizations. In addition, the Corporation is affiliated with other health care entities in the region to further its goals and objectives of providing quality health care to the communities served by such entities. The Corporation may, by resolution of its Board, become the corporate member of additional entities and/or acquire or affiliate with other organizations as the Board deems necessary to further and/or carry out the purposes, goals, and objectives of the Corporation, subject to the prior approval of the Member as provided in Section 2.3 hereof, as applicable.

6.2. FUNCTIONS OF AFFILIATED ORGANIZATIONS. The purposes, organization, membership, officers, meetings, and procedures of organizations affiliated with the Corporation shall be set forth in the governing documents of each such organization. Each such organization shall establish its governing documents and make amendments thereto, which shall be subject to approval of the Board.

7. FISCAL MATTERS

7.1. FISCAL YEAR. The fiscal year of the Corporation shall begin on the first day of July and end on the last day of June.

7.2. CONTRACTS. The Chief Executive Officer and duly authorized designees thereof shall be authorized to execute contracts on behalf of the Corporation in accordance with System Policies, subject to any limitations set forth in these Bylaws. In addition, the Board may authorize other officers or agents to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, with such authority being either general or confined to specific instances.

7.3. CHECKS, DRAFTS, ETC. All checks, drafts, or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation or to the

Corporation, shall be signed or endorsed by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board; provided, however, that the written approval of the sole member shall be required in addition to or in lieu of a resolution of the Board of Directors if so mandated by these Bylaws or by a resolution of the sole member.

7.4. DEPOSITS. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board may select.

7.5. GIFTS. The Board of Directors may accept on behalf of the Corporation and its affiliates any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Corporation and/or any affiliate.

7.6. MAINTENANCE OF RECORDS. The Corporation shall keep correct and complete books and records of account and other records of the activities of the Corporation as may be appropriate. All such records shall be open to inspection upon the demand of the Member and any Director.

8. CONFLICTS OR DUALITY OF INTEREST

The Board of Directors shall adopt and maintain a conflict of interest policy (the "Policy") which is not inconsistent with the provisions of this Article 8. Each Director, officer and committee member shall sign, as a condition to serving the Corporation in his/her respective role and annually thereafter, a statement agreeing to be bound by the terms of the Policy. Pursuant to the Policy, any Director, officer, or committee member having a financial interest in a contract or other transaction presented to the Board of Directors or a committee thereof for authorization, approval, or ratification, shall make a prompt, full and frank disclosure of such person's interest to the Board or committee prior to its acting on such contract or transaction. Such disclosure shall include any relevant facts, known to such person, about the contract or transaction which might reasonably be construed to be adverse to the Corporation's interest. The Board or committee to which such disclosure is made shall thereupon determine, by majority vote (excluding the vote of the Director or committee member at issue), whether the disclosure shows that a conflict of interest exists or can reasonably be construed to exist. If a conflict is deemed to exist, such person shall not vote on, nor use personal influence on, or participate (other than to present factual information to or respond to questions) in the discussions and deliberations with respect to such contract or transactions. Such person may be counted in determining the existence of a quorum at any meeting where the contract or transaction is under discussion or is being voted upon. The minutes of the meeting shall reflect the disclosure made, the vote and, where applicable, the abstention from voting and participation, whether a quorum was present, and a summary or the basis on which the decision was made.

9. INDEMNIFICATION

9.1. BASIC INDEMNIFICATION. Indemnification by the Corporation, or the sole member, for the Corporation's Directors and officers shall be as broad as permitted by Rhode Island law governing not-for-profit institutions in effect at the time the incident leading to the

request for indemnification occurs. The Corporation, to the fullest extent possible under Rhode Island law, shall indemnify any Director or officer for all reasonable expenses and costs (including attorneys' fees) actually and necessarily incurred by such Director or officer in connection with the defense or settlement of any pending or threatened action, suit or proceeding to which such individual is made a party to by reason of such individual's position as a Director or officer of the Corporation. The Corporation shall have no obligation to indemnify a Director or officer in any matter(s) in which such Director or officer is formally adjudged to be liable of: (i) willful misconduct amounting to bad faith; (ii) obtaining an improper benefit from the Corporation; (iii) willfully failing to deal fairly with the Corporation in any matter which the Director or officer had a material conflict of interest; or (iv) violating any criminal law, unless the Director or officer had reasonable cause to believe that such conduct was lawful or had no reasonable cause to believe that such conduct was unlawful. Such indemnification shall not be deemed exclusive of any other rights to which those indemnified may be entitled under the Articles or these bylaws, or under any agreement or vote of the Board or the Executive Committee, insurance purchased by the Corporation, or otherwise. This indemnification right shall inure to the benefit of the heirs, executors, administrators, and personal representatives of such person.

The Corporation may, upon the affirmative vote of the Board of Directors, indemnify its employees and Agents (as defined below) for all reasonable expenses and costs (including attorneys' fees) actually and necessarily incurred by such employee or Agent in connection with the defense or settlement of any pending or threatened action, suit or proceeding to which such employee or Agent is made a party to by reason of such individual's actions in their capacity as an employee or Agent of the Corporation or by reason of such individual's position as an employee or Agent of the Corporation. The Corporation will not provide indemnification for any matter(s) in which an employee or Agent is formally adjudged to be liable of: (i) willful misconduct amounting to bad faith; (ii) obtaining an improper benefit from the Corporation; (iii) willfully failing to deal fairly with the Corporation in any matter which the employee or Agent had a material conflict of interest; or (iv) violating any criminal law, unless the employee or Agent had reasonable cause to believe that such conduct was lawful or had no reasonable cause to believe that such conduct was unlawful. Such indemnification shall not be deemed exclusive of any other rights to which those indemnified may be entitled under the Articles or these bylaws, or under any agreement or vote of the Board or the Executive Committee, insurance purchased by the Corporation, or otherwise. This indemnification right, if granted by the Board of Directors, shall inure to the benefit of the heirs, executors, administrators, and personal representatives of such person.

9.2. NOTICE AND REASONABLE COOPERATION. In order to be entitled to indemnification by the Corporation pursuant to this Section 10, each Director, officer, employee and Agent must give the Corporation notice of any action or proceeding brought against such person that may give rise to a request for indemnification within ten (10) days of learning of such an action or proceeding. Further, each Director, officer, employee or Agent subject to any such action or proceeding shall reasonably cooperate with the Corporation throughout such action or proceeding and shall regularly update the Board of Directors on the status of the action or proceeding and respond to all reasonable questions of the Board of Directors.

9.3. AGENT. "Agent" of the Corporation is defined to mean a person engaging in peer review and evaluation activities authorized and approved by the Board of Directors and pursued

in accord with any governing documents such as bylaws, policies or other relevant rules and regulations.

9.4. INSURANCE OF RISK. The Board of Directors shall have the authority to purchase insurance to cover obligations arising out of this extension of indemnification, or other liabilities including the costs of defending any actions against an officer, Director, employee or Agent of the Corporation, as such insurance is deemed necessary and appropriate by the Board.

10. NON-DISCRIMINATION

It is the policy of the Corporation to comply with all applicable State and federal statutes and regulations relating to nondiscrimination. The Corporation recognizes the rights of all persons to equal opportunity in employment, compensation, promotion, education, positions of leadership and power, and shall not at any time discriminate against any employee, applicant for employment, Director, officer, contractor or any other person with whom it deals, on the basis of age, race, religion, color, creed, sex, gender, national origin or ancestry, marital status, status with regard to public assistance, disability, sexual orientation or any other characteristic protected by law.

11. DISSOLUTION

Upon dissolution of the Corporation, the disposition of all the assets of the Corporation shall be in accordance with the Articles.

12. AMENDMENTS

12.1. AMENDMENTS. The powers to make and approve changes to the governing documents of the Corporation shall be vested in: (i) the Member; or (ii) the Board with the approval of the Member.

12.2. PERIODIC REVIEW. These Bylaws shall be reviewed at least once every two (2) years by the Member. The Board will review proposed amendments and provide recommendations to the Member.

12.3. EFFECTIVE DATE. These Bylaws were adopted by the Member effective as of this 6th day of March, 2023.

DocuSigned by:

Greg Grove

319EAFD84F924DA...

Gregory Grove, Secretary

EXHIBIT D

Post-Transaction Organizational Chart

See attached.

Post-Transaction Organizational Chart

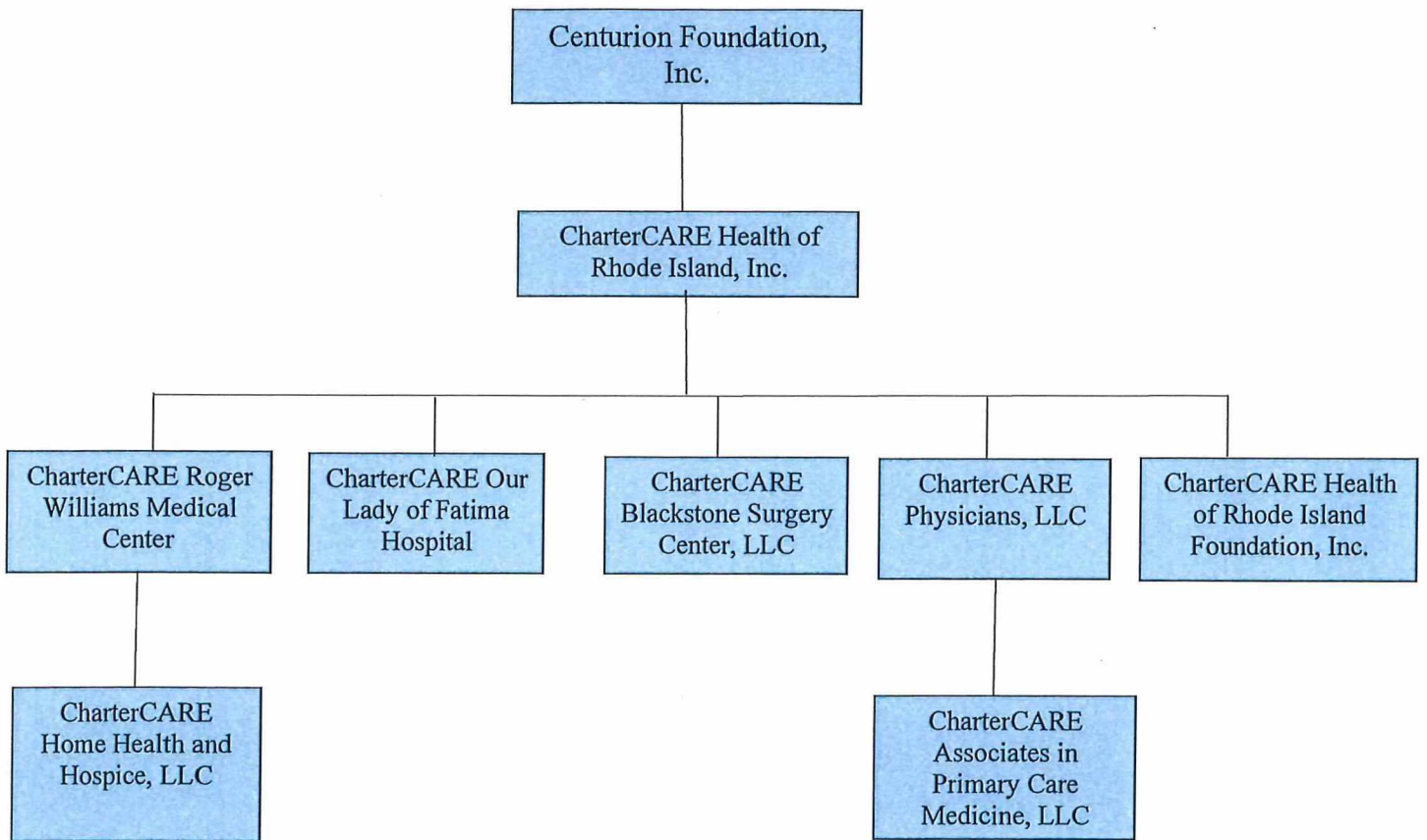


EXHIBIT E

Statement of Projected Revenues and Expenses

See attached.

CONFIDENTIAL

CharterCare Health of Rhode Island
Part V-A: Statement of Projected Revenues and Expenses

	Succeeding Years			
	Actual Year-Ended 6/30/2023	Year 1	Year 2	Year 3
1 Gifts, grants, and contributions received (do not include unusual grants)				
2 Membership fees received				
3 Gross investment income	\$ -	\$ 4,500,000	\$ 4,500,000	\$ 4,500,000
4 Net unrelated business income				
5 Taxes levied for your benefit				
6 Value of services or facilities furnished by a governmental unit without charge (not including the value of services generally furnished to the public without charge)				
7 Any revenue not otherwise listed above or in lines 9 - 12 below (provide an itemized list below)				
8 Total of lines 1 through 7	\$ -	\$ 4,500,000	\$ 4,500,000	\$ 4,500,000
9 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to your exempt purposes (provide an itemized list below)	\$ -	\$ 32,017,784	\$ 33,988,764	\$ 34,838,483
10 Total of lines 8 and 9	\$ -	\$ 36,517,784	\$ 38,488,764	\$ 39,338,483
11 Net gain or loss on sale of capital assets (provide an itemized list below)				
12 Unusual grants (provide an itemized list below)				
13 Total Revenue (add lines 10 through 12)	\$ -	\$ 36,517,784	\$ 38,488,764	\$ 39,338,483
14 Fundraising expenses				
15 Contributions, gifts, grants, and similar amounts paid out (provide an itemized list below)				
16 Disbursements to or for the benefit of members (provide an itemized list below)				
17 Compensation of officers, directors, and trustees	\$ -	\$ (3,761,569)	\$ (3,921,917)	\$ (4,000,355)
18 Other salaries and wages	\$ -	\$ (19,132,514)	\$ (20,132,373)	\$ (20,535,021)
19 Interest expense	\$ -	\$ (8,783,035)	\$ (11,476,793)	\$ (11,706,329)
20 Occupancy (rent, utilities, etc.)	\$ -	\$ (2,541,165)	\$ (2,549,078)	\$ (2,600,059)
21 Depreciation and depletion	\$ -	\$ (74,477)	\$ (78,201)	\$ (79,765)
22 Professional fees	\$ -	\$ (4,168,372)	\$ (560,243)	\$ (571,448)
23 Any expense not otherwise classified, such as program services (provide an itemized list below)	\$ -	\$ (16,320,794)	\$ (16,622,380)	\$ (16,954,828)
24 Total Expenses (add lines 14 through 23)	\$ -	\$ (54,781,926)	\$ (55,340,984)	\$ (56,447,804)

Itemized Gross Receipts

Net Collectible Patient Revenue	\$ -	\$ 30,684,908	\$ 32,574,395	\$ 33,388,755
Capitation	-	405,851	430,835	441,606
Grant Revenue	-	(8,665)	(9,198)	(9,428)
Pandemic Relief Income	-	525	-	-
Other Revenue	-	935,165	992,732	1,017,551
Total Operating Revenue	\$ -	\$ 32,017,784	\$ 33,988,764	\$ 34,838,483

Expenses not otherwise classified include:

Registry	\$ -	\$ (243,932)	\$ (243,933)	\$ (248,812)
SWB pandemic relief expense offset	-	(200)	(399)	(407)
Capitation Fees	-	(3,066)	(6,110)	(6,232)
Pharmaceuticals	-	(2,006,506)	(1,968,627)	(2,008,000)
Supplies - Other	-	(4,961,270)	(5,191,550)	(5,295,381)
Professional Liability Ins.	-	(318,432)	(323,725)	(330,199)
Purchased Services	-	(3,062,488)	(3,084,349)	(3,146,036)
Sales and other taxes	-	(475,046)	(475,564)	(485,075)
Insurance - Other	-	(213,935)	(218,891)	(223,269)
Grant Expenses	-	(5,996)	(5,996)	(6,116)
Other Expenses	-	(4,798,736)	(4,857,070)	(4,954,211)
Contingency-Incremental Operating EBITDA (Operating Cash Flow)	-	(174,614)	(189,523)	(193,314)
Corporate Administrative Services Charge	-	(56,574)	(56,643)	(57,776)
	\$ -	\$ (16,320,794)	\$ (16,622,380)	\$ (16,954,828)

EXHIBIT F

Signature for Part X

I declare under the penalties of perjury that I am authorized to sign this application on behalf of CharterCARE Health of Rhode Island Foundation Inc., and that I have examined this application, and to the best of my knowledge it is true, correct, and complete.

Dated this 19 day of December, 2023.



Benjamin Mingle, Director & Chair

Form **1023**

**Application for Recognition of Exemption
Under Section 501(c)(3) of the Internal Revenue Code**

OMB No. 1545-0047

(Rev. January 2020)

Department of the Treasury
Internal Revenue Service

Do not enter social security numbers on this form as it may be made public.

Go to www.irs.gov/Form1023 for instructions and the latest information.

Note: *If exempt status is approved, this application will be open for public inspection.*

Use the "?" buttons throughout this form for help in completing this application. For additional help, call IRS Exempt Organizations Customer Account Services toll-free at 1-877-829-5500.

If you cannot complete required responses within the textbox limits throughout this form, upload your additional narratives with the other required documents.

Part I Identification of Applicant

1a Full Name of Organization (exactly as it appears in your organizing document) CHARTERCARE OUR LADY OF FATIMA HOSPITAL		b Care of Name (if applicable) BENJAMIN M MINGLE	
c Mailing Address (Number, street and room/suite) 200 HIGH SERVICE AVENUE		d City NORTH PROVIDENCE	
e Country United States			
f State Rhode Island		g Zip Code + 4 02904	h Foreign Province (or State)
		i Foreign Postal Code	
2 Employer Identification Number 92-1354378	3 Month Tax Year Ends JUNE	4 Person to Contact if More Information is Needed (officer, director, trustee, or authorized representative) SEE SUPPLEMENTAL INFORMATION	
5 Contact Telephone Number 317-977-1409		6 Fax Number (optional) 317-633-4878	7 User Fee Submitted \$600.00

8 Organization's Website (if available):

9 List the names, titles, and mailing addresses of your officers, directors, and/or trustees.

First Name: BENJAMIN	Last Name: MINGLE	Title: DIRECTOR & CHAIR
Mailing Address: 3060 PEACHTREE ROAD NW SUITE 1030		City: ATLANTA
State (or Province): GA	Zip Code (or Foreign Postal Code): 30305	
First Name: GREGORY	Last Name: GROVE	Title: DIRECTOR, VC, SEC/TREAS.
Mailing Address: 3060 PEACHTREE ROAD NW SUITE 1030		City: ATLANTA
State (or Province): GA	Zip Code (or Foreign Postal Code): 30305	
First Name: JEFFREY	Last Name: LIEBMAN	Title: DIRECTOR
Mailing Address: 3060 PEACHTREE ROAD NW SUITE 1030		City: ATLANTA
State (or Province): GA	Zip Code (or Foreign Postal Code): 30305	
First Name:	Last Name:	Title:
Mailing Address:		City:
State (or Province):	Zip Code (or Foreign Postal Code):	
First Name:	Last Name:	Title:
Mailing Address:		City:
State (or Province):	Zip Code (or Foreign Postal Code):	

Check here to add more officers, directors, and/or trustees.

Part II Organizational Structure

1 You must be a corporation, limited liability company (LLC), unincorporated association, or trust to be tax exempt.

Select your type of organization.

Corporation

At the end of this form, you must upload a copy of your articles of incorporation (and any amendments) that shows proof of filing with the appropriate state agency.

Limited Liability Company (LLC)

At the end of this form, you must upload a copy of your articles of organization (and any amendments) that shows proof of filing with the appropriate state agency. Also, if you adopted an operating agreement, upload a copy, along with any amendments.

Unincorporated Association

At the end of this form, you must upload a copy of your articles of association, constitution, or other similar organizing document that is dated and includes at least two signatures. Include signed and dated copies of any amendments.

Trust

At the end of this form, you must upload a signed and dated copy of your trust agreement. Include signed and dated copies of any amendments.

2 Enter the date you formed. (MM/DD/YYYY)

12/05/2022

3 Select your state (or U.S. territory) of incorporation or other formation. If you were formed under the laws of a foreign country, select Foreign Country.

Rhode Island

4 Have you adopted bylaws? If "Yes," at the end of this form, upload a current copy showing the date of adoption. If "No," explain how you select your officers, directors, or trustees. Yes No

5 Are you a successor to another organization? Yes No

Answer "Yes" if you have taken or will take over the activities of another organization, you took over 25% or more of the fair market value of the net assets of another organization, or you were established upon the conversion of an organization from for-profit to nonprofit status. If "Yes," complete Schedule G.

Part III Required Provisions in Your Organizing Document

Part III helps ensure that, when you submit this application, your organizing document contains the required provisions to meet the organizational test under section 501(c)(3).

If you cannot check "Yes" in both Lines 1 and 2, your organizing document does not meet the organizational test. DO NOT file this application until you have amended your organizing document. Remember to upload your original and amended organizing documents at the end of this form.

1 Section 501(c)(3) requires that your organizing document limit your purposes to one or more exempt purposes within section 501(c)(3), such as charitable, religious, educational, and/or scientific purposes.

The following is an example of an acceptable purpose clause: The organization is organized exclusively for charitable, religious, educational, and scientific purposes under section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code.

Does your organizing document meet this requirement? Yes No

1a State specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document (Page/Article/Paragraph):

Page 2, Section 6, Paragraph (a)

2 Section 501(c)(3) requires that your organizing document provide that upon dissolution, your remaining assets be used exclusively for section 501(c)(3) exempt purposes, such as charitable, religious, educational, and/or scientific purposes. Depending on your entity type and the state in which you are formed, this requirement may be satisfied by operation of state law.

The following is an example of an acceptable dissolution clause: Upon the dissolution of this organization, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose.

Does your organizing document meet this requirement? Yes No

2a State specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document (Page/Article/Paragraph) or indicate that you rely on state law.

Page 4, Section 11

Part IV Your Activities

1 Describe completely and in detail your past, present, and planned activities. Do not refer to or repeat the purposes in your organizing document.

For each past, present, or planned activity, include information that answers the following questions:

- a. What is the activity?
- b. Who conducts the activity?
- c. Where is the activity conducted?
- d. What percentage of your total time is allocated to the activity?
- e. How is the activity funded (for example, donations, fees, etc.) and what percentage of your overall expenses is allocated to this activity?
- f. How does the activity further your exempt purposes?

As is more particularly described in the attached Supplemental Information to Form 1023 (the Supplemental Information), CharterCARE Our Lady of Fatima Hospital (the Applicant) is a newly formed Rhode Island nonprofit corporation that is organized and will be operated exclusively for purposes that are charitable, educational, and/or scientific within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the Code). The Applicant has been created to own and operate a 278 licensed-bed acute care hospital located in North Providence, Rhode Island under the name Our Lady of Fatima Hospital (OLFH). The Applicant will be one of two general, acute care hospitals, various outpatient facilities, clinics, and physician offices that will comprise a new, integrated healthcare delivery network known as CharterCARE Health System (the Health system). The creation of the Health System will result from the approval and consummation of the proposed Transaction (as further described in the Supplemental Information). The Health System will be operated in a nonprofit and charitable manner and will provide a broad array of inpatient and outpatient health care services to improve the health and quality of life for residents of Providence, Rhode Island and the surrounding communities (the Community).

SEE SUPPLEMENTAL INFORMATION FOR ADDITIONAL DETAILS.

Part IV Your Activities (continued)

2 Enter the 3-character NTEE Code that best describes your activities.

E22

Or check here if you want the IRS to select the NTEE Code that best describes your activities.

3 Do any of your programs limit the provision of goods, services, or funds to a specific individual or group of specific individuals? For example, answer "Yes" if goods, services, or funds are provided only for a particular individual, your members, individuals who work for a particular employer, or graduates of a particular school. If "Yes," explain the limitation and how recipients are selected for each program. Yes No

As a community-based health care organization, the Applicant will further its exempt purposes by providing hospital and related healthcare services for patients. The Applicant generally will charge fees to its patients for such services. All such fees will be reasonable, and the decision of whether to charge any fee will be governed by the Applicant's financial assistance policy, as described elsewhere in this Application.

4 Do any individuals who receive goods, services, or funds through your programs have a family or business relationship with any officer, director, trustee, or with any of your highest compensated employees or highest compensated independent contractors? If "Yes," explain how these related individuals are eligible for goods, services, or funds. Yes No

As a community-based healthcare organization, the Applicant may provide services to individuals who have a family or business relationship with one of the Applicant's officers, directors, trustees, employees, or independent contractors. Any such relationship will have no bearing upon the services provided or the fees charged for such services.

5 Do you or will you support or oppose candidates in political campaigns in any way? If "Yes," explain. Yes No

[Empty text box for explanation]

6 Do you or will you attempt to influence legislation? If "Yes," explain how you attempt to influence legislation. Yes No

At this time, the Applicant has no intention of engaging directly in any attempts to influence legislation. The Applicant does anticipate that it may become a member of one or more hospital associations or other Code Section 501 (c)(6) organizations that engage in a variety of activities on behalf of their members, including attempts to influence legislation. The Applicant will conform with all applicable requirements concerning such activity, such as by reporting on its Form 990, Return of Organization Exempt from Income Tax (Form 990). More significantly, the Applicant will ensure that any attempts to influence legislation, whether direct or indirect, do not comprise a substantial portion of its activities.

Part IV Your Activities (continued)

- 6a Did you or will you make an election to have your legislative activities measured by expenditures by filing Form 5768? Yes No
 If "No," describe whether your attempts to influence legislation are a substantial part of your activities. Include the time and money spent on your attempts to influence legislation as compared to your total activities.

At this time, the Applicant does not intend to file Form 5768. As noted above, Applicant will not engage directly in legislative activities, and its only expenditures associated with such activities (if any) will be a portion of the dues the Applicant pays as a member of hospital associations or other Code Section 501 (c)(6) organizations that engage in legislative activities to serve the interests of their members. Such nominal expenditures will be insubstantial in comparison to Applicant's total activities.

- 7 Do you or will you publish, own, or have rights in music, literature, tapes, artworks, choreography, scientific discoveries, or other intellectual property? If "Yes," describe who owns or will own any copyrights, patents, or trademarks, whether fees are or will be charged, how the fees are determined, and how any items are or will be produced, distributed, and marketed. Yes No

The Applicant may employ or otherwise contract for the services of physicians or other health professionals who engage in research activities. Such research activities conceivably could generate intellectual property rights for the Applicant. If such research is to be conducted, the Applicant will develop processes and procedures to ensure that the research and any associated intellectual property rights are handled in a manner consistent with Code Section 501 (c)(3) - such as by ensuring that the results of the research are made publicly available through publication or other means.

- 8 Do you or will you provide educational information to the general public on budgeting, personal finance, financial literacy, saving and spending practices, the sound use of consumer credit, and/or assist individuals and families with financial problems such as credit card debt and foreclosure by providing them with counseling? If "Yes," explain. Yes No

- 9 Do you or will you make grants, loans, or other distributions to organizations? If "Yes," describe the type and purpose of the grants, loans, or distributions, how you select your recipients including submission requirements (such as grant proposals or application forms), and the criteria you use or will use to select recipients. Also describe how you ensure the grants, loans, and other distributions are or will be used for their intended purposes (including whether you require periodic or final reports on the use of funds and any procedures you have if you identify that funds are not being used for their intended purposes). Finally, describe the records you keep with respect to grants, loans, or other distributions you make and identify any recipient organizations and any relationships between you and the recipients. If "No," continue to Line 10. Yes No

SEE SUPPLEMENTAL INFORMATION.

Part IV Your Activities (continued)

9a Do you or will you make grants, loans, or other distributions to organizations that are not recognized by the IRS as tax exempt under section 501(c)(3)? If "Yes," name and/or describe the non-section 501(c)(3) organizations to whom you do or will make distributions and explain how these distributions further your exempt purposes. Yes No

9b Do you or will you make grants, loans, or other distributions to foreign organizations? If "Yes," name each foreign organization (if not already provided), the country and region within each country in which each foreign organization operates, any relationship you have with each foreign organization, and whether the foreign organization accepts contributions earmarked for a specific country or organization (if so, specify which countries or organizations). If "No," continue to Line 10. Yes No

9c Do your contributors know that you have ultimate authority to use contributions made to you at your discretion for purposes consistent with your exempt purposes? If "Yes," describe how you relay this information to contributors. Yes No

9d Do you or will you make pre-grant inquiries about the recipient organization? If "Yes," describe these inquiries, including whether you inquire about the recipient's financial status, its tax-exempt status under the Internal Revenue Code, its ability to accomplish the purpose for which the resources are provided, and other relevant information. Yes No

9e Do you or will you use any additional procedures to ensure that your distributions to foreign organizations are used in furtherance of your exempt purposes? If "Yes," describe these procedures, including periodic reporting requirements, auditing grantees, site visits by your employees or compliance checks by impartial experts, etc., to verify that grant funds are being used appropriately. Yes No

Part IV Your Activities (continued)

9f Do you share board members or other key personnel with the recipient organization(s)? If "Yes," identify the relationships. Yes No

9g When you make grants, loans, or other distributions to foreign organizations, will you check the OFAC List of Specially Designated Nationals and Blocked Persons for names of individuals and entities with whom you are dealing to determine if they are included on the list? Describe any other practices you will engage in to ensure that foreign expenditures or grants are not diverted to support terrorism or other non-charitable activities. Yes No

9h Will you comply with all United States statutes, executive orders, and regulations that restrict or prohibit U.S. persons from engaging in transactions and dealings with designated countries, entities, or individuals, or otherwise engaging in activities in violation of economic sanctions administered by OFAC? Yes No

9i Will you acquire from OFAC the appropriate license and registration where necessary? Yes No

10 Do you or will you operate in a foreign country or countries? If "Yes," name each foreign country and region within each country in which you do or will operate and describe your operations in each one. If "No," continue to Line 11. Yes No

10a When you conduct activities in foreign countries, will you check the OFAC List of Specially Designated Nationals and Blocked Persons for names of individuals and entities with whom you are dealing to determine if they are included on the list? Describe any other practices you will engage in to ensure that foreign expenditures or grants are not diverted to support terrorism or other non-charitable activities. Yes No

10b Will you comply with all United States statutes, executive orders, and regulations that restrict or prohibit U.S. persons from engaging in transactions and dealings with designated countries, entities, or individuals, or otherwise engaging in activities in violation of economic sanctions administered by OFAC? Yes No

10c Will you acquire from OFAC the appropriate license and registration where necessary? Yes No

Part IV Your Activities (continued)

11 Are you a sponsoring organization that maintains one or more donor advised funds? If yes, please provide a complete description of your program, including the specific advice that such donors may provide. Describe in detail the control you maintain (or will maintain) over the use of the funds. Yes No

12 Do you or will you operate a school? Yes No
If "Yes," complete Schedule B.

13 Is your principal purpose or function to provide hospital or medical care? Yes No
If "Yes," complete Schedule C.

14 Do you or will you provide low-income housing? Yes No
If "Yes," complete Schedule F.

15 Do you or will you provide scholarships, fellowships, educational loans, or other educational grants to individuals, including grants for travel, study, or other similar purposes? Yes No
If "Yes," complete Schedule H - Section I.

16 Check any of the following fundraising activities that you will undertake (check all that apply):

- Website, mail, email, personal, and/or phone solicitations
- Receive donations from another organization's website
- Bingo
- Other (describe)
- Foundation grant solicitations
- Government grant solicitations
- Other (non-bingo) gaming activities

SEE SUPPLEMENTAL INFORMATION.

We will not engage in fundraising activities.

17 Do you or will you engage in fundraising activities for other organizations? If "Yes," describe these arrangements, including the names or descriptions of the organizations for which you raise funds. Yes No

Part V Compensation and Other Financial Arrangements

1 Do you or will you compensate officers, directors, or trustees, or do or will you have highest compensated employees, or highest compensated independent contractors? If "No," continue to Line 2. Yes No

In establishing compensation for your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors:

1a Do or will the individuals that approve compensation arrangements follow a conflict of interest policy? Yes No

1b Do or will you approve compensation arrangements in advance of paying compensation? Yes No

1c Do or will you document in writing the date and terms of approved compensation arrangements? Yes No

1d Do or will you record in writing the decision made by each individual who decided or voted on compensation arrangements? Yes No

1e Do or will you approve compensation arrangements based on information about compensation paid by similarly situated taxable or tax-exempt organizations for similar services, current compensation surveys compiled by independent firms, or actual written offers from similarly situated organizations? Yes No

1f Do or will you record in writing both the information on which you relied to base your decision and its source? Yes No

1g Do or will you have any other practices you use to set reasonable compensation? If "Yes," describe these practices. Yes No

SEE SUPPLEMENTAL INFORMATION.

2 Have you adopted a conflict of interest policy consistent with the sample conflict of interest policy in Appendix A to the instructions? If you are a hospital, answer "Yes" if your conflict of interest policy includes provisions consistent with the additional healthcare related provisions in the sample document. If "No," describe the procedures you will follow to ensure that persons who have a conflict of interest will not have influence over setting their own compensation or regarding business deals with themselves. Yes No

3 Do you or will you compensate any of your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors through non-fixed payments, such as discretionary bonuses or revenue-based payments? If "Yes," describe all non-fixed compensation arrangements, including how the amounts are determined, who is eligible for such arrangements, whether you place a limitation on total compensation, and how you determine or will determine that you pay no more than reasonable compensation for services. Yes No

Part V Compensation and Other Financial Arrangements (continued)

- 4 Do you or will you purchase or sell any goods, services, or assets from or to: (i) any of your officers, directors, or trustees; (ii) any family of any of your officers, directors, or trustees; (iii) any organizations in which any of your officers, directors, or trustees are also officers, directors, or trustees, or in which any individual officer, director, or trustee owns more than a 35% interest; (iv) your highest compensated employees; or (v) your highest compensated independent contractors? If "Yes," describe any such transactions that you made or intend to make, with whom you make or will make such transactions, how the terms are or will be negotiated at arm's length, and how you determine you pay no more than fair market value or you are paid at least fair market value. Yes No

As part of the Health System, the Applicant may purchase services from other tax-exempt or taxable entities within the Health System, and some of those entities may have one or more trustees, directors, or officers who also serve as trustees, directors or officers of the Applicant. Such arrangements will be entered into at arm's length, and any compensation paid for such services will be fair market value and will not be affected in any way by the overlapping governance across the Health System's various entities. Beyond this, the only services that will be purchased from employees or independent contractors are their services as employees and independent contractors.

- 5 Do you or will you have any leases, contracts, loans, or other agreements with: (i) your officers, directors, or trustees; (ii) any family of any of your officers, directors, or trustees; (iii) any organizations in which any of your officers, directors, or trustees are also officers, directors, or trustees, or in which any individual officer, director, or trustee owns more than a 35% interest; (iv) your highest compensated employees; or (v) your highest compensated independent contractors? If "Yes," describe any written or oral arrangements that you made or intend to make, with whom you have or will have such arrangements, how the terms are or will be negotiated at arm's length, and how you determine you pay no more than fair market value or you are paid at least fair market value. Yes No

As noted above, the Applicant will be part of the Health System and may enter into service agreements with other tax exempt or taxable entities within the Health System that have one or more trustees, directors, or officers who also serve as trustees, directors, or officers of the Applicant. Such arrangements are common within tax-exempt health care systems and will be reasonable for all participants in the arrangement.

- 6 Do you or will you contract with another organization to develop, build, market, or finance your facilities? Yes No
If "Yes," describe each facility, the role of the other organization, and any business or family relationship between the organization and your officers, directors, or trustees. Explain how that entity is selected, how the terms of any contract(s) are negotiated at arm's length, and how you determine you will pay no more than fair market value for services.

[Empty text box for response to question 6]

Part V Compensation and Other Financial Arrangements (continued)

- 7 Does or will someone other than your own employees or volunteers manage your activities or facilities? Yes No
 If "Yes," describe the activities or facilities that will be managed by others, the names of the persons or organizations that manage or will manage your activities or facilities, and any business or family relationship between the organization and your officers, directors, or trustees. Explain how these managers were or will be selected, how the terms of any contracts or other agreements were or will be negotiated, and how you determine you will pay no more than fair market value for services.

- 8 Do you participate in any joint ventures, including partnerships or limited liability companies treated as partnerships, in which you share profits and losses with partners? If "Yes," state your ownership percentage in each joint venture, list your investment in each joint venture, describe the tax status of other participants in each joint venture (including whether they are section 501(c)(3) organizations), describe the activities of each joint venture, describe how you exercise control over the activities of each joint venture, and describe how each joint venture furthers your exempt purposes. Yes No

SEE SUPPLEMENTAL INFORMATION.

Part VI Financial Data

- 1 Select the option that best describes you to determine the years of revenues and expenses you need to provide.
- You completed less than one tax year.
Provide a total of three years of financial information (including the current year and two future years of reasonable and good faith projections of your future finances) in the following Statement of Revenues and Expenses.
 - You completed at least one tax year but fewer than five.
Provide a total of four years financial information (including the current year and three years of actual financial information or reasonable and good faith projections of your future finances) in the following Statement of Revenues and Expenses.
 - You completed five or more tax years.
Provide financial information for your five most recent tax years (including the current year) in the following Statement of Revenues and Expenses.

Part VI Financial Data (continued)

A. Statement of Revenues and Expenses

Type of revenue	Current tax year	4 prior tax years or 2 succeeding tax years			
	From: 07/01/2023	From: 07/01/2024	From: 07/01/2025	From: 07/01/2026	From: 12/05/2022
	To: 06/30/2024	To: 06/30/2025	To: 06/30/2026	To: 06/30/2027	To: 06/30/2023
1 Gifts, grants, and contributions received (do not include unusual grants)	\$0.	\$0.	\$0.	\$0.	\$0.
2 Membership fees received	\$0.	\$0.	\$0.	\$0.	\$0.
3 Gross investment income	\$0.	\$0.	\$0.	\$0.	\$0.
4 Net unrelated business income	\$0.	\$0.	\$0.	\$0.	\$0.
5 Taxes levied for your benefit	\$0.	\$0.	\$0.	\$0.	\$0.
6 Value of services or facilities furnished by a governmental unit without charge (not including the value of services generally furnished to the public without charge)	\$0.	\$0.	\$0.	\$0.	\$0.
7 Any revenue not otherwise listed above or in lines 9 - 12 below (provide an itemized list below)	\$0.	\$0.	\$0.	\$0.	\$0.
8 Total of lines 1 through 7	\$0.	\$0.	\$0.	\$0.	\$0.
9 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to your exempt purposes (provide an itemized list below)	\$0.	\$182,087,958.	\$193,037,459.	\$197,863,395.	\$0.
10 Total of lines 8 and 9	\$0.	\$182,087,958.	\$193,037,459.	\$197,863,395.	\$0.
11 Net gain or loss on sale of capital assets (provide an itemized list below)	\$0.	\$0.	\$0.	\$0.	\$0.
12 Unusual grants (provide an itemized list below)	\$0.	\$0.	\$0.	\$0.	\$0.
13 Total Revenue (add lines 10 through 12)	\$0.	\$182,087,958.	\$193,037,459.	\$197,863,395.	\$0.
Type of expense	Current tax year	4 prior tax years or 2 succeeding tax years			
14 Fundraising expenses	\$0.	\$0.	\$0.	\$0.	\$0.
15 Contributions, gifts, grants, and similar amounts paid out (provide an itemized list below)	\$0.	\$0.	\$0.	\$0.	\$0.
16 Disbursements to or for the benefit of members (provide an itemized list below)	\$0.	\$0.	\$0.	\$0.	\$0.
17 Compensation of officers, directors, and trustees	\$0.	\$14,660,139.	\$15,560,167.	\$15,871,371.	\$0.
18 Other salaries and wages	\$0.	\$72,054,476.	\$77,236,808.	\$78,781,544.	\$0.
19 Interest expense	\$0.	\$0.	\$0.	\$0.	\$0.
20 Occupancy (rent, utilities, etc.)	\$0.	\$7,142,486.	\$7,228,653.	\$7,373,226.	\$0.
21 Depreciation and depletion	\$0.	\$2,088,462.	\$2,192,886.	\$2,236,743.	\$0.
22 Professional fees	\$0.	\$6,021,462.	\$7,723,615.	\$7,878,087.	\$0.
23 Any expense not otherwise classified, such as program services (provide an itemized list below)	\$0.	\$58,426,038.	\$60,324,615.	\$61,531,107.	\$0.
24 Total Expenses (add lines 14 through 23)	\$0.	\$160,393,063.	\$170,266,744.	\$173,672,078.	\$0.

25 Itemized financial data

SEE SUPPLEMENTAL INFORMATION FOR ADDITIONAL DETAILS.

Part VI Financial Data (continued)

B. Balance Sheet (for your most recently completed tax year)		Year End: 06/30/2023
Assets		
1	Cash	\$0.
2	Accounts receivable, net	
3	Inventories	
4	Bonds and notes receivable (provide an itemized list below)	
5	Corporate stocks (provide an itemized list below)	
6	Loans receivable (provide an itemized list below)	
7	Other investments (provide an itemized list below)	
8	Depreciable assets (provide an itemized list below)	
9	Land	
10	Other assets (provide an itemized list below)	\$0.
11	Total Assets (add lines 1 through 10)	\$0.
Liabilities		
12	Accounts payable	\$0.
13	Contributions, gifts, grants, etc. payable	\$0.
14	Mortgages and notes payable (provide an itemized list below)	\$0.
15	Other liabilities (provide an itemized list below)	\$0.
16	Total Liabilities (add lines 12 through 15)	\$0.
Fund Balances or Net Assets		
17	Total fund balances or net assets	\$0.
18	Total Liabilities and Fund Balances or Net Assets (add lines 16 and 17)	\$0.

19 Itemized financial data

Part VII Foundation Classification

Part VII is designed to classify you as an organization that is either a private foundation or a public charity. Public charity classification is a more favorable tax status than private foundation classification. If you are a private foundation, this part will further determine whether you are a private operating foundation.

1 Select the foundation classification you are requesting from the list below.

- You are described in 509(a)(1) and 170(b)(1)(A)(vi) as an organization that receives a substantial part of its financial support in the form of contributions from publicly supported organizations, from a governmental unit, or from the general public.
- You are described in 509(a)(2) as an organization that normally receives not more than one-third of its financial support from gross investment income and receives more than one-third of its financial support from contributions, membership fees, and gross receipts from activities related to its exempt functions (subject to certain exceptions).
- You are described in 509(a)(1) and 170(b)(1)(A)(i) as a church or a convention or association of churches. Complete Schedule A.
- You are described in 509(a)(1) and 170(b)(1)(A)(ii) as a school. Complete Schedule B.
- You are described in 509(a)(1) and 170(b)(1)(A)(iii) as a hospital, a cooperative hospital service organization, or a medical research organization operated in conjunction with a hospital. Complete Schedule C.
- You are described in 509(a)(1) and 170(b)(1)(A)(iv) as an organization operated for the benefit of a college or university that is owned or operated by a governmental unit.
- You are described in 509(a)(1) and 170(b)(1)(A)(ix) as an agricultural research organization directly engaged in the continuous active conduct of agricultural research in conjunction with a college or university.
- You are described in 509(a)(3) as an organization supporting either one or more organizations described in 509(a)(1) or 509(a)(2) or a publicly supported section 501(c)(4), (5), or (6) organization. Complete Schedule D.
- You are described in 509(a)(4) as an organization organized and operated exclusively for testing for public safety.
- You are a publicly supported organization and would like the IRS to decide your correct classification.
- You are a private foundation.

1a As a private foundation, section 508(e) requires special provisions in your organizing document in addition to those that apply to all organizations described in section 501(c)(3). Check this box to confirm that your organizing document includes these provisions or you rely on state law.

State specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document (Page/Article/Paragraph) or state that you rely on state law.

1b Do you or will you provide scholarships, fellowships, educational loans, or other educational grants to individuals, including grants for travel, study, or other similar purposes? Yes No
If "Yes," complete Schedule H - Section II.

1c Are you a private operating foundation? Yes No

To be a private operating foundation you must engage directly in the active conduct of charitable, religious, educational, and similar activities, as opposed to indirectly carrying out these activities by providing grants to individuals or other organizations.

Part VII Foundation Classification *(continued)*

1d Describe how you meet the requirements for private operating foundation status, including how you meet the income test and either the assets test, the endowment test, or the support test. If you've been in existence for less than one year, describe how you are likely to satisfy the requirements for private operating foundation status.

2 If you have been in existence more than 5 years, you must confirm your public support status. To confirm your qualification as a public charity described in 509(a)(1) and 170(b)(1)(A)(vi) in existence for five or more tax years, you must have received one-third or more of your total support from governmental agencies, contributions from the general public, and contributions or grants from other public charities; or 10% or more of your total support from governmental agencies, contributions from the general public, and contributions or grants from other public charities and the facts and circumstances indicate you are a publicly supported organization. Calculate whether you meet this support test for your most recent five-year period.

i. Did you receive contributions from any person, company, or organization whose gifts totaled more than the 2% amount of line 8 in Part VI-A? Yes No

If "Yes," identify each person, company, or organization by letter (A, B, C, etc.) and indicate the amount contributed by each. Keep a list showing the name of and amount contributed by each of these donors for your records.

ii. Based on your calculations, did you receive at least one-third of your support from public sources or did you normally receive at least 10 percent of your support from public sources and you have other characteristics of a publicly supported organization? Yes No

2a If you have been in existence more than 5 years, you must confirm your public support status. To confirm your qualification as a public charity described in 509(a)(2) in existence for five or more tax years, you must have normally received more than one-third of your support from contributions, membership fees, and gross receipts from activities related to your exempt functions, or a combination of these sources, and not more than one-third of your support from gross investment income and net unrelated business income. Calculate whether you meet this support test for your most recent five-year period.

i. Did you receive amounts from any disqualified persons? Yes No

If "Yes," identify each disqualified person by letter (A, B, C, etc.) and indicate the amount contributed by each. Keep a list showing the name of and amount contributed by each of these donors for your records.

ii. Did you receive amounts from individuals or organizations other than disqualified persons that exceeded the greater of \$5,000 or 1% of the amount on line 10 of Part VI-A Statement of Revenues and Expenses? Yes No

If "Yes," identify each individual or organization by letter (A, B, C, etc.) and indicate the amount contributed by each. Keep a list showing the name of and amount contributed by each of these donors for your records.

iii. Based on your calculations, did you normally receive more than one-third of your support from a combination of gifts, grants, contributions, membership fees, and gross receipts (from permitted sources) from activities related to your exempt functions and normally receive not more than one-third of your support from investment income and unrelated business taxable income? Yes No

Part VIII Effective Date

In general, a determination letter recognizing exemption of an organization described in section 501(c)(3) is effective as of the date of formation of an organization if: (1) its purposes and activities prior to the date of the determination letter have been consistent with the requirements for exemption; and (2) it has filed an application for recognition of exemption within 27 months from the end of the month in which it was organized.

1 Are you submitting this application within 27 months of the end of the month in which you were legally formed? Yes No

If "No," complete Schedule E.

Part IX Annual Filing Requirements

If you fail to file a required information return or notice for three consecutive years, your exempt status will be automatically revoked.

1 Certain organizations are not required to file annual information returns or notices (Form 990, Form 990-EZ, or Form 990-N, e-Postcard). If you are granted tax-exemption, are you claiming to be excused from filing Form 990, Form 990-EZ, or Form 990-N? Yes No

If "Yes," are you claiming you are excepted from filing because you are:

- A church or association of churches
- An integrated auxiliary (such as a men's or women's organization, religious school, mission society, or religious group)
- A church-affiliated organization (other than a section 509(a)(3) organization) that is exclusively engaged in managing funds or maintaining retirement programs and is described in Revenue Procedure 96-10, 1996-1 C.B. 577
- A school below college level affiliated with a church or operated by a religious order
- A mission society (other than a section 509(a)(3) supporting organization) sponsored by, or affiliated with, one or more churches or church denominations, if more than half of the society's activities are conducted in, or directed at, persons in foreign countries
- An affiliate of a governmental unit that meets the requirements of Revenue Procedure 95-48, 1995-2 C.B. 418 (other than a section 509(a)(3) supporting organization)
- Other (describe)

Part X Signature

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization and that I have examined this application, and to the best of my knowledge it is true, correct, and complete.

Benjamin Mingle

 (Type name of signer)

DIRECTOR & CHAIR

 (Type title or authority of signer)

12/18/2023

 (Date)

Upload checklist:

- Organizing document (and any amendments)
- Bylaws, if adopted
- Form 2848, Power of Attorney and Declaration of Representative (if applicable)
- Form 8821, Tax Information Authorization (if applicable)
- Supplemental responses (if applicable)
- Expedited handling request (if applicable)

Schedule C. Hospitals and Medical Research Organizations

- 1** Are you a medical research organization (an organization whose principal purpose or function is medical research and which is directly engaged in the continuous active conduct of medical research) operated in conjunction with a hospital? If "No," continue to Line 2. Yes No

- 1a** Name the hospitals with which you have a relationship and describe the relationship.

- 1b** List your assets showing their fair market value and the portion of your assets directly devoted to medical research.

Do not complete the remainder of Schedule C.

- 2** Are you applying for exemption as a cooperative hospital service organization described in section 501(e)? If "Yes," explain. Yes No

Do not complete the remainder of Schedule C.

- 3** Are all the doctors in the community eligible for staff privileges? If "No," give the reasons why and explain how the medical staff is selected. Yes No

Schedule C. Hospitals and Medical Research Organizations (continued)

4 Do or will you provide medical services to all individuals in your community who can pay for themselves or are able to pay through some form of insurance? If "No," explain. Yes No

[Empty text box for explanation]

5 Do you or will you maintain a full-time emergency room? If "Yes," continue to Line 6. Yes No

5a Are you a specialty hospital or would emergency services be duplicative based on your region or locality? Yes No

6 Do you provide free or below cost services? If "Yes," describe your policy for determining when and to whom you provide these services and how these services promote the organization's benefit to the community. Yes No

The Applicant will comply in all respects with Code Section 501 (r) - including by adopting and following a financial assistance policy. A copy of the Applicant's Financial Assistance Policy is attached as Exhibit D.

7 Do you or will you carry on a formal program of medical training or medical research? If "Yes," describe such programs, including the type of programs offered, the scope of such programs, and affiliations with other hospitals or medical care providers with which you carry on the medical training or research programs. Yes No

[Empty text box for description]

8 Do you or will you carry on a formal program of community education? If "Yes," describe such programs, including the type of programs offered, the scope of such programs, and affiliation with other hospitals or medical care providers with which you offer community education programs. Yes No

The Applicant will provide and support various programs to benefit the Community, including health clinics and low-cost education classes. The Applicant also will collaborate with other local charitable entities and governmental entities to advance its charitable purposes.

Schedule C. Hospitals and Medical Research Organizations (continued)

9 Is your board of directors composed of a majority of individuals who are representative of the community you serve, or do you operate under a parent organization whose board of directors is composed of a majority of individuals who are representative of the community you serve? If "Yes," continue to Line 10. Yes No

9a List each board member's name and business, financial, or professional relationship with the hospital. Also, identify each board member who is representative of the community and describe how that individual is a community representative. If you operate under a parent organization whose board of directors is not composed of a majority of individuals who are representative of the community you serve, provide the requested information for your parent's board of directors as well.

10 Do you operate a facility which is required by a state to be licensed, registered, or similarly recognized as a hospital? If "No," do not complete the rest of Schedule C. Yes No

10a Do you conduct a community health needs assessment (CHNA) at least once every three years and adopt an implementation strategy to meet the community health needs identified in the assessment as required by section 501(r)(3)? If "No," explain. Yes No

10b Do you have a written financial assistance policy (FAP) and a written policy relating to emergency medical care as required by section 501(r)(4)? If "No," explain. Yes No

Schedule C. Hospitals and Medical Research Organizations *(continued)*

10c Do you both (1) limit amounts charged for emergency or other medically necessary care provided to individuals eligible for assistance under your FAP to not more than amounts generally billed to individuals who have insurance covering such care, and (2) prohibit use of gross charges as required by section 501(r)(5)? If "No," explain. Yes No

10d Do you make reasonable efforts to determine whether an individual is FAP-eligible before engaging in extraordinary collection actions as required by section 501(r)(6)? If "No," explain. Yes No

Supplemental Information for Form 1023**Part I, Line 4.**

If additional information is needed, the Service should contact the Applicant's Authorized Representatives, James R. Willey and Kelci R. Laster. A Form 2848, Power of Attorney and Declaration of Representative, for Mr. Willey and Ms. Laster is attached as **Exhibit A.**

Part II, Line 1.

Articles of Incorporation, with proof of filing, attached as **Exhibit B.**

Part II, Line 2.

Bylaws, as adopted March 6, 2023, attached as **Exhibit C.**

Part IV, Line 1.

(continued from Form 1023)

Background.

In 2009, Roger Williams Medical Center ("RWMC")¹ and Our Lady of Fatima Hospital ("OLFH")² agreed to affiliate through the creation of CharterCARE Health Partners ("CCHP"). RWMC and OLFH each shared a long, proud history of providing charity care to the poor and vulnerable residents of the Community and believe that the creation of CCHP as the parent organization of their combined hospital systems would allow them to better serve the needs of the residents of the Community.

RWMC was founded in 1878 as a community owned and governed hospital known as the Homeopathic Hospital of Rhode Island. Since 1922, RWMC has been located in the Smith Hill neighborhood of Providence, which is one of the city's oldest neighborhoods. OLFH's history in the Community dates back to 1892 when the Roman Catholic Diocese of Providence (the "Diocese") opened St. Joseph Hospital. OLFH was opened by the Diocese in North Providence in 1954. In 1970, the Diocese merged OLFH and St. Joseph Hospital and consolidated their operations on OLFH's North Providence campus.

Despite the affiliation between RWMC and OLFH, CCHP continued to face increasing financial and operational challenges that threatened the future of both hospitals. In 2014, CCHP sold substantially all of the assets used in the operation of RWMC, OLFH, and

¹ RWMC was at the time an independent, nonprofit, tax-exempt community hospital located in Providence, Rhode Island.

² OLFH was at the time a nonprofit, tax-exempt hospital sponsored by the Diocese of Providence located in North Providence, Rhode Island.

their respective affiliates (collectively, the "CharterCARE Assets") to Prospect Medical Holdings, Inc., a for-profit healthcare system based in California ("Prospect"), and thereafter Prospect began to operate RWMC, OLFH, and their respective affiliates in a for-profit manner.

At all times prior to the sale of the CharterCARE Assets to Prospect, RWMC and OLFH were organized and operated exclusively for charitable, educational, scientific, and/or religious purposes within the meaning of Section 501(c)(3) of the Code (or its predecessors). While RWMC and OLFH are no longer organized as non-profit hospitals under state law, they each continue to play a vitally important role in the Community because of their designation as safety net hospitals by the Rhode Island Attorney General and Department of Health (collectively, the "State Officials").

On November 18, 2022, The Centurion Foundation, Inc. (the "Foundation"), which is a Georgia nonprofit corporation that has been recognized by the Internal Revenue Service (the "IRS") as exempt from federal income tax under Code Section 501(c)(3), entered into an agreement to acquire the CharterCARE Assets from Prospect (the "Transaction"). The Transaction is subject to approval by State Officials. Applications for approval of the Transaction were submitted to State Officials on November 14, 2023 and such applications were accepted by State Officials on December 14, 2023. By statute (R.I. Gen Laws § 23-177.14-3, State Officials have one hundred twenty (120) calendar days to approve or reject the Transaction (*i.e.*, April 12, 2024). If the Transaction is approved by State Officials, the Applicant anticipates that the Transaction would likely close on or before September 30, 2024.

The purpose of the Transaction is for CharterCARE Health of Rhode Island, Inc. (the "Health System Parent"), through one or more legal entities that will comprise the Health System (collectively, the "Health System Entities") that are controlled by the Health System Parent, to acquire the CharterCARE Assets in order to create the new Health System that will be operated in a nonprofit and charitable manner to serve the residents of the Community. The proposed Post-Transaction Organizational Chart of the Health System is attached as **Exhibit D**.

Charitable Purposes and Activities.

The Health System Parent is a newly created Rhode Island nonprofit corporation that has separately applied for recognition as an organization that is exempt from federal income taxation pursuant to Code Section 501(c)(3) organization of the Health System. The Health System Parent will engage in administrative and management activities that are typical for health system parent organizations, including overall coordination of all the organizations within the Health System in such matters as approving budgets, strategic planning, marketing, resource allocation, securing tax-exempt bond financing, and providing community education.

The Health System will include various tax-exempt and taxable entities which will operate together to advance the Health System's shared mission of serving the people of the

Community by providing high-quality care, medical research, and education, including the following: (a) two (2) general, acute care hospitals, RWMC and OLFH, both of which will be owned and operated by newly formed Rhode Island nonprofit corporations that are applying separately for exemption from federal income taxation pursuant to Code Section 501(c)(3); (b) one or more physician groups that will employ, and/or contract with, over 260 physicians and advanced practice providers located in offices and outpatient clinics throughout the Community; (c) an outpatient ambulatory surgery center located in Johnstone, Rhode Island; (d) a home health and hospice entity that will provide hospital-based, in-home visiting nurse services to or for the benefit of the patients of RWMC, OLFH, and other members of the Community; and (e) a charitable foundation that will support the Health System's Code Section 501(c)(3) purposes (the "Charter CARE Foundation").

The Health System Parent is the sole corporate member of the Applicant. The Applicant will function as an integral part of the Health System. Through its ownership and operation of OLFH, the Applicant will be able to build upon OLFH's long history of providing charitable, nonprofit hospital care for the Community in accordance with the teachings of the Catholic Church, as it did for many years prior to its acquisition by Prospect, and will continue to deliver high quality in-patient and outpatient health care services through the operation of OLFH to residents of the Community.

OLFH's history in the Community dates back to 1892, when St. Joseph Hospital was opened in Providence as a sponsored ministry of the Roman Catholic Diocese of Providence (the "Diocese"). At the time, St. Joseph Hospital became just the eighth hospital in the United States to be run by the Sisters of the Third Order of St. Francis, a religious community then based in Philadelphia, Pennsylvania. Although OLFH is no longer a sponsored ministry of the Diocese, as the lone "Catholic" hospital remaining in the State of Rhode Island, the Applicant is committed to maintaining OLFH's Catholic identity. The Applicant will operate OLFH in a manner that is consistent with the mission, vision, and values of the Catholic Church and in accordance with Ethical and Religious Directives for Catholic Health Care Services, as promulgated by the United States Conference of Catholic Bishops and adopted by the Diocese, as amended from time to time (the "ERDs").

The Applicant will operate in a manner consistent with the community benefit standard set forth in Revenue Ruling 69-545. The Applicant will operate an emergency room open to all, regardless of ability to pay. The Applicant also will provide hospital care to all in its Community who are able to pay, including those who pay for care through private insurance or through governmental programs like Medicare and Medicaid. Staff privileges at OLFH will be available to all qualified physicians. In addition, the Applicant will provide and support numerous programs to benefit its community, such as health clinics and low-cost health education classes, and collaborate with other local charitable entities and governmental agencies to advance charitable purposes.

The Applicant also will comply fully with Code Section 501(r). This includes adopting and consistently following a financial assistance policy, as described elsewhere in this

Application. The Applicant will follow appropriate and compliant billing and collection processes, will ensure that patients who are eligible for financial assistance are not charged more than insured patients, and will not improperly engage in any extraordinary collection activities. Additionally, the Applicant will timely complete community health needs assessments and adopt implementation strategies that will guide the Applicant in addressing health care needs in its Community.

Through these and other measures, the Applicant will operate OLFH exclusively to promote charitable and other Code Section 501(c)(3) purposes.

Part IV, Line 9.

As a good corporate citizen within its community and in furtherance of its charitable and other Code Section 501(c)(3) purposes, the Applicant may make grants to other charitable organizations both inside and outside of the Health System. Such grants, if any, will be focused upon promoting health in the Community, improving healthcare or access to healthcare, relieving the burdens of government, and otherwise advancing the overall wellbeing of residents of the Community. A charitable organization wishing to request funds may be required to submit a written request that identifies the purpose of the grant and other relevant information. Grant requests will be reviewed and evaluated by the Applicant to ensure that they are consistent with the Applicant's charitable grantmaking priorities, as described above. The Applicant will maintain active communication with grantees to ensure that grants are used as intended and, in all instances, in a manner consistent with Code Section 501(c)(3).

Part IV, Line 16.

The Applicant anticipates that its primary funding will come from providing charitable healthcare services in its Community. However, philanthropic fundraising endeavors are a significant source of support for Code Section 501(c)(3) healthcare organizations, and the Applicant anticipates that such endeavors will be undertaken on its behalf by the CharterCARE Foundation, which will have primary responsibility for raising funds to support the Health System's various hospital organizations and other Code Section 501(c)(3) organizations. If the Applicant does elect to engage in any direct fundraising endeavors, such activities will be coordinated with the CharterCARE Foundation and will comply in all respects with Code Section 501(c)(3).

Part V, Line 1g.

With respect to any employees who are or will become disqualified persons, the Applicant will follow a process consistent with the requirements for the rebuttable presumption of reasonableness under the Treasury Regulations in establishing compensation for employees and independent contractors. The amounts the Applicant pays for such employees will be reasonable because all organizations within the Health System are committed to paying compensation that does not exceed the thresholds for reasonableness, which they accomplish by following compensation surveys and by

following a process consistent with the requirements for the rebuttable presumption, where necessary, and the Applicant will pay only actual costs (*i.e.*, reimbursing the affiliate for wages and the value of benefits) for the employees it leases.

Part VI-A, Line 25.

Applicant has included financial information for the most recently completed tax year (*i.e.*, 12/05/2022 – 06/30-2023). Projections of Applicant's likely income and expenses for the current tax year (*i.e.*, 07/01/2023 – 06/30/2024) and three (3) succeeding tax years (*i.e.*, 07/01/2023 – 06/30/2024, 07/01/2024 – 06/30/2025, and 07/01/2025 – 06/30/2026) are based upon (a) an assumption that approval and closing of the Transaction will occur on or about September 30, 2024, and (b) a reasonable and good faith estimate of Applicant's future finances during the (3) tax years following the closing of the Transaction. Figures for the tax year ending 06/30/2025 have been annualized for year-over-year comparison purposes. An itemized list of "[A]ny expenses not otherwise classified..." reported on Part VI-A, Line 23 is included in the Part VI-A: Statement of Revenues and Expenses attached as **Exhibit E**.

Part VI-B, Line 19.

Applicant had no assets or liabilities for the most recently completed tax year (*i.e.*, 12/05/2022 - 06/30/2023) and will likely have no assets or liabilities at the end of the current tax year (*i.e.*, 07/01/2023 - 06/30/2024). Applicant is not expected to have any assets or liabilities until such time as the Transaction is approved by State Officials and the Transaction closes thereafter.

Part X.

Consistent with the IRS guidance concerning signature on an electronically submitted Form 1023, as issued May 5, 2020, a separate signature page including all information from Part X of the Form 1023 is attached as **Exhibit F**.

Schedule C, Line 6.

A copy of the Applicant's financial assistance policy is attached as **Exhibit G**.

CONFIDENTIAL

CharterCARE Our Lady of Fatima Hospital
EIN: 92-1354378

EXHIBIT A

Form 2848 – Power of Attorney and Declaration of Representative

See attached.

Form **2848**
(Rev. January 2021)
Department of the Treasury
Internal Revenue Service

Power of Attorney and Declaration of Representative

► Go to www.irs.gov/Form2848 for instructions and the latest information.

OMB No. 1545-0150

For IRS Use Only

Received by:

Name _____

Telephone _____

Function _____

Date / /

Part I Power of Attorney

Caution: A separate Form 2848 must be completed for each taxpayer. Form 2848 will not be honored for any purpose other than representation before the IRS.

1 Taxpayer information. Taxpayer must sign and date this form on page 2, line 7.

Taxpayer name and address CharterCARE Our Lady of Fatima Hospital 200 High Service Avenue North Providence, RI 02904		Taxpayer identification number(s) 92-1354378	
		Daytime telephone number 404-233-9000	Plan number (if applicable)

hereby appoints the following representative(s) as attorney(s)-in-fact:

2 Representative(s) must sign and date this form on page 2, Part II.

Name and address James R. Willey, Hall, Render, Killian, Heath & Lyman, P.C. 500 North Meridian Street, Suite 400 Indianapolis, IN 46204 Check if to be sent copies of notices and communications <input checked="" type="checkbox"/>	CAF No. 3206-14361R PTIN _____ Telephone No. 317-977-1409 Fax No. 317-633-4878 Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>
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Name and address Kelci R. Laster, Hall, Render, Killian, Heath & Lyman, P.C. 500 North Meridian Street, Suite 400 Indianapolis, IN 46204 Check if to be sent copies of notices and communications <input checked="" type="checkbox"/>	CAF No. 0313-39660R PTIN _____ Telephone No. 317-977-1401 Fax No. 317-633-4878 Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>
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Name and address (Note: IRS sends notices and communications to only two representatives.)	CAF No. _____ PTIN _____ Telephone No. _____ Fax No. _____ Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>
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Name and address (Note: IRS sends notices and communications to only two representatives.)	CAF No. _____ PTIN _____ Telephone No. _____ Fax No. _____ Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>
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to represent the taxpayer before the Internal Revenue Service and perform the following acts:

3 Acts authorized (you are required to complete line 3). Except for the acts described in line 5b, I authorize my representative(s) to receive and inspect my confidential tax information and to perform acts I can perform with respect to the tax matters described below. For example, my representative(s) shall have the authority to sign any agreements, consents, or similar documents (see instructions for line 5a for authorizing a representative to sign a return).

Description of Matter (Income, Employment, Payroll, Excise, Estate, Gift, Whistleblower, Practitioner Discipline, PLR, FOIA, Civil Penalty, Sec. 4980H Shared Responsibility Payment, etc.) (see instructions)	Tax Form Number (1040, 941, 720, etc.) (if applicable)	Year(s) or Period(s) (if applicable) (see instructions)
Application for Recognition of Exemption under Section 501(c)(3) of the Internal Revenue Code	1023	2022-2024

4 Specific use not recorded on the Centralized Authorization File (CAF). If the power of attorney is for a specific use not recorded on CAF, check this box. See Line 4. *Specific Use Not Recorded on CAF* in the instructions

5a Additional acts authorized. In addition to the acts listed on line 3 above, I authorize my representative(s) to perform the following acts (see instructions for line 5a for more information): Access my IRS records via an Intermediate Service Provider; Authorize disclosure to third parties; Substitute or add representative(s); Sign a return; _____

Other acts authorized: **Authority to receive SS-4 application processing status, Notice 147C letter(s), and any determination letter(s) regarding tax exemption by secure fax with effective dates and/or filing requirements.**

b Specific acts not authorized. My representative(s) is (are) not authorized to endorse or otherwise negotiate any check (including directing or accepting payment by any means, electronic or otherwise, into an account owned or controlled by the representative(s) or any firm or other entity with whom the representative(s) is (are) associated) issued by the government in respect of a federal tax liability. List any other specific deletions to the acts otherwise authorized in this power of attorney (see instructions for line 5b):

6 Retention/revocation of prior power(s) of attorney. The filing of this power of attorney automatically revokes all earlier power(s) of attorney on file with the Internal Revenue Service for the same matters and years or periods covered by this form. If you do not want to revoke a prior power of attorney, check here YOU MUST ATTACH A COPY OF ANY POWER OF ATTORNEY YOU WANT TO REMAIN IN EFFECT.

7 Taxpayer declaration and signature. If a tax matter concerns a year in which a joint return was filed, each spouse must file a separate power of attorney even if they are appointing the same representative(s). If signed by a corporate officer, partner, guardian, tax matters partner, partnership representative (or designated individual, if applicable), executor, receiver, administrator, trustee, or individual other than the taxpayer, I certify I have the legal authority to execute this form on behalf of the taxpayer.

▶ IF NOT COMPLETED, SIGNED, AND DATED, THE IRS WILL RETURN THIS POWER OF ATTORNEY TO THE TAXPAYER.

Signature: [Handwritten Signature] Date: 12.19.2023 Title (if applicable): Director & Chair

Benjamin M. Mingle CharterCARE Our Lady of Fatima Hospital Print name Print name of taxpayer from line 1 if other than individual

Part II Declaration of Representative

- Under penalties of perjury, by my signature below I declare that:
• I am not currently suspended or disbarred from practice, or ineligible for practice, before the Internal Revenue Service;
• I am subject to regulations in Circular 230 (31 CFR, Subtitle A, Part 10), as amended, governing practice before the Internal Revenue Service;
• I am authorized to represent the taxpayer identified in Part I for the matter(s) specified there; and
• I am one of the following:
a Attorney—a member in good standing of the bar of the highest court of the jurisdiction shown below.
b Certified Public Accountant—a holder of an active license to practice as a certified public accountant in the jurisdiction shown below.
c Enrolled Agent—enrolled as an agent by the IRS per the requirements of Circular 230.
d Officer—a bona fide officer of the taxpayer organization.
e Full-Time Employee—a full-time employee of the taxpayer.
f Family Member—a member of the taxpayer's immediate family (spouse, parent, child, grandparent, grandchild, step-parent, step-child, brother, or sister).
g Enrolled Actuary—enrolled as an actuary by the Joint Board for the Enrollment of Actuaries under 29 U.S.C. 1242 (the authority to practice before the IRS is limited by section 10.3(d) of Circular 230).
h Unenrolled Return Preparer—Authority to practice before the IRS is limited. An unenrolled return preparer may represent, provided the preparer (1) prepared and signed the return or claim for refund (or prepared if there is no signature space on the form); (2) was eligible to sign the return or claim for refund; (3) has a valid PTIN; and (4) possesses the required Annual Filing Season Program Record of Completion(s). See Special Rules and Requirements for Unenrolled Return Preparers in the instructions for additional information.
k Qualifying Student or Law Graduate—receives permission to represent taxpayers before the IRS by virtue of his/her status as a law, business, or accounting student, or law graduate working in a LITC or STCP. See instructions for Part II for additional information and requirements.
r Enrolled Retirement Plan Agent—enrolled as a retirement plan agent under the requirements of Circular 230 (the authority to practice before the Internal Revenue Service is limited by section 10.3(e)).

▶ IF THIS DECLARATION OF REPRESENTATIVE IS NOT COMPLETED, SIGNED, AND DATED, THE IRS WILL RETURN THE POWER OF ATTORNEY. REPRESENTATIVES MUST SIGN IN THE ORDER LISTED IN PART I, LINE 2.

Note: For designations d-f, enter your title, position, or relationship to the taxpayer in the "Licensing jurisdiction" column.

Table with 5 columns: Designation, Licensing jurisdiction, Bar, license, certification, registration, or enrollment number, Signature, Date. Contains two rows of handwritten entries.

CONFIDENTIAL

CharterCARE Our Lady of Fatima Hospital
EIN: 92-1354378

EXHIBIT B

Articles of Incorporation
(with proof of filing)

See attached.



State of Rhode Island
Department of State - Business Services Division

RECEIVED
R.I. DEPT. OF STATE
BUS SVCS DIV
2022 DEC -5 P 3:33

Articles of Incorporation
DOMESTIC Non-Profit Corporation

→ Filing Fee: \$35.00

The undersigned, acting as incorporator(s) of a corporation under RIGL 7-6-34, adopt(s) the following Articles of Incorporation for such corporation:

1. The name of the corporation is: CharterCARE Our Lady of Fatima Hospital		
2. The period of its duration is: CHECK ONE BOX ONLY		
<input checked="" type="checkbox"/> Perpetual (on-going)		
<input type="checkbox"/> Date certain for dissolution _____		
3. The specific purpose or purposes for which the corporation is organized are: See attached		
Check the box to indicate an attachment <input checked="" type="checkbox"/>		
4. Provisions, if any, not consistent 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: See attached		
Check the box to indicate an attachment <input checked="" type="checkbox"/>		
5. Name and address of the initial registered agent/office in Rhode Island is:		
Agent Name Chace Ruttenberg & Freedman, LLP		
Street Address (NOT a P.O. Box) One Park Row, Suite 300		
City Providence	State RHODE ISLAND	Zip Code 02903

MAIL TO:
Division of Business Services
148 W. River Street, Providence, Rhode Island 02904-2615
Phone: (401) 222-3040
Website: www.sos.ri.gov

FILED-333

DEC 05 2022

R.I. DEPT. OF STATE
C-GMT/PMH-010330
MS X107e

6. The number of the initial Board of Directors of the Corporation is 3 (not less than 3 directors) and the names and address of the persons who are to serve as the initial directors are:

NAME	ADDRESS
See attached	
Check the box to indicate an attachment <input type="checkbox"/>	

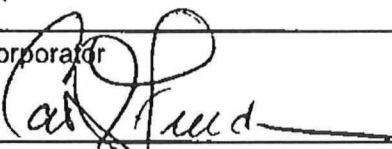
7. The name and address of each incorporator is:

NAME	ADDRESS
Carl I. Freedman	One Park Row, Suite 300, Providence, RI 02903
Check the box to indicate an attachment <input type="checkbox"/>	

8. Date when these Articles of Incorporation will be effective: **CHECK ONE BOX ONLY**

- Date received (Upon filing)
- Later effective date (Date must be no more than 30 days from the date of filing) _____

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

Type or Print Name of Incorporator Carl I. Freedman	Date 12/5/22
Signature of Incorporator 	
Type or Print Name of Incorporator	Date
Signature of Incorporator	
Type or Print Name of Incorporator	Date
Signature of Incorporator	

ARTICLES OF INCORPORATION

OF

CHARTERCARE OUR LADY OF FATIMA HOSPITAL

The undersigned incorporator hereby forms a corporation under the Rhode Island Nonprofit Corporation Act (the "Act"). References included in these Articles of Incorporation ("Articles") to provisions of the "General Laws of Rhode Island" or "R.I.G.L." or "G.L." shall refer to provisions of the State of Rhode Island General Laws 1956, as amended; and references included in these Articles to provisions of the "Code" shall refer to provisions of the Internal Revenue Code of 1986, as amended (or the corresponding provisions of any future United States Internal Revenue Law). Capitalized terms used and not otherwise defined herein shall have the meanings set forth in the Corporation's bylaws.

1. **Name.** The name of the corporation is CharterCARE Our Lady of Fatima Hospital (the "Corporation").

2. **Nonprofit Corporation.** The Corporation is a nonprofit and shall not have or issue shares or make distributions except as provided in R.I.G.L. § 7-6-31 and as further provided in these Articles or the bylaws of the Corporation.

3. **Membership.** The Corporation is a membership corporation. The sole member of the Corporation is CharterCARE Health of Rhode Island, Inc., a charitable nonprofit corporation organized and existing under the laws of the State of Rhode Island (the "Member"). Except as otherwise provided herein, the Member shall have those exclusive rights and powers set forth in the Corporation's bylaws, and all other rights, privileges, and obligations which are accorded to the Member under the Corporation's bylaws or under Rhode Island law.

4. **Registered Agent.** The Corporation's initial registered agent shall be Chace Ruttenberg & Freedman LLP, with an address of One Park Row, Suite 300, Providence, Rhode Island 02903.

5. **Duration.** The duration of the Corporation shall be perpetual.

6. Purpose.

(a) The Corporation is organized and at all times shall be operated exclusively for charitable, religious, scientific, or educational purposes within the meaning of Section 501(c)(3) of the Code, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Code.

(b) In furtherance of the Corporation's charitable purposes, the Corporation shall (i) participate in, and serve as an integral part of, an integrated healthcare delivery system established and maintained by the Member; (ii) provide a continuum of high quality health care and related services; (iii) support scientific and medical related research and education and training; and (iv) engage in or support such other activities that may be lawfully carried on by corporations that are formed and are subject to the Act in effect from time to time and are not inconsistent with the Corporation's qualification as an organization described in Section 501(c)(3) of the Code.

7. Board of Directors.

(a) Board Management and Composition. The activities, business, property, and affairs of the Corporation shall be managed by a board (the "Board") of not less than three (3) directors (each a "Director"), as may be further provided in the Corporation's bylaws.

(b) Initial Directors. The initial Hospital Board consists of the following three (3) Directors:

<u>Name</u>	<u>Address</u>
Benjamin Michael Mingle	1440 Garmon Ferry Rd. NW, Atlanta, GA 30327
Gregory Kent Grove	1075 W. Conway Dr. NW, Atlanta, GA 30327
Jeffrey Howard Liebman	4 Wallace Court, Watertown, MA 02129

8. Limitation on Liability of Directors. The personal liability of a Director to the Corporation or its Member for monetary damages for breach of duty as a Director shall be limited to the amount of compensation, if any, received by the Director for serving the Corporation during

the year of the violation, so long as the breach was not of a sort for which such limitation of liability is not permitted by chapter 6 of title 7 of the General Laws of Rhode Island.

Nothing contained in this Section 8 shall be construed to deny a Director of the Corporation the benefit of chapter 6 of title 7 of the General Laws of Rhode Island, or of any other limitation of liability available to such Director under law. Any repeal or modification of this Section 8 shall not adversely affect any right or protection of a Director existing at the time of such repeal or modification.

9. Limitations. Notwithstanding any other provision of these Articles:

(a) No part of the net earnings of the Corporation shall inure to the benefit of or be distributable to the Corporation's Directors, officers, or other private persons unless allowed by Section 501(c)(3) of the Code and the General Laws of Rhode Island; provided, however, that the Corporation shall be authorized and empowered to pay reasonable compensation for services actually rendered, reimburse reasonable expenses actually incurred by any such persons, and make payments and distributions, to the extent reasonable and necessary, in furtherance of the purpose set forth in Section 6 above;

(b) No substantial part of the activities of the Corporation shall include the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate or intervene (including by the publication or distribution of statements) in any political campaign on behalf of or in opposition to any candidate for public office;

(c) Notwithstanding any other provisions of these Articles or the Corporation's bylaws, the Corporation shall only operate for charitable purposes and in furtherance of its supported organizations and the Corporation shall not conduct any activities, nor exercise any power, not permitted to be conducted by a corporation exempt from taxation under Section 501(a) of the Code as an organization described under Sections 501(c)(3) and 509(a)(3) of the Code, or by a corporation the contributions to which are deductible by a contributor under Section 170(c)(2), 2055(a)(2) or 2522(a)(2) of the Code; and

(d) In the event that the Internal Revenue Service ("IRS) determines that the Corporation is a private foundation within the meaning of Section 509(a) of the Code, the Corporation will not engage in any act of self-dealing as defined in Section 4941(d) of the Code, retain any excess business holdings as defined in Section 4943(c) of the Code, make any investments in a manner as to subject the Corporation to tax under Section 4944 of the Code, or make any taxable expenditures as defined in Section 4945(d) of the Code. Additionally, if such a determination is made by the IRS, the Corporation will distribute its income for each tax year at a time and in a manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Code.

10. Indemnification. The Corporation shall indemnify and advance expenses to its Directors to the fullest extent permitted by law. Without limiting the foregoing, the Corporation shall indemnify its Directors against liability to any person for any action taken, or any failure to take any action, as a Director, except liability of a sort for which indemnification is not permitted by Section 7-6-6 of the General Laws of Rhode Island; provided, however, that the Corporation's duty to so indemnify shall extend to an indemnitee in connection with a proceeding initiated by such indemnitee only if such proceeding was authorized by the Board. In addition, the Corporation may indemnify and advance expenses to officers, employees, and agents of the Corporation who are not Directors to the same extent as Directors, and may further indemnify such officers, employees, and agents to the extent provided by the specific action of the Corporation and permitted by law. The Corporation may also procure insurance providing greater indemnification as provided by law.

11. Dissolution. The existence of the Corporation shall be perpetual unless sooner dissolved. If the Corporation is dissolved, all of its assets remaining for distribution after payment of obligations or provision for the same shall be distributed (subject to any restrictions imposed by any applicable will, trust, deed, agreement or other document) to the Member, provided that the Member is at that time an organization exempt from taxation as an organization described under Section 501(c)(3) of the Code, and elects to accept such assets. If the Member is not so exempt, if it is not in existence at that time, or if it is unable or unwilling to accept such assets, then all of the Corporation's remaining assets shall be distributed for use restricted to the purpose set forth in these Articles to one or more organizations organized and operated for religious, charitable,

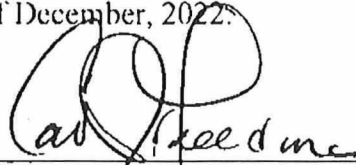
scientific, literary, educational or other purpose set forth in Section 501(c)(3) of the Code, in such proportions as the Board (or if the Board fails to act, a court of competent jurisdiction) may determine.

12. Interpretation. References in these Articles to Sections of the General Laws of Rhode Island shall be deemed to include amendments adopted from time to time to such Sections and shall further be deemed to include any successor Sections thereto, and references to a Section of the Code shall be construed to refer both to such Section and to the regulations promulgated thereunder, as they now exist or may hereafter be amended.

[Signatures on following page]

I hereby declare, under the penalties of false statement, that the statements made in the foregoing Articles are true.

Dated at Providence, Rhode Island this 5th day of December, 2022.



Carl I. Freedman, Incorporator
One Park Row, Suite 300
Providence, Rhode Island 02903

Acceptance of Appointment by Registered Agent:

CHACE RUTTENBERG & FREEDMAN LLP

By: _____





State of Rhode Island
Department of State | Office of the Secretary of State
Nellie M. Gorbea, *Secretary of State*

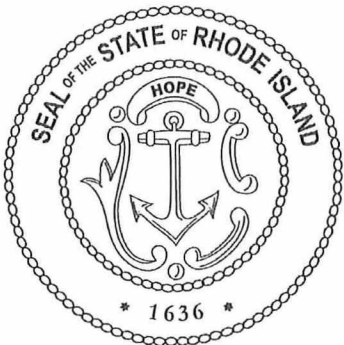
I, NELLIE M. GORBEA, Secretary of State of the State of Rhode Island,
hereby certify that this document, duly executed in accordance with the provisions
of Title 7 of the General Laws of Rhode Island, as amended, has been filed in this

office on this day:

December 05, 2022 03:33 PM

A handwritten signature in black ink, appearing to read "Nellie M. Gorbea".

Nellie M. Gorbea
Secretary of State



CONFIDENTIAL

CharterCARE Our Lady of Fatima Hospital
EIN: 92-1354378

EXHIBIT C

Bylaws

See attached.

BYLAWS
OF
CHARTERCARE OUR LADY OF FATIMA HOSPITAL

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**BYLAWS OF
CHARTERCARE OUR LADY OF FATIMA HOSPITAL**

**ARTICLE I
Corporation**

Section 1.1. **Name.** The name of the corporation is CharterCARE Our Lady of Fatima Hospital (the "Corporation").

Section 1.2. **Offices.** The Board shall have the powers to determine the location of the registered office, in accordance with applicable law, from time to time, and to designate the principal office of the Corporation and such additional offices as it shall determine in its discretion.

Section 1.3. **Definitions.** As used in the Governing Documents of the Corporation, the following words and phrases shall have the following meanings:

1.3.1. "Act" means the Rhode Island Nonprofit Corporation Act, as amended.

1.3.2. "Affiliate Organization" means any legal entity that is part of the System.

1.3.3. "Articles" means the Articles of Incorporation of the Corporation, as they may be amended or restated from time to time.

1.3.4. "Board" or "Board of Directors" means the Board of Directors of the Corporation.

1.3.5. "Bylaws" means by the Bylaws of the Corporation, as they may be amended or restated from time to time.

1.3.6. "Code" means the Internal Revenue Code of 1986, as amended.

1.3.7. "Community Director" means a person from or affiliated with the communities served by the Corporation who (1) demonstrate basic qualities of honesty, integrity, justice, and sound moral character; (2) are committed to uphold the purposes and general policies of the Corporation; (3) have the ability to participate effectively in fulfilling the Board's responsibilities, and the willingness and ability to devote necessary time to Board activities; (4) have particular expertise or experience necessary or desirable for governance of the Corporation; (5) are able to apply experience and expertise to Board decisions objectively and realistically; (6) have knowledge of the health care market in the Corporation's service area; and (7) recognize and protect the confidential nature of the information discussed at meetings of the Board and its committees.

1.3.8. "Control" or "Controlled" means:

(a) The authority, directly or indirectly, to appoint, elect, or approve at least a majority of the individual members, shareholders, partners, or equity owners of an organization; or

(b) The authority, directly or indirectly, to appoint, elect, or approve at least a majority of the governing body of an organization.

1.3.9. "Corporate Limit" means \$1,000,000 or such other dollar amount as may be established as the Corporate Limit by the Member from time to time.

1.3.10. "Director" means a member of the Corporation's Board of Directors.

1.3.11. "ERDs" means the *Ethical and Religious Directives for Catholic Health Care Services* as approved, from time to time, by the United States Conference of Catholic Bishops.

1.3.12. "Governing Documents" means the Articles, these Bylaws, Board Policy documents, and other comparable documents adopted for the Corporation either by the Member, or by the Board with the approval of the Member.

1.3.13. "Hospital" means the hospital facility under the authority of the Corporation, which may be known as Our Lady of Fatima Hospital or by another assumed business name(s) from time to time.

1.3.14. "Medical Staff" means the members of the medical staff of the Hospital.

1.3.15. "Member" means CharterCARE Health of Rhode Island, Inc., a charitable nonprofit corporation organized and existing under the laws of the State.

1.3.16. "State" means the State of Rhode Island.

1.3.17. "Subsidiary Organization" means any legal entity directly or indirectly controlled by the Corporation or a System entity.

1.3.18. "System" means the clinically integrated healthcare system comprised of the Member, all Subsidiary Organizations, and all Affiliate Organizations, including, but not limited to, the Member, the Corporation, and CharterCARE Roger Williams Medical Center.

1.3.19. "System Policy" or "System Policies" means all policies, procedures, technical manuals, and other written guidance established, adopted, or issued from time to time by the Member that is intended to apply to the System.

ARTICLE II

Purposes and Charitable Activities

Section 2.1. **Purposes.** The Corporation is organized and at all times shall be operated exclusively for the purposes identified in the Articles, which are incorporated herein in this Section 2.1 by this reference.

Section 2.2. **Charitable Activities.** The Corporation shall engage in such activities that further the mission of the Member and the charitable purposes of the Corporation, including but not limited to the following:

2.2.1. To be an integral part of the System under the control of the Member and the successor and assigns of the Member.

2.2.2. To establish and maintain hospitals and facilities for the care and treatment of members of the general public suffering from illnesses or disabilities which require that the patient receive hospital and health care.

2.2.3. To further the mission and charitable purposes of the Corporation of healing the sick and poor, and to promote, support, and engage in the charitable, scientific and educational activities which are now, or may be established by the Corporation and which are in furtherance of or in support of the charitable purposes of the organizations that are a part of the System.

2.2.4. To provide and support educational programs and initiatives relating to health care and the Corporation's other exempt purposes.

2.2.5. To promote and carry on scientific research related to the care of the sick and injured.

2.2.6. To conduct, participate in, and/or support activities designed and carried out to promote or enhance the health and wellness of individuals within the communities and region served by the System.

2.2.7. To assist and engage in all activities which serve other charitable, educational, and/or scientific purposes, are permitted by the Act and may be carried on by an organization exempt from federal income taxation under Code Section 501(c)(3).

Section 2.3. **Restrictions.** The Corporation shall be prohibited from engaging in activities identified as Limitations in the Articles, which are incorporated herein in this Section 2.3 by this reference.

ARTICLE III

Membership

Section 3.1. **Member.** The Corporation is a membership corporation. The sole corporate member of the Corporation is the Member.

Section 3.2. Reserved Powers of Member. The Member shall have such rights and powers as are provided for in the Articles, these Bylaws, and the laws of the State, including the following powers:

3.2.1. Approve the mission and vision statements for the Corporation, such mission and vision statements to be initially prepared by the Board;

3.2.2. Make and approve changes to the Articles or these Bylaws;

3.2.3. In consultation with the President, appoint or remove members of the Board, with or without cause;

3.2.4. In consultation with the President, appoint or remove the Chair of the Board, with or without cause;

3.2.5. Annual performance assessment of the Board;

3.2.6. Approve the incurrence of debt by Corporation in accordance with System Policies;

3.2.7. Approve the sale, transfer, substantial change in use of all or substantially all of the assets of the Corporation and divestiture, dissolution, closure, merger, consolidation, change in corporate membership or ownership, or corporate reorganization of the Corporation;

3.2.8. Approve the formation of a Subsidiary Organization of the Corporation; the sale, transfer or substantial change in use of all or substantially all of the assets of a Subsidiary Organization of the Corporation; or the divestiture, dissolution, closure, merger, consolidation or change in corporate membership or ownership of a Subsidiary Organization of the Corporation;

3.2.9. Approve the transfer or encumbrance of the assets of the Corporation in accordance with System Policies;

3.2.10. In consultation with the President, approve the annual operating budget, capital plan, strategic plan, and business plan for the Corporation;

3.2.11. Appointment or removal of the President of the Corporation, with or without cause;

3.2.12. In consultation with the President, remove the Chief Financial Officer of the Corporation, with or without cause;

3.2.13. Approve any transactions of the Corporation in excess of the Corporate Limit which are not otherwise included in operating or capital budgets of the Corporation as approved by the Member or as amended, modified, or ratified from time to time by the Member;

3.2.14. Approve any management agreement for the management of all or substantially all of the Corporation's operations.

Powers that are not reserved to the Member or otherwise delegated by the Board shall be exercised by the Board, subject to the limitations contained in the Articles, these Bylaws, and applicable law. Among such powers, the Board shall have authority to discuss, vote upon, and present any of the above matters to the Member for its approval.

Section 3.3. Appointment of Officers, Directors, Trustees, or Others to Act on Behalf of Member. The Member may appoint one or more officers, or other designees, to act on its behalf in the capacity of Member of the Corporation.

Section 3.4. Member Meetings. Meetings of the Member shall be held at such time, date, and place, both within and outside of the State, and shall be conducted in accordance with the Member's Bylaws.

ARTICLE IV **Board of Directors**

Section 4.1. General Powers and Duties. Subject to the authority, direction, and instructions of the Member, the business, property, affairs, and funds of the Corporation shall be managed, supervised, and controlled by its Board, which shall exercise all of the powers of the Corporation that are not reserved to the Member or otherwise delegated by the Board, subject to the limitations contained in the Articles, these Bylaws, and applicable law. The powers of the Board shall include, without limitation, the following:

4.1.1. Manage, operate, and control the Hospital;

4.1.2. Adopt and periodically review governance policies;

4.1.3. Provide for adequacy of the physical plants;

4.1.4. Appoint, reappoint, and assign privileges to members of the Medical Staff, with the advice and recommendations of the Medical Staff, consistent with the individual training, experience, and other qualifications of the Medical Staff;

4.1.5. Approve requirements for and approve the appointments to and continued service on the Medical Staff, consistent with the appointee's individual training, experience, and other qualifications;

4.1.6. Upon recommendation of the Medical Staff, establish policies and protocols for the admission, treatment, and quality care of patients;

4.1.7. Approve and monitor patient care and operational policies;

4.1.8. Promote performance improvement and provide for organizational management and planning;

4.1.9. Provide and monitor effective functioning of activities related to delivery of quality patient care, ongoing quality assessment and performance improvement programs, risk management, patient safety, Medical Staff credentialing, financial management, compliance programs, professional graduate education, ongoing assessment of the quality of the Hospital's programs of service, implementation of effective fiscal accounting systems, and ongoing assessment and performance of the Hospital's grievance process;

4.1.10. Monitor operating and capital budgets of the Hospital;

4.1.11. Annually review performance of the President and provide to Member;

4.1.12. Provide oversight of processes designed to promote legal compliance;

4.1.13. Provide advice and counsel to the President and principal senior management;

4.1.14. Oversee the conduct of the business and strategic plans to evaluate whether the Hospital is being properly managed; and

4.1.15. In consultation with the President, appoint such other officers and agents as the Board may deem necessary for the transaction of the affairs of the Corporation.

Section 4.2. Limitations. The Board shall not take any action nor have any power reserved to the Member pursuant to Section 3.2 hereof. Moreover whenever the approval of the Member is required under Section 3.2 any respective actions taken by the Board shall not become effective until such time as Member approval is received.

Section 4.3. Number, Identity, and Term of Office.

4.3.1. Number. The Board shall consist of such number of Directors, not fewer than three (3) and not more than nine (9), as shall from time to time be prescribed in a resolution of the Member. If the Member does not adopt or retain in force a resolution regarding the number of Directors, then the Board shall include three (3) Directors. Not less than one-third of the Directors from time to time shall be Community Directors. The Board also may include one (1) or more *ex officio*, non-voting Directors (each, an "Ex Officio Director"), as prescribed in a resolution of the Member.

4.3.2. Selection. The initial Directors shall consist of the those persons identified in the Articles. Thereafter, the Board, in consultation with the President, will provide recommendations for Directors to the Member. Replacement, appointment or re-appointment of all Directors shall be determined by the Member, in the Member's sole discretion. For purposes of clarity, the Member may take into account the recommendations of the Board but such recommendation shall not be a prerequisite to the Member's appointment of any Director.

4.3.3. Term. Each Director shall hold office until (a) the annual meeting of the Member at which his or her term expires and at which his or her successor is duly elected and qualified, or (b) until his or her death, resignation, or removal from office,

whichever comes first. The term of office for an *ex officio* Director, if any, shall continue until the Corporation is notified that the individual no longer holds the position of by virtue of which he or she serves as an *ex officio* Director.

4.3.4. Term Limits. Unless otherwise determined by the Board of Directors, the number of terms, either consecutive or non-consecutive, which may be served by a Director shall not be limited.

Section 4.4. Removal of Directors. The Member may remove any Director at any time, with or without cause. An *ex officio* Director, if any, may be removed from the Board either (a) through the modification or rescission of the resolution stating that the individual serving in the specified position shall serve *ex officio* on the Board; or (b) as a result of his or her removal from the position by virtue of which he or she had served *ex officio* on the Board.

Section 4.5. Resignations. Any Director may resign at any time by giving a written notice to the Chair or another officer of the Corporation. An *ex officio* Director, if any, may resign from the Board only by also resigning from the position by virtue of which he or she had served *ex officio* on the Board. Any resignation shall take effect at the time specified therein or, if not specified, upon receipt by an officer of the Corporation. Unless otherwise specified in the notice of resignation, the acceptance of such resignation shall not be necessary to make it effective.

Section 4.6. Vacancies. Any vacancy occurring in the Board by reason of an increase in the number of Directors or by the death, removal, or resignation of any Director shall be filled by the Member. Each Director so appointed to fill a vacancy shall hold office for the remainder of the term of his or her predecessor (if applicable), for such time as is specified by the Member at the time of his or her appointment (if any), and until his or her successor is duly elected and qualified or until his or her death, resignation, or removal from office, whichever comes first. A vacancy in the position of *ex officio* Director, if any, shall be filled through the appointment or election of a new individual to the position by virtue of which he or she shall serve *ex officio* on the Board.

Section 4.7. Compensation and Reimbursement. Any Director may receive compensation from the Corporation for services rendered to, and reimbursement for expenses incurred in serving the Corporation as a Director, or in a capacity other than as a Director while conducting activities on behalf of the System in accordance with System Policy.

ARTICLE V

Meetings of the Board of Directors

Section 5.1. Annual Meeting. There shall be an annual meeting of the Board for the purpose of electing officers and transacting such other business as may come before the meeting. The first regular meeting of the Board held subsequent to the annual meeting of the Member shall be designated as the annual meeting of the Board.

Section 5.2. Regular Meetings. In addition to the annual meeting, the Board shall hold regular meetings periodically, and at least quarterly (with the annual meeting counting as a regular meeting).

Section 5.3. Special Meetings. Special meetings of the Board may be called, at any time, by or at the request of the Member, the Chair, or the Board.

Section 5.4. Place of Meeting. Meetings of the Board shall be held at the principal place of business of the Corporation unless a different location, either within or without the State, is approved by the Board and specified or fixed in the call for a meeting or notice thereof.

Section 5.5. Notice of Meetings. Unless otherwise expressly required herein, no notice shall be required for any annual or regular meeting of the Board. For any special meeting, a written or printed notice stating the place, day, and hour of the meeting and the purpose or purposes for which such meeting is called shall be delivered or mailed by the Secretary or by the person or persons calling the meeting to each Director at such address as appears on the records of the Corporation not less than forty-eight (48) hours before the date of the meeting, either personally, by mail, or by other electronic means capable of verification.

Section 5.6. Waiver of Notice. Notice of any meeting may be waived in writing by any Director, either before or after such meeting. Any meeting of the Board shall be a legal meeting without any notice thereof having been given if all Directors shall be present thereat. Neither the business to be transacted at nor the purpose of any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting. Attendance at any meeting, except for the sole purpose of objecting to the holding of such meeting, shall constitute a waiver of notice of such meeting.

Section 5.7. Quorum. The presence of a majority of the total number of Directors then in office shall constitute a quorum for the transaction of business at any meeting of the Board.

Section 5.8. Manner of Acting. Except as otherwise provided by the Articles, by these Bylaws, or by law, the act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board.

Section 5.9. Order of Business at Meetings of the Board of Directors. The order of business at any meeting of the Board shall be determined by the Board, subject to the approval of the Member.

Section 5.10. Attendance by Electronic Means. Unless specifically prohibited by the Articles or these Bylaws, members of the Directors may participate in and act at any meeting of such Board by or through the use of any means of electronic communication by which either of the following occurs: (i) all participating Directors may simultaneously hear each other during the meeting; or (ii) all communication during the meeting is immediately transmitted to each participating Director; and each participating Director is able to immediately send messages to all other participating Directors. A Director participating in such a meeting by electronic communication is deemed to be present in person at the meeting..

Section 5.11. Action by Written Consent. Any action which is required to be taken, or which may be taken at a meeting of the Board or any committee thereof may be taken without a meeting if a consent in writing setting forth the action to be taken shall be signed by all of the Directors then in office or all members of such committee, as applicable. Such consent shall have the same force and effect as a unanimous vote of all of the Directors or committee members. Such

writings shall be filed with the minutes of the proceedings of the Board or of any committee taking such action. Action taken pursuant to this Section 5.11 is effective when the last Director signs the consent unless the consent contains a prior or subsequent effective date.

ARTICLE VI

Officers

Section 6.1. Officers. The Board, subject to the approval of the Member, may select officers of the Corporation, which shall consist of a Chair, a Vice Chair, a Secretary, and a Treasurer, and also may include such other officers and assistant officers as the Board may designate by resolution. Any two (2) or more offices may be held by the same person; provided, however, that no single individual may simultaneously hold the offices of Chair and Secretary.

Section 6.2. Election and Term. Except as otherwise provided herein, each officer shall be elected by and from the Board at its annual meeting, or as soon thereafter as practicable. The term of office for each officer will be one (1) year, and each officer shall hold office until the next annual meeting of the Board and until his or her successor is duly elected and qualified or until his or her death, resignation, or removal from office, whichever comes first.

Section 6.3. Chair. The Chair shall preside at all meetings of the Board and shall perform all duties incident to the office of Chair of the Board and all other duties as may be prescribed by the Board from time to time.

Section 6.4. Vice Chair. In the absence of the Chair, or in the event of his or her inability or refusal to act, the Vice Chair shall perform the duties of the Chair, and when so acting, shall have all of the powers of, and be subject to all the restrictions upon the Chair. The Vice Chair shall also perform all duties incident to the office of Chair of the Board and all other duties as may be prescribed by the Board from time to time.

Section 6.5. Secretary. The Secretary shall keep the minutes of the meetings of the members and of the Board in one (1) or more books provided for that purpose; shall see that all notices are duly given in accordance with these Bylaws or as required by law; shall have general charge of the minute book and other corporate records (other than financial records); and shall, in general, perform all duties incident to the office of Secretary and such other duties as may be prescribed by the Board from time to time.

Section 6.6. Treasurer. The Treasurer shall be responsible for the care and custody of all monies and securities of the Corporation; shall be responsible for the keeping of full and accurate accounts of all the monies received by the Corporation and paid by the Corporation; and shall, in general, perform all duties incident to the office of Treasurer and such other duties as may be prescribed by the Board from time to time. The Treasurer may, but need not be, a Member of the Board.

Section 6.7. Other Officers and Assistant Officers. Each other officer and assistant officer, if any such officer or assistant officer is deemed necessary by the Board, with the consent of the Member, will perform such duties as may be prescribed from time to time by the Board; provided, however, that the Assistant Secretaries and Assistant Treasurers, if any, also will perform

such duties as may be assigned to them by the Secretary and the Treasurer, respectively; provided, further, that an assistant officer may, but need not be, a member of the Board.

Section 6.8. Resignation. Any officer may resign at any time by giving written notice to the Board or, in the case of any officer other than the Chair, to the Chair. Any resignation shall take effect at the time specified therein or, if no time is specified, upon receipt. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6.9. Removal. Any officer may be removed by the Board by a vote of a majority of the total number of Directors on the full Board, whenever in its judgment the best interests of the Corporation will be served thereby; provided, however, that such removal shall be without prejudice to the contractual rights, if any, of the person so removed.

Section 6.10. Vacancies. In the event of a vacancy in any office, the Board shall elect a replacement officer, and the person so elected shall hold office and serve for the unexpired term and until his or her successor is duly elected and qualified or until his or her death, resignation, or removal from office, whichever comes first.

Section 6.11. Compensation and Reimbursement. An officer may receive compensation for his or her service as an officer and may be reimbursed for reasonable expenses incurred on behalf of the Corporation and/or may serve the Corporation or one (1) or more of its Affiliates in another capacity and receive reasonable compensation therefor, all in accordance with System Policy.

ARTICLE VII

Committees of the Board

Section 7.1. Standing Committees. The Board shall have the following standing committees: Executive Committee; a Quality/Patient Safety Committee and any other standing committees as determined by the Board.

7.1.1. The Executive Committee shall consist of the officers of the Board and the President of the Corporation and have the power to transact all regular business of the Corporation during the period between meetings of the Board subject to any prior limitation imposed by the Board or applicable law.

7.1.2. The Quality/Patient Safety Committee shall consist of those members and perform such duties as appointed and directed by the Board from time to time.

Section 7.2. Special Committees. Special committees may be appointed by the Board for such purposes as circumstances may warrant. Every such committee shall limit its activity to the accomplishment of the purpose for which created and shall have no power to act except as is specifically conferred upon it by action of the Board. Upon completion of the duties for which any such committee was appointed, such committee shall stand discharged. The Chair of the Board shall appoint the members and a Chair of each special committee.

Section 7.3. General Conditions Governing Committees. Except as otherwise expressly stated in these Bylaws or in the resolution or charter establishing a committee, the following general conditions shall apply to all committees of the Corporation:

7.3.1. Appointment. Unless otherwise specified in these Bylaws, members of the standing committees and the Chairs thereof shall be appointed, in collaboration with the President of the Corporation, by the Chair of the Board. Vacancies in the membership of any committee may be filled by an appointment made by the chair of such committee, in collaboration with the President of the Corporation.

7.3.2. Term. The term of office of members of any committee shall commence immediately following the meeting at which they are appointed and shall continue until the close of the next annual meeting or until successors are elected and assume their respective duties.

7.3.3. Attendance. Failure to attend a minimum of one-half (1/2) of the regular assigned committee meetings shall constitute a basis for removal or non-appointment to the committee.

7.3.4. Quorum; Manner of Acting. Each committee shall meet at the call of its chair at an hour and place to be stated in the call. A majority of the committee members shall constitute a quorum and the act of the majority of the committee members present at a meeting at which a quorum is present shall be the act of the committee.

7.3.5. Meetings by Electronic Means. Unless specifically prohibited by the Articles or these Bylaws, members of any committee may participate in and act at any meeting of such committee by or through the use of any means of electronic communication by which either of the following occurs: (i) all participating members may simultaneously hear each other during the meeting; or (ii) all communication during the meeting is immediately transmitted to each participating member; and each participating member is able to immediately send messages to all other participating members. A Director participating in such a meeting by electronic communication is deemed to be present in person at the meeting.

7.3.6. Action by Written Consent. Any action required or permitted to be taken at a meeting of any committee may be taken without a meeting if all members of such committee, at the time in office, consent thereto in writing and the writing or writings are filed with the minutes of the proceedings of the committee. Action taken pursuant to this Section 7 is effective when the last committee member signs the consent unless the consent contains a prior or subsequent effective date.

7.3.7. Records. Each committee and subcommittee shall maintain a written record of its procedures and activities, including minutes of its meetings, and shall submit a written report of such procedures and activities at least annually to the Board.

7.3.8. Committee Evaluation. At the request of the Board or the Chair, a committee shall perform an evaluation of its activities including its support and furtherance

of the mission of the Corporation. A report based upon such evaluation shall be submitted to the Board for review and consideration at its next regular or annual meeting.

7.3.9. Compensation and Reimbursement. Any member of a committee may receive compensation from the Corporation for services rendered to, or for expenses incurred in serving, the Corporation as a committee member of the Corporation, or in a capacity other than as a committee member of the Corporation while conducting activities on behalf of the System in accordance with System Policy.

ARTICLE VIII **Operating Officers**

Section 8.1. Designation of Operating Officers. The operating officers of the Corporation shall be the President, Chief Financial Officer, and such senior managers as the President may recommend to the Board.

Section 8.2. Appointment. The Chief Executive Officer of the member shall serve as the President of the Corporation. In consultation with the President, the remaining operating officers of the Corporation shall be appointed by the affirmative vote of a majority of the Directors at a meeting at which a quorum is present. Each such officer is subject to removal by the same vote required to appoint such officer.

Section 8.3. President. The President shall be the representative of the Board in the management of the Hospital. The President, in keeping with sound principles of management, is responsible to provide leadership in carrying out the philosophy and mission of the Member and the Corporation, provide leadership in strategic planning and organization, provide leadership in financial planning and budgeting, direct the operations of the Corporation in a manner consistent with System Policy and the Member's philosophy, mission and core values, direct and facilitate organizational communications, and provide leadership in evaluating the performance of the Corporation.

Section 8.4. Chief Financial Officer. The Chief Financial Officer will be responsible for managing the finances of the Corporation. The Chief Financial Officer shall have such duties as the Board may establish from time to time. Pursuant to Section 3.12 hereof, the Chief Financial Officer may be removed by the Member with or without cause.

Section 8.5. Senior Management. Senior managers will plan, organize, lead, and control the overall operation of their divisions in accordance with current federal, state, and local standards, guidelines, and regulations that govern the Hospital and the other facilities operated by the Corporation and as may be directed by the President, to ensure that the highest degree of quality of care is maintained at all times. All major duties and responsibilities shall be set forth in the stated job description for each position as established by the President.

ARTICLE IX **Medical Staff**

Section 9.1. Organization. The Board is responsible for the management, control and conduct of the Hospital. Therefore, the Medical Staff is accountable to the Board for the quality

of care provided to Hospital patients. The Board determines the categories of practitioners eligible for Medical Staff membership, with the criteria for selection based on individual character, competence, training, experience, and professional judgment. The Hospital must have an organized medical staff that operates under bylaws approved by the governing body, and which is responsible for the quality of medical care provided to patients by the Hospital. The Board appoints practitioners after considering the recommendations of the Medical Staff. The Board approves the Medical Staff Bylaws, rules, and regulations. To the extent inconsistent herewith, these Bylaws take precedence over the Medical Staff Bylaws, rules, and regulations.

Section 9.2. Compliance with Catholicly Provisions. It shall be the duty of the Board to see that each member of the Medical Staff shall abide by the provisions of Article XI of these Bylaws. The Corporation will not admit and/or permit medical attendance upon any patient for the performance of a Prohibited Procedure as defined in Article XI. Any member of the Medical Staff or other person associated as an agent or employee of the Corporation who shall, by any direct or indirect means, attempt to violate this provision shall be terminated from his/her association with the Corporation by virtue of such action in accordance with the staff termination provision in the Medical Staff Bylaws. Every practitioner accepting an appointment to the Medical Staff of the Corporation shall by virtue of such acceptance, demonstrate his/her voluntary and informed intention to practice medicine in the Corporation in a manner consistent with the ERDs.

ARTICLE X **Indemnification**

Section 10.1. Actions Other than by or in the Right of the Corporation. The Corporation shall indemnify any member, director, officer, committee or council member, employee, or agent, who was or is a party, or is threatened to be made a party, to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (including the imposition of a tax under Section 4958(a)(2) of the Code, but excluding an action by or in the right of the Corporation) by reason of the fact that the person is or was a member, director, officer, committee or council member, employee, or agent of the Corporation, or is or was serving at the request of the Corporation as a member, director, officer, committee or council member, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against expenses (including reasonable attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with such action, suit, or proceeding, provided the Corporation shall not be obligated to provide indemnification which would constitute excess benefit within the meaning of Code Section 4958. The indemnification shall apply only if the person acted in good faith and in a manner the person reasonably believed to be in, or not opposed to, the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. Termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner the person reasonably believed to be in, or not opposed to, the best interests of the Corporation or, with respect to any criminal action or proceeding, that the person had no reasonable cause to believe his or her conduct was unlawful.

Section 10.2. Actions by or in the Right of the Corporation. The Corporation shall indemnify any person who was or is a party or is threatened to be made a party, to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that the person is or was a member, director, officer, committee or council member, employee, or agent of the Corporation, or is or was serving at the request of the Corporation as a member, director, officer, committee or council member, employee, or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including reasonable attorneys' fees), actually and reasonably incurred by the person in connection with the defense or settlement of such action or suit, if the person acted in good faith and in a manner the person reasonably believed to be in, or not opposed to, the best interests of the Corporation, provided that no indemnification shall be made in respect of any claim, issue, or matter as to which the person shall have been adjudged to be liable for negligence or misconduct in the performance of his or her duty to the Corporation, unless, and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability, but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses as the court shall deem proper.

Section 10.3. Expenses. To the extent that a person who may be indemnified has been successful, on the merits or otherwise, in the defense of any action, suit or proceeding referred to in Section 10.1 or Section 10.2, or in the defense of any claim, issue or matter therein, the person shall be indemnified against expenses, including attorneys' fees, actually and reasonably incurred by him or her in connection with such action.

Section 10.4. Authorization of Indemnification. Any indemnification (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case, upon a determination that indemnification of the member, director, officer, committee or council member, employee, or agent is proper in the circumstances because the person acted in good faith and in a manner the person reasonably believed to be in, or not opposed to, the best interest of the Corporation. Such determination shall be made (a) by the Directors of the Corporation by a majority vote of a quorum consisting of Directors who were not parties to such action, suit, or proceeding; or (b) if such a quorum is not obtainable, or even if obtainable, if a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion; or (c) by the Member.

Section 10.5. Payment of Expenses in Advance. Expenses incurred by a member, director, officer, committee or council member, employee, or agent in defending an action, suit, or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit, or proceeding as authorized by the Board in the specific case upon receipt of an undertaking by or on behalf of such member, director, officer, committee or council member, employee, or agent to repay such amount, unless it shall ultimately be determined that the person is entitled to be indemnified by the Corporation.

Section 10.6. Right not Exclusive. Indemnification under this Article X shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any agreement, vote of the Member or other provision, both as to action in the person's official capacity and as to action in another capacity while holding such office, and shall, unless otherwise provided when authorized, continue as to a person who has ceased to be a member, director,

officer, committee or council member, employee, or agent and shall inure to the benefit of the heirs, executors, and administrators of such a person.

Section 10.7. Insurance. The Corporation may purchase and maintain insurance on behalf of any person or entity referred to in the preceding Sections of this Article X against any liability asserted against and incurred by the person in any such capacity, or arising out of the person's status as such, whether or not the Corporation would have the power to indemnify the person against such liability under the provisions of this Article X.

ARTICLE XI

Catholicity

Section 11.1. For purposes of these Bylaws, the following definitions shall apply:

11.1.1. "Abortion" means the directly intended termination of pregnancy before viability or the directly intended destruction of a viable fetus. Every procedure the sole immediate effect of which is the termination of pregnancy before viability is an abortion, which, in its moral context, includes the interval between conception and implantation of the embryo.

11.1.2. "Catholic Activities" means maintenance and/or operation of each of the following: (i) pastoral care department in the Corporation with qualified staff; (ii) the existing chapel at the Corporation in good condition and repair as a Catholic Chapel with Blessed Sacrament; and (iii) the Corporation's existing signs, symbols, and images of Catholic identity, both interior and exterior to its facilities.

11.1.3. "Catholicity Provisions" means the provisions of this Article XI.

11.1.4. "System" shall have the meaning set forth in Section 1.3.17.

11.1.5. "Euthanasia" means an action or omission that of itself or by intention causes the death of an individual in order to alleviate all suffering.

11.1.6. "Physician-Assisted Suicide" means euthanasia attended by a physician.

11.1.7. "Prohibited Procedures" means (i) Abortion (including embryo reduction or any like procedure) and research involving embryo destruction; (ii) Euthanasia, and (iii) Physician Assisted Suicide, each as defined herein. The foregoing items (i) through (iii) do not include "do not resuscitate orders," withholding or withdrawal of life support or life prolonging treatment or procedures (including, but not limited to, artificial nutrition and artificial hydration that will serve only to prolong the dying process) in accordance with State law and applicable hospital policies and procedures.

11.1.8. "Subsidiary Organization" shall have the meaning set forth in Section 1.3.16.

Section 11.2. Catholic Activities. The Corporation shall be responsible for maintaining and financially supporting from its budgeted revenues the Catholic Activities.

Section 11.3. No Prohibited Procedures. Unless otherwise approved by the affirmative written consent of the Bishop, the Corporation shall not perform Prohibited Procedures and the Member shall not cause or permit the Corporation and/or any Subsidiary Organizations of the System to perform Prohibited Procedures.

Section 11.4. Compliance with ERDs. Any determination of compliance with the Catholicity Provisions set forth in this Article XI shall be made by the Bishop.

Section 11.5. Amendment of Governing Documents. Unless otherwise approved by the affirmative written consent of the Bishop, the Member shall not (i) amend the Mission Statement, Vision Statement, or Values Statement, (ii) shall not initiate, if applicable, or approve or authorize any amendment to the Articles or these Bylaws which would adversely affect or diminish the requirements of this Article XI regarding the Catholicity Provisions, including without limitation the Prohibit Procedures, and (iii) shall not amend the provisions of this Article XI.

ARTICLE XII

Miscellaneous Provisions

Section 12.1. Depositories. Except as otherwise provided herein, all funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as the Board or its duly authorized agent may designate.

Section 12.2. Checks, Drafts, Etc. All checks, drafts, or other orders for the payment of money issued in the name of the Corporation shall be signed by such officer or officers or person or persons, whether or not officers of the Corporation, in such manner as shall from time to time be determined by resolution of the Board.

Section 12.3. Deeds, Mortgages, Bonds, Contracts, and Other Instruments. Except as may be specifically limited by these Bylaws or by the Board, any deeds, mortgages, bonds and other contracts or instruments of the Corporation may be signed by any officer of the Corporation or by such other individuals as the Board may designate from time to time.

Section 12.4. Bonds. The Board may require any officer, agent, or employee to furnish bond for the faithful discharge of his or her duty and for the protection of the Corporation, in such sum and with such surety or sureties as the Board may deem advisable.

Section 12.5. Fiscal Year. The fiscal year of the Corporation shall begin on the first day of July and end on the last day of June of each year.

Section 12.6. Loans. The Corporation shall not lend money to or guarantee the obligations of any member, director, or officer of the Corporation. Any director who knowingly votes for or assents to the making of a loan to a director or officer of the Corporation, and any

officer participating in the making of such loan, will be jointly and severally liable to the Corporation for the amount of such loan until the repayment thereof.

Section 12.7. Waiver of Notice. Whenever any notice whatever is required to be given by law, the Articles, or these Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before, at, or after the time stated therein, shall be deemed the equivalent to the giving of such notice.

ARTICLE XIII
Amendments to Governing Documents and Effective Date

Section 13.1. Amendments. Except as otherwise provided in Article XI, the power to make and approve changes to the Governing Documents of the Corporation shall be vested in (i) the Member; or (ii) the Board with the approval of the Member.

Section 13.2. Periodic Review. These Bylaws shall be reviewed at least once every two (2) years by the Member. The Board will review proposed amendments and provide recommendations to the Member.

Section 13.3. Effective Date. The Bylaws were adopted by the Member effective as of the 6th day of March, 2023.

CHARTERCARE OUR LADY OF FATIMA HOSPITAL

Signed: DocuSigned by:
Greg Grove
319EAFD84F924DA... _____

Printed: Gregory Grove _____

Title: Secretary _____

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CONFIDENTIAL

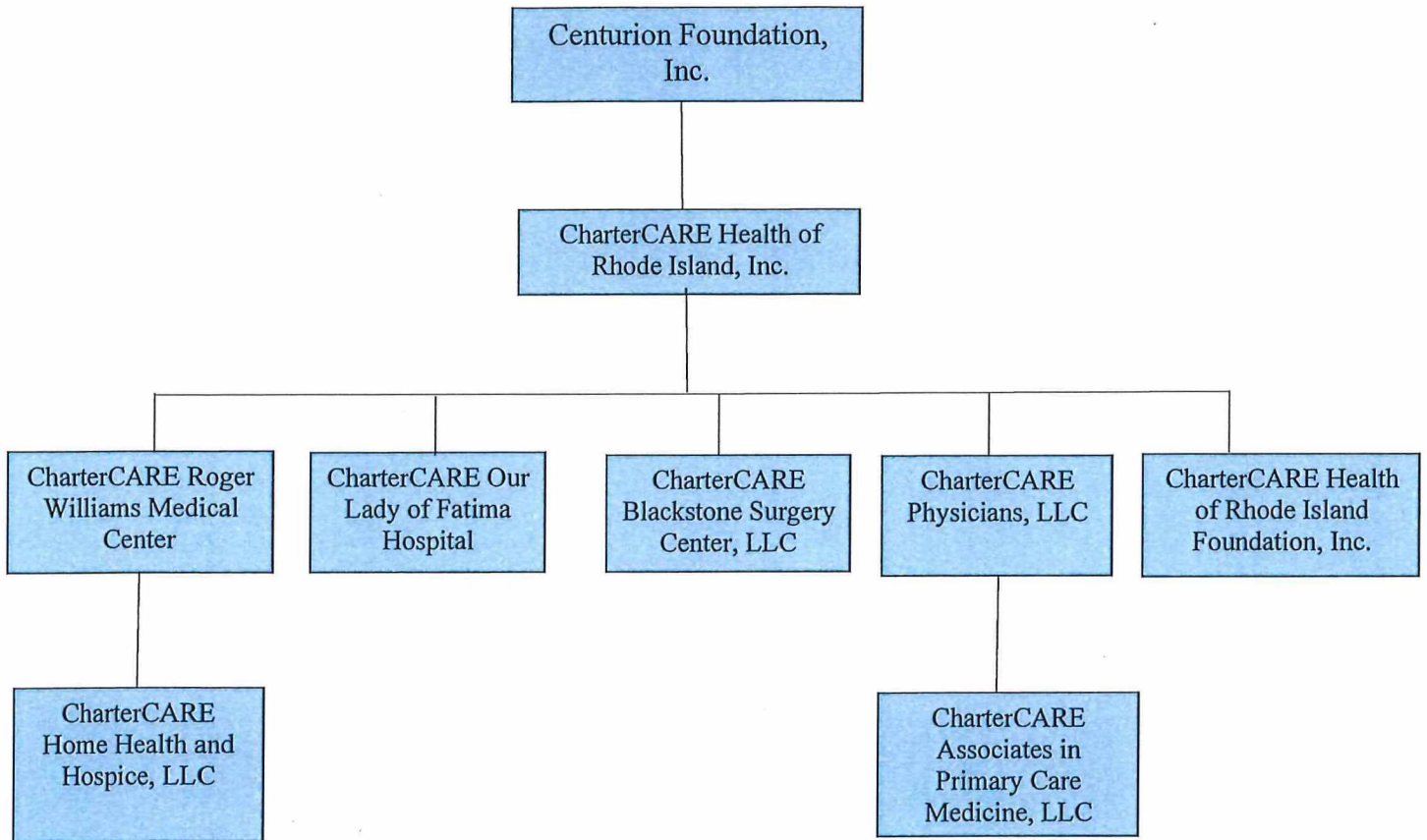
CharterCARE Our Lady of Fatima Hospital
EIN: 92-1354378

EXHIBIT D

Post-Transaction Organizational Chart

See attached.

Post-Transaction Organizational Chart



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CharterCARE Our Lady of Fatima Hospital
EIN: 92-1354378

EXHIBIT E

Part VI-A: Statement of Projected Revenues and Expenses

See attached.

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Our Lady of Fatima
Part V-A: Statement of Projected Revenues and Expenses

	Succeeding Years			
	Actual Year-Ended 6/30/2023	Year 1	Year 2	Year 3
1 Gifts, grants, and contributions received (do not include unusual grants)				
2 Membership fees received				
3 Gross investment income				
4 Net unrelated business income				
5 Taxes levied for your benefit				
6 Value of services or facilities furnished by a governmental unit without charge (not including the value of services generally furnished to the public without charge)				
7 Any revenue not otherwise listed above or in lines 9 - 12 below (provide an itemized list below)				
8 Total of lines 1 through 7	\$ -	\$ -	\$ -	\$ -
9 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to your exempt purposes (provide an itemized list below)	\$ -	\$ 182,087,958	\$ 193,037,459	\$ 197,863,395
10 Total of lines 8 and 9	\$ -	\$ 182,087,958	\$ 193,037,459	\$ 197,863,395
11 Net gain or loss on sale of capital assets (provide an itemized list below)				
12 Unusual grants (provide an itemized list below)				
13 Total Revenue (add lines 10 through 12)	\$ -	\$ 182,087,958	\$ 193,037,459	\$ 197,863,395
14 Fundraising expenses				
15 Contributions, gifts, grants, and similar amounts paid out (provide an itemized list below)				
16 Disbursements to or for the benefit of members (provide an itemized list below)				
17 Compensation of officers, directors, and trustees	\$ -	\$ (14,660,139)	\$ (15,560,167)	\$ (15,871,371)
18 Other salaries and wages	\$ -	\$ (72,054,476)	\$ (77,236,808)	\$ (78,781,544)
19 Interest expense	\$ -	\$ -	\$ -	\$ -
20 Occupancy (rent, utilities, etc.)	\$ -	\$ (7,142,486)	\$ (7,228,653)	\$ (7,373,226)
21 Depreciation and depletion	\$ -	\$ (2,088,462)	\$ (2,192,886)	\$ (2,236,743)
22 Professional fees	\$ -	\$ (6,021,462)	\$ (7,723,615)	\$ (7,878,087)
23 Any expense not otherwise classified, such as program services (provide an itemized list below)	\$ -	\$ (58,426,038)	\$ (60,324,615)	\$ (61,531,107)
24 Total Expenses (add lines 14 through 23)	\$ -	\$ (160,393,064)	\$ (170,266,744)	\$ (173,672,078)
Itemized Gross Receipts				
Net Collectible Patient Revenue	\$ -	\$ 174,507,773	\$ 185,004,620	\$ 189,629,736
Capitation	-	2,308,113	2,446,907	2,508,079
Grant Revenue	-	(49,278)	(52,241)	(53,547)
Pandemic Relief Income	-	2,986	-	-
Other Revenue	-	5,318,364	5,638,173	5,779,127
Total Operating Revenue	\$ -	\$ 182,087,958	\$ 193,037,458	\$ 197,863,396
Expenses not otherwise classified include:				
Registry	\$ -	\$ (4,408,231)	\$ (4,456,958)	\$ (4,546,097)
SWB pandemic relief expense offset	-	5	5	5
Capitation Fees	-	82	82	84
Pharmaceuticals	-	(2,494,844)	(2,414,149)	(2,462,432)
Supplies - Other	-	(19,403,377)	(20,679,119)	(21,092,702)
Professional Liability Ins.	-	(1,473,883)	(1,519,680)	(1,550,074)
Purchased Services	-	(21,695,137)	(22,007,508)	(22,447,658)
Sales and other taxes	-	(6,571,104)	(6,739,722)	(6,874,516)
Insurance - Other	-	(445,186)	(458,198)	(467,362)
Grant Expenses	-	5,996	5,996	6,116
Other Expenses	-	(925,689)	(939,872)	(958,670)
Contingency-Incremental Operating EBITDA (Operating Cash Flow)	-	(692,929)	(793,788)	(809,663)
Corporate Administrative Services Charge	-	(321,742)	(321,704)	(328,138)
	\$ -	\$ (58,426,038)	\$ (60,324,615)	\$ (61,531,107)

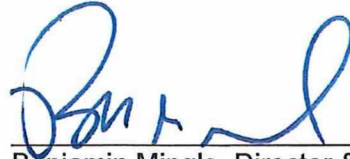
CharterCARE Our Lady of Fatima Hospital
EIN: 92-1354378

EXHIBIT F

Signature for Part X

I declare under the penalties of perjury that I am authorized to sign this application on behalf of CharterCARE Our Lady of Fatima Hospital, and that I have examined this application, and to the best of my knowledge it is true, correct, and complete.

Dated this 19 day of December, 2023.



Benjamin Mingle, Director & Chair

CONFIDENTIAL

CharterCARE Our Lady of Fatima Hospital
EIN: 92-1354378

EXHIBIT G

Financial Assistance Policy

See attached.

CharterCARE Our Lady of Fatima Hospital

Preliminary Financial Assistance Policy*

I. PURPOSE

To meet the needs of the communities it serves and in recognition of its status as a nonprofit healthcare provider, CharterCARE Our Lady of Fatima Hospital and its affiliates (collectively "OLF"), will establish and follow fair and equitable Financial Assistance and discount practices for eligible patients who are unable to sustain the extraordinary burden of medical expenses due to limited income and resources. Consideration is open to any billings associated with the provision of Emergency Medical Services or Medically Necessary hospital care.

II. DEFINITIONS

1. "**Amount Generally Billed**" ("AGB") means the amount OLF generally bills individuals with insurance for Emergency Medical Services or other Medically Necessary care.
2. "**Code Section 501(r)**" means Section 501(r) of the Internal Revenue Code of 1986, as amended, and the corresponding Treasury Regulations.
3. "**Emergency Medical Services**" means services provided to stabilize and treat a condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that the absence of immediate medical attention could reasonably be expected to result in placing the individual's health (or the health of an unborn child) in serious jeopardy, serious impairment to bodily functions, or serious dysfunction of bodily organs.
4. "**Eligible Individual**" means an individual who is determined by OLF to be eligible for Financial Assistance.
5. "**Federal Poverty Income Guidelines**" ("FPIG") means annual wage amounts reflecting impoverishment as determined by the U.S. Census Bureau which will be used by OLF to compare levels of available Financial Assistance.
6. "**Financial Assistance**" means payment relief for which OLF will provide a reduction of a patient's financial obligation based upon his or her limited income and resources.
7. "**Financial Assistance Committee**" means a committee appointed by OLF's President which meets routinely for the purpose of determining exceptions under the Financial Assistance policy.
8. "**Household Income**" means cumulative total income(s) for all members of a patient's household as shown on income tax returns.
9. "**Medically Necessary**" means a service required for the care or well-being of the patient and provided in accordance with generally accepted standards of medical or professional practice.

III. POLICY STATEMENT

It is OLF's policy to provide Emergency Medical Services to all individuals regardless of their ability to pay. Moreover, OLF will provide such services to all patients without discrimination (within the meaning of section 1867 of the Social Security Act (42 U.S.C. § 1395dd)) regardless of their eligibility under this Financial Assistance Policy. Patients and/or the persons responsible for payment of such services and care will be notified of OLF's Financial Assistance program prior to, or following, the provision of service(s).

IV. ELIGIBILITY FOR FINANCIAL ASSISTANCE

1. This policy applies to charges for Emergency Medical Services and Medically Necessary hospital care provided by OLF.
2. Individuals or families whose annual Household Income is at or below 200% of the current FPIG will be considered eligible for full Financial Assistance, provided they have no other sources for payment, such as health insurance, Medicaid eligibility, or liability claims.
3. For those ineligible for full Financial Assistance, OLF will grant partial Financial Assistance to individuals and families with an annual Household Income of between 201% and 300% of the FPIG. For such individuals and families, Financial Assistance will be calculated as a percentage of total eligible charges according to the following schedule:

% of FPIG	% of Financial Assistance
201% to 225%	80%
226% to 250%	60%
251% to 275%	40%
276% to 300%	20%

A family will be considered the patient along with all other related persons living in the residence who constitute a single taxable unit.

4. Individuals and families with an annual Household Income exceeding 300% of FPIG shall not be eligible for Financial Assistance, absent unusual circumstances as approved by the Financial Assistance Committee.

V. APPLICATION PROCESS

1. Except as provided herein, a patient/guarantor seeking Financial Assistance will be required to complete a financial disclosure statement setting forth specific details of income and expenses and providing requested documentation. The appropriate department will request verification of information submitted by an applicant for Financial Assistance.
2. To be eligible for Financial Assistance, an individual must submit a Financial Assistance application. If an individual does not submit a Financial Assistance application, then OLF may take action consistent with Code Section 501(r) to collect payment. This may include

actions defined as Extraordinary Collection Actions if an application is not submitted within 120 days from the date the first statement is made available to the individual (subject to the further requirements of Code Section 501(r)).

3. The income figure used to determine eligibility for Financial Assistance will be the last three months income, as documented by the last three payroll pay stubs from all household income earners, multiplied by four. An exception to this may be made if, in the opinion of the President, the three-month income is not reflective of the applicant's true ability or inability to meet his/her obligation. In this event, the income figure used will be that which is most reflective of the applicant's true ability or inability to meet his/her obligations.
 - a. Income shall include earnings, unemployment compensation, workers' compensation, Social Security, Supplemental Social Security Income, public assistance, veterans' payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates and trusts, educational assistance, alimony, child support, and assistance from outside households and other miscellaneous sources.
 - b. Income shall not include noncash benefits, such as food stamps and housing subsidies, or capital gains or losses.
 - c. Income shall be determined by reviewing pay check stubs or most recent tax forms.
4. For questions about or assistance with the application or this policy, an individual may visit the Patient Accounts Office at [Insert address], or may call that Office at [Insert phone number].

VI. CALCULATION OF AMOUNTS GENERALLY BILLED ("AGB")

1. OLF shall not charge any Eligible Individual more for Emergency Medical Services or other Medically Necessary care than the amount generally billed to individuals who have insurance covering such care ("AGB"). OLF shall calculate one or more AGB percentages using the "look-back method" and including Medicare Fee-For-Service and all private health insurers that pay claims to OLF, all in accordance with Code Section 501(r). A free copy of the AGB percentage(s) and a description of how calculated may be obtained by contacting OLF's Patient Accounts Office at [Insert phone number], and shall be made available on the OLFwebsite.
2. OLF shall, at all times, make reasonable efforts to determine whether a patient is eligible for Financial Assistance. If OLF has billed an amount to an individual who has not submitted an application for Financial Assistance as of the date of the charge and is later determined to be eligible for Financial Assistance, OLF will make appropriate adjustments to the amounts charged and issue a refund to the patient, if necessary. In this manner, OLF intends to satisfy the requirements for the safe harbor described in Section 1.501(r)-5(d) of the Proposed Regulations.
3. OLF will not charge any Eligible Individual more than the AGB amount for Emergency Medical Services or other Medically Necessary care, and in all cases, the charge to an Eligible Individual will be less than OLF's gross charges.

VII. GENERAL POLICY ADMINISTRATION

1. Approved applications are considered valid for services rendered up to six months following the application date.
2. An individual whose annual income exceeds 300% of the current CSA Poverty Income Guidelines will be excluded from the consideration for assistance unless unusual circumstances exist. In this event, the decision to grant assistance will be made by the Financial Assistance Committee.
3. After a determination has been made that an individual qualifies for Financial Assistance, the Financial Assistance Committee may review whether the patient has other sources of payment available, such as health insurance, HCI, Medicaid eligibility, or liability claims, and may reduce the amount of Financial Assistance accordingly. This includes situations where an individual has assets, other than income, sufficient to satisfy his/her obligations.
4. The following situations will exclude an individual from eligibility for Financial Assistance:
 - a. An individual's failure to apply for outside assistance, or failure to provide information which would lead to the discovery of the availability of outside assistance, such as health insurance, HCI, Medicaid eligibility, or liability claims. An exception to the foregoing may be made, if in the opinion of the Director of Patient Financial Services, extenuating circumstances exist(ed).
 - b. Any individual who fails to respond to the offer of Financial Assistance.
5. Any individual denied Financial Assistance in part or in total will be notified that he/she has the option of appealing his/her case to the Financial Assistance Committee. Such appeal must be received no later than thirty (30) days from the date of notification of denial.
6. OLF will widely publicize this Financial Assistance Policy, as required by Code Section 501(r). Notification about Financial Assistance available from OLF, which shall include a contact number, shall be disseminated by OLF by various means, which shall include, but are not limited to, the following: including notices in patient bills; posting notices in emergency rooms, in the Point of Service Brochure, in the Admitting department, and the Financial Services department; and distributing the Summary of the Financial Assistance Policy to local public agencies and nonprofit organizations that address the health needs of the community's low income population. OLF also shall conspicuously post this Financial Assistance Policy, a Summary of the Policy, and the Financial Assistance application on OLF's website and shall include the Summary in brochures available in patient access sites. OLF also shall make paper copies of the Financial Assistance Policy, a summary of the Policy, and the Financial Assistance application available upon request and without charge both at the Patient Financial Service Department of OLF and by mail. Such documents, including the Summary, shall be made available in the primary languages spoken by the population serviced by OLF, which as of the date this policy was approved included English and Spanish.

7. Referral of patients for Financial Assistance may be made by any member of the staff or medical staff, including physicians, nurses, financial counselors, social workers, case managers, chaplains, and religious sponsors. A request for Financial Assistance may be made by the patient or a family member, close friend, or associate of the patient, subject to applicable privacy laws
8. Reasonable efforts have been made to determine whether an individual is eligible for Financial Assistance if OLF notifies the individual about the program, OLF provides the individual or, where applicable, his or her family member(s), with information relevant to completing the application, and OLF makes and documents its determination as to whether the individual is eligible for assistance under the policy.
9. OLF shall not engage in any debt collection activities in the emergency department or in other hospital venues where such activities could interfere with the treatment of Emergency Medical Services without discrimination.
10. If after the determination of a Financial Assistance award, the patient/guarantor requests further financial relief, they can request their account go to the Financial Assistance Committee. All determinations of the Financial Assistance Committee shall be final.
11. Once Financial Assistance has been granted, the guarantor will not be supplied with documentation required to bill insurance companies. This includes UB, 1500 and/or detailed itemization of charges.
12. OLF reserves the right to review the Financial Assistance determination if the guarantor's financial circumstances have changed.
13. The Financial Assistance Policy applies to deceased patients when it has been determined that there are no assets of value in the estate.
14. Financial assistance may be granted to patients who qualify for government programs when funding has delayed payment. If later government assistance is awarded, the account adjustment will be reversed.
15. Financial assistance may be granted to patients that are pending Medicaid approval with the appropriate county. These accounts have been reviewed and financial need determined by a third party. Additional documentation will not be required.
16. A list identifying the healthcare providers providing Emergency and other Medically Necessary Care within OLF facilities and identifying which are and are not covered by this Financial Assistance Policy may be obtained by contacting the Patient Accounts Office at [Insert phone number].

VIII. EXCEPTIONS

Any exceptions to the policy require approval by the Financial Assistance Committee and appropriate account documentation.

IX. RESPONSIBILITY

President, OLF

X. APPROVAL SIGNATURE

[Insert Title]

Date

**Note: A Billing and Collections Policy and summary of the Financial Assistance Policy (“FAP”) will be adopted at a later date, prior to OLF operating the hospital. Those documents will include the additional requirements under Internal Revenue Code 501(r), including but not limited to: actions taken relating to obtaining payment for a medical bill, process for determining FAP eligibility, office with final authority on FAP eligibility, how policies may be obtained free of charge, and making all documents and necessary information available on the website.*

**Application for Recognition of Exemption
Under Section 501(c)(3) of the Internal Revenue Code**

(Rev. January 2020)

Department of the Treasury
Internal Revenue Service

Do not enter social security numbers on this form as it may be made public.

Go to www.irs.gov/Form1023 for instructions and the latest information.

Note: *If exempt status is approved, this application will be open for public inspection.*

Use the "?" buttons throughout this form for help in completing this application. For additional help, call IRS Exempt Organizations Customer Account Services toll-free at 1-877-829-5500.

If you cannot complete required responses within the textbox limits throughout this form, upload your additional narratives with the other required documents.

Part I Identification of Applicant

1a Full Name of Organization (exactly as it appears in your organizing document) CHARTERCARE ROGER WILLIAMS MEDICAL CENTER		b Care of Name (if applicable) BENJAMIN M MINGLE	
c Mailing Address (Number, street and room/suite) 825 CHALKSTONE AVENUE		d City PROVIDENCE	
e Country United States		f State Rhode Island	
g Zip Code + 4 02908		h Foreign Province (or State)	
i Foreign Postal Code		4 Person to Contact if More Information is Needed (officer, director, trustee, or authorized representative) SEE SUPPLEMENTAL INFORMATION	
2 Employer Identification Number 92-1361532		3 Month Tax Year Ends JUNE	
5 Contact Telephone Number 317-977-1409		6 Fax Number (optional) 317-633-4878	
7 User Fee Submitted \$600.00		8 Organization's Website (if available):	

9 List the names, titles, and mailing addresses of your officers, directors, and/or trustees.

First Name: BENJAMIN	Last Name: MINGLE	Title: DIRECTOR & CHAIR
Mailing Address: 3060 PEACHTREE ROAD NW SUITE 1030		City: ATLANTA
State (or Province): GA		Zip Code (or Foreign Postal Code): 30305
First Name: GREGORY	Last Name: GROVE	Title: DIRECTOR, VC, SEC/TREAS.
Mailing Address: 3060 PEACHTREE ROAD NW SUITE 1030		City: ATLANTA
State (or Province): GA		Zip Code (or Foreign Postal Code): 30305
First Name: JEFFREY	Last Name: LIEBMAN	Title: DIRECTOR
Mailing Address: 3060 PEACHTREE ROAD NW SUITE 1030		City: ATLANTA
State (or Province): GA		Zip Code (or Foreign Postal Code): 30305
First Name:	Last Name:	Title:
Mailing Address:		City:
State (or Province):		Zip Code (or Foreign Postal Code):
First Name:	Last Name:	Title:
Mailing Address:		City:
State (or Province):		Zip Code (or Foreign Postal Code):

Check here to add more officers, directors, and/or trustees.

Part II Organizational Structure

1 You must be a corporation, limited liability company (LLC), unincorporated association, or trust to be tax exempt.

Select your type of organization.

Corporation

At the end of this form, you must upload a copy of your articles of incorporation (and any amendments) that shows proof of filing with the appropriate state agency.

Limited Liability Company (LLC)

At the end of this form, you must upload a copy of your articles of organization (and any amendments) that shows proof of filing with the appropriate state agency. Also, if you adopted an operating agreement, upload a copy, along with any amendments.

Unincorporated Association

At the end of this form, you must upload a copy of your articles of association, constitution, or other similar organizing document that is dated and includes at least two signatures. Include signed and dated copies of any amendments.

Trust

At the end of this form, you must upload a signed and dated copy of your trust agreement. Include signed and dated copies of any amendments.

2 Enter the date you formed. (MM/DD/YYYY)

12/05/2022

3 Select your state (or U.S. territory) of incorporation or other formation. If you were formed under the laws of a foreign country, select Foreign Country.

Rhode Island

4 Have you adopted bylaws? If "Yes," at the end of this form, upload a current copy showing the date of adoption. If "No," explain how you select your officers, directors, or trustees.

Yes No

5 Are you a successor to another organization?

Yes No

Answer "Yes" if you have taken or will take over the activities of another organization, you took over 25% or more of the fair market value of the net assets of another organization, or you were established upon the conversion of an organization from for-profit to nonprofit status. If "Yes," complete Schedule G.

Part III Required Provisions in Your Organizing Document

Part III helps ensure that, when you submit this application, your organizing document contains the required provisions to meet the organizational test under section 501(c)(3).

If you cannot check "Yes" in both Lines 1 and 2, your organizing document does not meet the organizational test. DO NOT file this application until you have amended your organizing document. Remember to upload your original and amended organizing documents at the end of this form.

- 1** Section 501(c)(3) requires that your organizing document limit your purposes to one or more exempt purposes within section 501(c)(3), such as charitable, religious, educational, and/or scientific purposes.

The following is an example of an acceptable purpose clause: The organization is organized exclusively for charitable, religious, educational, and scientific purposes under section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code.

Does your organizing document meet this requirement?

Yes No

- 1a** State specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document (Page/Article/Paragraph):

Page 2, Section 6, Paragraph (a)

- 2** Section 501(c)(3) requires that your organizing document provide that upon dissolution, your remaining assets be used exclusively for section 501(c)(3) exempt purposes, such as charitable, religious, educational, and/or scientific purposes. Depending on your entity type and the state in which you are formed, this requirement may be satisfied by operation of state law.

The following is an example of an acceptable dissolution clause: Upon the dissolution of this organization, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose.

Does your organizing document meet this requirement?

Yes No

- 2a** State specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document (Page/Article/Paragraph) or indicate that you rely on state law.

Page 4, Section 11

Part IV Your Activities

1 Describe completely and in detail your past, present, and planned activities. Do not refer to or repeat the purposes in your organizing document.

For each past, present, or planned activity, include information that answers the following questions:

- a. What is the activity?
- b. Who conducts the activity?
- c. Where is the activity conducted?
- d. What percentage of your total time is allocated to the activity?
- e. How is the activity funded (for example, donations, fees, etc.) and what percentage of your overall expenses is allocated to this activity?
- f. How does the activity further your exempt purposes?

As is more particularly described in the attached Supplemental Information to Form 1023 (the Supplemental Information), CharterCARE Roger Williams Medical Center (the Applicant) is a newly formed Rhode Island nonprofit corporation that is organized and will be operated exclusively for purposes that are charitable, educational, and/or scientific within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the Code). The Applicant has been created to own and operate a 220 licensed-bed acute care hospital and academic medical center affiliated with the Boston University School of Medicine located in Providence, Rhode Island under the name Roger Williams Medical Center (RWMC). The Applicant will be one of two general, acute care hospitals, various outpatient facilities, and physician offices that will comprise a new, integrated healthcare delivery network to be known as CharterCARE Health System (the Health system). The creation of the Health System will result from the approval and consummation of the proposed Transaction (as further described in the Supplemental Information). The Health System will be operated in a nonprofit and charitable manner and will provide a broad array of inpatient and outpatient health care services to improve the health and quality of life for residents of Providence, Rhode Island and the surrounding communities (the Community).

SEE SUPPLEMENTAL INFORMATION FOR ADDITIONAL DETAILS.

Part IV Your Activities (continued)

2 Enter the 3-character NTEE Code that best describes your activities.

E22

Or check here if you want the IRS to select the NTEE Code that best describes your activities.

3 Do any of your programs limit the provision of goods, services, or funds to a specific individual or group of specific individuals? For example, answer "Yes" if goods, services, or funds are provided only for a particular individual, your members, individuals who work for a particular employer, or graduates of a particular school. If "Yes," explain the limitation and how recipients are selected for each program. Yes No

As a community-based health care organization, the Applicant will further its exempt purposes by providing hospital and related health care services for patients. The Applicant generally will charge fees to its patients for such services. All such fees will be reasonable, and the decision of whether to charge any fee will be governed by the Applicant's financial assistance policy, as described elsewhere in this Application.

4 Do any individuals who receive goods, services, or funds through your programs have a family or business relationship with any officer, director, trustee, or with any of your highest compensated employees or highest compensated independent contractors? If "Yes," explain how these related individuals are eligible for goods, services, or funds. Yes No

As a community-based health care organization, the Applicant may provide services to individuals who have a family or business relationship with one of the Applicant's officers, directors, trustees, employees, or independent contractors. Any such relationship will have no bearing upon the services provided or the fees charged for such services.

5 Do you or will you support or oppose candidates in political campaigns in any way? If "Yes," explain. Yes No

6 Do you or will you attempt to influence legislation? If "Yes," explain how you attempt to influence legislation. Yes No

At this time, the Applicant has no intention of engaging directly in any attempts to influence legislation. The Applicant does anticipate that it may become a member of one or more hospital associations or other Code Section 501 (c)(6) organizations that engage in a variety of activities on behalf of their members, including attempts to influence legislation. The Applicant will conform with all applicable requirements concerning such activity, such as by reporting on its Form 990, Return of Organization Exempt from Income Tax (Form 990). More significantly, the Applicant will ensure that any attempts to influence legislation, whether direct or indirect, do not comprise a substantial portion of its activities.

Part IV Your Activities (continued)

- 6a Did you or will you make an election to have your legislative activities measured by expenditures by filing Form 5768? Yes No
 If "No," describe whether your attempts to influence legislation are a substantial part of your activities. Include the time and money spent on your attempts to influence legislation as compared to your total activities.

At this time, the Applicant does not intend to file Form 5768. As noted above, Applicant will not engage directly in legislative activities, and its only expenditures associated with such activities (if any) will be a portion of the dues the Applicant pays as a member of hospital associations or other Code Section 501 (c)(6) organizations that engage in legislative activities to serve the interests of their members. Such nominal expenditures will be insubstantial in comparison to Applicant's total activities.

- 7 Do you or will you publish, own, or have rights in music, literature, tapes, artworks, choreography, scientific discoveries, or other intellectual property? If "Yes," describe who owns or will own any copyrights, patents, or trademarks, whether fees are or will be charged, how the fees are determined, and how any items are or will be produced, distributed, and marketed. Yes No

The Applicant may employ or otherwise contract for the services of physicians or other health professionals who engage in research activities. Such research activities conceivably could generate intellectual property rights for the Applicant. If such research is to be conducted, the Applicant will develop processes and procedures to ensure that the research and any associated intellectual property rights are handled in a manner consistent with Code Section 501 (c)(3) - such as by ensuring that the results of the research are made publicly available through publication or other means.

- 8 Do you or will you provide educational information to the general public on budgeting, personal finance, financial literacy, saving and spending practices, the sound use of consumer credit, and/or assist individuals and families with financial problems such as credit card debt and foreclosure by providing them with counseling? If "Yes," explain. Yes No

- 9 Do you or will you make grants, loans, or other distributions to organizations? If "Yes," describe the type and purpose of the grants, loans, or distributions, how you select your recipients including submission requirements (such as grant proposals or application forms), and the criteria you use or will use to select recipients. Also describe how you ensure the grants, loans, and other distributions are or will be used for their intended purposes (including whether you require periodic or final reports on the use of funds and any procedures you have if you identify that funds are not being used for their intended purposes). Finally, describe the records you keep with respect to grants, loans, or other distributions you make and identify any recipient organizations and any relationships between you and the recipients. If "No," continue to Line 10. Yes No

SEE SUPPLEMENTAL INFORMATION.

Part IV Your Activities (continued)

9a Do you or will you make grants, loans, or other distributions to organizations that are not recognized by the IRS as tax exempt under section 501(c)(3)? If "Yes," name and/or describe the non-section 501(c)(3) organizations to whom you do or will make distributions and explain how these distributions further your exempt purposes. Yes No

9b Do you or will you make grants, loans, or other distributions to foreign organizations? If "Yes," name each foreign organization (if not already provided), the country and region within each country in which each foreign organization operates, any relationship you have with each foreign organization, and whether the foreign organization accepts contributions earmarked for a specific country or organization (if so, specify which countries or organizations). If "No," continue to Line 10. Yes No

9c Do your contributors know that you have ultimate authority to use contributions made to you at your discretion for purposes consistent with your exempt purposes? If "Yes," describe how you relay this information to contributors. Yes No

9d Do you or will you make pre-grant inquiries about the recipient organization? If "Yes," describe these inquiries, including whether you inquire about the recipient's financial status, its tax-exempt status under the Internal Revenue Code, its ability to accomplish the purpose for which the resources are provided, and other relevant information. Yes No

9e Do you or will you use any additional procedures to ensure that your distributions to foreign organizations are used in furtherance of your exempt purposes? If "Yes," describe these procedures, including periodic reporting requirements, auditing grantees, site visits by your employees or compliance checks by impartial experts, etc., to verify that grant funds are being used appropriately. Yes No

Part IV Your Activities (continued)

9f Do you share board members or other key personnel with the recipient organization(s)? If "Yes," identify the relationships. Yes No

9g When you make grants, loans, or other distributions to foreign organizations, will you check the OFAC List of Specially Designated Nationals and Blocked Persons for names of individuals and entities with whom you are dealing to determine if they are included on the list? Describe any other practices you will engage in to ensure that foreign expenditures or grants are not diverted to support terrorism or other non-charitable activities. Yes No

9h Will you comply with all United States statutes, executive orders, and regulations that restrict or prohibit U.S. persons from engaging in transactions and dealings with designated countries, entities, or individuals, or otherwise engaging in activities in violation of economic sanctions administered by OFAC? Yes No

9i Will you acquire from OFAC the appropriate license and registration where necessary? Yes No

10 Do you or will you operate in a foreign country or countries? If "Yes," name each foreign country and region within each country in which you do or will operate and describe your operations in each one. If "No," continue to Line 11. Yes No

10a When you conduct activities in foreign countries, will you check the OFAC List of Specially Designated Nationals and Blocked Persons for names of individuals and entities with whom you are dealing to determine if they are included on the list? Describe any other practices you will engage in to ensure that foreign expenditures or grants are not diverted to support terrorism or other non-charitable activities. Yes No

10b Will you comply with all United States statutes, executive orders, and regulations that restrict or prohibit U.S. persons from engaging in transactions and dealings with designated countries, entities, or individuals, or otherwise engaging in activities in violation of economic sanctions administered by OFAC? Yes No

10c Will you acquire from OFAC the appropriate license and registration where necessary? Yes No

Part IV Your Activities (continued)

11 Are you a sponsoring organization that maintains one or more donor advised funds? If yes, please provide a complete description of your program, including the specific advice that such donors may provide. Describe in detail the control you maintain (or will maintain) over the use of the funds. Yes No

12 Do you or will you operate a school? If "Yes," complete Schedule B. Yes No

13 Is your principal purpose or function to provide hospital or medical care? If "Yes," complete Schedule C. Yes No

14 Do you or will you provide low-income housing? If "Yes," complete Schedule F. Yes No

15 Do you or will you provide scholarships, fellowships, educational loans, or other educational grants to individuals, including grants for travel, study, or other similar purposes? If "Yes," complete Schedule H - Section I. Yes No

16 Check any of the following fundraising activities that you will undertake (check all that apply):

- Website, mail, email, personal, and/or phone solicitations
- Receive donations from another organization's website
- Bingo
- Other (describe)
- Foundation grant solicitations
- Government grant solicitations
- Other (non-bingo) gaming activities

SEE SUPPLEMENTAL INFORMATION.

We will not engage in fundraising activities.

17 Do you or will you engage in fundraising activities for other organizations? If "Yes," describe these arrangements, including the names or descriptions of the organizations for which you raise funds. Yes No

Part V Compensation and Other Financial Arrangements

1 Do you or will you compensate officers, directors, or trustees, or do or will you have highest compensated employees, or highest compensated independent contractors? If "No," continue to Line 2. Yes No

In establishing compensation for your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors:

1a Do or will the individuals that approve compensation arrangements follow a conflict of interest policy? Yes No

1b Do or will you approve compensation arrangements in advance of paying compensation? Yes No

1c Do or will you document in writing the date and terms of approved compensation arrangements? Yes No

1d Do or will you record in writing the decision made by each individual who decided or voted on compensation arrangements? Yes No

1e Do or will you approve compensation arrangements based on information about compensation paid by similarly situated taxable or tax-exempt organizations for similar services, current compensation surveys compiled by independent firms, or actual written offers from similarly situated organizations? Yes No

1f Do or will you record in writing both the information on which you relied to base your decision and its source? Yes No

1g Do or will you have any other practices you use to set reasonable compensation? If "Yes," describe these practices. Yes No

SEE SUPPLEMENTAL INFORMATION.

2 Have you adopted a conflict of interest policy consistent with the sample conflict of interest policy in Appendix A to the instructions? If you are a hospital, answer "Yes" if your conflict of interest policy includes provisions consistent with the additional healthcare related provisions in the sample document. If "No," describe the procedures you will follow to ensure that persons who have a conflict of interest will not have influence over setting their own compensation or regarding business deals with themselves. Yes No

3 Do you or will you compensate any of your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors through non-fixed payments, such as discretionary bonuses or revenue-based payments? If "Yes," describe all non-fixed compensation arrangements, including how the amounts are determined, who is eligible for such arrangements, whether you place a limitation on total compensation, and how you determine or will determine that you pay no more than reasonable compensation for services. Yes No

Part V Compensation and Other Financial Arrangements *(continued)*

- 4 Do you or will you purchase or sell any goods, services, or assets from or to: (i) any of your officers, directors, or trustees; (ii) any family of any of your officers, directors, or trustees; (iii) any organizations in which any of your officers, directors, or trustees are also officers, directors, or trustees, or in which any individual officer, director, or trustee owns more than a 35% interest; (iv) your highest compensated employees; or (v) your highest compensated independent contractors? If "Yes," describe any such transactions that you made or intend to make, with whom you make or will make such transactions, how the terms are or will be negotiated at arm's length, and how you determine you pay no more than fair market value or you are paid at least fair market value. Yes No

As part of the Health System, the Applicant may purchase services from other tax-exempt or taxable entities within the Health System, and some of those entities may have one or more trustees, directors, or officers who also serve as trustees, directors, or officers of the Applicant. Such arrangements will be entered into at arm's length, and any compensation paid for such services will be fair market value and will not be affected in any way by the overlapping governance across the Health System's various entities. Beyond this, the only services that will be purchased from employees or independent contractors are their services as employees and independent contractors.

- 5 Do you or will you have any leases, contracts, loans, or other agreements with: (i) your officers, directors, or trustees; (ii) any family of any of your officers, directors, or trustees; (iii) any organizations in which any of your officers, directors, or trustees are also officers, directors, or trustees, or in which any individual officer, director, or trustee owns more than a 35% interest; (iv) your highest compensated employees; or (v) your highest compensated independent contractors? If "Yes," describe any written or oral arrangements that you made or intend to make, with whom you have or will have such arrangements, how the terms are or will be negotiated at arm's length, and how you determine you pay no more than fair market value or you are paid at least fair market value. Yes No

As noted above, the Applicant will be part of the Health System and may enter into service agreements with other tax exempt or taxable entities within the Health System that have one or more trustees, directors, or officers who also serve as trustees, directors, or officers of the Applicant. Such arrangements are common within tax-exempt health care systems and will be reasonable for all participants in the arrangement.

- 6 Do you or will you contract with another organization to develop, build, market, or finance your facilities? Yes No
If "Yes," describe each facility, the role of the other organization, and any business or family relationship between the organization and your officers, directors, or trustees. Explain how that entity is selected, how the terms of any contract(s) are negotiated at arm's length, and how you determine you will pay no more than fair market value for services.

Part V Compensation and Other Financial Arrangements *(continued)*

7 Does or will someone other than your own employees or volunteers manage your activities or facilities? Yes No

If "Yes," describe the activities or facilities that will be managed by others, the names of the persons or organizations that manage or will manage your activities or facilities, and any business or family relationship between the organization and your officers, directors, or trustees. Explain how these managers were or will be selected, how the terms of any contracts or other agreements were or will be negotiated, and how you determine you will pay no more than fair market value for services.

8 Do you participate in any joint ventures, including partnerships or limited liability companies treated as partnerships, in which you share profits and losses with partners? If "Yes," state your ownership percentage in each joint venture, list your investment in each joint venture, describe the tax status of other participants in each joint venture (including whether they are section 501(c)(3) organizations), describe the activities of each joint venture, describe how you exercise control over the activities of each joint venture, and describe how each joint venture furthers your exempt purposes. Yes No

SEE SUPPLEMENTAL INFORMATION.

Part VI Financial Data

1 Select the option that best describes you to determine the years of revenues and expenses you need to provide.

- You completed less than one tax year.
Provide a total of three years of financial information (including the current year and two future years of reasonable and good faith projections of your future finances) in the following Statement of Revenues and Expenses.
- You completed at least one tax year but fewer than five.
Provide a total of four years financial information (including the current year and three years of actual financial information or reasonable and good faith projections of your future finances) in the following Statement of Revenues and Expenses.
- You completed five or more tax years.
Provide financial information for your five most recent tax years (including the current year) in the following Statement of Revenues and Expenses.

Part VI Financial Data (continued)

A. Statement of Revenues and Expenses

Type of revenue	Current tax year	4 prior tax years or 2 succeeding tax years				
		From: 07/01/2023	From: 07/01/2024	From: 07/01/2025	From: 07/01/2026	From: 12/05/2022
		To: 06/30/2024	To: 06/30/2025	To: 06/30/2026	To: 06/30/2027	To: 06/30/2023
1 Gifts, grants, and contributions received (do not include unusual grants)	\$0.	\$0.	\$0.	\$0.	\$0.	
2 Membership fees received	\$0.	\$0.	\$0.	\$0.	\$0.	
3 Gross investment income	\$0.	\$0.	\$0.	\$0.	\$0.	
4 Net unrelated business income	\$0.	\$0.	\$0.	\$0.	\$0.	
5 Taxes levied for your benefit	\$0.	\$0.	\$0.	\$0.	\$0.	
6 Value of services or facilities furnished by a governmental unit without charge (not including the value of services generally furnished to the public without charge)	\$0.	\$0.	\$0.	\$0.	\$0.	
7 Any revenue not otherwise listed above or in lines 9 - 12 below (provide an itemized list below)	\$0.	\$0.	\$0.	\$0.	\$0.	
8 Total of lines 1 through 7	\$0.	\$0.	\$0.	\$0.	\$0.	
9 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to your exempt purposes (provide an itemized list below)	\$0.	\$210,352,339.	\$223,009,228.	\$228,584,458.	\$0.	
10 Total of lines 8 and 9	\$0.	\$210,352,339.	\$223,009,228.	\$228,584,458.	\$0.	
11 Net gain or loss on sale of capital assets (provide an itemized list below)	\$0.	\$0.	\$0.	\$0.	\$0.	
12 Unusual grants (provide an itemized list below)	\$0.	\$0.	\$0.	\$0.	\$0.	
13 Total Revenue (add lines 10 through 12)	\$0.	\$210,352,339.	\$223,009,228.	\$228,584,458.	\$0.	
Type of expense	Current tax year	4 prior tax years or 2 succeeding tax years				
14 Fundraising expenses	\$0.	\$0.	\$0.	\$0.	\$0.	
15 Contributions, gifts, grants, and similar amounts paid out (provide an itemized list below)	\$0.	\$0.	\$0.	\$0.	\$0.	
16 Disbursements to or for the benefit of members (provide an itemized list below)	\$0.	\$0.	\$0.	\$0.	\$0.	
17 Compensation of officers, directors, and trustees	\$0.	\$16,101,963.	\$17,084,984.	\$17,426,684.	\$0.	
18 Other salaries and wages	\$0.	\$77,109,986.	\$82,545,356.	\$84,196,263.	\$0.	
19 Interest expense	\$0.	\$0.	\$0.	\$0.	\$0.	
20 Occupancy (rent, utilities, etc.)	\$0.	\$8,373,441.	\$8,476,350.	\$8,645,877.	\$0.	
21 Depreciation and depletion	\$0.	\$2,503,728.	\$2,628,914.	\$2,681,493.	\$0.	
22 Professional fees	\$0.	\$7,030,444.	\$9,299,748.	\$9,485,743.	\$0.	
23 Any expense not otherwise classified, such as program services (provide an itemized list below)	\$0.	\$80,689,490.	\$82,490,670.	\$84,140,483.	\$0.	
24 Total Expenses (add lines 14 through 23)	\$0.	\$191,809,052.	\$202,526,022.	\$206,576,543.	\$0.	

25 Itemized financial data

SEE SUPPLEMENTAL INFORMATION FOR ADDITIONAL DETAILS.

Part VI Financial Data (continued)

B. Balance Sheet (for your most recently completed tax year)		Year End: 06/30/2022
Assets		
1	Cash	\$0.
2	Accounts receivable, net	\$0.
3	Inventories	\$0.
4	Bonds and notes receivable (provide an itemized list below)	\$0.
5	Corporate stocks (provide an itemized list below)	\$0.
6	Loans receivable (provide an itemized list below)	\$0.
7	Other investments (provide an itemized list below)	\$0.
8	Depreciable assets (provide an itemized list below)	\$0.
9	Land	\$0.
10	Other assets (provide an itemized list below)	\$0.
11	Total Assets (add lines 1 through 10)	\$0.
Liabilities		
12	Accounts payable	\$0.
13	Contributions, gifts, grants, etc. payable	\$0.
14	Mortgages and notes payable (provide an itemized list below)	\$0.
15	Other liabilities (provide an itemized list below)	\$0.
16	Total Liabilities (add lines 12 through 15)	\$0.
Fund Balances or Net Assets		
17	Total fund balances or net assets	\$0.
18	Total Liabilities and Fund Balances or Net Assets (add lines 16 and 17)	\$0.

19 Itemized financial data

Part VII Foundation Classification

Part VII is designed to classify you as an organization that is either a private foundation or a public charity. Public charity classification is a more favorable tax status than private foundation classification. If you are a private foundation, this part will further determine whether you are a private operating foundation.

1 Select the foundation classification you are requesting from the list below.

- You are described in 509(a)(1) and 170(b)(1)(A)(vi) as an organization that receives a substantial part of its financial support in the form of contributions from publicly supported organizations, from a governmental unit, or from the general public.
- You are described in 509(a)(2) as an organization that normally receives not more than one-third of its financial support from gross investment income and receives more than one-third of its financial support from contributions, membership fees, and gross receipts from activities related to its exempt functions (subject to certain exceptions).
- You are described in 509(a)(1) and 170(b)(1)(A)(i) as a church or a convention or association of churches. Complete Schedule A.
- You are described in 509(a)(1) and 170(b)(1)(A)(ii) as a school. Complete Schedule B.
- You are described in 509(a)(1) and 170(b)(1)(A)(iii) as a hospital, a cooperative hospital service organization, or a medical research organization operated in conjunction with a hospital. Complete Schedule C.
- You are described in 509(a)(1) and 170(b)(1)(A)(iv) as an organization operated for the benefit of a college or university that is owned or operated by a governmental unit.
- You are described in 509(a)(1) and 170(b)(1)(A)(ix) as an agricultural research organization directly engaged in the continuous active conduct of agricultural research in conjunction with a college or university.
- You are described in 509(a)(3) as an organization supporting either one or more organizations described in 509(a)(1) or 509(a)(2) or a publicly supported section 501(c)(4), (5), or (6) organization. Complete Schedule D.
- You are described in 509(a)(4) as an organization organized and operated exclusively for testing for public safety.
- You are a publicly supported organization and would like the IRS to decide your correct classification.
- You are a private foundation.

1a As a private foundation, section 508(e) requires special provisions in your organizing document in addition to those that apply to all organizations described in section 501(c)(3). Check this box to confirm that your organizing document includes these provisions or you rely on state law.

State specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document (Page/Article/Paragraph) or state that you rely on state law.

1b Do you or will you provide scholarships, fellowships, educational loans, or other educational grants to individuals, including grants for travel, study, or other similar purposes? Yes No
If "Yes," complete Schedule H - Section II.

1c Are you a private operating foundation? Yes No

To be a private operating foundation you must engage directly in the active conduct of charitable, religious, educational, and similar activities, as opposed to indirectly carrying out these activities by providing grants to individuals or other organizations.

Part VII Foundation Classification *(continued)*

1d Describe how you meet the requirements for private operating foundation status, including how you meet the income test and either the assets test, the endowment test, or the support test. If you've been in existence for less than one year, describe how you are likely to satisfy the requirements for private operating foundation status.

2 If you have been in existence more than 5 years, you must confirm your public support status. To confirm your qualification as a public charity described in 509(a)(1) and 170(b)(1)(A)(vi) in existence for five or more tax years, you must have received one-third or more of your total support from governmental agencies, contributions from the general public, and contributions or grants from other public charities; or 10% or more of your total support from governmental agencies, contributions from the general public, and contributions or grants from other public charities and the facts and circumstances indicate you are a publicly supported organization. Calculate whether you meet this support test for your most recent five-year period.

- i. Did you receive contributions from any person, company, or organization whose gifts totaled more than the 2% amount of line 8 in Part VI-A? Yes No

If "Yes," identify each person, company, or organization by letter (A, B, C, etc.) and indicate the amount contributed by each. Keep a list showing the name of and amount contributed by each of these donors for your records.

- ii. Based on your calculations, did you receive at least one-third of your support from public sources or did you normally receive at least 10 percent of your support from public sources and you have other characteristics of a publicly supported organization? Yes No

2a If you have been in existence more than 5 years, you must confirm your public support status. To confirm your qualification as a public charity described in 509(a)(2) in existence for five or more tax years, you must have normally received more than one-third of your support from contributions, membership fees, and gross receipts from activities related to your exempt functions, or a combination of these sources, and not more than one-third of your support from gross investment income and net unrelated business income. Calculate whether you meet this support test for your most recent five-year period.

- i. Did you receive amounts from any disqualified persons? Yes No

If "Yes," identify each disqualified person by letter (A, B, C, etc.) and indicate the amount contributed by each. Keep a list showing the name of and amount contributed by each of these donors for your records.

- ii. Did you receive amounts from individuals or organizations other than disqualified persons that exceeded the greater of \$5,000 or 1% of the amount on line 10 of Part VI-A Statement of Revenues and Expenses? Yes No

If "Yes," identify each individual or organization by letter (A, B, C, etc.) and indicate the amount contributed by each. Keep a list showing the name of and amount contributed by each of these donors for your records.

- iii. Based on your calculations, did you normally receive more than one-third of your support from a combination of gifts, grants, contributions, membership fees, and gross receipts (from permitted sources) from activities related to your exempt functions and normally receive not more than one-third of your support from investment income and unrelated business taxable income? Yes No

Part VIII Effective Date

In general, a determination letter recognizing exemption of an organization described in section 501(c)(3) is effective as of the date of formation of an organization if: (1) its purposes and activities prior to the date of the determination letter have been consistent with the requirements for exemption; and (2) it has filed an application for recognition of exemption within 27 months from the end of the month in which it was organized.

1 Are you submitting this application within 27 months of the end of the month in which you were legally formed? Yes No

If "No," complete Schedule E.

Part IX Annual Filing Requirements

If you fail to file a required information return or notice for three consecutive years, your exempt status will be automatically revoked.

1 Certain organizations are not required to file annual information returns or notices (Form 990, Form 990-EZ, or Form 990-N, e-Postcard). If you are granted tax-exemption, are you claiming to be excused from filing Form 990, Form 990-EZ, or Form 990-N? Yes No

If "Yes," are you claiming you are excused from filing because you are:

- A church or association of churches
- An integrated auxiliary (such as a men's or women's organization, religious school, mission society, or religious group)
- A church-affiliated organization (other than a section 509(a)(3) organization) that is exclusively engaged in managing funds or maintaining retirement programs and is described in Revenue Procedure 96-10, 1996-1 C.B. 577
- A school below college level affiliated with a church or operated by a religious order
- A mission society (other than a section 509(a)(3) supporting organization) sponsored by, or affiliated with, one or more churches or church denominations, if more than half of the society's activities are conducted in, or directed at, persons in foreign countries
- An affiliate of a governmental unit that meets the requirements of Revenue Procedure 95-48, 1995-2 C.B. 418 (other than a section 509(a)(3) supporting organization)
- Other (describe)

Part X Signature

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization and that I have examined this application, and to the best of my knowledge it is true, correct, and complete.

Benjamin Mingle

 (Type name of signer)

DIRECTOR & CHAIR

 (Type title or authority of signer)

12/18/2023

 (Date)

Upload checklist:

- Organizing document (and any amendments)
- Bylaws, if adopted
- Form 2848, Power of Attorney and Declaration of Representative (if applicable)
- Form 8821, Tax Information Authorization (if applicable)
- Supplemental responses (if applicable)
- Expedited handling request (if applicable)

Schedule C. Hospitals and Medical Research Organizations

1 Are you a medical research organization (an organization whose principal purpose or function is medical research and which is directly engaged in the continuous active conduct of medical research) operated in conjunction with a hospital? If "No," continue to Line 2. Yes No

1a Name the hospitals with which you have a relationship and describe the relationship.

1b List your assets showing their fair market value and the portion of your assets directly devoted to medical research.

Do not complete the remainder of Schedule C.

2 Are you applying for exemption as a cooperative hospital service organization described in section 501(e)? If "Yes," explain. Yes No

Do not complete the remainder of Schedule C.

3 Are all the doctors in the community eligible for staff privileges? If "No," give the reasons why and explain how the medical staff is selected. Yes No

Schedule C. Hospitals and Medical Research Organizations (continued)

- 4 Do or will you provide medical services to all individuals in your community who can pay for themselves or are able to pay through some form of insurance? If "No," explain. Yes No

- 5 Do you or will you maintain a full-time emergency room? If "Yes," continue to Line 6. Yes No

- 5a Are you a specialty hospital or would emergency services be duplicative based on your region or locality? Yes No

- 6 Do you provide free or below cost services? If "Yes," describe your policy for determining when and to whom you provide these services and how these services promote the organization's benefit to the community. Yes No

The Applicant will comply in all respects with Code Section 501 (r) - including by adopting and following a Financial Assistance Policy. A copy of the Applicant's financial assistance policy is attached as Exhibit D.

- 7 Do you or will you carry on a formal program of medical training or medical research? If "Yes," describe such programs, including the type of programs offered, the scope of such programs, and affiliations with other hospitals or medical care providers with which you carry on the medical training or research programs. Yes No

The Applicant will operate the facility as an academic medical center affiliated with The Boston University School of Medicine and will offer residency programs in Geriatric Medicine, Hematology/Oncology, Internal Medicine, Podiatry, and Rheumatology and will offer fellowship programs in Pulmonary Diseases and Surgical Oncology.

- 8 Do you or will you carry on a formal program of community education? If "Yes," describe such programs, including the type of programs offered, the scope of such programs, and affiliation with other hospitals or medical care providers with which you offer community education programs. Yes No

The Applicant will provide and support various programs to benefit the Community, including health clinics and low-cost health education classes. The Applicant also will collaborate with other local charitable entities and governmental agencies to advance its charitable purposes.

Schedule C. Hospitals and Medical Research Organizations (continued)

9 Is your board of directors composed of a majority of individuals who are representative of the community you serve, or do you operate under a parent organization whose board of directors is composed of a majority of individuals who are representative of the community you serve? If "Yes," continue to Line 10. Yes No

9a List each board member's name and business, financial, or professional relationship with the hospital. Also, identify each board member who is representative of the community and describe how that individual is a community representative. If you operate under a parent organization whose board of directors is not composed of a majority of individuals who are representative of the community you serve, provide the requested information for your parent's board of directors as well.

10 Do you operate a facility which is required by a state to be licensed, registered, or similarly recognized as a hospital? If "No," do not complete the rest of Schedule C. Yes No

10a Do you conduct a community health needs assessment (CHNA) at least once every three years and adopt an implementation strategy to meet the community health needs identified in the assessment as required by section 501(r)(3)? If "No," explain. Yes No

10b Do you have a written financial assistance policy (FAP) and a written policy relating to emergency medical care as required by section 501(r)(4)? If "No," explain. Yes No

Schedule C. Hospitals and Medical Research Organizations (continued)

10c Do you both (1) limit amounts charged for emergency or other medically necessary care provided to individuals eligible for assistance under your FAP to not more than amounts generally billed to individuals who have insurance covering such care, and (2) prohibit use of gross charges as required by section 501(r)(5)? If "No," explain. Yes No

10d Do you make reasonable efforts to determine whether an individual is FAP-eligible before engaging in extraordinary collection actions as required by section 501(r)(6)? If "No," explain. Yes No

Supplemental Information for Form 1023**Part I, Line 4.**

If additional information is needed, the Service should contact the Applicant's Authorized Representatives, James R. Willey and Kelci R. Laster. A Form 2848, Power of Attorney and Declaration of Representative, for Mr. Willey and Ms. Laster is attached as **Exhibit A.**

Part II, Line 1.

Articles of Incorporation, with proof of filing, attached as **Exhibit B.**

Part II, Line 2.

Bylaws, as adopted March 6, 2023, attached as **Exhibit C.**

Part IV, Line 1.

(continued from Form 1023)

Background.

In 2009, Roger Williams Medical Center ("RWMC")¹ and Our Lady of Fatima Hospital ("OLFH")² agreed to affiliate through the creation of CharterCARE Health Partners ("CCHP"). RWMC and OLFH each shared a long, proud history of providing charity care to the poor and vulnerable residents of the Community and believe that the creation of CCHP as the parent organization of their combined hospital systems would allow them to better serve the needs of the residents of the Community.

RWMC was founded in 1878 as a community owned and governed hospital known as the Homeopathic Hospital of Rhode Island. Since 1922, RWMC has been located in the Smith Hill neighborhood of Providence, which is one of the city's oldest neighborhoods. OLFH's history in the Community dates back to 1892 when the Roman Catholic Diocese of Providence (the "Diocese") opened St. Joseph Hospital. OLFH was opened by the Diocese in North Providence in 1954. In 1970, the Diocese merged OLFH and St. Joseph Hospital and consolidated their operations on OLFH's North Providence campus.

Despite the affiliation between RWMC and OLFH, CCHP continued to face increasing financial and operational challenges that threatened the future of both hospitals. In 2014, CCHP sold substantially all of the assets used in the operation of RWMC, OLFH, and

¹ RWMC was at the time an independent, nonprofit, tax-exempt community hospital located in Providence, Rhode Island.

² OLFH was at the time a nonprofit, tax-exempt hospital sponsored by the Diocese of Providence located in North Providence, Rhode Island.

their respective affiliates (collectively, the “CharterCARE Assets”) to Prospect Medical Holdings, Inc., a for-profit healthcare system based in California (“Prospect”), and thereafter Prospect began to operate RWMC, OLFH, and their respective affiliates in a for-profit manner.

At all times prior to the sale of the CharterCARE Assets to Prospect, RWMC and OLFH were organized and operated exclusively for charitable, educational, scientific, and/or religious purposes within the meaning of Section 501(c)(3) of the Code (or its predecessors). While RWMC and OLFH are no longer organized as non-profit hospitals under state law, they each continue to play a vitally important role in the Community because of their designation as safety net hospitals by the Rhode Island Attorney General and Department of Health (collectively, the “State Officials”).

On November 18, 2022, The Centurion Foundation, Inc. (the “Foundation”), which is a Georgia nonprofit corporation that has been recognized by the Internal Revenue Service (the “IRS”) as exempt from federal income tax under Code Section 501(c)(3), entered into an agreement to acquire the CharterCARE Assets from Prospect (the “Transaction”). The Transaction is subject to approval by State Officials. Applications for approval of the Transaction were submitted to State Officials on November 14, 2023 and such applications were accepted by State Officials on December 14, 2023. By statute (R.I. Gen Laws § 23-177.14-3, State Officials have one hundred twenty (120) calendar days to approve or reject the Transaction (*i.e.*, April 12, 2024). If the Transaction is approved by State Officials, the Applicant anticipates that the Transaction would likely close on or before September 30, 2024.

The purpose of the Transaction is for CharterCARE Health of Rhode Island, Inc. (the “Health System Parent”), through one or more legal entities that will comprise the Health System (collectively, the “Health System Entities”) that are controlled by the Health System Parent, to acquire the CharterCARE Assets in order to create the new Health System that will be operated in a nonprofit and charitable manner to serve the residents of the Community. The proposed Post-Transaction Organizational Chart of the Health System is attached as **Exhibit D**.

Charitable Purposes and Activities.

The Health System Parent is a newly created Rhode Island nonprofit corporation that has separately applied for recognition as an organization that is exempt from federal income taxation pursuant to Code Section 501(c)(3) organization of the Health System. The Health System Parent will engage in administrative and management activities that are typical for health system parent organizations, including overall coordination of all the organizations within the Health System in such matters as approving budgets, strategic planning, marketing, resource allocation, securing tax-exempt bond financing, and providing community education.

The Health System will include various tax-exempt and taxable entities which will operate together to advance the Health System’s shared mission of serving the people of the

Community by providing high-quality care, medical research, and education, including the following: (a) two (2) general, acute care hospitals, RWMC and OLFH, both of which will be owned and operated by newly formed Rhode Island nonprofit corporations that are applying separately for exemption from federal income taxation pursuant to Code Section 501(c)(3); (b) one or more physician groups that will employ, and/or contract with, over 260 physicians and advanced practice providers located in offices and outpatient clinics throughout the Community; (c) an outpatient ambulatory surgery center located in Johnstone, Rhode Island; (d) a home health and hospice entity that will provide hospital-based, in-home visiting nurse services to or for the benefit of the patients of RWMC, OLFH, and other members of the Community; and (e) a charitable foundation that will support the Health System's Code Section 501(c)(3) purposes (the "Charter CARE Foundation").

The Health System Parent is the sole corporate member of the Applicant. The Applicant will function as an integral part of the Health System. Through its ownership and operation of RWMC, the Applicant will be able to build upon RWMC's long history of providing charitable, nonprofit hospital care for the Community, as it did for many years prior to its acquisition by Prospect, and will continue to deliver high quality in-patient and outpatient health care services through the operation of RWMC to residents of the Community.

The Applicant will operate in a manner consistent with the community benefit standard set forth in Revenue Ruling 69-545. The Applicant will operate an emergency room open to all, regardless of ability to pay. The Applicant also will provide hospital care to all in its Community who are able to pay, including those who pay for care through private insurance or through governmental programs like Medicare and Medicaid. The Applicant will continue to operate RWMC as an academic medical center, affiliated with Boston University School of Medicine, by sponsoring residency and fellowship programs that result in the training of physicians and specialists who often choose to remain in the Community. Staff privileges at RWMC will be available to all qualified physicians. In addition, the Applicant will provide and support numerous programs to benefit its community, such as health clinics and low-cost health education classes, and collaborate with other local charitable entities and governmental agencies to advance charitable purposes.

The Applicant also will comply fully with Code Section 501(r). This includes adopting and consistently following a financial assistance policy, as described elsewhere in this Application. The Applicant will follow appropriate and compliant billing and collection processes, will ensure that patients who are eligible for financial assistance are not charged more than insured patients, and will not improperly engage in any extraordinary collection activities. Additionally, the Applicant will timely complete community health needs assessments and adopt implementation strategies that will guide the Applicant in addressing health care needs in its Community.

Through these and other measures, the Applicant will operate RWMC exclusively to promote charitable and other Code Section 501(c)(3) purposes.

Part IV, Line 9.

As a good corporate citizen within its community and in furtherance of its charitable and other Code Section 501(c)(3) purposes, the Applicant may make grants to other charitable organizations both inside and outside of the Health System. Such grants, if any, will be focused upon promoting health in the Community, improving healthcare or access to healthcare, relieving the burdens of government, and otherwise advancing the overall well-being of residents of the Community. A charitable organization wishing to request funds may be required to submit a written request that identifies the purpose of the grant and other relevant information. Grant requests will be reviewed and evaluated by the Applicant to ensure that they are consistent with the Applicant's charitable grantmaking priorities, as described above. The Applicant will maintain active communication with grantees to ensure that grants are used as intended and, in all instances, in a manner consistent with Code Section 501(c)(3).

Part IV, Line 16.

The Applicant anticipates that its primary funding will come from providing charitable health care services in its Community. However, philanthropic fundraising endeavors are a significant source of support for Code Section 501(c)(3) health care organizations, and the Applicant anticipates that such endeavors will be undertaken on its behalf by the CharterCARE Foundation, which will have primary responsibility for raising funds to support the Health System's various hospital organizations and other Code Section 501(c)(3) organizations. If the Applicant does elect to engage in any direct fundraising endeavors, such activities will be coordinated with the CharterCARE Foundation and will comply in all respects with Code Section 501(c)(3).

Part V, Line 1g.

With respect to any employees who are or will become disqualified persons, the Applicant will follow a process consistent with the requirements for the rebuttable presumption of reasonableness under the Treasury Regulations in establishing compensation for employees and independent contractors. The amounts the Applicant pays for such employees will be reasonable because all organizations within the Health System are committed to paying compensation that does not exceed the thresholds for reasonableness, which they accomplish by following compensation surveys and by following a process consistent with the requirements for the rebuttable presumption, where necessary, and the Applicant will pay only actual costs (*i.e.*, reimbursing the affiliate for wages and the value of benefits) for the employees it leases.

Part V-A, Line 25.

Applicant has included financial information for the most recently completed tax year (*i.e.*, 12/05/2022 – 06/30-2023). Projections of Applicant's likely income and expenses for the current tax year (*i.e.*, 07/01/2023 – 06/30/2024) and three (3) succeeding tax years (*i.e.*, 07/01/2023 – 06/30/2024, 07/01/2024 – 06/30/2025, and 07/01/2025 – 06/30/2026)

CharterCARE Roger Williams Medical Center
EIN: 92-1361532

are based upon (a) an assumption that approval and closing of the Transaction will occur on or about September 30, 2024, and (b) a reasonable and good faith estimate of Applicant's future finances during the (3) tax years following the closing of the Transaction. Figures for the tax year ending 06/30/2025 have been annualized for year-over-year comparison purposes. An itemized list of expenses not otherwise classified reported on Line 23 is attached as **Exhibit E**.

Part V-B, Line 19.

Applicant had no assets or liabilities for the most recently completed tax year (*i.e.*, 12/05/2022 - 06/30/2023) and will likely have no assets or liabilities at the end of the current tax year (*i.e.*, 07/01/2023 - 06/30/2024). Applicant is not expected to have any assets or liabilities until such time as the Transaction is approved by State Officials and the Transaction closes thereafter.

Part X.

Consistent with the IRS guidance concerning signature on an electronically submitted Form 1023, as issued May 5, 2020, a separate signature page including all information from Part X of the Form 1023 is attached as **Exhibit F**.

Schedule C, Line 6.

A copy of the Applicant's financial assistance policy is attached as **Exhibit G**.

CONFIDENTIAL

CharterCARE Roger Williams Medical Center
EIN: 92-1361532

EXHIBIT A

Form 2848 – Power of Attorney and Declaration of Representative

See attached.

Form **2848**
(Rev. January 2021)
Department of the Treasury
Internal Revenue Service

Power of Attorney and Declaration of Representative

OMB No. 1545-0150

For IRS Use Only

Received by:

Name _____

Telephone _____

Function _____

Date / /

► Go to www.irs.gov/Form2848 for instructions and the latest information.

Part I Power of Attorney

Caution: A separate Form 2848 must be completed for each taxpayer. Form 2848 will not be honored for any purpose other than representation before the IRS.

1 Taxpayer information. Taxpayer must sign and date this form on page 2, line 7.

Taxpayer name and address CharterCARE Roger Williams Medical Center 825 Chalkstone Avenue Providence, RI 02908		Taxpayer identification number(s) 92-1361532	
		Daytime telephone number 404-233-9000	Plan number (if applicable)

hereby appoints the following representative(s) as attorney(s)-in-fact:

2 Representative(s) must sign and date this form on page 2, Part II.

Name and address James R. Willey, Hall, Render, Killian, Heath & Lyman, P.C. 500 North Meridian Street, Suite 400 Indianapolis, IN 46204 Check if to be sent copies of notices and communications <input checked="" type="checkbox"/>	CAF No. 3206-14361R PTIN _____ Telephone No. 317-977-1409 Fax No. 317-633-4878 Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>
Name and address Kelci R. Laster, Hall, Render, Killian, Heath & Lyman, P.C. 500 North Meridian Street, Suite 400 Indianapolis, IN 46204 Check if to be sent copies of notices and communications <input checked="" type="checkbox"/>	CAF No. 0313-39660R PTIN _____ Telephone No. 317-977-1401 Fax No. 317-633-4878 Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>
Name and address (Note: IRS sends notices and communications to only two representatives.)	CAF No. _____ PTIN _____ Telephone No. _____ Fax No. _____ Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>
Name and address (Note: IRS sends notices and communications to only two representatives.)	CAF No. _____ PTIN _____ Telephone No. _____ Fax No. _____ Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>

to represent the taxpayer before the Internal Revenue Service and perform the following acts:

3 Acts authorized (you are required to complete line 3). Except for the acts described in line 5b, I authorize my representative(s) to receive and inspect my confidential tax information and to perform acts I can perform with respect to the tax matters described below. For example, my representative(s) shall have the authority to sign any agreements, consents, or similar documents (see instructions for line 5a for authorizing a representative to sign a return).

Description of Matter (Income, Employment, Payroll, Excise, Estate, Gift, Whistleblower, Practitioner Discipline, PLR, FOIA, Civil Penalty, Sec. 4980H Shared Responsibility Payment, etc.) (see instructions)	Tax Form Number (1040, 941, 720, etc.) (if applicable)	Year(s) or Period(s) (if applicable) (see instructions)
Application for Recognition of Exemption under Section 501(c)(3) of the Internal Revenue Code	1023	2022-2024

4 Specific use not recorded on the Centralized Authorization File (CAF). If the power of attorney is for a specific use not recorded on CAF, check this box. See Line 4. *Specific Use Not Recorded on CAF* in the instructions

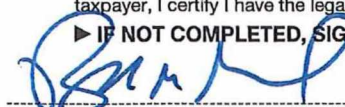
5a Additional acts authorized. In addition to the acts listed on line 3 above, I authorize my representative(s) to perform the following acts (see instructions for line 5a for more information): Access my IRS records via an Intermediate Service Provider; Authorize disclosure to third parties; Substitute or add representative(s); Sign a return; _____

Other acts authorized: **Authority to receive SS-4 application processing status, Notice 147C letter(s), and any determination letter(s) regarding tax exemption by secure fax with effective dates and/or filing requirements.**

b Specific acts not authorized. My representative(s) is (are) not authorized to endorse or otherwise negotiate any check (including directing or accepting payment by any means, electronic or otherwise, into an account owned or controlled by the representative(s) or any firm or other entity with whom the representative(s) is (are) associated) issued by the government in respect of a federal tax liability.
List any other specific deletions to the acts otherwise authorized in this power of attorney (see instructions for line 5b): _____

6 Retention/revocation of prior power(s) of attorney. The filing of this power of attorney automatically revokes all earlier power(s) of attorney on file with the Internal Revenue Service for the same matters and years or periods covered by this form. If you **do not** want to revoke a prior power of attorney, check here
YOU MUST ATTACH A COPY OF ANY POWER OF ATTORNEY YOU WANT TO REMAIN IN EFFECT.

7 Taxpayer declaration and signature. If a tax matter concerns a year in which a joint return was filed, each spouse must file a separate power of attorney even if they are appointing the same representative(s). If signed by a corporate officer, partner, guardian, tax matters partner, partnership representative (or designated individual, if applicable), executor, receiver, administrator, trustee, or individual other than the taxpayer, I certify I have the legal authority to execute this form on behalf of the taxpayer.
▶ IF NOT COMPLETED, SIGNED, AND DATED, THE IRS WILL RETURN THIS POWER OF ATTORNEY TO THE TAXPAYER.

 _____ **12-19-2023** Director & Chair
Signature Date Title (if applicable)

Benjamin M. Mingle _____ **CharterCARE Health of Rhode Island Foundation Inc.**
Print name Print name of taxpayer from line 1 if other than individual

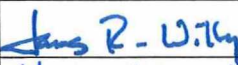

Part II Declaration of Representative

Under penalties of perjury, by my signature below I declare that:

- I am not currently suspended or disbarred from practice, or ineligible for practice, before the Internal Revenue Service;
- I am subject to regulations in Circular 230 (31 CFR, Subtitle A, Part 10), as amended, governing practice before the Internal Revenue Service;
- I am authorized to represent the taxpayer identified in Part I for the matter(s) specified there; and
- I am one of the following:
 - a Attorney—a member in good standing of the bar of the highest court of the jurisdiction shown below.
 - b Certified Public Accountant—a holder of an active license to practice as a certified public accountant in the jurisdiction shown below.
 - c Enrolled Agent—enrolled as an agent by the IRS per the requirements of Circular 230.
 - d Officer—a bona fide officer of the taxpayer organization.
 - e Full-Time Employee—a full-time employee of the taxpayer.
 - f Family Member—a member of the taxpayer's immediate family (spouse, parent, child, grandparent, grandchild, step-parent, step-child, brother, or sister).
 - g Enrolled Actuary—enrolled as an actuary by the Joint Board for the Enrollment of Actuaries under 29 U.S.C. 1242 (the authority to practice before the IRS is limited by section 10.3(d) of Circular 230).
 - h Unenrolled Return Preparer—Authority to practice before the IRS is limited. An unenrolled return preparer may represent, provided the preparer (1) prepared and signed the return or claim for refund (or prepared if there is no signature space on the form); (2) was eligible to sign the return or claim for refund; (3) has a valid PTIN; and (4) possesses the required Annual Filing Season Program Record of Completion(s). **See Special Rules and Requirements for Unenrolled Return Preparers in the instructions for additional information.**
 - k Qualifying Student or Law Graduate—receives permission to represent taxpayers before the IRS by virtue of his/her status as a law, business, or accounting student, or law graduate working in a LITC or STCP. See instructions for Part II for additional information and requirements.
 - r Enrolled Retirement Plan Agent—enrolled as a retirement plan agent under the requirements of Circular 230 (the authority to practice before the Internal Revenue Service is limited by section 10.3(e)).

▶ IF THIS DECLARATION OF REPRESENTATIVE IS NOT COMPLETED, SIGNED, AND DATED, THE IRS WILL RETURN THE POWER OF ATTORNEY. REPRESENTATIVES MUST SIGN IN THE ORDER LISTED IN PART I, LINE 2.

Note: For designations d-f, enter your title, position, or relationship to the taxpayer in the "Licensing jurisdiction" column.

Designation— Insert above letter (a-r).	Licensing jurisdiction (State) or other licensing authority (if applicable)	Bar, license, certification, registration, or enrollment number (if applicable)	Signature	Date
a	IN	18952-49		12/19/2023
a	IN	35212-49		12/19/23

CONFIDENTIAL

CharterCARE Roger Williams Medical Center
EIN: 92-1361532

EXHIBIT B

Articles of Incorporation
(with proof of filing)

See attached.



State of Rhode Island

Department of State - Business Services Division

RECEIVED
R.I. DEPT. OF STATE
BUS SVCS DIVISION

2022 DEC -5 P. 3:33

Articles of Incorporation

DOMESTIC Non-Profit Corporation

→ Filing Fee: \$35.00

The undersigned, acting as incorporator(s) of a corporation under RIGL 7-6-34, adopt(s) the following Articles of Incorporation for such corporation:

1. The name of the corporation is: CharterCARE Roger Williams Medical Center		
2. The period of its duration is: CHECK ONE BOX ONLY		
<input checked="" type="checkbox"/> Perpetual (on-going)		
<input type="checkbox"/> Date certain for dissolution _____		
3. The specific purpose or purposes for which the corporation is organized are: See attached		
		Check the box to indicate an attachment <input checked="" type="checkbox"/>
4. Provisions, if any, not consistent 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: See attached		
		Check the box to indicate an attachment <input checked="" type="checkbox"/>
5. Name and address of the initial registered agent/office in Rhode Island is:		
Agent Name Chace Ruttenberg & Freedman, LLP		
Street Address (NOT a P.O. Box) One Park Row, Suite 300		
City Providence	State RHODE ISLAND	Zip Code 02903

MAIL TO:
Division of Business Services
148 W. River Street, Providence, Rhode Island 02904-2615
Phone: (401) 222-3040
Website: www.sos.ri.gov

FILED 337
DEC 05 2022
BY WAS 3YCPH
C-CNT-PMH-010406

6. The number of the initial Board of Directors of the Corporation is 3 (not less than 3 directors) and the names and address of the persons who are to serve as the initial directors are:

NAME	ADDRESS
See attached	

Check the box to indicate an attachment

7. The name and address of each incorporator is:

NAME	ADDRESS
Carl I. Freedman	One Park Row, Suite 300, Providence, RI 02903

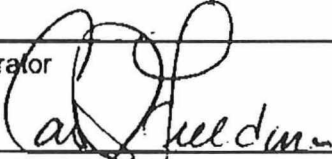
Check the box to indicate an attachment

8. Date when these Articles of Incorporation will be effective: **CHECK ONE BOX ONLY**

- Date received (Upon filing)
- Later effective date (Date must be no more than 30 days from the date of filing) _____

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

Type or Print Name of Incorporator Carl I. Freedman	Date 12/5/22
--	-----------------

Signature of Incorporator 

Type or Print Name of Incorporator	Date
------------------------------------	------

Signature of Incorporator

Type or Print Name of Incorporator	Date
------------------------------------	------

Signature of Incorporator

ARTICLES OF INCORPORATION

OF

CHARTERCARE ROGER WILLIAMS MEDICAL CENTER

The undersigned incorporator hereby forms a corporation under the Rhode Island Nonprofit Corporation Act (the "Act"). References included in these Articles of Incorporation ("Articles") to provisions of the "General Laws of Rhode Island" or "R.I.G.L." or "G.L." shall refer to provisions of the State of Rhode Island General Laws 1956, as amended; and references included in these Articles to provisions of the "Code" shall refer to provisions of the Internal Revenue Code of 1986, as amended (or the corresponding provisions of any future United States Internal Revenue Law). Capitalized terms used and not otherwise defined herein shall have the meanings set forth in the Corporation's bylaws.

1. Name. The name of the corporation is CharterCARE Roger Williams Medical Center (the "Corporation").

2. Nonprofit Corporation. The Corporation is a nonprofit and shall not have or issue shares or make distributions except as provided in R.I.G.L. § 7-6-31 and as further provided in these Articles or the bylaws of the Corporation.

3. Membership. The Corporation is a membership corporation. The sole member of the Corporation is CharterCARE Health of Rhode Island, Inc., a charitable nonprofit corporation organized and existing under the laws of the State of Rhode Island (the "Member"). Except as otherwise provided herein, the Member shall have those exclusive rights and powers set forth in the Corporation's bylaws, and all other rights, privileges, and obligations which are accorded to the Member under the Corporation's bylaws or under Rhode Island law.

4. Registered Agent. The Corporation's initial registered agent shall be Chace Ruttenberg & Freedman LLP, with an address of One Park Row, Suite 300, Providence, Rhode Island 02903.

5. Duration. The duration of the Corporation shall be perpetual.

6. Purpose.

(a) The Corporation is organized and at all times shall be operated exclusively for charitable, religious, scientific, or educational purposes within the meaning of Section 501(c)(3) of the Code, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Code.

(b) In furtherance of the Corporation's charitable purposes, the Corporation shall (i) participate in, and serve as an integral part of, an integrated healthcare delivery system established and maintained by the Member; (ii) provide a continuum of high quality health care and related services; (iii) support scientific and medical related research and education and training; and (iv) engage in or support such other activities that may be lawfully carried on by corporations that are formed and are subject to the Act in effect from time to time and are not inconsistent with the Corporation's qualification as an organization described in Section 501(c)(3) of the Code.

7. Board of Directors.

(a) Board Management and Composition. The activities, business, property, and affairs of the Corporation shall be managed by a board (the "Board") of not less than three (3) directors (each a "Director"), as may be further provided in the Corporation's bylaws.

(b) Initial Directors. The initial Hospital Board consists of the following three (3) Directors:

<u>Name</u>	<u>Address</u>
Benjamin Michael Mingle	1440 Garmon Ferry Rd. NW, Atlanta, GA 30327
Gregory Kent Grove	1075 W. Conway Dr. NW, Atlanta, GA 30327
Jeffrey Howard Liebman	4 Wallace Court, Watertown, MA 02129

8. Limitation on Liability of Directors. The personal liability of a Director to the Corporation or its Member for monetary damages for breach of duty as a Director shall be limited to the amount of compensation, if any, received by the Director for serving the Corporation during

the year of the violation, so long as the breach was not of a sort for which such limitation of liability is not permitted by chapter 6 of title 7 of the General Laws of Rhode Island.

Nothing contained in this Section 8 shall be construed to deny a Director of the Corporation the benefit of chapter 6 of title 7 of the General Laws of Rhode Island, or of any other limitation of liability available to such Director under law. Any repeal or modification of this Section 8 shall not adversely affect any right or protection of a Director existing at the time of such repeal or modification.

9. Limitations. Notwithstanding any other provision of these Articles:

(a) No part of the net earnings of the Corporation shall inure to the benefit of or be distributable to the Corporation's Directors, officers, or other private persons unless allowed by Section 501(c)(3) of the Code and the General Laws of Rhode Island; provided, however, that the Corporation shall be authorized and empowered to pay reasonable compensation for services actually rendered, reimburse reasonable expenses actually incurred by any such persons, and make payments and distributions, to the extent reasonable and necessary, in furtherance of the purpose set forth in Section 6 above;

(b) No substantial part of the activities of the Corporation shall include the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate or intervene (including by the publication or distribution of statements) in any political campaign on behalf of or in opposition to any candidate for public office;

(c) Notwithstanding any other provisions of these Articles or the Corporation's bylaws, the Corporation shall only operate for charitable purposes and in furtherance of its supported organizations and the Corporation shall not conduct any activities, nor exercise any power, not permitted to be conducted by a corporation exempt from taxation under Section 501(a) of the Code as an organization described under Sections 501(c)(3) and 509(a)(3) of the Code, or by a corporation the contributions to which are deductible by a contributor under Section 170(c)(2), 2055(a)(2) or 2522(a)(2) of the Code; and

(d) In the event that the Internal Revenue Service ("IRS) determines that the Corporation is a private foundation within the meaning of Section 509(a) of the Code, the Corporation will not engage in any act of self-dealing as defined in Section 4941(d) of the Code, retain any excess business holdings as defined in Section 4943(c) of the Code, make any investments in a manner as to subject the Corporation to tax under Section 4944 of the Code, or make any taxable expenditures as defined in Section 4945(d) of the Code. Additionally, if such a determination is made by the IRS, the Corporation will distribute its income for each tax year at a time and in a manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Code.

10. Indemnification. The Corporation shall indemnify and advance expenses to its Directors to the fullest extent permitted by law. Without limiting the foregoing, the Corporation shall indemnify its Directors against liability to any person for any action taken, or any failure to take any action, as a Director, except liability of a sort for which indemnification is not permitted by Section 7-6-6 of the General Laws of Rhode Island; provided, however, that the Corporation's duty to so indemnify shall extend to an indemnitee in connection with a proceeding initiated by such indemnitee only if such proceeding was authorized by the Board. In addition, the Corporation may indemnify and advance expenses to officers, employees, and agents of the Corporation who are not Directors to the same extent as Directors, and may further indemnify such officers, employees, and agents to the extent provided by the specific action of the Corporation and permitted by law. The Corporation may also procure insurance providing greater indemnification as provided by law.

11. Dissolution. The existence of the Corporation shall be perpetual unless sooner dissolved. If the Corporation is dissolved, all of its assets remaining for distribution after payment of obligations or provision for the same shall be distributed (subject to any restrictions imposed by any applicable will, trust, deed, agreement or other document) to the Member, provided that the Member is at that time an organization exempt from taxation as an organization described under Section 501(c)(3) of the Code, and elects to accept such assets. If the Member is not so exempt, if it is not in existence at that time, or if it is unable or unwilling to accept such assets, then all of the Corporation's remaining assets shall be distributed for use restricted to the purpose set forth in these Articles to one or more organizations organized and operated for religious, charitable,

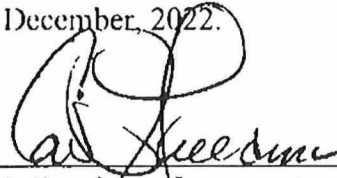
scientific, literary, educational or other purpose set forth in Section 501(c)(3) of the Code, in such proportions as the Board (or if the Board fails to act, a court of competent jurisdiction) may determine.

12. Interpretation. References in these Articles to Sections of the General Laws of Rhode Island shall be deemed to include amendments adopted from time to time to such Sections and shall further be deemed to include any successor Sections thereto, and references to a Section of the Code shall be construed to refer both to such Section and to the regulations promulgated thereunder, as they now exist or may hereafter be amended.

[Signatures on following page]

I hereby declare, under the penalties of false statement, that the statements made in the foregoing Articles are true.

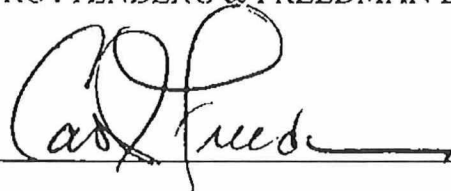
Dated at Providence, Rhode Island this 5th day of December, 2022.



Carl I. Freedman, Incorporator
One Park Row, Suite 300
Providence, Rhode Island 02903

Acceptance of Appointment by Registered Agent:

CHACE RUTTENBERG & FREEDMAN LLP

By: _____

RI SOS Filing Number: 202225042960 Date: 12/5/2022 3:33:00 PM



State of Rhode Island

Department of State | Office of the Secretary of State

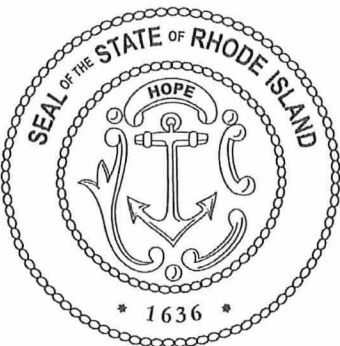
Nellie M. Gorbea, *Secretary of State*

I, NELLIE M. GORBEA, Secretary of State of the State of Rhode Island,
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:

December 05, 2022 03:33 PM

A handwritten signature in black ink, appearing to read "Nellie M. Gorbea".

Nellie M. Gorbea
Secretary of State



CONFIDENTIAL

CharterCARE Roger Williams Medical Center
EIN: 92-1361532

EXHIBIT C

Bylaws

See attached.

BYLAWS
OF
CHARTERCARE ROGER WILLIAMS MEDICAL CENTER

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**BYLAWS OF
CHARTERCARE ROGER WILLIAMS MEDICAL CENTER**

**ARTICLE I
Corporation**

Section 1.1. **Name.** The name of the corporation is CharterCARE Roger Williams Medical Center (the "Corporation").

Section 1.2. **Offices.** The Board shall have the powers to determine the location of the registered office, in accordance with applicable law, from time to time, and to designate the principal office of the Corporation and such additional offices as it shall determine in its discretion.

Section 1.3. **Definitions.** As used in the Governing Documents of the Corporation, the following words and phrases shall have the following meanings:

1.3.1. "Act" means the Rhode Island Nonprofit Corporation Act, as amended.

1.3.2. "Affiliate Organization" means any legal entity that is part of the System.

1.3.3. "Articles" means the Articles of Incorporation of the Corporation, as they may be amended or restated from time to time.

1.3.4. "Board" or "Board of Directors" means the Board of Directors of the Corporation.

1.3.5. "Bylaws" means by the Bylaws of the Corporation, as they may be amended or restated from time to time.

1.3.6. "Code" means the Internal Revenue Code of 1986, as amended.

1.3.7. "Community Director" means a person from or affiliated with the communities served by the Corporation who (1) demonstrate basic qualities of honesty, integrity, justice, and sound moral character; (2) are committed to uphold the purposes and general policies of the Corporation; (3) have the ability to participate effectively in fulfilling the Board's responsibilities, and the willingness and ability to devote necessary time to Board activities; (4) have particular expertise or experience necessary or desirable for governance of the Corporation; (5) are able to apply experience and expertise to Board decisions objectively and realistically; (6) have knowledge of the health care market in the Corporation's service area; and (7) recognize and protect the confidential nature of the information discussed at meetings of the Board and its committees.

1.3.8. "Control" or "Controlled" means:

(a) The authority, directly or indirectly, to appoint, elect, or approve at least a majority of the individual members, shareholders, partners, or equity owners of an organization; or

(b) The authority, directly or indirectly, to appoint, elect, or approve at least a majority of the governing body of an organization.

1.3.9. "Corporate Limit" means \$1,000,000 or such other dollar amount as may be established as the Corporate Limit by the Member from time to time.

1.3.10. "Director" means a member of the Corporation's Board of Directors.

1.3.11. "Governing Documents" means the Articles, these Bylaws, Board Policy documents, and other comparable documents adopted for the Corporation either by the Member, or by the Board with the approval of the Member.

1.3.12. "Hospital" means the hospital facility under the authority of the Corporation, which may be known as Roger Williams Medical Center or by another assumed business name(s) from time to time.

1.3.13. "Medical Staff" means the members of the medical staff of the Hospital.

1.3.14. "Member" means CharterCARE Health of Rhode Island, Inc., a charitable nonprofit corporation organized and existing under the laws of the State.

1.3.15. "State" means the State of Rhode Island.

1.3.16. "Subsidiary Organization" means any legal entity directly or indirectly controlled by the Corporation or a System entity.

1.3.17. "System" means the clinically integrated healthcare system comprised of the Member, all Subsidiary Organizations, and all Affiliate Organizations, including, but not limited to, the Member, the Corporation, and CharterCARE Our Lady of Fatima Hospital.

1.3.18. "System Policy" or "System Policies" means all policies, procedures, technical manuals, and other written guidance established, adopted, or issued from time to time by the Member that is intended to apply to the System.

ARTICLE II

Purposes and Charitable Activities

Section 2.1. Purposes. The Corporation is organized and at all times shall be operated exclusively for the purposes identified in the Articles, which are incorporated herein in this Section 2.1 by this reference.

Section 2.2. Charitable Activities. The Corporation shall engage in such activities that further the mission of the Member and the charitable purposes of the Corporation, including but not limited to the following:

2.2.1. To be an integral part of the System under the control of the Member and the successor and assigns of the Member.

2.2.2. To establish and maintain hospitals and facilities for the care and treatment of members of the general public suffering from illnesses or disabilities which require that the patient receive hospital and health care.

2.2.3. To further the mission and charitable purposes of the Corporation of healing the sick and poor, and to promote, support, and engage in the charitable, scientific and educational activities which are now, or may be established by the Corporation and which are in furtherance of or in support of the charitable purposes of the organizations that are a part of the System.

2.2.4. To provide and support educational programs and initiatives relating to health care and the Corporation's other exempt purposes.

2.2.5. To promote and carry on scientific research related to the care of the sick and injured.

2.2.6. To conduct, participate in, and/or support activities designed and carried out to promote or enhance the health and wellness of individuals within the communities and region served by the System.

2.2.7. To assist and engage in all activities which serve other charitable, educational, and/or scientific purposes, are permitted by the Act and may be carried on by an organization exempt from federal income taxation under Code Section 501(c)(3).

Section 2.3. Restrictions. The Corporation shall be prohibited from engaging in activities identified as Limitations in the Articles, which are incorporated herein in this Section 2.3 by this reference.

ARTICLE III **Membership**

Section 3.1. Member. The Corporation is a membership corporation. The sole corporate member of the Corporation is the Member.

Section 3.2. Reserved Powers of Member. The Member shall have such rights and powers as are provided for in the Articles, these Bylaws, and the laws of the State, including the following powers:

3.2.1. Approve the mission and vision statements for the Corporation, such mission and vision statements to be initially prepared by the Board;

3.2.2. Make and approve changes to the Articles or these Bylaws;

3.2.3. In consultation with the President, appoint or remove members of the Board, with or without cause;

3.2.4. In consultation with the President, appoint or remove the Chair of the Board, with or without cause;

3.2.5. Annual performance assessment of the Board;

3.2.6. Approve the incurrence of debt by Corporation in accordance with System Policies;

3.2.7. Approve the sale, transfer, substantial change in use of all or substantially all of the assets of the Corporation and divestiture, dissolution, closure, merger, consolidation, change in corporate membership or ownership, or corporate reorganization of the Corporation;

3.2.8. Approve the formation of a Subsidiary Organization of the Corporation; the sale, transfer or substantial change in use of all or substantially all of the assets of a Subsidiary Organization of the Corporation; or the divestiture, dissolution, closure, merger, consolidation or change in corporate membership or ownership of a Subsidiary Organization of the Corporation;

3.2.9. Approve the transfer or encumbrance of the assets of the Corporation in accordance with System Policies;

3.2.10. In consultation with the President, approve the annual operating budget, capital plan, strategic plan, and business plan for the Corporation;

3.2.11. Appointment or removal of the President of the Corporation, with or without cause;

3.2.12. In consultation with the President, remove the Chief Financial Officer of the Corporation, with or without cause;

3.2.13. Approve any transactions of the Corporation in excess of the Corporate Limit which are not otherwise included in operating or capital budgets of the Corporation as approved by the Member or as amended, modified, or ratified from time to time by the Member;

3.2.14. Approve any management agreement for the management of all or substantially all of the Corporation's operations.

Powers that are not reserved to the Member or otherwise delegated by the Board shall be exercised by the Board, subject to the limitations contained in the Articles, these Bylaws, and applicable law. Among such powers, the Board shall have authority to discuss, vote upon, and present any of the above matters to the Member for its approval.

Section 3.3. Appointment of Officers, Directors, Trustees, or Others to Act on Behalf of Member. The Member may appoint one or more officers, or other designees, to act on its behalf in the capacity of Member of the Corporation.

Section 3.4. Member Meetings. Meetings of the Member shall be held at such time, date, and place, both within and outside of the State, and shall be conducted in accordance with the Member's Bylaws.

ARTICLE IV **Board of Directors**

Section 4.1. General Powers and Duties. Subject to the authority, direction, and instructions of the Member, the business, property, affairs, and funds of the Corporation shall be managed, supervised, and controlled by its Board, which shall exercise all of the powers of the Corporation that are not reserved to the Member or otherwise delegated by the Board, subject to the limitations contained in the Articles, these Bylaws, and applicable law. The powers of the Board shall include, without limitation, the following:

4.1.1. Manage, operate, and control the Hospital;

4.1.2. Adopt and periodically review governance policies;

4.1.3. Provide for adequacy of the physical plants;

4.1.4. Appoint, reappoint, and assign privileges to members of the Medical Staff, with the advice and recommendations of the Medical Staff, consistent with the individual training, experience, and other qualifications of the Medical Staff;

4.1.5. Approve requirements for and approve the appointments to and continued service on the Medical Staff, consistent with the appointee's individual training, experience, and other qualifications;

4.1.6. Upon recommendation of the Medical Staff, establish policies and protocols for the admission, treatment, and quality care of patients;

4.1.7. Approve and monitor patient care and operational policies;

4.1.8. Promote performance improvement and provide for organizational management and planning;

4.1.9. Provide and monitor effective functioning of activities related to delivery of quality patient care, ongoing quality assessment and performance improvement programs, risk management, patient safety, Medical Staff credentialing, financial management, compliance programs, professional graduate education, ongoing assessment of the quality of the Hospital's programs of service, implementation of effective fiscal accounting systems, and ongoing assessment and performance of the Hospital's grievance process;

4.1.10. Monitor operating and capital budgets of the Hospital;

4.1.11. Annually review performance of the President and provide to Member;

4.1.12. Provide oversight of processes designed to promote legal compliance;

4.1.13. Provide advice and counsel to the President and principal senior management;

4.1.14. Oversee the conduct of the business and strategic plans to evaluate whether the Hospital is being properly managed; and

4.1.15. In consultation with the President, appoint such other officers and agents as the Board may deem necessary for the transaction of the affairs of the Corporation.

Section 4.2. Limitations. The Board shall not take any action nor have any power reserved to the Member pursuant to Section 3.2 hereof. Moreover whenever the approval of the Member is required under Section 3.2 any respective actions taken by the Board shall not become effective until such time as Member approval is received.

Section 4.3. Number, Identity, and Term of Office.

4.3.1. Number. The Board shall consist of such number of Directors, not fewer than three (3) and not more than nine (9), as shall from time to time be prescribed in a resolution of the Member. If the Member does not adopt or retain in force a resolution regarding the number of Directors, then the Board shall include three (3) Directors. Not less than one-third of the Directors from time to time shall be Community Directors. The Board also may include one (1) or more *ex officio*, non-voting Directors (each, an "*Ex Officio* Director"), as prescribed in a resolution of the Member.

4.3.2. Selection. The initial Directors shall consist of the those persons identified in the Articles. Thereafter, the Board, in consultation with the President, will provide recommendations for Directors to the Member. Replacement, appointment or re-appointment of all Directors shall be determined by the Member, in the Member's sole discretion. For purposes of clarity, the Member may take into account the recommendations of the Board but such recommendation shall not be a prerequisite to the Member's appointment of any Director.

4.3.3. Term. Each Director shall hold office until (a) the annual meeting of the Member at which his or her term expires and at which his or her successor is duly elected and qualified, or (b) until his or her death, resignation, or removal from office, whichever comes first. The term of office for an *ex officio* Director, if any, shall continue until the Corporation is notified that the individual no longer holds the position of by virtue of which he or she serves as an *ex officio* Director.

4.3.4. Term Limits. Unless otherwise determined by the Board of Directors, the number of terms, either consecutive or non-consecutive, which may be served by a Director shall not be limited.

Section 4.4. Removal of Directors. The Member may remove any Director at any time, with or without cause. An *ex officio* Director, if any, may be removed from the Board either (a) through the modification or rescission of the resolution stating that the individual serving in the specified position shall serve *ex officio* on the Board; or (b) as a result of his or her removal from the position by virtue of which he or she had served *ex officio* on the Board.

Section 4.5. Resignations. Any Director may resign at any time by giving a written notice to the Chair or another officer of the Corporation. An *ex officio* Director, if any, may resign from the Board only by also resigning from the position by virtue of which he or she had served *ex officio* on the Board. Any resignation shall take effect at the time specified therein or, if not specified, upon receipt by an officer of the Corporation. Unless otherwise specified in the notice of resignation, the acceptance of such resignation shall not be necessary to make it effective.

Section 4.6. Vacancies. Any vacancy occurring in the Board by reason of an increase in the number of Directors or by the death, removal, or resignation of any Director shall be filled by the Member. Each Director so appointed to fill a vacancy shall hold office for the remainder of the term of his or her predecessor (if applicable), for such time as is specified by the Member at the time of his or her appointment (if any), and until his or her successor is duly elected and qualified or until his or her death, resignation, or removal from office, whichever comes first. A vacancy in the position of *ex officio* Director, if any, shall be filled through the appointment or election of a new individual to the position by virtue of which he or she shall serve *ex officio* on the Board.

Section 4.7. Compensation and Reimbursement. Any Director may receive compensation from the Corporation for services rendered to, and reimbursement for expenses incurred in serving the Corporation as a Director, or in a capacity other than as a Director while conducting activities on behalf of the System in accordance with System Policy.

ARTICLE V

Meetings of the Board of Directors

Section 5.1. Annual Meeting. There shall be an annual meeting of the Board for the purpose of electing officers and transacting such other business as may come before the meeting. The first regular meeting of the Board held subsequent to the annual meeting of the Member shall be designated as the annual meeting of the Board.

Section 5.2. Regular Meetings. In addition to the annual meeting, the Board shall hold regular meetings periodically, and at least quarterly (with the annual meeting counting as a regular meeting).

Section 5.3. Special Meetings. Special meetings of the Board may be called, at any time, by or at the request of the Member, the Chair, or the Board.

Section 5.4. Place of Meeting. Meetings of the Board shall be held at the principal place of business of the Corporation unless a different location, either within or without the State, is approved by the Board and specified or fixed in the call for a meeting or notice thereof.

Section 5.5. Notice of Meetings. Unless otherwise expressly required herein, no notice shall be required for any annual or regular meeting of the Board. For any special meeting, a written or printed notice stating the place, day, and hour of the meeting and the purpose or purposes for which such meeting is called shall be delivered or mailed by the Secretary or by the person or persons calling the meeting to each Director at such address as appears on the records of the Corporation not less than forty-eight (48) hours before the date of the meeting, either personally, by mail, or by other electronic means capable of verification.

Section 5.6. Waiver of Notice. Notice of any meeting may be waived in writing by any Director, either before or after such meeting. Any meeting of the Board shall be a legal meeting without any notice thereof having been given if all Directors shall be present thereat. Neither the business to be transacted at nor the purpose of any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting. Attendance at any meeting, except for the sole purpose of objecting to the holding of such meeting, shall constitute a waiver of notice of such meeting.

Section 5.7. Quorum. The presence of a majority of the total number of Directors then in office shall constitute a quorum for the transaction of business at any meeting of the Board.

Section 5.8. Manner of Acting. Except as otherwise provided by the Articles, by these Bylaws, or by law, the act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board.

Section 5.9. Order of Business at Meetings of the Board of Directors. The order of business at any meeting of the Board shall be determined by the Board, subject to the approval of the Member.

Section 5.10. Attendance by Electronic Means. Unless specifically prohibited by the Articles or these Bylaws, members of the Directors may participate in and act at any meeting of such Board by or through the use of any means of electronic communication by which either of the following occurs: (i) all participating Directors may simultaneously hear each other during the meeting; or (ii) all communication during the meeting is immediately transmitted to each participating Director; and each participating Director is able to immediately send messages to all other participating Directors. A Director participating in such a meeting by electronic communication is deemed to be present in person at the meeting..

Section 5.11. Action by Written Consent. Any action which is required to be taken, or which may be taken at a meeting of the Board or any committee thereof may be taken without a meeting if a consent in writing setting forth the action to be taken shall be signed by all of the Directors then in office or all members of such committee, as applicable. Such consent shall have the same force and effect as a unanimous vote of all of the Directors or committee members. Such writings shall be filed with the minutes of the proceedings of the Board or of any committee taking

such action. Action taken pursuant to this Section 5.11 is effective when the last Director signs the consent unless the consent contains a prior or subsequent effective date.

ARTICLE VI

Officers

Section 6.1. Officers. The Board, subject to the approval of the Member, may select officers of the Corporation, which shall consist of a Chair, a Vice Chair, a Secretary, and a Treasurer, and also may include such other officers and assistant officers as the Board may designate by resolution. Any two (2) or more offices may be held by the same person; provided, however, that no single individual may simultaneously hold the offices of Chair and Secretary.

Section 6.2. Election and Term. Except as otherwise provided herein, each officer shall be elected by and from the Board at its annual meeting, or as soon thereafter as practicable. The term of office for each officer will be one (1) year, and each officer shall hold office until the next annual meeting of the Board and until his or her successor is duly elected and qualified or until his or her death, resignation, or removal from office, whichever comes first.

Section 6.3. Chair. The Chair shall preside at all meetings of the Board and shall perform all duties incident to the office of Chair of the Board and all other duties as may be prescribed by the Board from time to time.

Section 6.4. Vice Chair. In the absence of the Chair, or in the event of his or her inability or refusal to act, the Vice Chair shall perform the duties of the Chair, and when so acting, shall have all of the powers of, and be subject to all the restrictions upon the Chair. The Vice Chair shall also perform all duties incident to the office of Chair of the Board and all other duties as may be prescribed by the Board from time to time.

Section 6.5. Secretary. The Secretary shall keep the minutes of the meetings of the members and of the Board in one (1) or more books provided for that purpose; shall see that all notices are duly given in accordance with these Bylaws or as required by law; shall have general charge of the minute book and other corporate records (other than financial records); and shall, in general, perform all duties incident to the office of Secretary and such other duties as may be prescribed by the Board from time to time.

Section 6.6. Treasurer. The Treasurer shall be responsible for the care and custody of all monies and securities of the Corporation; shall be responsible for the keeping of full and accurate accounts of all the monies received by the Corporation and paid by the Corporation; and shall, in general, perform all duties incident to the office of Treasurer and such other duties as may be prescribed by the Board from time to time. The Treasurer may, but need not be, a Member of the Board.

Section 6.7. Other Officers and Assistant Officers. Each other officer and assistant officer, if any such officer or assistant officer is deemed necessary by the Board, with the consent of the Member, will perform such duties as may be prescribed from time to time by the Board; provided, however, that the Assistant Secretaries and Assistant Treasurers, if any, also will perform such duties as may be assigned to them by the Secretary and the Treasurer, respectively; provided, further, that an assistant officer may, but need not be, a member of the Board.

Section 6.8. Resignation. Any officer may resign at any time by giving written notice to the Board or, in the case of any officer other than the Chair, to the Chair. Any resignation shall take effect at the time specified therein or, if no time is specified, upon receipt. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6.9. Removal. Any officer may be removed by the Board by a vote of a majority of the total number of Directors on the full Board, whenever in its judgment the best interests of the Corporation will be served thereby; provided, however, that such removal shall be without prejudice to the contractual rights, if any, of the person so removed.

Section 6.10. Vacancies. In the event of a vacancy in any office, the Board shall elect a replacement officer, and the person so elected shall hold office and serve for the unexpired term and until his or her successor is duly elected and qualified or until his or her death, resignation, or removal from office, whichever comes first.

Section 6.11. Compensation and Reimbursement. An officer may receive compensation for his or her service as an officer and may be reimbursed for reasonable expenses incurred on behalf of the Corporation and/or may serve the Corporation or one (1) or more of its Affiliates in another capacity and receive reasonable compensation therefor, all in accordance with System Policy.

ARTICLE VII **Committees of the Board**

Section 7.1. Standing Committees. The Board shall have the following standing committees: Executive Committee; a Quality/Patient Safety Committee and any other standing committees as determined by the Board.

7.1.1. The Executive Committee shall consist of the officers of the Board and the President of the Corporation and have the power to transact all regular business of the Corporation during the period between meetings of the Board subject to any prior limitation imposed by the Board or applicable law.

7.1.2. The Quality/Patient Safety Committee shall consist of those members and perform such duties as appointed and directed by the Board from time to time.

Section 7.2. Special Committees. Special committees may be appointed by the Board for such purposes as circumstances may warrant. Every such committee shall limit its activity to the accomplishment of the purpose for which created and shall have no power to act except as is specifically conferred upon it by action of the Board. Upon completion of the duties for which any such committee was appointed, such committee shall stand discharged. The Chair of the Board shall appoint the members and a Chair of each special committee.

Section 7.3. General Conditions Governing Committees. Except as otherwise expressly stated in these Bylaws or in the resolution or charter establishing a committee, the following general conditions shall apply to all committees of the Corporation:

7.3.1. Appointment. Unless otherwise specified in these Bylaws, members of the standing committees and the Chairs thereof shall be appointed, in collaboration with the President of the Corporation, by the Chair of the Board. Vacancies in the membership of any committee may be filled by an appointment made by the chair of such committee, in collaboration with the President of the Corporation.

7.3.2. Term. The term of office of members of any committee shall commence immediately following the meeting at which they are appointed and shall continue until the close of the next annual meeting or until successors are elected and assume their respective duties.

7.3.3. Attendance. Failure to attend a minimum of one-half (1/2) of the regular assigned committee meetings shall constitute a basis for removal or non-appointment to the committee.

7.3.4. Quorum; Manner of Acting. Each committee shall meet at the call of its chair at an hour and place to be stated in the call. A majority of the committee members shall constitute a quorum and the act of the majority of the committee members present at a meeting at which a quorum is present shall be the act of the committee.

7.3.5. Meetings by Electronic Means. Unless specifically prohibited by the Articles or these Bylaws, members of any committee may participate in and act at any meeting of such committee by or through the use of any means of electronic communication by which either of the following occurs: (i) all participating members may simultaneously hear each other during the meeting; or (ii) all communication during the meeting is immediately transmitted to each participating member; and each participating member is able to immediately send messages to all other participating members. A Director participating in such a meeting by electronic communication is deemed to be present in person at the meeting.

7.3.6. Action by Written Consent. Any action required or permitted to be taken at a meeting of any committee may be taken without a meeting if all members of such committee, at the time in office, consent thereto in writing and the writing or writings are filed with the minutes of the proceedings of the committee. Action taken pursuant to this Section 7 is effective when the last committee member signs the consent unless the consent contains a prior or subsequent effective date.

7.3.7. Records. Each committee and subcommittee shall maintain a written record of its procedures and activities, including minutes of its meetings, and shall submit a written report of such procedures and activities at least annually to the Board.

7.3.8. Committee Evaluation. At the request of the Board or the Chair, a committee shall perform an evaluation of its activities including its support and furtherance of the mission of the Corporation. A report based upon such evaluation shall be submitted to the Board for review and consideration at its next regular or annual meeting.

7.3.9. Compensation and Reimbursement. Any member of a committee may receive compensation from the Corporation for services rendered to, or for expenses

incurred in serving, the Corporation as a committee member of the Corporation, or in a capacity other than as a committee member of the Corporation while conducting activities on behalf of the System in accordance with System Policy.

ARTICLE VIII **Operating Officers**

Section 8.1. Designation of Operating Officers. The operating officers of the Corporation shall be the President, Chief Financial Officer, and such senior managers as the President may recommend to the Board.

Section 8.2. Appointment. The Chief Executive Officer of the member shall serve as the President of the Corporation. In consultation with the President, the remaining operating officers of the Corporation shall be appointed by the affirmative vote of a majority of the Directors at a meeting at which a quorum is present. Each such officer is subject to removal by the same vote required to appoint such officer.

Section 8.3. President. The President shall be the representative of the Board in the management of the Hospital. The President, in keeping with sound principles of management, is responsible to provide leadership in carrying out the philosophy and mission of the Member and the Corporation, provide leadership in strategic planning and organization, provide leadership in financial planning and budgeting, direct the operations of the Corporation in a manner consistent with System Policy and the Member's philosophy, mission and core values, direct and facilitate organizational communications, and provide leadership in evaluating the performance of the Corporation.

Section 8.4. Chief Financial Officer. The Chief Financial Officer will be responsible for managing the finances of the Corporation. The Chief Financial Officer shall have such duties as the Board may establish from time to time. Pursuant to Section 3.12 hereof, the Chief Financial Officer may be removed by the Member with or without cause.

Section 8.5. Senior Management. Senior managers will plan, organize, lead, and control the overall operation of their divisions in accordance with current federal, state, and local standards, guidelines, and regulations that govern the Hospital and the other facilities operated by the Corporation and as may be directed by the President, to ensure that the highest degree of quality of care is maintained at all times. All major duties and responsibilities shall be set forth in the stated job description for each position as established by the President.

ARTICLE IX **Medical Staff**

The Board is responsible for the management, control and conduct of the Hospital. Therefore, the Medical Staff is accountable to the Board for the quality of care provided to Hospital patients. The Board determines the categories of practitioners eligible for Medical Staff membership, with the criteria for selection based on individual character, competence, training, experience, and professional judgment. The Hospital must have an organized medical staff that operates under bylaws approved by the governing body, and which is responsible for the quality of medical care provided to patients by the Hospital. The Board appoints practitioners after

considering the recommendations of the Medical Staff. The Board approves the Medical Staff Bylaws, rules, and regulations. To the extent inconsistent herewith, these Bylaws take precedence over the Medical Staff Bylaws, rules, and regulations.

ARTICLE X

Indemnification

Section 10.1. Actions Other than by or in the Right of the Corporation. The Corporation shall indemnify any member, director, officer, committee or council member, employee, or agent, who was or is a party, or is threatened to be made a party, to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (including the imposition of a tax under Section 4958(a)(2) of the Code, but excluding an action by or in the right of the Corporation) by reason of the fact that the person is or was a member, director, officer, committee or council member, employee, or agent of the Corporation, or is or was serving at the request of the Corporation as a member, director, officer, committee or council member, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against expenses (including reasonable attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with such action, suit, or proceeding, provided the Corporation shall not be obligated to provide indemnification which would constitute excess benefit within the meaning of Code Section 4958. The indemnification shall apply only if the person acted in good faith and in a manner the person reasonably believed to be in, or not opposed to, the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. Termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner the person reasonably believed to be in, or not opposed to, the best interests of the Corporation or, with respect to any criminal action or proceeding, that the person had no reasonable cause to believe his or her conduct was unlawful.

Section 10.2. Actions by or in the Right of the Corporation. The Corporation shall indemnify any person who was or is a party or is threatened to be made a party, to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that the person is or was a member, director, officer, committee or council member, employee, or agent of the Corporation, or is or was serving at the request of the Corporation as a member, director, officer, committee or council member, employee, or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including reasonable attorneys' fees), actually and reasonably incurred by the person in connection with the defense or settlement of such action or suit, if the person acted in good faith and in a manner the person reasonably believed to be in, or not opposed to, the best interests of the Corporation, provided that no indemnification shall be made in respect of any claim, issue, or matter as to which the person shall have been adjudged to be liable for negligence or misconduct in the performance of his or her duty to the Corporation, unless, and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability, but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses as the court shall deem proper.

Section 10.3. Expenses. To the extent that a person who may be indemnified has been successful, on the merits or otherwise, in the defense of any action, suit or proceeding referred to in Section 10.1 or Section 10.2, or in the defense of any claim, issue or matter therein, the person shall be indemnified against expenses, including attorneys' fees, actually and reasonably incurred by him or her in connection with such action.

Section 10.4. Authorization of Indemnification. Any indemnification (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case, upon a determination that indemnification of the member, director, officer, committee or council member, employee, or agent is proper in the circumstances because the person acted in good faith and in a manner the person reasonably believed to be in, or not opposed to, the best interest of the Corporation. Such determination shall be made (a) by the Directors of the Corporation by a majority vote of a quorum consisting of Directors who were not parties to such action, suit, or proceeding; or (b) if such a quorum is not obtainable, or even if obtainable, if a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion; or (c) by the Member.

Section 10.5. Payment of Expenses in Advance. Expenses incurred by a member, director, officer, committee or council member, employee, or agent in defending an action, suit, or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit, or proceeding as authorized by the Board in the specific case upon receipt of an undertaking by or on behalf of such member, director, officer, committee or council member, employee, or agent to repay such amount, unless it shall ultimately be determined that the person is entitled to be indemnified by the Corporation.

Section 10.6. Right not Exclusive. Indemnification under this Article X shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any agreement, vote of the Member or other provision, both as to action in the person's official capacity and as to action in another capacity while holding such office, and shall, unless otherwise provided when authorized, continue as to a person who has ceased to be a member, director, officer, committee or council member, employee, or agent and shall inure to the benefit of the heirs, executors, and administrators of such a person.

Section 10.7. Insurance. The Corporation may purchase and maintain insurance on behalf of any person or entity referred to in the preceding Sections of this Article X against any liability asserted against and incurred by the person in any such capacity, or arising out of the person's status as such, whether or not the Corporation would have the power to indemnify the person against such liability under the provisions of this Article X.

ARTICLE XI

Miscellaneous Provisions

Section 11.1. Depositories. Except as otherwise provided herein, all funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as the Board or its duly authorized agent may designate.

Section 11.2. Checks, Drafts, Etc. All checks, drafts, or other orders for the payment of money issued in the name of the Corporation shall be signed by such officer or officers or person or persons, whether or not officers of the Corporation, in such manner as shall from time to time be determined by resolution of the Board.

Section 11.3. Deeds, Mortgages, Bonds, Contracts, and Other Instruments. Except as may be specifically limited by these Bylaws or by the Board, any deeds, mortgages, bonds and other contracts or instruments of the Corporation may be signed by any officer of the Corporation or by such other individuals as the Board may designate from time to time.

Section 11.4. Bonds. The Board may require any officer, agent, or employee to furnish bond for the faithful discharge of his or her duty and for the protection of the Corporation, in such sum and with such surety or sureties as the Board may deem advisable.

Section 11.5. Fiscal Year. The fiscal year of the Corporation shall begin on the first day of July and end on the last day of June of each year.

Section 11.6. Loans. The Corporation shall not lend money to or guarantee the obligations of any member, director, or officer of the Corporation. Any director who knowingly votes for or assents to the making of a loan to a director or officer of the Corporation, and any officer participating in the making of such loan, will be jointly and severally liable to the Corporation for the amount of such loan until the repayment thereof.

Section 11.7. Waiver of Notice. Whenever any notice whatever is required to be given by law, the Articles, or these Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before, at, or after the time stated therein, shall be deemed the equivalent to the giving of such notice.

ARTICLE XII

Amendments to Governing Documents and Effective Date

Section 12.1. Amendments. The power to make and approve changes to the Governing Documents of the Corporation shall be vested in (i) the Member; or (ii) the Board with the approval of the Member.

Section 12.2. Periodic Review. These Bylaws shall be reviewed at least once every two (2) years by the Member. The Board will review proposed amendments and provide recommendations to the Member.

Section 12.3. Effective Date. The Bylaws were adopted by the Member effective as of the 6th day of March, 2023.

[Signature on following page]

CONFIDENTIAL

**CHARTERCARE ROGER WILLIAMS
MEDICAL CENTER**

Signed: ^{DocuSigned by:}  _____
319EAFD64F924DA...

Printed: Gregory Grove

Title: Secretary

4854-9184-9028v6

CONFIDENTIAL

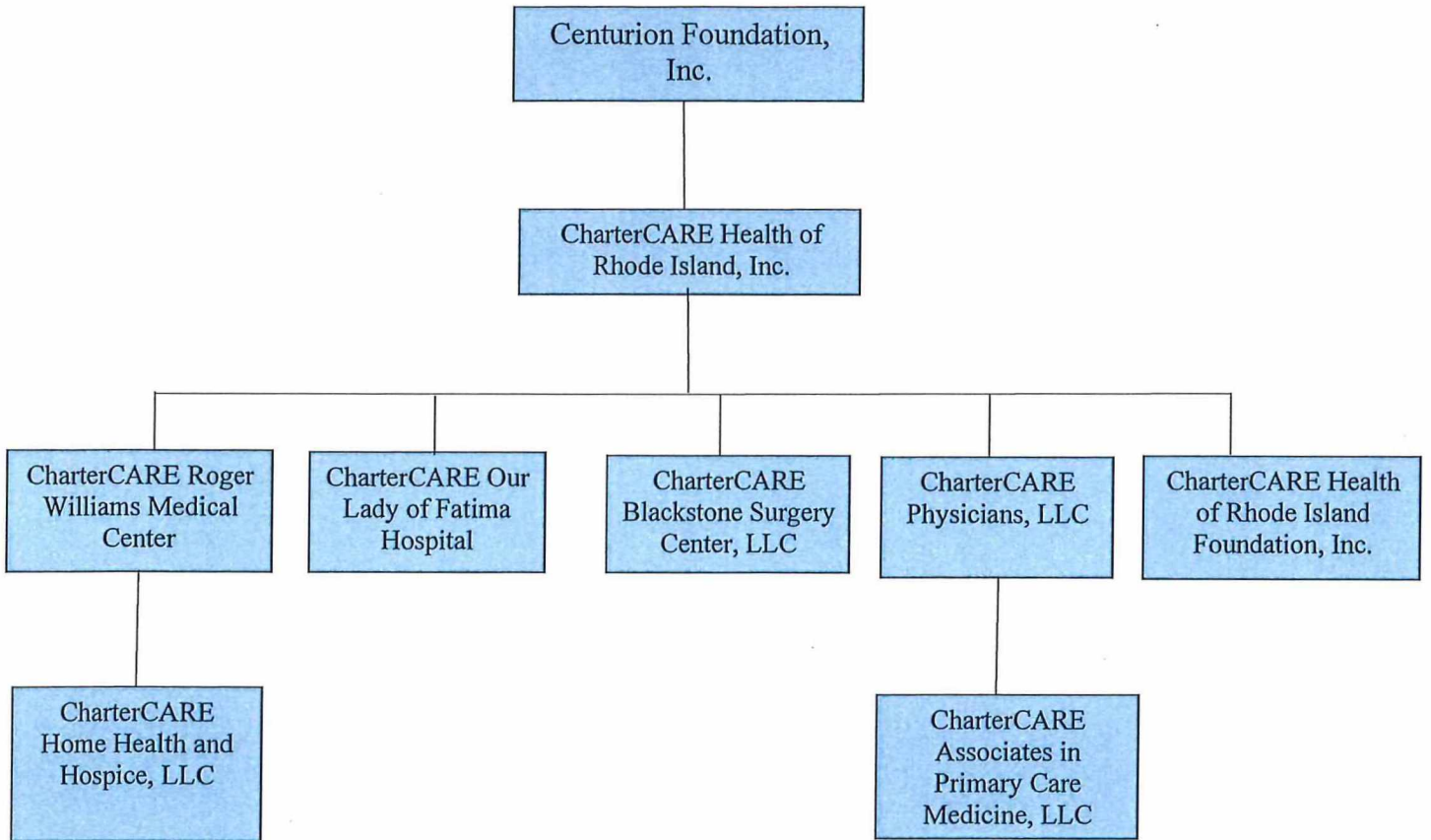
CharterCARE Roger Williams Medical Center
EIN: 92-1361532

EXHIBIT D

Post-Transaction Organizational Chart

See attached.

Post-Transaction Organizational Chart



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CharterCARE Roger Williams Medical Center
EIN: 92-1361532

EXHIBIT E

Statement of Projected Revenues and Expenses

See attached.

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Roger Williams Medical Center
Part V-A: Statement of Projected Revenues and Expenses

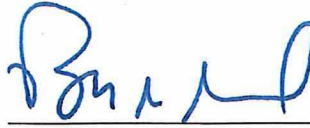
	Actual Year-Ended		Succeeding Years		
	6/30/2023	Year 1	Year 2	Year 3	
1 Gifts, grants, and contributions received (do not include unusual grants)					
2 Membership fees received					
3 Gross investment income					
4 Net unrelated business income					
5 Taxes levied for your benefit					
6 Value of services or facilities furnished by a governmental unit without charge (not including the value of services generally furnished to the public without charge)					
7 Any revenue not otherwise listed above or in lines 9 - 12 below (provide an itemized list below)					
8 Total of lines 1 through 7	\$ -	\$ -	\$ -	\$ -	\$ -
9 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to your exempt purposes (provide an itemized list below)	\$ -	\$ 210,352,339	\$ 223,009,228	\$ 228,584,458	\$ 228,584,458
10 Total of lines 8 and 9	\$ -	\$ 210,352,339	\$ 223,009,228	\$ 228,584,458	\$ 228,584,458
11 Net gain or loss on sale of capital assets (provide an itemized list below)					
12 Unusual grants (provide an itemized list below)					
13 Total Revenue (add lines 10 through 12)	\$ -	\$ 210,352,339	\$ 223,009,228	\$ 228,584,458	\$ 228,584,458
14 Fundraising expenses					
15 Contributions, gifts, grants, and similar amounts paid out (provide an itemized list below)					
16 Disbursements to or for the benefit of members (provide an itemized list below)					
17 Compensation of officers, directors, and trustees	\$ -	\$ (16,101,963)	\$ (17,084,984)	\$ (17,426,684)	\$ (17,426,684)
18 Other salaries and wages	\$ -	\$ (77,109,986)	\$ (82,545,356)	\$ (84,196,263)	\$ (84,196,263)
19 Interest expense	\$ -	\$ -	\$ -	\$ -	\$ -
20 Occupancy (rent, utilities, etc.)	\$ -	\$ (8,373,441)	\$ (8,476,350)	\$ (8,645,877)	\$ (8,645,877)
21 Depreciation and depletion	\$ -	\$ (2,503,728)	\$ (2,628,914)	\$ (2,681,493)	\$ (2,681,493)
22 Professional fees	\$ -	\$ (7,030,444)	\$ (9,299,748)	\$ (9,485,743)	\$ (9,485,743)
23 Any expense not otherwise classified, such as program services (provide an itemized list below)	\$ -	\$ (80,689,490)	\$ (82,490,670)	\$ (84,140,483)	\$ (84,140,483)
24 Total Expenses (add lines 14 through 23)	\$ -	\$ (191,809,051)	\$ (202,526,022)	\$ (206,576,542)	\$ (206,576,542)
Itemized Gross Receipts					
Net Collectible Patient Revenue	\$ -	\$ 201,595,530	\$ 213,729,179	\$ 219,072,408	\$ 219,072,408
Capitation	-	2,666,387	2,826,823	2,897,494	2,897,494
Grant Revenue	-	(56,927)	(60,352)	(61,861)	(61,861)
Pandemic Relief Income	-	3,449	-	-	-
Other Revenue	-	6,143,900	6,513,578	6,676,418	6,676,418
Total Operating Revenue	\$ -	\$ 210,352,339	\$ 223,009,228	\$ 228,584,458	\$ 228,584,458
Expenses not otherwise classified include:					
Registry	\$ -	\$ (3,974,137)	\$ (4,018,318)	\$ (4,098,684)	\$ (4,098,684)
SWB pandemic relief expense offset	-	5	5	5	5
Capitation Fees	-	82	82	84	84
Pharmaceuticals	-	(15,611,840)	(15,185,622)	(15,489,334)	(15,489,334)
Supplies - Other	-	(19,352,835)	(20,625,453)	(21,037,962)	(21,037,962)
Professional Liability Ins.	-	(2,904,182)	(2,990,751)	(3,050,566)	(3,050,566)
Purchased Services	-	(26,295,902)	(26,670,384)	(27,203,792)	(27,203,792)
Sales and other taxes	-	(8,996,101)	(9,222,928)	(9,407,387)	(9,407,387)
Insurance - Other	-	(477,094)	(490,976)	(500,795)	(500,795)
Grant Expenses	-	(212,106)	(214,631)	(218,923)	(218,923)
Other Expenses	-	(1,136,569)	(1,153,424)	(1,176,492)	(1,176,492)
Contingency-Incremental Operating EBITDA (Operating Cash Flow)	-	(1,357,127)	(1,546,618)	(1,577,551)	(1,577,551)
Corporate Administrative Services Charge	-	(371,684)	(371,653)	(379,086)	(379,086)
	\$ -	\$ (80,689,490)	\$ (82,490,670)	\$ (84,140,483)	\$ (84,140,483)

EXHIBIT F

Signature for Part X

I declare under the penalties of perjury that I am authorized to sign this application on behalf of CharterCARE Roger Williams Medical Center, and that I have examined this application, and to the best of my knowledge it is true, correct, and complete.

Dated this 19 day of December, 2023.



Benjamin Mingle, Director & Chair

CONFIDENTIAL

CharterCARE Roger Williams Medical Center
EIN: 92-1361532

EXHIBIT G

Financial Assistance Policy

See attached.

CharterCARE Roger Williams Medical Center

Preliminary Financial Assistance Policy*

I. PURPOSE

To meet the needs of the communities it serves and in recognition of its status as a nonprofit healthcare provider, CharterCARE Roger Williams Medical Center and its affiliates (collectively "RWMC"), will establish and follow fair and equitable Financial Assistance and discount practices for eligible patients who are unable to sustain the extraordinary burden of medical expenses due to limited income and resources. Consideration is open to any billings associated with the provision of Emergency Medical Services or Medically Necessary hospital care.

II. DEFINITIONS

1. "**Amount Generally Billed**" ("AGB") means the amount RWMC generally bills individuals with insurance for Emergency Medical Services or other Medically Necessary care.
2. "**Code Section 501(r)**" means Section 501(r) of the Internal Revenue Code of 1986, as amended, and the corresponding Treasury Regulations.
3. "**Emergency Medical Services**" means services provided to stabilize and treat a condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that the absence of immediate medical attention could reasonably be expected to result in placing the individual's health (or the health of an unborn child) in serious jeopardy, serious impairment to bodily functions, or serious dysfunction of bodily organs.
4. "**Eligible Individual**" means an individual who is determined by RWMC to be eligible for Financial Assistance.
5. "**Federal Poverty Income Guidelines**" ("FPIG") means annual wage amounts reflecting impoverishment as determined by the U.S. Census Bureau which will be used by RWMC to compare levels of available Financial Assistance.
6. "**Financial Assistance**" means payment relief for which RWMC will provide a reduction of a patient's financial obligation based upon his or her limited income and resources.
7. "**Financial Assistance Committee**" means a committee appointed by RWMC's President which meets routinely for the purpose of determining exceptions under the Financial Assistance policy.
8. "**Household Income**" means cumulative total income(s) for all members of a patient's household as shown on income tax returns.

9. "**Medically Necessary**" means a service required for the care or well-being of the patient and provided in accordance with generally accepted standards of medical or professional practice.

III. POLICY STATEMENT

It is RWMC's policy to provide Emergency Medical Services to all individuals regardless of their ability to pay. Moreover, RWMC will provide such services to all patients without discrimination (within the meaning of section 1867 of the Social Security Act (42 U.S.C. § 1395dd)) regardless of their eligibility under this Financial Assistance Policy. Patients and/or the persons responsible for payment of such services and care will be notified of RWMC's Financial Assistance program prior to, or following, the provision of service(s).

IV. ELIGIBILITY FOR FINANCIAL ASSISTANCE

1. This policy applies to charges for Emergency Medical Services and Medically Necessary hospital care provided by RWMC.
2. Individuals or families whose annual Household Income is at or below 200% of the current FPIG will be considered eligible for full Financial Assistance, provided they have no other sources for payment, such as health insurance, Medicaid eligibility, or liability claims.
3. For those ineligible for full Financial Assistance, RWMC will grant partial Financial Assistance to individuals and families with an annual Household Income of between 201% and 300% of the FPIG. For such individuals and families, Financial Assistance will be calculated as a percentage of total eligible charges according to the following schedule:

% of FPIG	% of Financial Assistance
201% to 225%	80%
226% to 250%	60%
251% to 275%	40%
276% to 300%	20%

A family will be considered the patient along with all other related persons living in the residence who constitute a single taxable unit.

4. Individuals and families with an annual Household Income exceeding 300% of FPIG shall not be eligible for Financial Assistance, absent unusual circumstances as approved by the Financial Assistance Committee.

V. APPLICATION PROCESS

1. Except as provided herein, a patient/guarantor seeking Financial Assistance will be required to complete a financial disclosure statement setting forth specific details of income and expenses and providing requested documentation. The appropriate department will request verification of information submitted by an applicant for Financial Assistance.

2. To be eligible for Financial Assistance, an individual must submit a Financial Assistance application. If an individual does not submit a Financial Assistance application, then RWMC may take action consistent with Code Section 501(r) to collect payment. This may include actions defined as Extraordinary Collection Actions if an application is not submitted within 120 days from the date the first statement is made available to the individual (subject to the further requirements of Code Section 501(r)).
3. The income figure used to determine eligibility for Financial Assistance will be the last three months income, as documented by the last three payroll pay stubs from all household income earners, multiplied by four. An exception to this may be made if, in the opinion of the President, the three-month income is not reflective of the applicant's true ability or inability to meet his/her obligation. In this event, the income figure used will be that which is most reflective of the applicant's true ability or inability to meet his/her obligations.
 - a. Income shall include earnings, unemployment compensation, workers' compensation, Social Security, Supplemental Social Security Income, public assistance, veterans' payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates and trusts, educational assistance, alimony, child support, and assistance from outside households and other miscellaneous sources.
 - b. Income shall not include noncash benefits, such as food stamps and housing subsidies, or capital gains or losses.
 - c. Income shall be determined by reviewing pay check stubs or most recent tax forms.
4. For questions about or assistance with the application or this policy, an individual may visit the Patient Accounts Office at [Insert address], or may call that Office at [Insert phone number].

VI. CALCULATION OF AMOUNTS GENERALLY BILLED ("AGB")

1. RWMC shall not charge any Eligible Individual more for Emergency Medical Services or other Medically Necessary care than the amount generally billed to individuals who have insurance covering such care ("AGB"). RWMC shall calculate one or more AGB percentages using the "look-back method" and including Medicare Fee-For-Service and all private health insurers that pay claims to RWMC, all in accordance with Code Section 501(r). A free copy of the AGB percentage(s) and a description of how calculated may be obtained by contacting RWMC's Patient Accounts Office at [Insert phone number], and shall be made available on the RWMC website.
2. RWMC shall, at all times, make reasonable efforts to determine whether a patient is eligible for Financial Assistance. If RWMC has billed an amount to an individual who has not submitted an application for Financial Assistance as of the date of the charge and is later determined to be eligible for Financial Assistance, RWMC will make appropriate adjustments to the amounts charged and issue a refund to the patient, if necessary. In this manner, RWMC intends to satisfy the requirements for the safe harbor described in Section 1.501(r)-5(d) of the Proposed Regulations.

3. RWMC will not charge any Eligible Individual more than the AGB amount for Emergency Medical Services or other Medically Necessary care, and in all cases, the charge to an Eligible Individual will be less than RWMC's gross charges.

VII. GENERAL POLICY ADMINISTRATION

1. Approved applications are considered valid for services rendered up to six months following the application date.
2. An individual whose annual income exceeds 300% of the current CSA Poverty Income Guidelines will be excluded from the consideration for assistance unless unusual circumstances exist. In this event, the decision to grant assistance will be made by the Financial Assistance Committee.
3. After a determination has been made that an individual qualifies for Financial Assistance, the Financial Assistance Committee may review whether the patient has other sources of payment available, such as health insurance, HCI, Medicaid eligibility, or liability claims, and may reduce the amount of Financial Assistance accordingly. This includes situations where an individual has assets, other than income, sufficient to satisfy his/her obligations.
4. The following situations will exclude an individual from eligibility for Financial Assistance:
 - a. An individual's failure to apply for outside assistance, or failure to provide information which would lead to the discovery of the availability of outside assistance, such as health insurance, HCI, Medicaid eligibility, or liability claims. An exception to the foregoing may be made, if in the opinion of the Director of Patient Financial Services, extenuating circumstances exist(ed).
 - b. Any individual who fails to respond to the offer of Financial Assistance.
5. Any individual denied Financial Assistance in part or in total will be notified that he/she has the option of appealing his/her case to the Financial Assistance Committee. Such appeal must be received no later than thirty (30) days from the date of notification of denial.
6. RWMC will widely publicize this Financial Assistance Policy, as required by Code Section 501(r). Notification about Financial Assistance available from RWMC, which shall include a contact number, shall be disseminated by RWMC by various means, which shall include, but are not limited to, the following: including notices in patient bills; posting notices in emergency rooms, in the Point of Service Brochure, in the Admitting department, and the Financial Services department; and distributing the Summary of the Financial Assistance Policy to local public agencies and nonprofit organizations that address the health needs of the community's low income population. RWMC also shall conspicuously post this Financial Assistance Policy, a Summary of the Policy, and the Financial Assistance application on RWMC's website and shall include the Summary in brochures available in patient access sites. RWMC also shall make paper copies of the Financial Assistance Policy, a summary of the Policy, and the Financial Assistance application available upon request and without charge both at the Patient Financial Service Department of RWMC and by mail. Such documents, including the Summary, shall be

made available in the primary languages spoken by the population serviced by RWMC, which as of the date this policy was approved included English and Spanish.

7. Referral of patients for Financial Assistance may be made by any member of the staff or medical staff, including physicians, nurses, financial counselors, social workers, case managers, chaplains, and religious sponsors. A request for Financial Assistance may be made by the patient or a family member, close friend, or associate of the patient, subject to applicable privacy laws
8. Reasonable efforts have been made to determine whether an individual is eligible for Financial Assistance if RWMC notifies the individual about the program, RWMC provides the individual or, where applicable, his or her family member(s), with information relevant to completing the application, and RWMC makes and documents its determination as to whether the individual is eligible for assistance under the policy.
9. RWMC shall not engage in any debt collection activities in the emergency department or in other hospital venues where such activities could interfere with the treatment of Emergency Medical Services without discrimination.
10. If after the determination of a Financial Assistance award, the patient/guarantor requests further financial relief, they can request their account go to the Financial Assistance Committee. All determinations of the Financial Assistance Committee shall be final.
11. Once Financial Assistance has been granted, the guarantor will not be supplied with documentation required to bill insurance companies. This includes UB, 1500 and/or detailed itemization of charges.
12. RWMC reserves the right to review the Financial Assistance determination if the guarantor's financial circumstances have changed.
13. The Financial Assistance Policy applies to deceased patients when it has been determined that there are no assets of value in the estate.
14. Financial assistance may be granted to patients who qualify for government programs when funding has delayed payment. If later government assistance is awarded, the account adjustment will be reversed.
15. Financial assistance may be granted to patients that are pending Medicaid approval with the appropriate county. These accounts have been reviewed and financial need determined by a third party. Additional documentation will not be required.
16. A list identifying the healthcare providers providing Emergency and other Medically Necessary Care within RWMC facilities and identifying which are and are not covered by this Financial Assistance Policy may be obtained by contacting the Patient Accounts Office at [Insert phone number].

VIII. EXCEPTIONS

Any exceptions to the policy require approval by the Financial Assistance Committee and appropriate account documentation.

IX. RESPONSIBILITY

President, RWMC

X. APPROVAL SIGNATURE

[Insert Title]

Date

**Note: A Billing and Collections Policy and summary of the Financial Assistance Policy ("FAP") will be adopted at a later date, prior to RWMC operating the hospital. Those documents will include the additional requirements under Internal Revenue Code 501(r), including but not limited to: actions taken relating to obtaining payment for a medical bill, process for determining FAP eligibility, office with final authority on FAP eligibility, how policies may be obtained free of charge, and making all documents and necessary information available on the website.*



**State of Rhode Island
Office of the Secretary of State**

Fee: \$10.00

Division Of Business Services
148 W. River Street
Providence RI 02904-2615
(401) 222-3040

**Non-Profit Corporation
Articles of Amendment**

(Section 7-6-40 of the General Laws of Rhode Island, 1956, as amended)

ARTICLE I

The name of the corporation is CharterCARE Health of Rhode Island Foundation, Inc.

If the entity's name is changing, state the new name: CharterCARE Health of Rhode Island Foundation, Inc.

ARTICLE II

If the corporate duration is changing, so state: Perpetual

If the corporate purpose is changing, so state:

THE CORPORATION IS ORGANIZED AND AT ALL TIMES SHALL BE OPERATED EXCLUSIVELY FOR CHARITABLE, RELIGIOUS, EDUCATIONAL, AND SCIENTIFIC PURPOSES WITHIN THE MEANING OF SECTION 501(C)(3) OF THE CODE

If there is a change in the number of directors, modify this section:

The number of directors constituting the Board of Directors of the Corporation is

and the names and addresses of the persons who are to serve as the directors are:

Title	Individual Name First, Middle, Last, Suffix	Address Address, City or Town, State, Zip Code, Country
TREASURER	GREGORY GROVE	3060 PEACHTREE ROAD NW, STE. 1030 ATLANTA, GA 30305 USA
SECRETARY	GREGORY GROVE	3060 PEACHTREE ROAD NW, STE. 1030 ATLANTA, GA 30305 USA
CHAIR	BENJAMIN MINGLE	3060 PEACHTREE ROAD NW, STE. 1030 ATLANTA, GA 30305 USA
VICE PRESIDENT	GREGORY GROVE	3060 PEACHTREE ROAD NW, STE. 1030 ATLANTA, GA 30305 USA
DIRECTOR	GREGORY KENT GROVE	1075 W. CONWAY DRIVE NW ATLANTA, GA 30327 USA
DIRECTOR	JEFFREY HOWARD LIEBMAN	4 WALLACE COURT WATERTOWN, MA 02429 USA

DIRECTOR	BENJAMIN MICHAEL MINGLE	1440 GARMAN FERRY ROAD NW ATLANTA, GA 30327 USA
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If there are any other provisions to be amended, so state:

PARAGRAPH 3 OF THE ATTACHMENT TO THE ARTICLES OF INCORPORATION IS HEREBY

AMENDED IN ITS ENTIRETY TO READ AS FOLLOWS:

3. MEMBERSHIP. THE CORPORATION IS A MEMBERSHIP CORPORATION. THE SOLE MEMBER

OF THE CORPORATION IS CHARTERCARE HEALTH OF RHODE ISLAND, INC., A CHARITABLE NONPROFIT CORPORATION ORGANIZED AND EXISTING UNDER THE LAWS OF

THE STATE OF RHODE ISLAND (THE "MEMBER"). EXCEPT AS OTHERWISE PROVIDED

HEREIN, THE MEMBER SHALL HAVE THOSE EXCLUSIVE RIGHTS AND POWERS SET FORTH

IN THE CORPORATION'S BYLAWS, AND ALL OTHER RIGHTS, PRIVILEGES, AND OBLIGATIONS WHICH ARE ACCORDED TO THE MEMBER UNDER THE

CORPORATION'S BYLAWS

OR UNDER RHODE ISLAND LAW.

ARTICLE III

The Amendment was adopted in the following manner:

(check one box only)

The amendment was adopted at a meeting of 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 1/17/2024 , 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.

ARTICLE IV

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

Signed this 17 Day of January, 2024 at 2:39:19 PM. *This electronic signature of the individual or individuals signing this instrument constitutes the affirmation or acknowledgement of the signatory, under penalties of perjury, that this instrument is that individual's act and deed or the act and deed of the corporation, and that the facts stated herein are true, as of the date of the electronic filing, in compliance with R.I. Gen. Laws § 7-6.*

By BENJAMIN MINGLE

President or Vice President (check one)

AND

By GREGORY GROVE

Secretary or Assistant Secretary (check one)

Form No. 201
Revised 09/07

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State of Rhode Island
Department of State | Office of the Secretary of State
Gregg M. Amore, *Secretary of State*

I, GREGG M. AMORE, Secretary of State of the State of Rhode Island,

hereby certify that this document, duly executed in accordance with the provisions

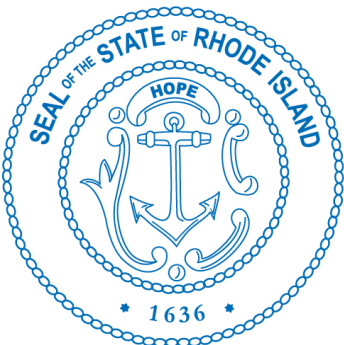
of Title 7 of the General Laws of Rhode Island, as amended, has been filed in this

office on this day:

January 17, 2024 02:38 PM

A handwritten signature in black ink that reads "Gregg M. Amore".

Gregg M. Amore
Secretary of State



Schedule 3.3(c)
Leased Real Property

Selling Entity Lessee/Lessor	Address	City	State	Description of Lease Documents
Prospect CharterCARE Physicians, LLC	466 Putman Plaza Unit 10	Smithfield	RI	Commercial Lease dated July 13, 2015 between 466 Putnam Plaza, LLC (Lessor) and Prospect CharterCare Physicians, LLC (Lessee) for 466 Putnam Pike, Unit 10, Smithfield, RI, as extended by that Commercial Lease Summary dated June 1, 2021. (Doc. 13.14.1.62-1, Doc. 13.14.7-47)
Prospect CharterCare Ancillary Services, LLC	1524 Atwood Ave Suite 345	Johnston	RI	Agreement of Lease dated November 15, 2021 between Atwood Medical Health Services, LLC (Landlord) and Prospect CharterCARE Ancillary Services, LLC d/b/a CharterCARE Ancillary Services for 1524 Atwood Ave., Suite 345, Johnston, RI (Doc. 13.14.7-16)
University Medical Group	1407 South County Trail	East Greenwich	RI	Office Lease Agreement dated July 17, 2012 between Valley Place Office Park, LLC (Landlord) and University Medical Group (Tenant) for 1407 South County Trail, East Greenwich, RI. (Doc. 13.14.7-36) ⁶
Prospect CharterCare, LLC	1180 Hope Street	Bristol	RI	Monthly Rental Summary dated January 2016 between Medical Associates of Rhode Island, Inc. (Lessor) and Prospect CharterCare, LLC (Lessee), and emails confirming year-to-year term renewals for office and two exam rooms. (Doc. 13.14.1.5-1, -2)
Prospect CharterCARE, LLC	1539 Atwood Avenue	Johnston	RI	Indenture of Lease dated February 9, 2016 between Primary Care

⁶ This Lease will not be renewed after its expiration date (Dec. 31, 2022) and it is expected to relocate following execution of a new lease for space at 1351 South County Trail, East Greenwich, RI which is currently being negotiated.

Selling Entity Lessee/Lessor	Address	City	State	Description of Lease Documents
	Suite 201			Associates of Johnston, L.L.C. (Landlord) and Prospect CharterCARE LLC d/b/a CharterCARE Medical Associates (Tenant) for 1539 Atwood Avenue, Suite 201, Johnston, RI. (Doc. 13.14.1.9-1)
[Providence Eye Associates, Inc. / Roger Williams Realty Corporation]	50 Maude Street	Providence	RI	<p>Lease Agreement dated January 1, 2008 between Roger Williams Realty Corporation (Landlord) and Providence Eye Associates, Inc. (Tenant) for 1,200 sf on the first floor in the building at 50 Maude Street, Providence, RI, as amended by that Lease Extension dated January 1, 2013 and that Lease Renewal Amendment dated March 21, 2022 (Doc. 13.14.1.21-1; Doc. 13.14.7-17)</p> <p>Lease dated July 1, 2016 between Prospect CharterCARE RWMC, LLC (Landlord) and Center for Medical Research, LLC (Tenant) for 211 sf (Room 101 on the 1st Floor) at 50 Maude Street, Providence, RI (Doc. 13.14.1.27-1)</p> <p>License dated ___, 2015 between Prospect CharterCARE RWMC, LLC (Licensor) and JPH Holdings, Inc. (Licensee) for use or parking lot adjacent to Smith and Maude Streets (Doc. 13.14.1.13-1, and -2)</p>
Prospect CharterCare RWMC, LLC	50 Maude Street Unit B	Providence	RI	Lease Agreement dated December 22, 2016 between Valley Stream Property, LLC (Landlord) and Prospect CharterCare RWMC, LLC (Tenant) for 50 Maude Street, Unit B, Providence RI. (Doc. 13.14.1.22-1, and -22-1)

Selling Entity Lessee/Lessor	Address	City	State	Description of Lease Documents
Prospect CharterCare Physicians, LLC	725 Reservoir Ave A portion of Unit 6 (4,700 sf)	Cranston	RI	Lease dated July 1, 2016 between Alumni Realty, LLC (Landlord) and Prospect CharterCare, LLC d/b/a CharterCARE Health Partners (Tenant) for 725 Reservoir Ave., portion of Unit 6 [4,700 sf], Cranston, RI, as amended by that Lease Extension to Expiring Lease dated July 1, 2021 between Alumni Realty, LLC (Landlord) and Prospect CharterCare, Physicians, LLC d/b/a CharterCARE Medical Associates (Doc. 13.14.7-22, Doc 13.14.7-15)
Prospect CharterCare Ancillary Services, LLC	725 Reservoir Ave Portion of Unit 6 (1,389 sf)	Cranston	RI	Lease dated July 1, 2016 between Alumni Realty, LLC (Landlord) and Prospect CharterCARE, LLC d/b/a CharterCARE Health Partners for 725 Reservoir Ave., portion of Unit 6, Cranston, RI, as amended by that Lease Extension to Expiring Lease dated July 1, 2021 between Alumni Realty, LLC (Landlord) and Prospect CharterCARE Ancillary Services, LLC d/b/a CharterCARE Ancillary Services (Doc. 13.14.1.30-1, and -2).
[Our Lady of Fatima Ancillary Services, Inc.]	1830 Mineral Spring Ave	North Providence	RI	Indenture of Lease dated January 31, 2014 by Branting, LLC (Lessor) and Our Lady of Fatima Ancillary Services, Inc. (Lessee) for a portion of 1830 Mineral Spring Avenue, North Providence, RI.
[St. Joseph Health Services of Rhode Island]	1840 Mineral Spring Ave	North Providence	RI	Indenture of Lease dated January 31, 2014 by Branting, LLC (Lessor) and St. Joseph Health Services of Rhode Island. (Lessee) for a portion of 1840 Mineral Spring Avenue, North Providence, RI

Selling Entity Lessee/Lessor	Address	City	State	Description of Lease Documents
Prospect CharterCare RWMC, LLC	100 Kenyon Ave	Wakefield	RI	Session Agreement dated July 1, 2015, by and between South County Hospital Healthcare System (landlord), and Prospect Charger Care RWMC, LLC d/b/a Roger Williams Medical Center for 2 exam rooms for 2, 4 hour rental sessions per month at 100 Kenyon Ave. (Timeshare – Doc. 13.14.1.40)
Prospect CharterCare RWMC, LLC	100 Kenyon Ave	Wakefield	RI	Session Agreement dated February 12, 2018, by and between South County Health, and Prospect Charger Care RWMC, LLC d/b/a Roger Williams Medical Center for 2 exam rooms for 2, 4 hour rental sessions per month at 100 Kenyon Ave. (Timeshare – Doc. 13.14.1.39)
Prospect CharterCare Physicians, LLC	1524 Atwood Ave LL6	Johnston	RI	Agreement of Lease executed May 2016 between Atwood Medical Health Services, LLC (Landlord) and Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates (Tenant) for 1524 Atwood Avenue, Unit LL6, Johnston, RI
Prospect CharterCare Ancillary Services, LLC	226 Buttonwoods Avenue	Warwick	RI	Ancillary Services and Lease Agreement undated between Comprehensive Community Action Program, Inc. d/b/a Family Health Services (Practice) and Prospect CharterCARE Ancillary Services, LLC d/b/a CharterCARE Ancillary Services (Provider) for 1090 Cranston Street, Cranston, RI, 191 MacArthur Boulevard, Coventry, RI, and 226 Buttonwoods Avenue, Warwick, RI (Doc. 13.14.1.43-1)

Selling Entity Lessee/Lessor	Address	City	State	Description of Lease Documents
Prospect CharterCare Physicians, LLC / Our Lady of Fatima	387 Waterman Avenue	East Providence	RI	<p>Medical Office Space Lease (Full-Time) dated October 18, 2020 by and between 387 Waterman, LLC (assigned from Anthony Rocha, M.D.) (Landlord) and Prospect CharterCare Physicians LLC (Tenant) for 387 Waterman Avenue, as amended by that certain letter dated November 14, 2022 from Susana Chan, OD of Proprio Property, LLC to ChaterCare. (Doc 13.14.1.44)</p> <p>Phelmbotomy and Lease Agreement dated January 2014 by and between Anthony Roca, MD (Landlord) and Our Lady of Fatima (Tenant) for 387 Waterman Avenue (Doc 13.14.1.45)</p>
Our Lady of Fatima Ancillary Services, Inc.	775 Centre of New England	West Greenwich	RI	Indenture of Lease dated January 31, 2014 between GRACECO, LLC (Lessor) and Our Lady of Fatima Ancillary Services, Inc. (Lessee) for 775 Centre of New England Blvd., West Greenwich, RI (Doc. 13.14.1.46-1).
Prospect CharterCare Ancillary Services, LLC	1637 Mineral Springs Avenue	North Providence	RI	Lease dated September 15, 2011 between North Providence Medical Services, Inc. (Landlord) and Elmhurst Health Associates, Inc. (Tenant) for 1637 Mineral Springs Ave., portion of the 2 nd floor, North Providence, RI, as amended by that certain First Amendment to Lease dated October 1, 2014 between North Providence Medical Realty Associates, LLC (Landlord) and Prospect CharterCare Ancillary Services, LLC d/b/a CharterCARE Laboratory Services (Tenant) and that certain Second Amendment to

Selling Entity Lessee/Lessor	Address	City	State	Description of Lease Documents
				Lease dated December 23, 2019 between Riyansh Realty, LLC (Landlord) and Prospect CharterCare Ancillary Services, LLC d/b/a CharterCARE Laboratory Services (Tenant). (Doc. 13.14.7-40, -41, -12).
Prospect CharterCare Physicians, LLC	1 Office Parkway	East Providence	RI	Lease dated June 29, 2012 by Penny & Vincent’s Enterprises, LLC (Landlord) and Roger Williams Medical Associates, Inc. for One Office Parkway, East Providence, RI, as amended by that certain Lease Renewal Agreement dated May 31, 2016 by Landlord and Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates (Tenant), as further amended by that certain Lease Renewal Second Amendment dated November 1, 2021. (Doc. 13.14.1.53) ⁷
[Prospect CharterCare Physicians, LLC]	6 Blackstone Valley Place Suite 502	Lincoln	RI	Lease dated May 1, 2014 between Rhode Island Medical Realty, LLC (Landlord) and Roger Williams Medical Associates, Inc. (Tenant) for the entirety of Suite 502 of 6 Blackstone Valley Place, Lincoln, RI (Doc. 13.14.1.60-1) [Subject to: Suite Sublease Agreement dated ___ between George M. Moniz, D.P.M (Sublessee) and Prospect CharterCARE Physicians, LLC (Sublessor) for a portion of Suite 502 at 6 Blackstone Valley Place, Lincoln RI. (Timeshare) (Doc. 13.14.1.57-1 and .59-1)]

⁷ This Lease will not be renewed after its expiration date (Dec. 31, 2022).

Selling Entity Lessee/Lessor	Address	City	State	Description of Lease Documents
Prospect CharterCARE SJHSRI, LLC	21 Peace Street	Providence	RI	<p>Lease dated December 28, 2016 by 21 Peace Street, LLC (Landlord) and Prospect CharterCARE SJHSRI, LLC (Tenant) for space on Floors 1-5 of the West Building and parking lots at 21 Peace Street, Providence, RI (Doc.13.14.1.73-2), as amended by that Letter dated February 16, 2017 from Landlord (Doc. 13.14.1.73-1)</p> <p><i>Subject to:</i></p> <p>Agreement for Lease of Office Space and Personnel dated October 1, 2015 by Prospect CharterCARE SJHSRI, LLC (Landlord) and Federal Hill House Association (Tenant) for 21 Peace Street, First Floor, Providence, RI (Doc. 13.14.1.14-1)</p> <p>Lease dated August 1, 2015 by Prospect CharterCare SJHSRI, LLC d/b/a St. Joseph Health Center (Landlord) and Riverwood Mental Health Services (Tenant) for 21 Peace Street, Second Floor, Providence, RI (Doc.13.14.1.16-2) as amended by that certain First Amendment dated April 15, 2016 (13.14.1.16-1)</p>
Prospect CharterCare Ancillary Services, LLC	191 MacArthur Boulevard	Coventry	RI	Ancillary Services and Lease Agreement undated between Comprehensive Community Action Program, Inc. d/b/a Family Health Services (Practice) and Prospect CharterCARE Ancillary Services, LLC d/b/a CharterCARE Ancillary Services (Provider) for 1090 Cranston Street, Cranston, RI, 191

Selling Entity Lessee/Lessor	Address	City	State	Description of Lease Documents
				MacArthur Boulevard, Coventry, RI, and 226 Buttonwoods Avenue, Warwick, RI (Doc. 13.14.1.76-1)
[Our Lady of Fatima Ancillary Services, Inc.]	673/677 Atwood Avenue	Cranston	RI	Phlebotomy and Lease Agreement dated May 1, 2013 between Monica Realty, LLC (Landlord) and Our Lady of Fatima Ancillary Services, Inc. (Tenant) for 673/677 Atwood Avenue, Cranston RI. (Doc. 13.14.1.85-1).
[Our Lady of Fatima Ancillary Services, Inc.]	1 Randall Square	Providence	RI	Phlebotomy and Sub-Lease Agreement executed February 2014 by Luciano Sztulman, MD, Inc. (Landlord) and Our Lady of Fatima Ancillary Services, Inc. (Tenant) for 1 Randall Square, Providence, RI
Prospect CharterCare Ancillary Services, LLC	1090 Cranston Street	Cranston	RI	Ancillary Services and Lease Agreement undated between Comprehensive Community Action Program, Inc. d/b/a Family Health Services (Practice) and Prospect CharterCARE Ancillary Services, LLC d/b/a CharterCARE Ancillary Services (Provider) for 1090 Cranston Street, Cranston, RI, 191 MacArthur Boulevard, Coventry, RI, and 226 Buttonwoods Avenue, Warwick, RI (Doc. 13.14.1.88-1).
[Our Lady of Fatima Ancillary Services, Inc.]	1524 Atwood Avenue	Johnston	RI	Phlebotomy and Lease Agreement with an effective date of November 1, 2013 by J. Scott Toder, MD (Landlord) and Our Lady of Fatima Ancillary Services, Inc. (Tenant) for 1524 Atwood Avenue, Suite 333, Johnston, RI (Doc. 13.14.7-31)
Prospect CharterCare Ancillary Services, LLC	2138 Mendon Road, Unit 103B	Cumberland	RI	Lease dated February 1, 2022 between Cumberland Medical Associates, LLC (Landlord) and Prospect CharterCare Ancillary Services, LLC d/b/a CharterCare

Selling Entity Lessee/Lessor	Address	City	State	Description of Lease Documents
				Ancillary Services (Tenant) for 2138 Mendon Road, Unit 103B, Cumberland, RI. (Doc. 13.14.1.93-1).
Prospect CharterCare Ancillary Services, LLC	1681 Cranston Street	Cranston	RI	Lease dated October 1, 2020, by and between Fron, LLC (Landlord) and Prospect CharterCare Ancillary Services, LLC (Tenant) for 1681 Cranston Street, Suite F (Doc 13.14.1.100, Doc. 13.14.7-29)
Prospect CharterCare RWMC, LLC	1050 Warwick Avenue	Warwick	RI	Lease Agreement dated February 1, 2021 between Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center (Lessee) and B&L Realty (Lessor) for office space at 1050 Warwick Avenue, Warwick, RI. (Doc. 13.14.7-9)
Prospect CharterCare Ancillary Services, LLC	1352 Smith Street	North Providence	RI	Lease dated February 8, 2017 by William J Beliveau, MD and Prospect CharterCARE Ancillary Services, LLC d/b/a CharterCARE Ancillary Services for 1352 Smith Street, North Providence, RI (13.14.1.111-2), as amended by that certain Lease Amendment dated March 10, 2017 by Atwood Medical Associates as successor in interest to William J Beliveau, MD (Landlord) and Tenant, as amended by that letter dated January 17, 2022 from Leslie Martineau to Dr. William Beliveau re extension (13.14.111-1)
Prospect Blackstone Valley Surgicare, LLC	1526 Atwood Avenue	Johnston	RI	Indenture of Lease dated June 10, 2001 between Atwood Health Properties, LLC (Landlord) and Blackstone Valley Surgicare, Inc. (Tenant) for 1526 Atwood Ave., Johnston, Rhode Island, as amended by that certain First Amendment to Lease dated

Selling Entity Lessee/Lessor	Address	City	State	Description of Lease Documents
				September 20, 2004, that certain Second Amendment to Lease dated October 31, 2016 between Atwood Health Properties, LLC (Original Landlord), Atwood Medical Properties, LLC (Landlord) and Blackstone Valley Surgicare, Inc. (Tenant) and that certain Lease Assignment, Assumption, Extension and Modification dated May 1, 2017 between Blackstone Valley Surgicare GP, LLC (Assignor), Blackstone Valley Surgicare, Inc. (Original Tenant), Prospect Blackstone Valley Surgicare, LLC (Assignee) and Atwood Medical Properties, LLC (Tenant)
Prospect CharterCare Ancillary Services, LLC	851 Main Street	Warren	RI	Lease dated May 25, 2017 between Racing Green Two, LLC, successor-in-interest to 851 Warren Associates, LLC (Landlord) and Prospect CharterCare Ancillary Service, LLC d/b/a Chartercare Ancillary Services (Tenant) for 851 Main Street, Warren RI. (1,355 sf in basement of the MOB – Doc. 13.14.1.112-2).
Prospect CharterCare Physicians, LLC	851 Main Street	Warren	RI	Lease dated May 25, 2017 between Racing Green Two, LLC, successor-in-interest to 851 Warren Associates, LLC (Landlord) and Prospect CharterCare Physicians, LLC d/b/a Chartercare Medical Associates (Tenant) for 851 Main Street, Warren RI. (5,397 sf on 1 st floor and in basement - Doc. 13.14.1.115-2) <i>Subject to:</i>

Selling Entity Lessee/Lessor	Address	City	State	Description of Lease Documents
				<p>Suite Sublease Agreement dated September 1, 2017 between University Gastroenterology, LLC (Sublessee) and Prospect CharterCARE Physicians, LLC (Sublessor) for a portion of 851 Main Street, Warren RI. (Timeshare – Doc. 13.14.1.1-1).</p> <p>Suite Sublease Agreement dated September 1, 2017 between David M. Colannino, D.P.M., Inc. (Sublessee) and Prospect CharterCARE Physicians, LLC (Sublessor) for a portion of 851 Main Street, Warren RI. (Timeshare – Doc. 13.14.1.114-1).</p> <p>Suite Sublease Agreement dated September 1, 2017 between Caring for Women (Sublessee) and Prospect CharterCARE Physicians, LLC (Sublessor) for a portion of 851 Main Street, Warren RI. (Timeshare)</p>
Prospect CharterCare Ancillary Services, LLC	4300-4302 Post Road	Warwick	RI	Lease dated September 1, 2017, by and between Jonathan Martin, MD (Landlord) and Prospect CharterCARE Ancillary Services, LLC (Tenant) for 4300-4302 Post Road, as extended pursuant to that Letter dated February 17, 2020 from Christopher V. Bilotti to CharterCARE Health Partners and that letter dated January 17, 2022 from Leslie Martineau to Marlborough Warwick, LLC (Doc 13.14.1.116)
Prospect CharterCare Physicians, LLC	41 Sanderson Road Suite 206	Smithfield	RI	Lease dated August 7, 2018, by and between Sanderson Associates, LLC (Landlord) and Prospect CharterCare Physicians, LLC

Selling Entity Lessee/Lessor	Address	City	State	Description of Lease Documents
				(Tenant) for 41 Sanderson Road, Suite 206 as amended by that certain Amendment to Lease dated April 17, 2020 (Doc. 13.14.1.25, Doc. 13.14.7-4)
Prospect CharterCare Physicians, LLC	41 Sanderson Road	Smithfield	RI	Suite Session Lease Agreement dates July 1, 2016, by and between Sanderson Associates, LLC (landlord) and Prospect CharterCare Physicians, LLC (tenant) for 2 exam rooms at 41 Sanderson Road for full days on Tuesdays and Thursdays. (Doc 13.14.1.25-2)
Prospect CharterCare Physicians, LLC	41 Sanderson Road Suite 204	Smithfield	RI	Lease dated August 7, 2018 between Sanderson Associates, LLC (Lessor) and Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates (Lessee) for 41 Sanderson Rd. Suite 204, Smithfield, RI (Doc. 13.14.7-2)
Prospect CharterCare Physicians, LLC	41 Sanderson Road Suite 205	Smithfield	RI	Lease dated August 7, 2018 between Sanderson Associates, LLC (Lessor) and Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates (Lessee) for 41 Sanderson Rd. Suite 205, Smithfield, RI (Doc. 13.14.7-3)
Prospect CharterCare Physicians, LLC	41 Sanderson Road Suite 207	Smithfield	RI	Lease dated May 1, 2019 between Sanderson Associates, LLC (Landlord) and Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates (Tenant) for 41 Sanderson Rd. Suite 207, Smithfield, RI (Doc. 13.14.7-19)
Prospect CharterCare	41 Sanderson Road Suite 108	Smithfield	RI	Lease dated May 26, 2020 between Sanderson Associates, LLC (Lessor) and Prospect

Selling Entity Lessee/Lessor	Address	City	State	Description of Lease Documents
Ancillary Services, LLC				CharterCARE Ancillary Services, LLC (Lessee) for 41 Sanderson Rd. Suite 108, Smithfield, RI (Doc. 13.14.7-5)
Prospect CharterCare Physicians, LLC	2 Wake Robin Suite 204	Lincoln	RI	Medical Office Lease dated February 1, 2019 by Wake Robin Associates, LLC (Landlord) and Prospect CharterCare Physicians, LLC d/b/a CharterCare Medical Associates (Tenant) for 2 Wake Robin Road, Suite 204, Lincoln, RI, as amended by the First Amendment to Medical Office Lease dated February 1, 2022 (Doc. 13.14.1.123-1, Doc. 13.14.7-18)
WellOne Primary Medical and Dental Care	74-84 Pascoag Main Street	Pascoag	RI	License Agreement with a commencement date of March 18, 2019 between Northwest Community Health Care d/b/a WellOne Primary Medical and Dental Care (licensor) and Prospect Chartercare Physicians, LLC d/b/a Chartercare Medical Associates (Licensee) for license of a portion of the space within a condominium located at 74-84 Pascoag Main Street, Pascoag, RI (Doc. 13.14.7-53).
Prospect CharterCare Physicians, LLC	857 Post Road	Warwick	RI	Medical Office Space Lease (Full-Time) dated March 9, 2020 between Kerzer Associates, LLC (Landlord) and Prospect CharterCARE Physicians, LLC (Tenant) for 857 Post Rd. Warwick, RI. (Doc. 13.14.7-32)
Prospect Medical Systems, Inc.	1301 Atwood Avenue	Johnson	RI	Office Lease dated September 12, 2017 between 1301 Atwood LLC (Landlord) and Prospect Medical Systems, Inc. (Tenant) for 1301

Selling Entity Lessee/Lessor	Address	City	State	Description of Lease Documents
				Atwood Ave., Suite 106N, Johnston RI (Doc. 13.14.7-10)
Prospect CharterCare Physicians, LLC	869 Post Road	Warwick	RI	Medical Office Space Lease (Part-Time) dated December 1, 2020 between Kerzer Associates, LLC (Landlord) and Prospect CharterCare Physicians, LLC d/b/a CharterCARE Medical Associates (Tenant) for 969 sf of space at 869 Post Road, Warwick, RI (Doc. 13.14.7-33) ⁸
Prospect CharterCare Physicians, LLC	215 Tollgate Road	Warwick	RI	Medical Office Space Lease (Part-Time) dated September 1, 2019 between GI Associates, LLC (Landlord) and Prospect CharterCare Physicians, LLC d/b/a CharterCARE Medical Associates (Tenant) for 1994 sf of space at 215 Tollgate Road, Suites 201-202, Warwick, RI (Doc. 13.14.7-52)
Prospect CharterCare Ancillary Services, LLC	1515 Smith Street	Providence	RI	Medical Office Space Lease (Full-Time) dated September 1, 2020 between Smith Well, Inc. (Landlord) and Prospect CharterCARE Ancillary Services, LLC for 856 sf of space located at 1515 Smith Street, Suite B, No. Providence, RI (Doc. 13.14.7-50)
Prospect CharterCare Physicians, LLC	725 Reservoir Avenue Suite 202	Cranston	RI	Medical Office Space Lease (Full-Time) dated February 1, 2021 between Patricia G. Marsocci, Trustee of Revocable Intervivos Trust (Landlord) and Prospect CharterCARE Physicians, LLC d/b/a CharterCARE Medical Associates for 725 Reservoir Ave., Suite 202, Cranston, RI. (Doc. 13.14.7-37, -38)
Prospect CharterCARE	1300 Mineral Spring Avenue	North Providence	RI	Phlebotomy and Lease Agreement effective April 1, 2018 between

⁸ This Lease will not be renewed after its expiration date (Nov. 30, 2022)

Selling Entity Lessee/Lessor	Address	City	State	Description of Lease Documents
Ancillary Services, LLC				Claude E. Younes, MD (Landlord) and Prospect CharterCARE Ancillary Services, LLC d/b/a CharterCARE Ancillary Services (Tenant) for 1300 Mineral Spring Avenue, North Providence, RI (Doc. 13.14.7-54)
Prospect CharterCARE Ancillary Services, LLC	395 Atwood Avenue	Cranston	RI	Lease Agreement with an effective date of April 1, 2018 between RICG-C, LLC (Practice) and Prospect CharterCARE Ancillary Services, LLC d/b/a CharterCARE Ancillary Services (Tenant) for 150.90 dedicated lab space and 670.85 shared space at 395 Atwood Ave., Cranston RI (Doc. 13.14.7-48)
Prospect CharterCARE Physicians LLC	501 Wampanoag Trail Suite 101	East Providence	RI	Lease dated September 23, 2022 between collectively, (i) Wampanoag Trail Offices, LLC and (ii) Timber Properties, LLC (Landlord) and Prospect CharterCARE Physicians, LLC (Tenant) for 501 Wampanoag Trail, Suite 101, East Providence, RI (Doc. 13.14.7-20) ⁹
Our Lady of Fatima Ancillary Services, Inc.	2295 Diamond Hill Rd.	Cumberland	RI	Phlebotomy and Lease Agreement with an effective date August 1, 2013 between Family Internal Medicine, Inc. (Landlord) and Our Lady of Fatima Ancillary Services, Inc. (Tenant) for a portion of 2295 Diamond Hill Rd., Cumberland, RI (Timeshare – Doc. 13.14.1.90-1, Doc. 13.14.7-28).
Roger Williams Medical Center (N Joseph Espat, MD)	70 Kenyon Ave. Ste. 216	Wakefield	RI	Office Use and Service Agreement effective January 1, 2012 between Roger Williams Medical Center (N Joseph Espat, MD) (Landlord) and Joseph J. O'Neill, MD (O'Neill

⁹ Subject to full execution.

Selling Entity Lessee/Lessor	Address	City	State	Description of Lease Documents
				Medical, Inc.) (Tenant) for 70 Kenyon Ave. Ste. 216, Wakefield, RI (Timeshare Doc. 13.14.1.37-1, Doc. 13.14.7-7)
Prospect CharterCare RWMC, LLC, and Prospect Medical Systems, Inc.	895 Chalkstone	Providence	RI	First Amendment to License Agreement dated May 1, 2015 between Los Andes, LLC (Licensee) and Prospect CharterCare RWMC, LLC d/b/a Roger Williams Medical Center for the parking area around 895 Chalkstone Ave., Providence, RI. (Doc. 13.14.1.17-1)
Prospect CharterCare RWMC, LLC	1539 Atwood Ave. Suite 301	Johnston	RI	Medical Office Space Lease (Full Time) dated November 16, 2020 between Primary Care Associates of Johnston, L.L.C. (Landlord) and Prospect CharterCare RWMC, LLC Tenant) for 1539 Atwood Ave., Suite 301, Johnston, RI. (Doc. 13.14.1.63-1, Doc. 13.14.7-43, -44).
Prospect CharterCARE SJHSRI	200 High Service Ave.	North Providence	RI	Commercial Lease dated July 21, 2022 between Prospect CharterCARE SJHSRI d/b/a Our Lady of Fatima Hospital (Landlord) and Genoa Healthcare, LLC (Tenant) for 52.5 sf of shared space at 200 High Service Ave., North Providence, RI.



EXECUTIVE OFFICES
One Buckhead Plaza
3060 Peachtree Road NW
Phone: 404-233-9000

January 11, 2022

Prospect Medical Holdings, Inc.
3415 S. Sepulveda Boulevard
Los Angeles, California 90034

Re: ***Nonbinding*** Letter of Intent (this “LOI”) to acquire from Prospect Medical Holdings, Inc. (“Seller”) the assets of Rhode Island limited liability companies listed in Appendix A attached hereto and any other organizations mutually agreed upon by the parties to this LOI (collectively, the “LLCs”)

Ladies and Gentlemen:

The following is a summary outlining the general understanding under which one or more to-be-formed Rhode Island nonprofit 501(c)(3) corporations, which shall be controlled by The Centurion Foundation Inc., a Georgia nonprofit corporation and national 501(c)(3) organization (“NewCo”), proposes to pursue the acquisition of certain assets (the “Assets”) of the LLCs (the “Transaction”). Except as expressly set forth in Article II (Binding Provisions), this LOI is intended to set forth the understanding under which the parties desire to work together and to outline proposed terms that would be incorporated into binding and definitive Transaction documents to consummate the purchase and sale of the LLCs (“Definitive Documents”).

**ARTICLE I
OUTLINE OF UNDERSTANDING**

1.1 Description of Hospitals. Seller owns and operates Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center, an acute care hospital located at 825 Chalkstone Ave, Providence, Rhode Island, and Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima Hospital, an acute care hospital located at 200 High Service Ave, North Providence, Rhode Island (collectively, the “Hospitals”).

1.2 Charitable Purpose. NewCo’s acquisition, ownership and operation of the Assets would be in furtherance of its charitable purpose to promote and advance the physical health, emotional health, mental health and social well-being of the individuals, families and communities served by NewCo in the area surrounding Providence, Rhode Island.

1.3 Party Roles.

a) Manager. It is anticipated that Quorum Health Resources, LLC (“**Manager**”) will serve as the facility operator of the Hospitals and related facilities following Financial Closing (defined below). Prior to Financial Closing, Manager will assist Centurion and NewCo in performing all pre-closing activities necessary to achieve Financial Closing, including, without limitation, those described in Section 1.5 hereof. At Financial Closing, Manager and NewCo will enter into a “qualified management agreement” in accordance with Revenue Procedure 2017-13, the Internal Revenue Code and related federal regulations, for the operation and management of the facilities, including, but not limited to, the Hospitals.

b) Nonprofit Owner/Borrower. Prior to Financial Closing, Centurion will assist with the overall effort to bring the Transaction to fruition, with an emphasis on structuring the nonprofit ownership and financing for the acquired business and assets. On and after Financial Closing, NewCo will serve as the owner of the Assets and the borrower under the loan documents, with a focus on promoting and advancing the health and well-being of the individuals, families and communities served by the Hospitals. Activities of NewCo will be in furtherance of the charitable purposes of Centurion, which include improving the availability of medical and general health services in communities. NewCo will follow a charity care and financial assistance policy consistent with leading non-profit hospital operators.

1.4 Transaction Structure. The acquisition will be consummated as an asset purchase by NewCo of certain assets of the LLCs to allow for continued operation under existing provider numbers.

a) Assets. Newco and Seller will obtain a full valuation of the Assets to support the acquisition price, including all of the real estate and improvements constituting the Hospitals, as well as all related amenities, fixtures, furnishings, equipment, drawings, specifications, licenses, entitlements, permits, guarantees, warranties, leases, contracts, accounts receivable and other related assets.

b) Liabilities. Seller will address residual liability with appropriate coverage, including but not limited to an insurance tail and escrows, to be specified in the **Definitive Documents** as mutually agreed upon by the parties. NewCo anticipates that it will assume only certain agreed upon liabilities (as set forth in the Definitive Documents), including the Medicare Advanced Payments liability and PACE liability (as well as unspent PACE proceeds). Neither Centurion nor NewCo will assume any MPT liability.

c) Escrow Accounts. Centurion understands that Seller has provided letters of credit to fund three escrows in accordance with the June 1, 2021 decision of Rhode Island Attorney General Peter F. Neronha (the “**Decision**”), specifically (i) a \$41 million escrow for capital expenditures, (ii) a \$27 million escrow for Medicare Accelerated and Advance Payments liability, and (iii) a \$12 million escrow for Global Conditions (as identified in the Decision). Centurion and Seller agree to cooperate in negotiating these escrows in a manner that does not impact the Decision and is subject to review and approval by the Rhode Island Office of Attorney General. Centurion acknowledges that such escrow account balances will reduce over time and will be lower at Financial Closing.

d) Attorney General Commitments. Centurion recognizes that in accordance with the Decision there can be no lease or sale of the Hospitals prior to June 1, 2026 and that the Hospitals must

remain open and operational. Centurion and Seller will address this risk to their mutual satisfaction in the Definitive Documents.

e) Purchase Price. The aggregate consideration paid for the Assets will be in an amount no greater than the fair market value of the assets being purchased, subject to certain liabilities to be assumed, all as determined by an independent third-party healthcare valuation specialist (“**Appraiser**”), provided such purchase price is mutually acceptable to Centurion, NewCo, Manager and Seller and financially feasible under the financing structure contemplated by Centurion. Appraiser will be acceptable to each of Seller, Centurion and Manager and will be engaged at a time mutually agreed upon by the Seller, Centurion and Manager.

f) Financing. The Transaction will be subject to financing obtained through the issuance of tax-exempt and/or taxable bonds underwritten by [Barclays Capital], as the lead, senior underwriter and in an amount sufficient to fund the purchase price, Transaction costs, costs of issuance, development fees and expenses (if any), and required or appropriate reserves as required by the capital markets. It is further anticipated that projected ongoing Hospital revenues would be sufficient and feasible to fund annual debt service, operating expenses, depreciation, asset management fees, project-related travel expenses, audit expenses, and required or appropriate reserves as dictated by the capital markets. Consummation of the foregoing financing depends upon, amongst other factors, market conditions, valuation, tax matters and further due diligence and is referred to herein as the “**Financial Closing.**”

g) Compliance. As shall be more fully provided in the Definitive Documents, Seller shall retain responsibility for compliance with all applicable federal, state and local laws, regulations and ordinances, including without limitation, (i) compliance with federal and state laws relating to “fraud and abuse” by hospitals and other healthcare providers, (ii) compliance with the federal Stark law of 42 U.S.C. Section 1395nn et seq., as amended, (iii) compliance with Medicare and Medicaid claim processing regulations, and (iv) state and federal confidentiality requirements, including Health Insurance Portability and Accountability Act of 1996, as amended (HIPAA) and Rhode Island law governing confidentiality of medical records as well as applicable privacy, security and breach notification provisions as set forth under Subtitle D of the Health Information Technology for Economic and Clinical Health Act (HITECH), which is Title XIII of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5) and any regulations promulgated thereunder for operations and activities of the LLCs taken prior to consummation of Financial Closing. Neither Centurion, NewCo, Manager, nor any of Centurion, NewCo or Manager’s agents, representatives or employees shall be responsible or have any liability for Seller’s compliance with such laws, regulations, ordinances, or authorities for operations and activities of the LLCs taken prior to consummation of Financial Closing (including coding prior to Financial Closing but submitted to payors thereafter). As shall be more fully provided in the Definitive Documents, Newco and Manager shall be solely responsible for compliance with all applicable federal, state and local laws, regulations and ordinances, including without limitation, (i) compliance with federal and state laws relating to “fraud and abuse” by hospitals and other healthcare providers, (ii) compliance with the federal Stark law of 42 U.S.C. Section 1395nn et seq., as amended, (iii) compliance with Medicare and Medicaid claim processing regulations, and (iv) state and federal confidentiality requirements, including Health Insurance Portability and Accountability Act of 1996, as amended (HIPAA) and Rhode Island law governing confidentiality of medical records as well as applicable privacy, security and breach notification provisions as set forth under Subtitle D of the Health Information Technology for Economic and Clinical Health Act (HITECH), which is Title XIII of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5) and any regulations promulgated

thereunder for operations and activities of NewCo or the Manager taken with respect to the Assets for all periods after the Financial Closing.

1.5 Due Diligence Activities. Centurion and Manager will be provided the ability to conduct due diligence and to inspect and analyze the Hospitals and the feasibility of the transaction. Due Diligence with respect to the proposed transaction will be conducted in two phases. Phase I Due Diligence will commence on the date of execution of this LOI and shall continue for a period of forty-five (45) days or such longer time as may be agreed upon by the parties (the “**Phase I Diligence Period**”). During the Phase I Diligence Period the Centurion and Manager will engage in preliminary financial and other due diligence to determine whether and how to proceed with the transaction. Following the completion of the Phase I Diligence Period, Centurion and Manager will notify Seller of their desire to (i) proceed to Phase II Due Diligence or (ii) terminate this LOI. Seller agrees to assist in all due diligence activities necessary to achieve Financial Closing, including without limitation those set forth below.

a) Customary real estate diligence activities, including title, survey, environmental, the results of which shall be reasonably acceptable to Manager and Centurion.

b) Engage reputable and qualified feasibility consultants and healthcare valuation specialist(s) approved by Centurion to prepare a market and feasibility study and an asset valuation, both of which shall be reasonably acceptable to Manager and Centurion.

c) Operating, financial and legal due diligence customary in healthcare acquisitions.

d) Corporate compliance due diligence customary in health care acquisitions.

e) Customary tax diligence activities, including, but not limited to, financed assets economic life analysis, the results of which shall be reasonably acceptable to Centurion. Additionally, results must allow bond counsel to provide an unqualified opinion to the tax-exempt status of the bonds being issued.

f) Prepare operating budgets and proformas.

g) Coordinate all licensing, accreditation and credentialing requirements for the operation of Newco.

h) Full disclosure and review of liabilities.

i) Any other activities reasonably required to achieve successful Financial Closing.

1.6 Definitive Documents. Upon the receipt by Centurion and Manager of a notice to proceed to Phase II Due Diligence and in order to consummate Financial Closing, the parties would endeavor to enter into Definitive Documents setting forth in detail the terms, provisions, and conditions for the proposed transaction. It is the intention of the parties to engage in further discussions regarding the detailed terms, provisions, and conditions of the proposed transaction and the Definitive Documents.

1.7 Certain Conditions. It is recognized that the proposed acquisition of the Assets would be subject to certain conditions, including but not limited to the following: (i) completion of due diligence reasonably acceptable to Centurion and Manager; (ii) completion of a fair market value and feasibility analysis acceptable to Centurion and Manager; (iii) negotiation, execution and delivery of a mutually agreeable

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purchase and sale agreement setting forth the detailed terms and conditions of the proposed acquisition; (iv) negotiation, execution and delivery of a management agreement with the Manager acceptable to Centurion and in compliance with the qualified management agreement rules under the Internal Revenue Code and applicable federal regulations; (v) approval of the transaction by Seller's, Centurion's, NewCo's and Manager's respective Boards of Directors; (vi) all material consents and approvals required to consummate the transaction shall have been received from necessary governmental agencies and third parties including without limitation the Rhode Island Office of the Attorney General and Rhode Island Department of Health; (vii) receipt of all material federal, state and local licensing, zoning, other governmental permits and approvals, fire marshal approval, and any other certificates and approvals necessary or required for NewCo to own the Assets; (viii) consummation of the financing contemplated above on terms and conditions reasonably acceptable to Centurion; and (ix) other conditions customary or appropriate for Financial Closing contemplated by this LOI.

ARTICLE II BINDING PROVISIONS

2.1 Nonbinding Nature of Article I. Except as expressly set forth in this Article II (Binding Provisions), this LOI is not intended to create, nor shall it create, any obligation on the part of any of the parties hereto (or any of their affiliates) with respect to the Transaction; however, the provisions of this Article II (Binding Provisions) are agreed to be fully binding on the parties upon the execution of this LOI, unless and until such provisions are superseded by Definitive Documents.

2.2 Exclusive Negotiations. Each party hereto agrees to negotiate solely and exclusively with the other with respect to the Transaction and their respective roles described herein, and not to seek, negotiate or entertain other offers, bids or opportunities with respect thereto from the date hereof until this LOI is terminated in accordance with Section 2.4 (Term).

2.3 Costs and Expenses.

a) Appraiser. Notwithstanding any other provision in this LOI, Seller and Manager shall each pay one-half of the costs of the Appraiser to be engaged pursuant to the provisions of Section 1.4(e). Manager acknowledges and accepts this LOI solely for the purposes of agreeing to this Section 2.3(a).

b) Due Diligence Costs and Approval. Seller agrees to pay when due and payable and to be responsible for due diligence costs; however, notwithstanding the foregoing, Centurion shall not incur and Seller shall not be responsible for any fees, costs or expenses incurred by Centurion under this LOI unless Seller has provided its written approval prior to Centurion incurring such fees, costs, or expenses. Furthermore, Seller shall not be responsible for any costs, fees or expenses that exceed the limits on such costs, fees and expenses as may be set by Seller in its approval. By way of example, if Centurion wishes to engage the services of a consultant, it shall obtain Seller's prior written approval before such engagement. If Centurion does not obtain Seller's prior written approval, any costs, fees or expenses incurred Centurion by engaging such consultant shall be Centurion's sole and exclusive liability. By way of another example, if Centurion engages the services of a consultant, with Seller's prior written approval but Seller, in its written approval, limits the amount of fees or expenses that it will be responsible for under this LOI for such engagement, then any amounts incurred by Centurion above such threshold shall be the sole and exclusive responsibility of Centurion. For avoidance of doubt the execution of this LOI by Seller shall not be construed as a prior written approval of Seller for

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any fees, costs or expenses incurred by Centurion prior to the execution of this LOI. Promptly after executing this LOI, Centurion and Buyer will commence Phase I Diligence.

c) Reimbursement. Manager, Centurion and Seller shall be reimbursed for the payment of fees, costs and expenses out of the proceeds of the financing in the event a Financial Closing is consummated.

d) Seller Terminates. In the event Seller, after receiving a determination from Centurion and Manager to proceed to Phase II Due Diligence, either ends its pursuit of the Transaction or pursues the Transaction without Centurion, in addition to the payment of expenses pursuant to Sections 2.3(a) and (b) above, Seller will pay the reasonable fees and expenses of Centurion's borrower/501(c)(3) counsel and travel expenses of in an aggregate amount not to exceed \$50,000, as well as fees of the Appraiser paid or due and payable by Quorum.

e) Centurion Terminates. In the event Centurion terminates, for any reason or for no reason at all, participation in the Transaction prior to the execution and delivery of the Definitive Documents Centurion will owe nothing to Seller.

2.4 Term. This LOI shall terminate and be of no further force or effect upon the earlier of (i) the parties' mutual written agreement to terminate this LOI, (ii) the execution by the parties of Definitive Documents intended to supersede this LOI or (iii) termination by any party hereto at any time beginning forty-five (45) days after the date of this LOI if the Definitive Documents have not been executed and delivered by such date; provided that this Section 2.4 and Section 2.3 (Costs and Expenses) shall survive such termination.

2.5 Assignment. This LOI may not be assigned by any party without the written consent of the other party, except that Centurion may assign, in whole or part, its rights and obligations hereunder to NewCo.

2.6 Entire Agreement; Third Party Beneficiaries. Any agreements between the parties before the date of this LOI and relating to the Transaction are superseded by this LOI. Nothing in this LOI is intended to or shall confer upon any person other than the parties hereto, and the Manager in regards to Sections 2.3(a), and their respective successors and permitted assigns, any rights, benefits or remedies of any nature whatsoever under or by reason of this LOI.

2.7 No Obligation. No party is under any obligation of any kind with respect to a transaction or a party's services with respect thereto, except for the matters specifically agreed to herein, unless and until Definitive Documents have been executed and delivered by each of the parties hereto.

2.8 No Broker. The parties hereto represent that no brokers have been engaged with respect to the Transaction. H2C Securities Inc. has been retained by Seller as its investment banker with respect to the Transaction.

2.9 Counterparts. This LOI may be executed in one or more counterparts, each of which shall be deemed an original.

2.10 Construction. No consideration shall be given to the fact or presumption that one party had a greater or lesser hand in drafting this LOI. Each party is advised of its right to consult with an attorney before entering into this LOI, and each party has exercised its right to legal counsel or voluntarily waived that right with full knowledge of its rights and the significance of its decision.

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2.11 GOVERNING LAW. THIS LETTER SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF DELAWARE WITHOUT REFERENCE TO THE PRINCIPLES OF CHOICE OF LAW THEREOF.

2.12 Effectiveness. This LOI will only be effective upon the execution and delivery by all parties hereto.

2.13 Amendments. This LOI may not be amended or modified except in writing signed by each of the parties hereto.

[SIGNATURE PAGE FOLLOWS]

CONFIDENTIAL

Sincerely yours,

The Centurion Foundation Inc.

By: Benjamin M. Mingle

Title: President

Agreed and accepted:

RTE

PROSPECT MEDICAL HOLDINGS, INC.

Samuel Lee

By: Samuel Lee

Title: CEO

Acknowledged and agreed to solely for the purpose of entering into Section 2.3(a):

QUORUM HEALTH RESOURCES

By: _____

Title: _____

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**APPENDIX A:
ASSETS TO BE ACQUIRED**

Certain assets associated with the operations of the following entities:

Prospect CharterCARE, LLC, a Rhode Island limited liability company

Prospect CharterCARE RWMC, LLC, a Rhode Island limited liability company, d/b/a Roger Williams Medical Center

Prospect RI Home Health and Hospice, LLC, , a Rhode Island limited liability company

Prospect CharterCARE Home Health and Hospice, LLC, a Rhode Island limited liability company

New University Medical Group, LLC, a Rhode Island limited liability company, d/b/a University Medical Group

Prospect CharterCARE SJHSRI, LLC, a Rhode Island limited liability company, d/b/a Our Lady of Fatima Hospital

Prospect CharterCARE Physicians, LLC, a Rhode Island limited liability company, d/b/a CharterCARE Medical Associates

Prospect CharterCARE Ancillary Services, LLC, a Rhode Island limited liability company

Prospect Blackstone Valley Surgicare, LLC, a Rhode Island limited liability company

Prospect Health Services RI, Inc. (a Delaware corporation)

Prospect Provider Group RI, LLC (a Delaware LLC)

- dba CharterCARE Provider Group RI, LLC

FACILITY CONDITIONS ASSESSMENT



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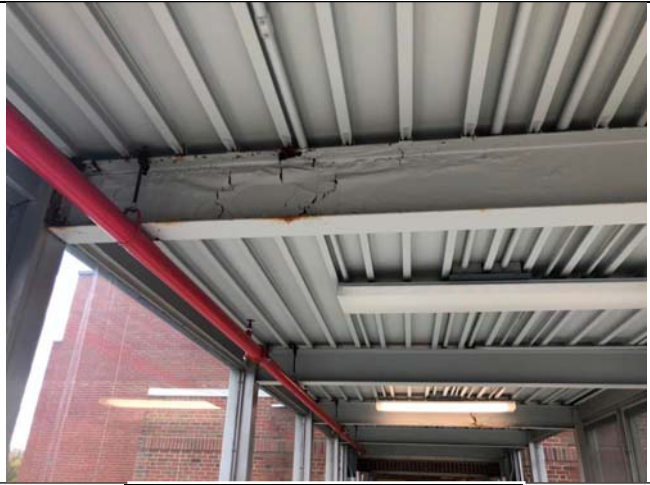
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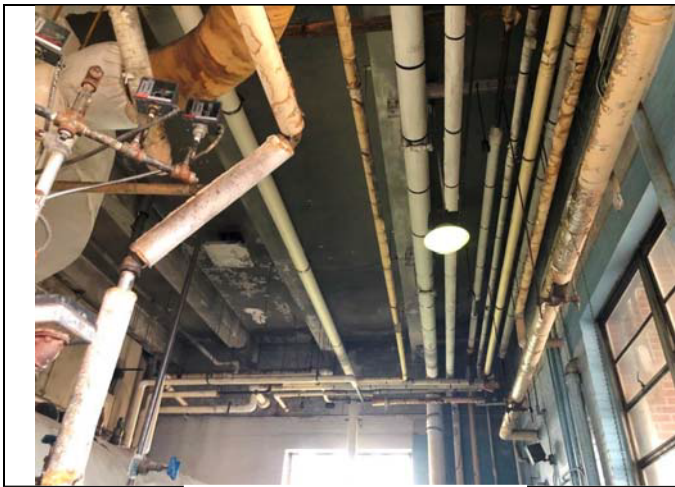


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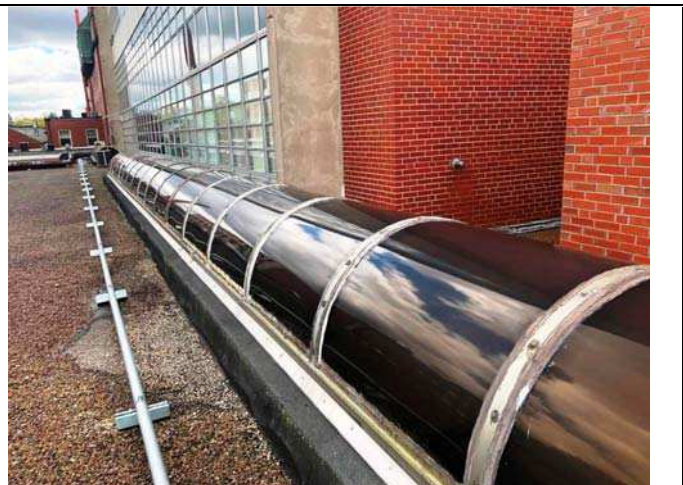
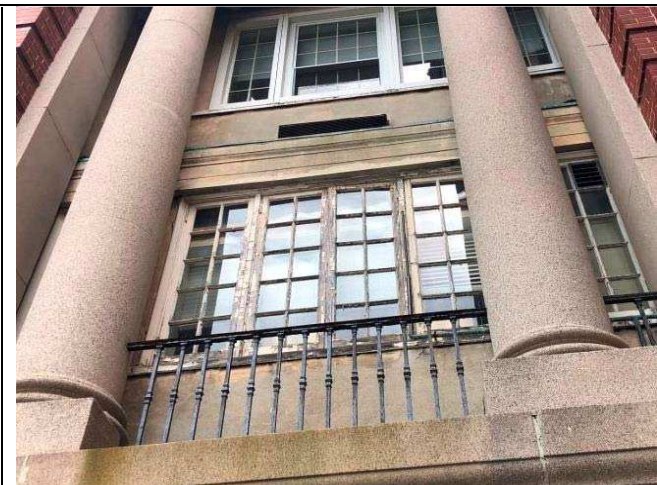
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FACILITY CONDITIONS ASSESSMENT

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CharterCARE Owned Property

Parcel ID	Address	City	State	Owner ¹
Map 17, Lot 3, May 17, Lot 229, May 17, Lot 18, Map 17, Lot 1116	200 High Service Ave	North Providence	RI	Prospect CharterCARE SJHSRI, LLC, a Rhode Island limited liability company
Map 117, Lot 473	21 Winrooth Ave	Providence	RI	Prospect CharterCARE RWMC, LLC, a Rhode Island limited liability company
Map 117, Lot 491	57 Winrooth Ave.	Providence	RI	Roger Williams General Hospital [Per Rhode Island Secretary of State website, “Roger Williams General Hospital” changed its name on 1/6/1992, with two subsequent name changes on 1/4/2010 and 6/20/2014, to “Roger Williams Hospital, a Rhode Island non-profit corporation”– please confirm this is the correct entity (as opposed to Prospect CharterCARE RWMC, LLC) – if it cannot be determined, we propose leaving as “Roger Williams General Hospital” until the current ownership entity can be confirmed]
Map 117, Lot 492	61 Winrooth Ave.	Providence	RI	Roger Williams General Hospital [Same comment re name change and ownership entity]
Map 117, Lot 483-490	25, 29, 33, 37, 41, 49, and 53 Winrooth Ave.	Providence	RI	Roger Williams General Hospital [Same comment re name change and ownership entity]
Map 117, Lot 507	65 Winrooth Ave.	Providence	RI	Roger Williams General Hospital [Same comment re name change and ownership entity]
Map 117, Lot 509	71 Winrooth Ave.	Providence	RI	Prospect CharterCare RWMC, LLC, a Rhode Island limited liability company

¹ Note to Draft: The Owner of each parcel and the identification of the address and Parcel ID is subject to confirmation and further review, including per updated title reports and survey and the list of Owned Real Property in this Schedule 2.1(a)(i) may be supplemented, amended or revised to reflect those changes.

Parcel ID	Address	City	State	Owner ¹
Map 117, Lot 471	17 Parkway Ave	Providence	RI	Prospect CharterCare RWMC, LLC, a Rhode Island limited liability company
Map 117, Lot 432	444 Pleasant Valley Pkwy	Providence	RI	Roger Williams General Hospital [<i>Same comment re name change and ownership entity</i>]
Map 117, Lot 421	865 Chalkstone Ave	Providence	RI	Roger Williams General Hospital [<i>Same comment re name change and ownership entity</i>]
Map 117, Lot 418	867 Chalkstone Ave	Providence	RI	Roger Williams General Hospital [<i>Same comment re name change and ownership entity</i>]
Map 117, Lot 417	877 Chalkstone Ave	Providence	RI	Roger Williams General Hospital [<i>Same comment re name change and ownership entity</i>]
Map 117, Lot 416	881 Chalkstone Ave	Providence	RI	Prospect CharterCare RWMC, LLC, a Rhode Island limited liability company
Map 117, Lot 415	895 Chalkstone Ave	Providence	RI	Prospect CharterCare RWMC, LLC, a Rhode Island limited liability company
Map 82, Lot 283	825 Chalkstone Ave	Providence	RI	Prospect CharterCare RWMC, LLC, a Rhode Island limited liability company
Map 82, Lot 234-A	50 Convent St	Providence	RI	Prospect CharterCare RWMC, LLC, a Rhode Island limited liability company
Map 82, Lot 224, Map 82, Lot 223, Map 82, Lot 222, Map 82, Lot 221, Map 82, Lot 220, Map 82, Lot 219	33-55 Rosebank Ave.	Providence	RI	Prospect CharterCare RWMC, LLC, a Rhode Island limited liability company

Contacts to review real estate:

Neal Laughlin
CharterCARE Health Partners
Director, Engineering & Maintenance
Roger Williams Medical Center
Our Lady of Fatima Hospital
neal.laughlin@chartercare.org
redacted

Donna Rubinate
CharterCARE Health Partners
COO
donna.rubinate@chartercare.org

Garrett J. Bernz
Vice President, Real Estate
East Coast Division
Prospect Medical Holdings, Inc.
redacted
E: garrett.bernz@prospectmedical.com



Providence

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(Summary Data - may not be Complete Representation of Property)



Parcel: 117-471 Location: 17 PARKWAY AVE Owner: PROSPECT CHARTERCARE RWMC,LLC
 Account: 6460 User Acct: 11704710000 LUC: 83 - TSA Zoning: R-2

Parcel Values

Total: \$42,900 Land: \$36,600 Land Area: 4,344 SF Building: \$6,300 Assessed: \$42,900

Sales Information

Book and Page	Instrument Type	Date	Price	Grantor
10888-313	Q DEED	06/20/2014	\$67,234	ROGER WILLIAMS MEDICAL CENTER
10869-98	Q DEED	05/27/2014	\$0	Chartercare Health Partners

Building Type:	Year Built:	Grade:	Condition: AV
Heat Fuel:	Heat Type:	% Air Conditioned: 0.00	Fireplaces: 0
Exterior Wall:	Bsmnt Garage: 0	Roof Cover:	# of Units: 0
# of Rooms: 0	# of Bedrooms: 0	Full Bath: 0	1/2 Baths: 0

Yard Item(s)

Description	Quantity	Size	Year	Condition	Quality	Value
Paving (Asphalt)	1	3500	2001	EX	00	\$6,300.00

Building Areas

Area	Net Area	Finished Area

Disclaimer: This information is for tax assessing purposes and is not warranted

Parcel: 82-234-A **Location:** 50 CONVENT , Unit A **Owner:** PROSPECT CHARTERCARE RWMC,LLC
Account: 45361 **User Acct:** 0820234000A **LUC:** 83 - TSA **Zoning:** I-1-75

Parcel Values
Total: \$7,927,200 **Land:** \$0 **Land Area:** 0 SF **Building:** \$7,927,200 **Assessed:** \$7,927,200

Sales Information

Book and Page	Instrument Type	Date	Price	Grantor
11597-296	BS DEED	12/22/2016	\$0	

Building Type: Med Off Cond **Year Built:** 1900 **Grade:**B+ **Condition:**EX
Heat Fuel: Gas **Heat Type:** Steam **% Air Conditioned:** 100.00 **Fireplaces:**0
Exterior Wall:Brick **Bsmnt Garage:** 0 **Roof Cover:** Tar & Gravel/Rub **Life Units:** 1
of Rooms: 0 **# of Bedrooms:** 0 **Full Bath:** 0 **1/2 Baths:** 0

Yard Item(s)

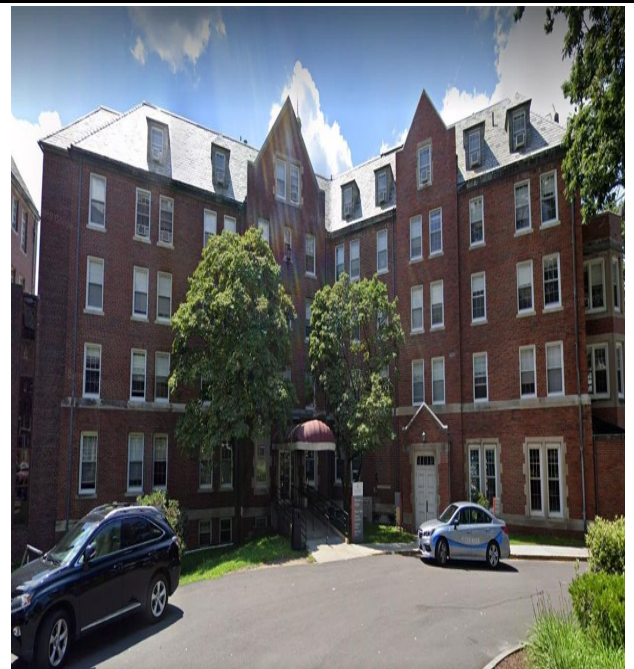
Description	Quantity	Size	Year	Condition	Quality	Value
Building Areas						
Area		Net Area		Finished Area		
First Floor		51,025 SF		51,025 SF		

Building Areas

Area	Net Area	Finished Area
First Floor	51,025 SF	51,025 SF

Disclaimer: This information is for tax assessing purposes and is not warranted

UnSketched Subareas:
BAS



Parcel: 17-3 **Location:** 200 High Service AVE **Owner:** Prospect Chartercare SJHSRI, LLC
Account: 6618 **User Acct:** R00-1234-96 **LUC:** T1 - TSA **Zoning:** IS

Parcel Values
Total: \$69,503,000 **Land:** \$3,536,000 **Land Area:** 17.5 AC **Building:** \$56,476,900 **Assessed:** \$69,503,000

Sales Information
Book and Page: 2944-204 **Instrument Type:** Quit Claim **Date:** 06/20/2014 **Price:** \$11,045,085 **Grantor:** St Joseph Health Services of Ri fka Our Lady of Mercy

Building Type: Hospital **Year Built:** 1953 **Grade:** 11 **Condition:** GD
Heat Fuel: Oil **Heat Type:** Pkg A/C **% Air Conditioned:** 100.00 **Fireplaces:** 0
Exterior Wall: Brick Face **Bsmnt Garage:** 0 **Roof Cover:** T&G **# of Units:** 1
of Rooms: 0 **# of Bedrooms:** 0 **Full Bath:** 200 **1/2 Baths:** 0

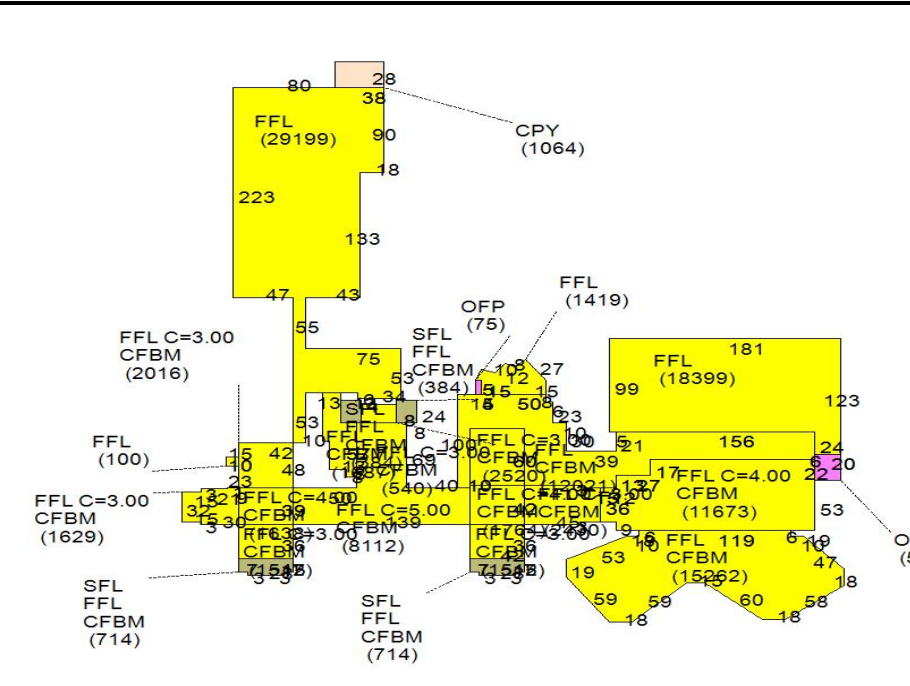
Yard Item(s)

Description	Quantity	Size	Year	Condition	Quality	Value
Elevated Tank	1	1	1953	AV	Average	\$37,500.00
PAVING -Asphalt	1	85000	1953	AV	Average	\$55,600.00
Elevator - Freight	4	6	1953	AV	Average	\$219,600.00
Elevator - Passenger	2	6	1953	AV	Average	\$123,600.00

Building Areas

Area	Net Area	Finished Area
1st Floor	217,620 SF	217,620 SF
2nd Floor	2,196 SF	2,196 SF
Canopy	1,064 SF	0 SF
COMMERCIAL FINISHED BASEM	66,512 SF	66,512 SF
Open Frame Porch	635 SF	0 SF

Disclaimer: This information is for tax assessing purposes and is not warranted



Parcel: 82-283 **Location:** 825 CHALKSTONE AVE **Owner:** PROSPECT CHARTERCARE RWMC,LLC
Account: 37586 **User Acct:** 08202830000 **LUC:** 83 - TSA **Zoning:** I-1-75

Parcel Values

Total: \$78,931,400 **Land:** \$2,652,700 **Land Area:** 376,358.4 SF **Building:** \$76,278,700 **Assessed:** \$78,931,400

Sales Information

Book and Page	Instrument Type	Date	Price	Grantor
11597-296	BS DEED	12/22/2016	\$0	
10888-308	Q DEED	06/10/2014	\$13,610,185	

Building Type: Hospital **Year Built:** 1920 **Grade:**C+ **Condition:**GD
Heat Fuel: Gas **Heat Type:** Forced Warm Air **Air Conditioned:** 100.00 **Fireplaces:** 0
Exterior Wall: Brick **Bsmnt Garage:** 0 **Roof Cover:** Tar & Gravel/Rubblite **Life Units:** 220
of Rooms: 0 **# of Bedrooms:** 0 **Full Bath:** 0 **1/2 Baths:** 0

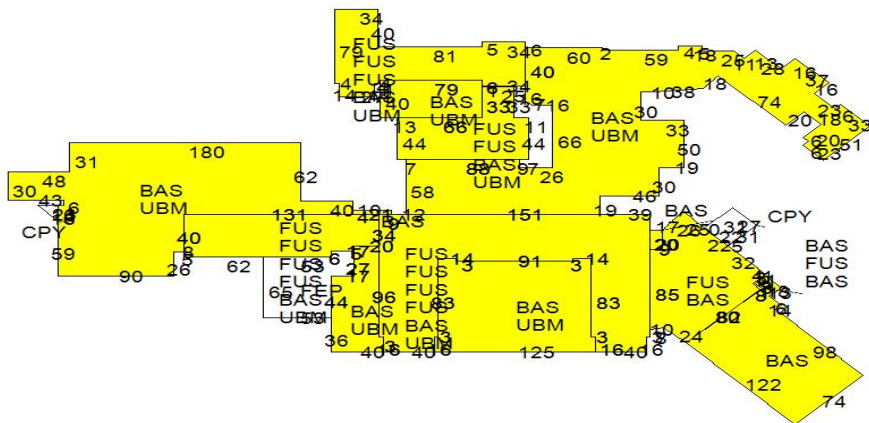
Yard Item(s)

Description	Quantity	Size	Year	Condition	Quality	Value
Canopy (Average)	1	400	1990	AV	2	\$12,000.00
Elevator (Freight Per Stop)	4		1980	AV		\$38,600.00
Elevator (Passenger Per Stop)	5		1980	AV		\$73,100.00
Elevator (Passenger Per Stop)	6		1980	AV		\$87,800.00
Loading Dock (Per Unit)	1		1980	AV		\$2,000.00
Lights	1	1	2018	AV	2	\$2,600.00
Lights	1	3	2018	AV	2	\$7,900.00
Lights	1	8	1990	AV	2	\$8,500.00
Overhead Door (Mtr-Op-Wd-Mt)	132		1980	AV		\$0.00
Paving (Asphalt)	1	120000	1990	AV	2	\$128,400.00
Shed (Wood Frame)	1	864	1970	AV	2	\$5,900.00
Shed (Wood Frame)	1	1020	1970	AV	2	\$7,000.00

Disclaimer: This information is for tax assessing purposes and is not warranted

Building Areas

Area	Net Area	Finished Area
Basement	108,250 SF	0 SF
Canopy	964 SF	0 SF
Finished Enclosed Porch	3,904 SF	0 SF
Finished Upper Story	143,113 SF	143,113 SF





Providence

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(Summary Data - may not be Complete Representation of Property)



Parcel: 117-416 Location: 881 CHALKSTONE AVE Owner: PROSPECT CHARTERCARE RWMC,LLC
 Account: 6406 User Acct: 11704160000 LUC: 83 - TSA Zoning: C-1

Parcel Values
 Total: \$45,000 Land: \$39,500 Land Area: 4,123 SF Building: \$5,500 Assessed: \$45,000

Sales Information

Book and Page	Instrument Type	Date	Price	Grantor
10888-313	Q DEED	06/20/2014	\$67,234	ROGER WILLIAMS MEDICAL CENTER
10869-98	Q DEED	05/27/2014	\$0	Chartercare Health Partners

Building Type:	Year Built:	Grade:	Condition: AV
Heat Fuel:	Heat Type:	% Air Conditioned: 0.00	Fireplaces: 0
Exterior Wall:	Bsmnt Garage: 0	Roof Cover:	# of Units: 0
# of Rooms: 0	# of Bedrooms: 0	Full Bath: 0	1/2 Baths: 0

Yard Item(s)

Description	Quantity	Size	Year	Condition	Quality	Value
Paving (Asphalt)	1	4000	2000	AV	2	\$5,500.00

Building Areas

Area	Net Area	Finished Area

Disclaimer: This information is for tax assessing purposes and is not warranted

Parcel: 117-415 **Location:** 895 CHALKSTONE AVE **Owner:** PROSPECT CHARTERCARE RWMC,LLC
Account: 6405 **User Acct:** 11704150000 **LUC:** 83 - TSA **Zoning:** C-1

Parcel Values
Total: \$295,200 **Land:** \$98,500 **Land Area:** 6,588 SF **Building:** \$196,700 **Assessed:** \$295,200

Sales Information

Book and Page	Instrument Type	Date	Price	Grantor
10888-313	Q DEED	06/20/2014	\$67,234	ROGER WILLIAMS MEDICAL CENTER
10869-98	Q DEED	05/27/2014	\$0	Chartercare Health Partners

Building Type: Office Bldg **Year Built:** 1975 **Grade:**B- **Condition:**GD
Heat Fuel: Gas **Heat Type:** Forced Warm Air **Air Conditioned:** 100.00 **Fireplaces:**0
Exterior Wall:Concrete/Cinder Block **Garage:** 0 **Roof Cover:** Tar & Gravel/Rubber **Life Units:** 2
of Rooms: 0 **# of Bedrooms:** 0 **Full Bath:** 0 **1/2 Baths:** 0

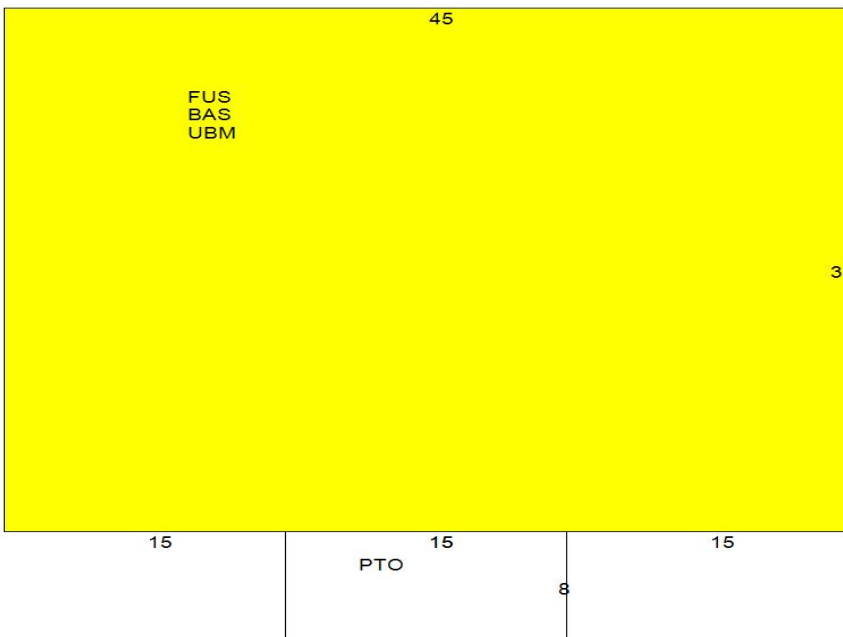
Yard Item(s)

Description	Quantity	Size	Year	Condition	Quality	Value
Fence (Wrought Iron)	1	333	2018	AV	2	\$10,100.00
Paving (Asphalt)	1	4500	1975	AV	2	\$4,500.00

Building Areas

Area	Net Area	Finished Area
Basement	1,710 SF	0 SF
Finished Upper Story	1,710 SF	1,710 SF
First Floor	1,710 SF	1,710 SF
Patio	120 SF	0 SF

Disclaimer: This information is for tax assessing purposes and is not warranted





North Providence

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(Summary Data - may not be Complete Representation of Property)



Parcel: 17-1116	Location: High Service AVE	Owner: Prospect Chartercare SJHSRI, LLC
Account: 6850	User Acct: R00-1234-96	LUC: T1 - TSA
		Zoning: RL13

Parcel Values				
Total: \$11,400	Land: \$9,500	Land Area: 0.053 AC	Building: \$1,900	Assessed: \$11,400

Sales Information

Book and Page	Instrument Type	Date	Price	Grantor
2944-204	Quit Claim	06/20/2014	\$11,045,085	St Joseph Health Services of RI

Building Type:	Year Built:	Grade:	Condition: AV
Heat Fuel:	Heat Type:	% Air Conditioned: 0.00	Fireplaces: 0
Exterior Wall:	Bsmnt Garage: 0	Roof Cover:	# of Units: 0
# of Rooms: 0	# of Bedrooms: 0	Full Bath: 0	1/2 Baths: 0

Yard Item(s)

Description	Quantity	Size	Year	Condition	Quality	Value
PAVING -Asphalt	1	2324		AV	Average	\$1,900.00

Building Areas

Area	Net Area	Finished Area
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Disclaimer: This information is for tax assessing purposes and is not warranted



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City of Providence

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Property Information

Property Location

17 Parkway Ave

Parcel ID: **117-0471-0000**

Class: **83 44-3-9 Stb**

Owner

PROSPECT CHARTERCARE RWMC,LLC

c/o Charter Care Health Partner

825 Chalkstone Ave

Providence RI 02908

Tax Information

CURRENT YEAR 2022

Levy Description	Assessment	Exemption	Rate/\$1000	Annual Taxes
TSA	42,900	42,900	35.4000	
Total Current Year Taxes				

PRIOR YEAR 2021

Levy Description	Assessment	Exemption	Rate/\$1000	Annual Taxes
TSA	35,300	35,300	36.7000	
Total Prior Year Taxes				

Billing History

Description	Due Date	Billed Amount	Taxes Due
Real Estate Tax	07/24/2022	\$0.00	\$0.00
Real Estate Tax	10/24/2022	\$0.00	\$0.00
Real Estate Tax	01/24/2023	\$0.00	\$0.00
Real Estate Tax	04/24/2023	\$0.00	\$0.00

Total Taxes Due (less interest): \$0.00

The balance shown represents current tax due. This amount does not include any fees, interest due, deferred taxes or tax title records. For complete balance details, click the pay tax link.

Payment History

Entry Date	Receipt No.	Amount Paid
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Property Information

Property Location

50 Convent St

Parcel ID: **082-0234-000A**

Class: **83 44-3-9 Stb**

Owner

PROSPECT CHARTERCARE RWMC,LLC

c/o Charter Care Health Partner

825 Chalkstone Ave

Providence RI 02908

Tax Information

CURRENT YEAR 2022

Levy Description	Assessment	Exemption	Rate/\$1000	Annual Taxes
TSA	7,927,200	7,927,200	35.4000	
Total Current Year Taxes				

PRIOR YEAR 2021

Levy Description	Assessment	Exemption	Rate/\$1000	Annual Taxes
TSA	8,264,600	8,264,600	36.7000	
Total Prior Year Taxes				

Billing History

Description	Due Date	Billed Amount	Taxes Due
Real Estate Tax	07/24/2022	\$0.00	\$0.00
Real Estate Tax	10/24/2022	\$0.00	\$0.00
Real Estate Tax	01/24/2023	\$0.00	\$0.00
Real Estate Tax	04/24/2023	\$0.00	\$0.00

Total Taxes Due (less interest): \$0.00

The balance shown represents current tax due. This amount does not include any fees, interest due, deferred taxes or tax title records. For complete balance details, click the pay tax link.

Payment History

Entry Date	Receipt No.	Amount Paid
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Property Information

Property Location

825 Chalkstone AveParcel ID: **082-0283-0000**Class: **83 44-3-9 Stb**Owner**PROSPECT CHARTERCARE RWMC,LLC**

c/o Charter Care Health Partner

825 Chalkstone Ave

Providence RI 02908

Tax Information

CURRENT YEAR 2022

Levy Description	Assessment	Exemption	Rate/\$1000	Annual Taxes
TSA	78,931,400	11,724,963	35.4000	\$2,379,107.88
Total Current Year Taxes				\$2,379,107.88

PRIOR YEAR 2021

Levy Description	Assessment	Exemption	Rate/\$1000	Annual Taxes
TSA	70,413,161		36.7000	\$2,584,163.04
Total Prior Year Taxes				\$2,584,163.04

Billing History

Description	Due Date	Billed Amount	Taxes Due
Real Estate Tax	07/24/2022	\$594,776.97	\$0.00
Real Estate Tax	10/24/2022	\$594,776.97	\$594,776.97
Real Estate Tax	01/24/2023	\$594,776.97	\$594,776.97
Real Estate Tax	04/24/2023	\$594,776.97	\$594,776.97

Total Taxes Due (less interest): \$1,784,330.91

The balance shown represents current tax due. This amount does not include any fees, interest due, deferred taxes or tax title records. For complete balance details, click the pay tax link.

Payment History

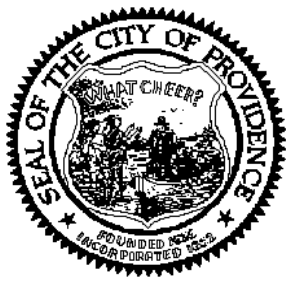
Entry Date	Receipt No.	Amount Paid
08/16/2022	far 00035034	\$594,776.97

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City of Providence

Online Tax Information

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Property Information

Property Location

881 Chalkstone Ave

Parcel ID: **117-0416-0000**

Class: **83 44-3-9 Stb**

Owner

PROSPECT CHARTERCARE RWMC,LLC

c/o Charter Care Health Partner

825 Chalkstone Ave

Providence RI 02908

Tax Information

CURRENT YEAR 2022

Levy Description	Assessment	Exemption	Rate/\$1000	Annual Taxes
TSA	45,000	45,000	35.4000	
Total Current Year Taxes				

PRIOR YEAR 2021

Levy Description	Assessment	Exemption	Rate/\$1000	Annual Taxes
TSA	34,100	34,100	36.7000	
Total Prior Year Taxes				

Billing History

Description	Due Date	Billed Amount	Taxes Due
Real Estate Tax	07/24/2022	\$0.00	\$0.00
Real Estate Tax	10/24/2022	\$0.00	\$0.00
Real Estate Tax	01/24/2023	\$0.00	\$0.00
Real Estate Tax	04/24/2023	\$0.00	\$0.00

Total Taxes Due (less interest): \$0.00

The balance shown represents current tax due. This amount does not include any fees, interest due, deferred taxes or tax title records. For complete balance details, click the pay tax link.

Payment History

Entry Date	Receipt No.	Amount Paid
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Property Information

Property Location

895 Chalkstone Ave

Parcel ID: **117-0415-0000**

Class: **83 44-3-9 Stb**

Owner

PROSPECT CHARTERCARE RWMC,LLC

c/o Charter Care Health Partner

825 Chalkstone Ave

Providence RI 02908

Tax Information

CURRENT YEAR 2022

Levy Description	Assessment	Exemption	Rate/\$1000	Annual Taxes
TSA	295,200	295,200	35.4000	
Total Current Year Taxes				

PRIOR YEAR 2021

Levy Description	Assessment	Exemption	Rate/\$1000	Annual Taxes
TSA	342,900	342,900	36.7000	
Total Prior Year Taxes				

Billing History

Description	Due Date	Billed Amount	Taxes Due
Real Estate Tax	07/24/2022	\$0.00	\$0.00
Real Estate Tax	10/24/2022	\$0.00	\$0.00
Real Estate Tax	01/24/2023	\$0.00	\$0.00
Real Estate Tax	04/24/2023	\$0.00	\$0.00

Total Taxes Due (less interest): \$0.00

The balance shown represents current tax due. This amount does not include any fees, interest due, deferred taxes or tax title records. For complete balance details, click the pay tax link.

Payment History

Entry Date	Receipt No.	Amount Paid
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CharterCARE Directory of Services

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Your Connection to High Quality Services From Roger Williams Medical Center and Our Lady of Fatima Hospital

Main Numbers

- CharterCARE Health Partners (401) 456-2001
- Our Lady of Fatima Hospital (401) 456-3000
- Roger Williams Medical Center (401) 456-2000

Access Center

- CharterCARE Health Partners (401) 400-0087

Addiction Medicine

Inpatient Services

- Roger Williams Medical Center (401) 456-2311
- Center 1 – Level IV Alcohol & Drug Detoxification Program

Addiction Services Center

- Roger Williams Medical Center (401) 456-2362
- Partial Hospitalization Program
- Intensive Outpatient Program (IOP)
- Individual Counseling
- Early Recovery Group
- Suboxone Clinic
- Psychiatric/Medication Evaluation and Management

Administration

- CharterCARE Corporate Office (401) 456-2084
- Our Lady of Fatima Hospital (401) 456-3020
- Roger Williams Medical Center (401) 456-2025

Bariatric Surgery

- Roger Williams Medical Center (401) 521-6310

Behavioral Health

- CharterCARE Health Partners
- Centralized Intake (401) 456-3500
- Our Lady of Fatima Hospital
- 2 South – Adult ITU (401) 456-3300
- 2 Center – Adult Med Psych (401) 456-3783
- 3 South – Geriatric Psych (401) 456-3183

Behavioral Health Cont.

- Outpatient Services (401) 456-3034
- Partial Hospitalization Program
- Intensive Outpatient Program
- Roger Williams Medical Center
- West 3 – Geriatric Psychiatry Unit (401) 456-2433
- West 4 – Dual Diagnosis Unit .. (401) 456-2447

Blackstone Valley Surgicare

- 1526 Atwood Ave., Johnston ... 401-459-3800

Bone Marrow Unit (Adult)

- Roger Williams Medical Center (401) 456-2005

Breast Care Center

- Our Lady of Fatima Hospital (401) 456-3507
- Roger Williams Medical Center (401) 456-2116

Business Office

- Our Lady of Fatima Hospital
- Cashier (401) 456-3351
- Patient Billing (401) 456-2400
- Roger Williams Medical Center
- Cashier (401) 456-2428
- Patient Billing (401) 456-2400

Cancer Services

- Roger Williams Cancer Center (401) 456-2077
- Blood & Marrow Transplantation Infusion Services (401) 456-6404
- Blood & Marrow Transplantation Outpatient Services (401) 456-5748
- Blood & Marrow Transplantation Unit (401) 456-2005
- Breast Health (401) 456-2116
- Geriatric Oncology (401) 456-2077
- Hematology/Oncology (401) 456-2077
- Lung Nodule Clinic (401) 456-2015
- Melanoma Screening (401) 456-2077
- Mohs Surgery (401) 456-2327
- Nutrition (401) 456-6513
- Outpatient Chemotherapy/Infusion Services Providence (401) 456-3059

Cancer Services Cont.

- East Providence (401) 435-5594
- Physician Referral .. (401) 456-2077, option #3
- Protocol Office (401) 456-5393
- Radiation Oncology (401) 456-2690
- Surgical Oncology (401) 456-2077
- Thoracic Program (401) 456-2077

Case Management

- Our Lady of Fatima Hospital (401) 456-3250
- Roger Williams Medical Center (401) 456-2247

Central Registration

- Our Lady of Fatima Hospital (401) 456-3255
- Roger Williams Medical Center (401) 456-2175

CharterCARE Medical Associates

- Main (401) 456-3627

Colorectal Surgery

- Our Lady of Fatima Hospital (401) 456-3627
- Roger Williams Medical Center (401) 456-2230

Dental

- St. Joseph Pediatric and Family Dental Center
- Providence (401) 456-4461
- Pawtucket (401) 723-2756

Dermatology

- Roger Williams Medical Center (401) 456-5793
- General Dermatology
- Clinical Study Unit
- Contact Dermatitis
- Cutaneous Lymphoma
- Dermatologic Surgery, including Mohs Surgery
- Laser and Cosmetics Treatments
- Phototherapy Center
- Psoriasis
- Rheumatologic Dermatology
- Roger Williams Melanoma Program
- Skin Cancer
- Wound Healing and Chronic Wounds

Diabetes Counseling (Outpatient)

- Our Lady of Fatima Hospital (401) 456-3746
- St. Joseph Health Center (401) 456-4325

Diagnostic Imaging

- Our Lady of Fatima Hospital
- For Appts (401) 400-0087
- Bone Densitometry (401) 456-3507
- Breast Center
- Cardiac Nuclear Medicine (401) 456-3196
- CT Scan (401) 456-3274
- Diagnostic X-Rays (401) 456-3269
- Echocardiogram (401) 456-3279
- Interventional Radiology (401) 456-3269
- Mammography (Full field-Digital) (401) 456-3507
- MRI/MRA (401) 456-3295
- Nuclear Medicine (401) 456-3169
- PET Services (866) 245-5995
- Ultrasound (401) 456-3280
- Vascular Lab (401) 456-3188
- Roger Williams Medical Center
- Cardiology Department (401) 456-2237
- Cardiac Catheterization Lab ... (401) 456-2237
- Echocardiogram (401) 456-2237
- CT Scan (401) 456-5701
- Interventional Radiology (401) 456-5390
- MRI (401) 456-6885
- Nuclear Medicine (401) 456-5701
- PET Services (800) 245-5995
- Radiology including ultrasound and mammography (401) 456-5701
- Ultrasound (401) 456-5701
- Vascular Lab (401) 456-5701
- St. Joseph Health Center (401) 456-4269

Dialysis

- Our Lady of Fatima Hospital (401) 456-3337
- Roger Williams Medical Center (401) 456-2438

Direct Admissions

- Our Lady of Fatima Hospital (401) 519-3300
- Roger Williams Medical Center (401) 456-6424



CharterCARE Directory of Services

CONFIDENTIAL

Speech/Language Pathology
..... (401) 456-3801

- St. Joseph Health Center**
- Administration (401) 456-2121
 - Pediatric Clinic..... (401) 456-4300
 - Prenatal Clinic (401) 456-4380
 - WIC Program (401) 456-4045
 - Lead Clinic (401) 456-4310

Stroke Center
Our Lady of Fatima Hospital
..... (401) 456-3402
Roger Williams Medical Center
..... (401) 456-2121

- Surgical Services**
Our Lady of Fatima Hospital
- Main OR. (401) 456-3113
 - Anesthesiology (401) 456-3139
 - Pre-Admission Testing. (401) 456-3260
 - Pre-Op (401) 456-3258
 - Post-Op (401) 456-3118
- Roger Williams Medical Center
- Main OR (401) 456-2125
 - Ambulatory Surgery (401) 456-2650
 - Anesthesiology (401) 456-2666
 - Weight Loss Surgery..... (401) 521-6310
 - Pre-Admission Testing. (401) 456-2548
 - Pre-Op/Ambulatory Surgery ... (401) 456-2347
 - Post-Op/PACU (401) 456-2128

Surgical Oncology
Roger Williams Cancer Center
All Locations. . . . (401) 456-2464 / (401) 456-2077
50 Maude St., Providence
70 Kenyon Ave., Ste. 216, Wakefield
1180 Hope St., Bristol
21 Peace St., Providence
1407 South County Trail, Bldg. 4, Ste. 432, East Greenwich
41 Sanderson Rd., Ste., 205, Smithfield

Thoracic Surgery
Roger Williams Cancer Center ..(401) 456-2077

Ultrasound
Our Lady of Fatima Hospital
..... (401) 456-3280
Roger Williams Medical Center
..... (401) 456-5701

Urology
Our Lady of Fatima Hospital
..... (401) 456-3627
Roger Williams Medical Center
..... (401) 456-2230

Vascular Disease Program
1524 Atwood Ave., Johnston
..... (401) 351-4069

Vascular Surgery
Roger Williams Medical Center
..... (401) 456-2230

Videostroboscopy
1637 Mineral Spring Ave., North Providence (401) 456-3950

Weight Loss Surgery
Roger Williams Medical Center
..... (401) 521-6310

Wound Care
Our Lady of Fatima Hospital
..... (401) 456-3011
2 Wake Robbin Rd., Lincoln ... (401) 334-3804

X-ray
Our Lady of Fatima Hospital
..... (401) 456-3269
Roger Williams Medical Center
..... (401) 456-5701
St. Joseph Health Center
21 Peace Street, Providence
.....(401) 456-4269

Directory of Services Winter/Spring 2018



CharterCARE HEALTH PARTNERS

A Better Way to Better Health Care

CCHP0170-012618a

ECT Treatment

Our Lady of Fatima Hospital
 (401) 456-3440

Emergency Services

Our Lady of Fatima Hospital
 (401) 456-3402
 Roger Williams Medical Center
 (401) 456-2121

Endocrinology & Metabolism

Our Lady of Fatima Hospital
 (401) 456-3746
 Roger Williams Medical Center
 (401) 456-5716

Family Practice

Our Lady of Fatima Hospital
 (401) 456-3627
 Roger Williams Medical Center
 (401) 456-2230

Gastroenterology/Endoscopy

Our Lady of Fatima Hospital
 (401) 456-3466
 Roger Williams Medical Center
 (401) 456-6510

- Colonoscopies
- Upper endoscopies
- Colon cancer screenings
- Diagnostic and therapeutic procedures, including Capsule Endoscopy and Endoscopic Ultrasound
- Capsule Endoscopy
- Anorectal Manometry
- ERCP (Endoscopic Retrograde Cholangiopancreatography)
- EBUS (Endobronchial Ultrasound)

General Internal Medicine

Our Lady of Fatima Hospital
 (401) 456-3627
 Roger Williams Medical Center
 (401) 456-2230

General Surgery

Our Lady of Fatima Hospital
 (401) 456-3627
 Roger Williams Medical Center
 (401) 456-2230

Geriatric & Palliative Medicine

Roger Williams Medical Center
 (401) 231-0450

Gynecology

Roger Williams Medical Center
 (401) 456-2230

Hematologic Malignancies

Roger Williams Medical Center
 (401) 456-2077

Home Health Care Services

CharterCARE Health Services
 (401) 456-2273

Hospitalist Service

Our Lady of Fatima Hospital
 (401) 456-3861
 Roger Williams Medical Center
 (401) 456-2323

Human Resources

Our Lady of Fatima Hospital
 (401) 456-3200
 Roger Williams Medical Center
 (401) 456-3200

Immunization Clinic

St. Joseph Health Center (401) 456-4359

Infection Control

Our Lady of Fatima Hospital
 (401) 456-3161
 Roger Williams Medical Center
 (401) 456-2434

Information Technology

Our Lady of Fatima Hospital
 (401) 456-3537
 Roger Williams Medical Center
 (401) 456-2482
 Physician IT Support Service
 (888) 972-6145

Laboratory and Pathology

Our Lady of Fatima Hospital
 (401) 456-3600
 Roger Williams Medical Center
 (401) 456-2038

- Blood Bank
- Chemistry
- Cytology
- Hematology
- Histology
- Immunology
- Microbiology
- Pathology

Legal Department/Corporate Compliance

CharterCARE Health Partners
 General Counsel (401) 456-2498
 Vice President of Compliance and Privacy (401) 456-2266

Medical Library

Our Lady of Fatima Hospital
 (401) 456-3036
 Roger Williams Medical Center
 (401) 456-2036

Medical Oncology

Roger Williams Cancer Center
 (401) 456-2077
 2 Wake Robin Road, Lincoln
 (401) 456-2077
 1 Office Parkway, East Providence
 (401) 456-2077
 1500 Pontiac Avenue, Cranston
 (401) 456-2077
 1539 Atwood Ave., Johnston
 (401) 456-2077
 106 Nate Whipple Highway,
 Cumberland
 (401) 456-2077

Medical Records

Our Lady of Fatima Hospital
 (401) 456-3094
 Roger Williams Medical Center
 (401) 456-2180

Medical Staff Office

Our Lady of Fatima Hospital
 (401) 456-3005
 Roger Williams Medical Center
 (401) 456-2032

Nephrology

Roger Williams Medical Center
 (401) 456-2230

Neurology

Our Lady of Fatima Hospital
 (401) 456-6327
 Roger Williams Medical Center
 (401) 456-2230

Neuro-Surgery Post-Op Clinic

Roger Williams Medical Center
 (401) 456-2069

Neuro-Spine Clinic

Roger Williams Medical Center
 (401) 456-2069

Neurosurgery

Our Lady of Fatima Hospital
 (401) 456-3627
 Roger Williams Medical Center
 (401) 456-2230

Nuclear Medicine

Our Lady of Fatima Hospital
 (401) 456-3169
 Roger Williams Medical Center
 (401) 456-5701

Nursing Administration

Our Lady of Fatima Hospital
 (401) 456-3125
 Roger Williams Medical Center
 (401) 456-2025

Nursing Home Placement

Our Lady of Fatima Hospital
 (401) 456-3250
 Roger Williams Medical Center
 (401) 456-2247

Nutrition

Our Lady of Fatima Hospital
 (401) 456-3191
 Roger Williams Medical Center
 (401) 456-2277

Nutritional Counseling

Roger Williams Medical Center
 (401) 456-2277

Ob-Gyn Clinic

St. Joseph Health Center (401) 456-4380

Occupational Health Services

Our Lady of Fatima Hospital
 (401) 456-4020

Occupational Medicine

Our Lady of Fatima Hospital
 Corporate Care (401) 456-3434



CharterCARE Directory of Services

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Physical Therapy *Cont.*

Southern New England Rehabilitation Center
21 Peace Street, Providence(401) 456-4177
1637 Mineral Spring Ave.,
North Providence(401) 456-3950
CharterCARE Home Health . . .(401) 456-2273

Physician Groups/ Services

CharterCARE Medical Associates
• Administration (401) 456-2243
CharterCARE Provider Group RI
. (401) 214-3520

Physician Referral

**Our Lady of Fatima Hospital and
Roger Williams Medical Center**
. (401) 400-0087

Plastic and Reconstructive Surgery

Our Lady of Fatima Hospital
. (401) 456-3627
Roger Williams Medical Center
. (401) 456-2230

Podiatry

Our Lady of Fatima Hospital
. (401) 456-3627
Roger Williams Medical Center
. (401) 456-2230

Psychiatry

Our Lady of Fatima Hospital
. (401) 456-3627
Roger Williams Medical Center
. (401) 456-2230

Pulmonary Function Lab

Roger Williams Medical Center
.(401) 456-2538

Radiation Oncology

Roger Williams Cancer Center
. (401) 456-2690

Radiology

Our Lady of Fatima Hospital
. (401) 456-3269
Roger Williams Medical Center
. (401) 456-2290
St. Joseph Health Center(401) 456-4269

Rehabilitation Medicine

Our Lady of Fatima Hospital
• Inpatient (401) 456-3801
• Southern New England
Rehabilitation Center(401) 456-3801
• Outpatient Rehabilitation Services
– North Providence (401) 456-3950
– Providence (401) 456-4177
Roger Williams Medical Center
• Inpatient (401) 456-2228

Rheumatology

Our Lady of Fatima Hospital
. (401) 456-3627
Roger Williams Medical Center
. (401) 456-2200

Risk Management

Our Lady of Fatima Hospital
.(401) 456-2405
Roger Williams Medical Center
. (401) 456-2405

School of Medical Technology

Our Lady of Fatima Hospital
. (401) 456-3416

School of Nurse Anesthesia

Our Lady of Fatima Hospital
. (401) 456-3639

School of Nursing

Our Lady of Fatima Hospital
. (401) 456-3050

Sleep Disorders

Roger Williams Medical Center/Johnston
. (401) 351-2747

Social Work Services

Roger Williams Cancer Center
. (401) 456-2000 Ext 8409
St. Joseph Health Center(401) 456-4357
CharterCARE Home Health . . .(401) 456-2273

Speech Therapy

Our Lady of Fatima Hospital . . . (401) 456-3944
Roger Williams Medical Center
. (401) 456-2228
Southern New England Rehabilitation Center
21 Peace Street, Providence(401) 456-4177
CharterCARE Home Health . . .(401) 456-2273



CharterCARE Directory of Services

Occupational Therapy

Our Lady of Fatima Hospital
. (401) 456-3944
Roger Williams Medical Center
. (401) 456-2228
Southern New England Rehabilitation Center
21 Peace St., Providence(401) 456-4177
1637 Mineral Spring Ave.,
North Providence (401) 456-3950
CharterCARE Home Health Services
.(401) 456-2273

Oncology/Hematology

Roger Williams Cancer Center
. (401) 456-2077 | (401) 456-2097
50 Maude St., Providence
106 Nate Whipple Hwy., Ste. 204, Cumberland
1524 Atwood Ave., Ste. 245, Johnston
1500 Pontiac Ave., Cranston
2 Wake Robbin Rd., Ste. 204, Lincoln

Ophthalmology

Our Lady of Fatima Hospital
. (401) 456-3627
Roger Williams Medical Center
. (401) 456-2230

Orthopedics

Our Lady of Fatima Hospital
. (401) 456-3627
Roger Williams Medical Center
. (401) 456-2230

Otolaryngology

Our Lady of Fatima Hospital
. (401) 456-3627
Roger Williams Medical Center
. (401) 456-2230

Palliative Care

Roger Williams Cancer Center
. (401) 231-0450
Roger Williams Medical Center
. (401) 231-0450

Pastoral Care

Our Lady of Fatima Hospital . . .(401) 456-3040
Roger Williams Medical Center
. (401) 456-2284

Patient Care Units

Our Lady of Fatima Hospital
• Care One (401) 456-3233
• 2 Pav (401) 456-3122
• 2 South – Adult Psych ITU . . . (401) 456-3300
• 2 Center – Adult Med Psych . . . (401) 456-3783
• 3 Pav/Telemetry (401) 456-3133
• 3 South – Geri Psych (401) 456-3183
• 4 Pav (401) 456-3144
• 4 South – Rehab (401) 456-3854
• Critical Care (CCU) (401) 456-3333
• Wound Care/Hyperbaric(401) 456-3011
• Emergency Department(401) 456-3402
• Main Operating Room(401) 456-3113
• Post Anesthesia Care
Unit (PACU) (401) 456-3118
• PAT (401) 456-3260
• Endoscopy (401) 456-3466
• Respiratory (401) 456-3175
Roger Williams Medical Center
• Emergency Department(401) 456-2121
• Coronary Care Unit (CCU)(401) 456-2411
• Intensive Care Unit (ICU)(401) 456-2211
• ICU Step Down(401) 456-2211
• East 1(401) 456-5788
• East 3A – Medical/Telemetry . . .(401) 456-2233
• East 3B – Medical/Telemetry . . .(401) 456-2235
• East 4 – Surgical/Orthopedic Unit
. (401) 456-2244
• BMT Bone Marrow Unit (401) 456-2005
• Center 1 – Level IV Alcohol & Drug
Detoxification Program(401) 456-2311
• Center 3 – General Medical Telemetry
. (401) 456-2333
• Center 4 – Surgical/Oncology . . .(401) 456-2344
• West 3 – Geriatric Psychiatry . . .(401) 456-2433
• West 4 – Dual Diagnosis(401) 456-2447

Pediatric Services

St. Joseph Health Center
. (401) 456-4300

Peripheral Vascular Surgery

Roger Williams Medical Center
. (401) 456-2230

Physical Therapy

Our Lady of Fatima Hospital, Inpatient
. (401) 456-3944
Roger Williams Medical Center
. (401) 456-2228

Listing continued on back

CHARTERCARE HEALTH PARTNERS
EXECUTIVE SUMMARY

Overview

CharterCARE Health Partners has developed an innovative regional coordinated health care network, anchored by Roger Williams Medical Center and Our Lady of Fatima Hospital. Our network includes the Roger Williams Cancer Center, Southern New England Rehabilitation Center, Blackstone Valley Surgicare, a home health care program and much more. We also operate CharterCARE Medical Associates, a multi-location group practice that offers primary care and access to specialized physician care. In addition, CharterCARE Provider Group of Rhode Island is an independent physician association with more than 500 primary care doctors and specialty physicians.

CharterCARE’s two hospitals have won dozens of national accreditations and quality recognitions from tough independent arbiters of hospital quality such as the Joint Commission, the American College of Surgery and Blue Cross Blue Shield of America. Additionally, the Emergency Departments of Roger Williams and Fatima offer the shortest wait time of any hospital in the state, averaging 30 minutes or less.

Hospitals

The Roger Williams Medical Center (RWMC) is a 220-bed university-affiliated teaching hospital in Providence, Rhode Island. RWMC has an affiliation with Boston University School of Medicine and is located in the Elmhurst section of Providence, has served the community's health care needs since 1922. Along with CharterCARE Health Partners and as a major teaching affiliate of Boston University School of Medicine (BUSM) (only about 50 miles away), this academic medical center has sustained fully accredited ACGME teaching programs for more than 40 years. The center is also located adjacent to the VA hospital in Providence, which provides veterans with specific care needs. In serving the people of Southern New England, RWMC offers services in emergency medicine, cancer care, diagnostic imaging, home care, and extended long-term care. RWMC also manages the only Bone Marrow Unit in the state of Rhode Island.



Roger Williams Medical Center



Our Lady of Fatima Hospital

Our Lady of Fatima Hospital is a 269-bed acute care facility specializing in a range of medical and surgical services and was established in 1950 by the Catholic Diocese of Providence. Today, it is still guided by the teachings of the Catholic Church but operates as a subsidiary of CharterCARE Health Partners. It is nationally recognized for clinical quality and locally known for compassionate, personal care and a strong commitment to its community.

Financial Overview

(\$ in thousands)

	CharterCARE Health Partners		
	FY 2019	FY 2020	FY 2020
Net Operating Revenue	\$ 350,474	\$ 357,083	\$ 356,892
<i>% Growth</i>	<i>N/A</i>	<i>1.9%</i>	<i>-0.1%</i>
Total Operating Expenses	385,703	365,965	343,468
Operating Income	\$ (35,229)	\$ (8,882)	\$ 13,424
<i>% of Net Revenue</i>	<i>-10.1%</i>	<i>-2.5%</i>	<i>3.8%</i>
EBITDA	\$ (5,820)	\$ 6,189	\$ 22,350
<i>% of Net Revenue</i>	<i>-1.7%</i>	<i>1.7%</i>	<i>6.3%</i>

Notes:

CharterCARE's fiscal year ends September 30

Fiscal Year ended Septer 30, 2020 includes COVID related grants

CONFIDENTIALITY AGREEMENT

August 24, 2021

Ben Mingle
The Centurion Foundation, Inc.
President
3060 Peachtree Street NW, Suite 10303
Atlanta, GA 30306

Dear Ben,

In connection with the consideration of a possible negotiated transaction (a "Transaction") between Prospect Medical Holdings, Inc. (together with its affiliates, "Prospect") and The Centurion Foundation, Inc., Prospect is prepared to make available to you certain information concerning the business, financial condition, operations, assets and liabilities of Prospect's businesses and operations in Rhode Island. As a condition to such information being furnished to you and your parent companies, subsidiaries, affiliates and their respective directors, officers, employees, agents or advisors (including without limitation financial advisors, legal counsel and accountants) (collectively, "Representatives"), you agree to treat any information concerning Prospect or its subsidiary and affiliated companies (collectively, "Prospect Entities") (whether prepared by Prospect, its advisors or otherwise and irrespective of the form in which such information is communicated) which is furnished to you or to your Representatives (whether prior to or after the date hereof) by or on behalf of Prospect (herein collectively referred to as the "Evaluation Material") in accordance with the provisions of this letter agreement. Prospect reserves the right, in its sole discretion, to determine what information to provide or withhold, as well as the times which Prospect will make such information available.

The term "Evaluation Material" also shall be deemed to include but not be limited to all notes, analyses, compilations, studies, interpretations or other documents prepared by you or your Representatives which contain or reflect, in whole or in part, the information furnished to you or your Representatives pursuant hereto. The term "Evaluation Material" does not include information which (i) is or becomes generally available to the public other than as a result of a disclosure by you or your Representatives or as a result of a disclosure contested by Prospect, (ii) was within your possession prior to its being furnished to you on behalf of Prospect pursuant hereto, as established by written records, provided that the source of such information was not bound by a confidentiality agreement with, or other contractual, legal, or fiduciary obligation of confidentiality to, Prospect or any other person with respect to such information or (iii) becomes available to you from a source other than Prospect or any of its representatives, as established by written records, provided that such source was not bound by a confidentiality agreement with Prospect or any other person with respect to such information.

You hereby agree that you and your Representatives shall access and use the Evaluation Material solely for the purpose of evaluating a possible Transaction between Prospect and you, that all the Evaluation Material will be kept confidential and that you and your Representatives will not disclose any of the Evaluation Material in any manner whatsoever; provided, however, that (i) you may make any disclosure of such information to which Prospect gives its prior written consent, (ii) any of such information may be disclosed to your Representatives who need to know such information for the sole purpose of evaluating or assisting you to evaluate and negotiate a possible Transaction with Prospect and who agree to keep such information confidential in accordance with the terms of this letter agreement, and (iii) you may make disclosure of such information to the extent required by court order or applicable law so long as prior written notice is provided to Prospect to allow Prospect sufficient time to formally object to such disclosure ordered by a Court or required by law. If you or a Representative is requested or required by any governmental authority to disclose the Evaluation Material, you shall provide Prospect with prompt written notice of the request or demand, so that Prospect may seek an appropriate protective order. You shall be responsible for any breach of this letter agreement by any of your Representatives and you agree, at your sole expense, to take all reasonable measures

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to assure that your Representatives do not make any prohibited or unauthorized disclosure or use (including in legal proceedings) of the Evaluation Material.

In addition, you agree that, without the prior written consent of Prospect, you and your Representatives will not disclose to any other person the fact that the Evaluation Material has been made available to you. Prospect agrees, and you agree, that they and their representatives will not disclose to any other person the fact that discussions or negotiations are taking place concerning a possible Transaction between Prospect and you, or any of the terms, conditions or other facts with respect thereto (including the status thereof). Without limiting the foregoing, you agree that neither you nor your Representatives will enter into any discussions or any agreement, understanding, or arrangement with any person regarding participation by that person or others in any Transaction, and you represent that neither you nor your Representatives have engaged in any such discussions or entered into any such agreement, understanding or arrangement prior to the date hereof. Notwithstanding anything to the contrary contained herein, without the prior written consent of Prospect, neither you nor any of your Representatives will disclose any Evaluation Material to any actual or potential sources of financing (debt, equity or otherwise), other than third party institutional lenders who are or may be engaged to provide debt financing to you or your affiliates in connection with the Transaction following written approval by Prospect.

In addition to any other requirements contained in this letter agreement, if and to the extent, and for so long as, required by the provisions of 42 U.S.C. § 1171, et. seq., enacted by the Health Insurance Portability and Accountability Act of 1996, the Health Information Technology for Economic and Clinical Health Act, Public Law 111-005 ("HITECH Act"), and the regulations promulgated thereunder, all as amended from time to time (collectively, "HIPAA"), you agree that you and your Representatives will appropriately protect from disclosure and safeguard all Protected Health Information, as such term is defined by HIPAA, obtained by you or your Representatives in connection with your review of the Transaction.

Moreover, neither you nor any subsidiary or parent, or other commonly owned or controlled entity, may solicit any current employee or independent contractor of a Prospect Entity to become employed by, or otherwise affiliated with, you or it for a period of two years from the date of this letter agreement. However, you or your affiliates may employ in the future any such individuals currently employed or affiliated with a Prospect Entity who make initial contact by their volition or whose initial contact is through solicitations placed in general circulation, trade or industry publications or other media or with third party recruiters or placement agencies.

You agree that all requests for information and communications regarding a Transaction will be directed to H2C Securities, Inc. or the other individual(s) designated by Prospect's Chief Executive Officer. Without the prior written consent of Prospect, neither you nor any of your Representatives will initiate or cause to be initiated any communications, in connection with any information or matter relating to any Evaluation Material or a Transaction, with any client, customer, supplier, regulator, director, officer, employee, medical staff member, agent or advisor of Prospect or other individual or entity having a business relationship with Prospect.

Neither Prospect nor any of its representatives has made or will make any implied or express representation or warranty as to the accuracy or completeness of the Evaluation Material. You agree that none of Prospect, any other Prospect Entity or any of their representatives shall have any liability to you or to any of your Representatives resulting from the use of the Evaluation Material or any errors or omissions therefrom. You also agree that you are not entitled to rely on the accuracy or completeness of any Evaluation Material and that you will be entitled to rely solely on such representations or warranties regarding the Evaluation Material or the subject matter thereof as may be made in any definitive agreement relating to a Transaction, when, as and if entered into by the parties, and subject to such limitations and restrictions as may be specified therein.

To the extent that any Evaluation Material includes materials subject to the attorney-client privilege, Prospect is not waiving, and shall not be deemed to have waived or diminished, its attorney work-product protections, attorney-client privileges or similar protections and privileges as a result of disclosing any Evaluation Material (including Evaluation Material related to pending or threatened litigation) to you or any of your Representatives. If either party decides not to proceed with a Transaction, that party will promptly inform the other of that decision. In that case, or at any time upon the request of Prospect for any reason, you agree to deliver to Prospect promptly, and in any event no later than 30 days after the request, all Evaluation Material (and copies, extracts or other reproductions thereof) furnished to you or your Representatives, whether in paper, electronic, or other form or media and in the event that the information was in electronic format that resides on and electronic storage system you warrant that all such information will be destroyed and removed permanently from such system without possibility of recovery. In the event of such a decision or request, all Evaluation Material prepared by you or your Representatives

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shall be destroyed within such 30-day period and no copy, extract, or other reproduction thereof shall be retained, whether in paper, electronic, or other form or media. You shall notify Prospect immediately upon discovery of any loss or unauthorized disclosure of the Evaluation Material. Notwithstanding the return or destruction of the Evaluation Material, you and your Representatives will continue to be bound by your obligations of confidentiality and other obligations hereunder.

The parties to this letter agreement shall be entitled to seek equitable relief, including but not limited to an injunction, in the event of any material breach of the provisions of this letter agreement by the other party or its representatives, no bond or other securities shall be required. Such injunctive relief shall be in addition to any other remedies available hereunder, whether at law or in equity. Prospect shall be entitled to recover its costs and fees, including reasonable attorneys' fees, incurred in obtaining any such relief. Further, in the event of litigation relating to this Agreement, the prevailing party shall be entitled to recover its reasonable attorney's fees and expenses.

Any failure by a party to insist upon strict adherence to any term of this letter agreement on any occasion shall not be considered a waiver or deprive such party of the right thereafter to insist upon strict adherence to that term or any other term of this letter agreement. Any waiver or amendment of this letter agreement must be in writing, signed by both parties hereto. This letter agreement contains a complete statement of all the arrangements between us with respect to its subject matter, supersedes all previous agreements between us concerning that subject matter, and shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to conflicts or laws principles that would require the application of any other law. This letter agreement does not constitute a binding agreement or obligation to reach a final and definitive agreement with respect to a Transaction and no contract or agreement providing for any transaction involving the parties shall be deemed to exist unless and until a final and definitive agreement satisfactory to the parties has been negotiated, fully executed and delivered. Prospect reserves the right, in its sole discretion, to reject any and all proposals made by you or on your behalf with regard to a Transaction, to terminate discussions and negotiations with you at any time and to enter into any agreement with any other person without notice to you, at any time and for any reason or no reason.

This letter agreement also applies to Evaluation Material accessed through an electronic data room created in connection with the Transaction and supersedes any "click through" acknowledgement or agreement associated with any such electronic data room.

Both parties shall conform in all material respects to laws, ordinances, rules, and regulations applicable to it and nothing in this agreement shall be construed to require either party to act in a manner contrary to law.

In the event that any provision or portion of this letter agreement is determined to be invalid or unenforceable by a court of competent jurisdiction, the remaining provisions of this letter agreement shall be unaffected thereby and shall remain in full force and effect to the fullest extent permitted by applicable law.

Neither this letter agreement nor any of the rights or obligations hereunder may be assigned by any party without the prior written consent of the non-assigning party. Any purported assignment without such consent shall be void and unenforceable.

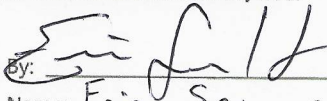
This letter agreement may be executed in counterparts, each of which, when executed, shall be an original hereof binding upon the party executing it. Delivery of an executed signature page by electronic transmission shall be as effective as delivery of a manually executed counterpart.

Please confirm your agreement with the foregoing by signing one copy of this letter and returning it to the undersigned.

Very truly yours,

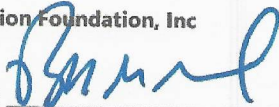
RE

PROSPECT MEDICAL HOLDINGS, INC.

By: 
Name: Eric Samuels
Title: Treasurer

Accepted and agreed as of
the date first written above:

The Centurion Foundation, Inc

By:  _____

Name: Ben Mingle

Title: President[]

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Exhibit 8 – Prospect Facilities

Facility Name	Address	License #
Our Lady of Fatima Hospital	200 High Service Ave. North Providence, RI, 02904	HOS00132
Roger Williams Medical Center	825 Chalkstone Ave. Providence, RI, 02908	HOS00133
CharterCARE Sleep Disorders Center	1539 Atwood Ave. Johnston, RI, 02919	ACF01620
Blackstone Valley Surgicare, Inc.	1526 Atwood Ave. Johnston, RI, 02919	FAS01032
Prospect CharterCARE Home Health and Hospice, LLC	50 Maude St. Providence, RI, 02908	HNC02373
Southern California Hospital at Hollywood	6245 De Longpre Ave. Los Angeles, CA 90028	930000066
Southern California Hospital at Culver City	3828 Delmas Terr. Culver City, CA 90232	930000066
Southern California Hospital at Van Nuys	14433 Emelita St. Van Nuys, CA 91401	930000066
Los Angeles Community Hospital	4081 E Olympic Blvd. Los Angeles, CA 90023	93000039
Los Angeles Community Hospital at Bellflower	9542 Artesia Blvd., Bellflower, CA 90706	93000039
Los Angeles Community Hospital at Norwalk d/b/a Norwalk Community Hospital	13222 Bloomfield Ave. Norwalk, CA 90650	93000039
Foothill Regional Medical Center	14662 Newport Ave. Tustin, CA 92780	060000178
The Manchester Memorial Hospital	71 Haynes St. Manchester, CT 06040	GH.0000073
The Rockville General Hospital	31 Union St. Vernon, CT 06066	GH.0000074
Waterbury Hospital	64 Robbins St. Waterbury, CT 06708	GH.0000075
Prospect Waterbury Home Health, Inc	365 Main Street, Suite 3A, Watertown, CT 06795	9915747
Prospect ECHN Home Health, Inc.	8 Keynote Dr. Vernon, CT 06066	9915748
Crozer-Chester Medical Center	1 Medical Center Blvd Upland, PA 19013	037201
Taylor Hospital	175 E. Chester Pike, Ridley Park, PA 19078	037201
Delaware County Memorial Hospital	501 Lansdowne Ave Drexel Hill, PA 19026	041801
Prospect Crozer Home Health and Hospice	200 W. Sproul Rd Springfield, PA 19064	753705

Springfield Hospital	190 W. Sproul Rd Springfield, PA 19064	037201
Prospect Crozer Urgent Care, LLC	190 W. Sproul Rd, 1st Floor Springfield, PA 19064	N/A – still in construction stage
<u>The Prospect Crozer, LLC Joint Ventures</u>		
Brinton Lake Management Company, LLC	500 Evergreen Drive, Suite 22 Glen Mills, PA 19342	18841501
Cyberknife Center of Philadelphia, LLC	2010 West Chester Pike, Suite 115 Havertown, PA 19083	AC20-48953
Dialysis Access Centers, LLC	300 Evergreen Drive, Suite 210 Glen Mills, PA 19342	150705702
University Technology Park, Inc.	1450 Edgmont Avenue, Suite 210 Chester, PA 19013	N/A
DCMH MOB Associates	100 W. Sproul Road Springfield, PA 19064	N/A
VHA, Inc.	220 E. Las Colinas Road Irving, TX 75039-5500	N/A
Prospect Crozer Ambulatory Surgery, LLC	1 Medical Center Blvd. Upland, PA 19013	N/A
Springfield ASC, LLC	1 Medical Center Blvd. Upland, PA 19013	N/A
<u>The PECHN, PMHI, and PRHI Joint Ventures</u>		
Aetna Ambulance, Inc.	140 Van Block Ave, Hartford, CT 06106	L064P2
Ambulance Service of Manchester, LLC	275 New State Rd, Manchester, CT 06040	L077P2
Connecticut Occupational Medicine Partners, LLC	2800 Tamarack Ave Suite 001 South Windsor, CT 06074	N/A
Evergreen Endoscopy Center, LLC	2400 Tamarack Ave, #100, South Windsor, CT 06074	0000324
NRRON, LLC	100 Haynes Street Manchester CT 06040 142 Hazzard Ave Enfield CT 06082	Manchester DPH# 317 Enfield N/A
TIC, LLC	6 Fieldstone Commons Suite #6 Tolland, CT 06084	N/A
<u>The Prospect Waterbury, Inc. Joint Ventures</u>		
Imaging Partners, LLC	134 Grandview Ave Suite 203 Waterbury Ct 06708	GH.0000075

Access Rehab Centers, LLC	22 Tompkins Street Waterbury, CT 06708	N/A
Greater Waterbury Imaging Center Limited Partnership	68 Robbins St. Waterbury, CT 06492	N/A
Harold Leever Regional Cancer Center	1075 CHASE PKWY WATERBURY, CT 06708-2948	377
Valley Imaging Partner, LLC	32B Poverty Rd Southbury CT 06482 140 Grandview Ave Suite 204 Waterbury CT 06708 690 Main St Southbury, CT 06482	N/A
Prospect Waterbury Ambulatory Surgery, LLC	1312 West Main Street Waterbury, CT 06708	N/A
Naugatuck Valley Endoscopy Center, LLC	1312 West Main Street Waterbury, CT 06708	284
<u>The RWMC</u> Joint Ventures		
Rhode Island PET Services, LLC	825 Chalkstone Ave. Providence, RI, 02908	N/A
Roger Williams Radiation Therapy, LLC	50 Maude St. Providence, RI, 02908	N/A
Southern New England Regional Cancer Center, LLC	115 Cass Avenue, Suite 1A Woonsocket, Rhode Island 02895	N/A
Grayhawk Home Care 1, LLC¹	N/A	N/A
Tech Park Properties, Inc.	100 W. Sproul Road, Ste. 123, Healthplex Pavilion II, Springfield, PA 19064	N/A
Metro Wheelchair Service, Inc.²	N/A	N/A
Chemosynergy, LLC³	N/A	N/A

¹ Grayhawk Home Care 1, LLC was an outside service which has not been utilized in approximately 5 years.

² Metro Wheelchair Service, Inc. has been dissolved.

³ Chemosynergy, LLC is not a licensed or affiliated with Prospect. It is a dormant entity as of February 2022.



EXECUTIVE OFFICES
 One Buckhead Plaza
 3060 Peachtree Road NW
 Phone: 404-233-9000

January 11, 2022

Prospect Medical Holdings, Inc.
 3415 S. Sepulveda Boulevard
 Los Angeles, California 90034

Re: ***Nonbinding*** Letter of Intent (this “LOI”) to acquire from Prospect Medical Holdings, Inc. (“Seller”) the assets of Rhode Island limited liability companies listed in Appendix A attached hereto and any other organizations mutually agreed upon by the parties to this LOI (collectively, the “LLCs”)

Ladies and Gentlemen:

The following is a summary outlining the general understanding under which one or more to-be-formed Rhode Island nonprofit 501(c)(3) corporations, which shall be controlled by The Centurion Foundation Inc., a Georgia nonprofit corporation and national 501(c)(3) organization (“NewCo”), proposes to pursue the acquisition of certain assets (the “Assets”) of the LLCs (the “Transaction”). Except as expressly set forth in Article II (Binding Provisions), this LOI is intended to set forth the understanding under which the parties desire to work together and to outline proposed terms that would be incorporated into binding and definitive Transaction documents to consummate the purchase and sale of the LLCs (“Definitive Documents”).

**ARTICLE I
 OUTLINE OF UNDERSTANDING**

1.1 Description of Hospitals. Seller owns and operates Prospect CharterCARE RWMC, LLC d/b/a Roger Williams Medical Center, an acute care hospital located at 825 Chalkstone Ave, Providence, Rhode Island, and Prospect CharterCARE SJHSRI, LLC d/b/a Our Lady of Fatima Hospital, an acute care hospital located at 200 High Service Ave, North Providence, Rhode Island (collectively, the “Hospitals”).

1.2 Charitable Purpose. NewCo’s acquisition, ownership and operation of the Assets would be in furtherance of its charitable purpose to promote and advance the physical health, emotional health, mental health and social well-being of the individuals, families and communities served by NewCo in the area surrounding Providence, Rhode Island.

1.3 Party Roles.

a) Manager. It is anticipated that Quorum Health Resources, LLC (“**Manager**”) will serve as the facility operator of the Hospitals and related facilities following Financial Closing (defined below). Prior to Financial Closing, Manager will assist Centurion and NewCo in performing all pre-closing activities necessary to achieve Financial Closing, including, without limitation, those described in Section 1.5 hereof. At Financial Closing, Manager and NewCo will enter into a “qualified management agreement” in accordance with Revenue Procedure 2017-13, the Internal Revenue Code and related federal regulations, for the operation and management of the facilities, including, but not limited to, the Hospitals.

b) Nonprofit Owner/Borrower. Prior to Financial Closing, Centurion will assist with the overall effort to bring the Transaction to fruition, with an emphasis on structuring the nonprofit ownership and financing for the acquired business and assets. On and after Financial Closing, NewCo will serve as the owner of the Assets and the borrower under the loan documents, with a focus on promoting and advancing the health and well-being of the individuals, families and communities served by the Hospitals. Activities of NewCo will be in furtherance of the charitable purposes of Centurion, which include improving the availability of medical and general health services in communities. NewCo will follow a charity care and financial assistance policy consistent with leading non-profit hospital operators.

1.4 Transaction Structure. The acquisition will be consummated as an asset purchase by NewCo of certain assets of the LLCs to allow for continued operation under existing provider numbers.

a) Assets. Newco and Seller will obtain a full valuation of the Assets to support the acquisition price, including all of the real estate and improvements constituting the Hospitals, as well as all related amenities, fixtures, furnishings, equipment, drawings, specifications, licenses, entitlements, permits, guarantees, warranties, leases, contracts, accounts receivable and other related assets.

b) Liabilities. Seller will address residual liability with appropriate coverage, including but not limited to an insurance tail and escrows, to be specified in the **Definitive Documents** as mutually agreed upon by the parties. NewCo anticipates that it will assume only certain agreed upon liabilities (as set forth in the Definitive Documents), including the Medicare Advanced Payments liability and PACE liability (as well as unspent PACE proceeds). Neither Centurion nor NewCo will assume any MPT liability.

c) Escrow Accounts. Centurion understands that Seller has provided letters of credit to fund three escrows in accordance with the June 1, 2021 decision of Rhode Island Attorney General Peter F. Neronha (the “**Decision**”), specifically (i) a \$41 million escrow for capital expenditures, (ii) a \$27 million escrow for Medicare Accelerated and Advance Payments liability, and (iii) a \$12 million escrow for Global Conditions (as identified in the Decision). Centurion and Seller agree to cooperate in negotiating these escrows in a manner that does not impact the Decision and is subject to review and approval by the Rhode Island Office of Attorney General. Centurion acknowledges that such escrow account balances will reduce over time and will be lower at Financial Closing.

d) Attorney General Commitments. Centurion recognizes that in accordance with the Decision there can be no lease or sale of the Hospitals prior to June 1, 2026 and that the Hospitals must

remain open and operational. Centurion and Seller will address this risk to their mutual satisfaction in the Definitive Documents.

e) Purchase Price. The aggregate consideration paid for the Assets will be in an amount no greater than the fair market value of the assets being purchased, subject to certain liabilities to be assumed, all as determined by an independent third-party healthcare valuation specialist (“**Appraiser**”), provided such purchase price is mutually acceptable to Centurion, NewCo, Manager and Seller and financially feasible under the financing structure contemplated by Centurion. Appraiser will be acceptable to each of Seller, Centurion and Manager and will be engaged at a time mutually agreed upon by the Seller, Centurion and Manager.

f) Financing. The Transaction will be subject to financing obtained through the issuance of tax-exempt and/or taxable bonds underwritten by [Barclays Capital], as the lead, senior underwriter and in an amount sufficient to fund the purchase price, Transaction costs, costs of issuance, development fees and expenses (if any), and required or appropriate reserves as required by the capital markets. It is further anticipated that projected ongoing Hospital revenues would be sufficient and feasible to fund annual debt service, operating expenses, depreciation, asset management fees, project-related travel expenses, audit expenses, and required or appropriate reserves as dictated by the capital markets. Consummation of the foregoing financing depends upon, amongst other factors, market conditions, valuation, tax matters and further due diligence and is referred to herein as the “**Financial Closing.**”

g) Compliance. As shall be more fully provided in the Definitive Documents, Seller shall retain responsibility for compliance with all applicable federal, state and local laws, regulations and ordinances, including without limitation, (i) compliance with federal and state laws relating to “fraud and abuse” by hospitals and other healthcare providers, (ii) compliance with the federal Stark law of 42 U.S.C. Section 1395nn et seq., as amended, (iii) compliance with Medicare and Medicaid claim processing regulations, and (iv) state and federal confidentiality requirements, including Health Insurance Portability and Accountability Act of 1996, as amended (HIPAA) and Rhode Island law governing confidentiality of medical records as well as applicable privacy, security and breach notification provisions as set forth under Subtitle D of the Health Information Technology for Economic and Clinical Health Act (HITECH), which is Title XIII of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5) and any regulations promulgated thereunder for operations and activities of the LLCs taken prior to consummation of Financial Closing. Neither Centurion, NewCo, Manager, nor any of Centurion, NewCo or Manager’s agents, representatives or employees shall be responsible or have any liability for Seller’s compliance with such laws, regulations, ordinances, or authorities for operations and activities of the LLCs taken prior to consummation of Financial Closing (including coding prior to Financial Closing but submitted to payors thereafter). As shall be more fully provided in the Definitive Documents, Newco and Manager shall be solely responsible for compliance with all applicable federal, state and local laws, regulations and ordinances, including without limitation, (i) compliance with federal and state laws relating to “fraud and abuse” by hospitals and other healthcare providers, (ii) compliance with the federal Stark law of 42 U.S.C. Section 1395nn et seq., as amended, (iii) compliance with Medicare and Medicaid claim processing regulations, and (iv) state and federal confidentiality requirements, including Health Insurance Portability and Accountability Act of 1996, as amended (HIPAA) and Rhode Island law governing confidentiality of medical records as well as applicable privacy, security and breach notification provisions as set forth under Subtitle D of the Health Information Technology for Economic and Clinical Health Act (HITECH), which is Title XIII of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5) and any regulations promulgated

thereunder for operations and activities of NewCo or the Manager taken with respect to the Assets for all periods after the Financial Closing.

1.5 Due Diligence Activities. Centurion and Manager will be provided the ability to conduct due diligence and to inspect and analyze the Hospitals and the feasibility of the transaction. Due Diligence with respect to the proposed transaction will be conducted in two phases. Phase I Due Diligence will commence on the date of execution of this LOI and shall continue for a period of forty-five (45) days or such longer time as may be agreed upon by the parties (the “**Phase I Diligence Period**”). During the Phase I Diligence Period the Centurion and Manager will engage in preliminary financial and other due diligence to determine whether and how to proceed with the transaction. Following the completion of the Phase I Diligence Period, Centurion and Manager will notify Seller of their desire to (i) proceed to Phase II Due Diligence or (ii) terminate this LOI. Seller agrees to assist in all due diligence activities necessary to achieve Financial Closing, including without limitation those set forth below.

a) Customary real estate diligence activities, including title, survey, environmental, the results of which shall be reasonably acceptable to Manager and Centurion.

b) Engage reputable and qualified feasibility consultants and healthcare valuation specialist(s) approved by Centurion to prepare a market and feasibility study and an asset valuation, both of which shall be reasonably acceptable to Manager and Centurion.

c) Operating, financial and legal due diligence customary in healthcare acquisitions.

d) Corporate compliance due diligence customary in health care acquisitions.

e) Customary tax diligence activities, including, but not limited to, financed assets economic life analysis, the results of which shall be reasonably acceptable to Centurion. Additionally, results must allow bond counsel to provide an unqualified opinion to the tax-exempt status of the bonds being issued.

f) Prepare operating budgets and proformas.

g) Coordinate all licensing, accreditation and credentialing requirements for the operation of Newco.

h) Full disclosure and review of liabilities.

i) Any other activities reasonably required to achieve successful Financial Closing.

1.6 Definitive Documents. Upon the receipt by Centurion and Manager of a notice to proceed to Phase II Due Diligence and in order to consummate Financial Closing, the parties would endeavor to enter into Definitive Documents setting forth in detail the terms, provisions, and conditions for the proposed transaction. It is the intention of the parties to engage in further discussions regarding the detailed terms, provisions, and conditions of the proposed transaction and the Definitive Documents.

1.7 Certain Conditions. It is recognized that the proposed acquisition of the Assets would be subject to certain conditions, including but not limited to the following: (i) completion of due diligence reasonably acceptable to Centurion and Manager; (ii) completion of a fair market value and feasibility analysis acceptable to Centurion and Manager; (iii) negotiation, execution and delivery of a mutually agreeable

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purchase and sale agreement setting forth the detailed terms and conditions of the proposed acquisition; (iv) negotiation, execution and delivery of a management agreement with the Manager acceptable to Centurion and in compliance with the qualified management agreement rules under the Internal Revenue Code and applicable federal regulations; (v) approval of the transaction by Seller's, Centurion's, NewCo's and Manager's respective Boards of Directors; (vi) all material consents and approvals required to consummate the transaction shall have been received from necessary governmental agencies and third parties including without limitation the Rhode Island Office of the Attorney General and Rhode Island Department of Health; (vii) receipt of all material federal, state and local licensing, zoning, other governmental permits and approvals, fire marshal approval, and any other certificates and approvals necessary or required for NewCo to own the Assets; (viii) consummation of the financing contemplated above on terms and conditions reasonably acceptable to Centurion; and (ix) other conditions customary or appropriate for Financial Closing contemplated by this LOI.

ARTICLE II BINDING PROVISIONS

2.1 Nonbinding Nature of Article I. Except as expressly set forth in this Article II (Binding Provisions), this LOI is not intended to create, nor shall it create, any obligation on the part of any of the parties hereto (or any of their affiliates) with respect to the Transaction; however, the provisions of this Article II (Binding Provisions) are agreed to be fully binding on the parties upon the execution of this LOI, unless and until such provisions are superseded by Definitive Documents.

2.2 Exclusive Negotiations. Each party hereto agrees to negotiate solely and exclusively with the other with respect to the Transaction and their respective roles described herein, and not to seek, negotiate or entertain other offers, bids or opportunities with respect thereto from the date hereof until this LOI is terminated in accordance with Section 2.4 (Term).

2.3 Costs and Expenses.

a) Appraiser. Notwithstanding any other provision in this LOI, Seller and Manager shall each pay one-half of the costs of the Appraiser to be engaged pursuant to the provisions of Section 1.4(e). Manager acknowledges and accepts this LOI solely for the purposes of agreeing to this Section 2.3(a).

b) Due Diligence Costs and Approval. Seller agrees to pay when due and payable and to be responsible for due diligence costs; however, notwithstanding the foregoing, Centurion shall not incur and Seller shall not be responsible for any fees, costs or expenses incurred by Centurion under this LOI unless Seller has provided its written approval prior to Centurion incurring such fees, costs, or expenses. Furthermore, Seller shall not be responsible for any costs, fees or expenses that exceed the limits on such costs, fees and expenses as may be set by Seller in its approval. By way of example, if Centurion wishes to engage the services of a consultant, it shall obtain Seller's prior written approval before such engagement. If Centurion does not obtain Seller's prior written approval, any costs, fees or expenses incurred Centurion by engaging such consultant shall be Centurion's sole and exclusive liability. By way of another example, if Centurion engages the services of a consultant, with Seller's prior written approval but Seller, in its written approval, limits the amount of fees or expenses that it will be responsible for under this LOI for such engagement, then any amounts incurred by Centurion above such threshold shall be the sole and exclusive responsibility of Centurion. For avoidance of doubt the execution of this LOI by Seller shall not be construed as a prior written approval of Seller for

any fees, costs or expenses incurred by Centurion prior to the execution of this LOI. Promptly after executing this LOI, Centurion and Buyer will commence Phase I Diligence.

c) Reimbursement. Manager, Centurion and Seller shall be reimbursed for the payment of fees, costs and expenses out of the proceeds of the financing in the event a Financial Closing is consummated.

d) Seller Terminates. In the event Seller, after receiving a determination from Centurion and Manager to proceed to Phase II Due Diligence, either ends its pursuit of the Transaction or pursues the Transaction without Centurion, in addition to the payment of expenses pursuant to Sections 2.3(a) and (b) above, Seller will pay the reasonable fees and expenses of Centurion's borrower/501(c)(3) counsel and travel expenses of in an aggregate amount not to exceed \$50,000, as well as fees of the Appraiser paid or due and payable by Quorum.

e) Centurion Terminates. In the event Centurion terminates, for any reason or for no reason at all, participation in the Transaction prior to the execution and delivery of the Definitive Documents Centurion will owe nothing to Seller.

2.4 Term. This LOI shall terminate and be of no further force or effect upon the earlier of (i) the parties' mutual written agreement to terminate this LOI, (ii) the execution by the parties of Definitive Documents intended to supersede this LOI or (iii) termination by any party hereto at any time beginning forty-five (45) days after the date of this LOI if the Definitive Documents have not been executed and delivered by such date; provided that this Section 2.4 and Section 2.3 (Costs and Expenses) shall survive such termination.

2.5 Assignment. This LOI may not be assigned by any party without the written consent of the other party, except that Centurion may assign, in whole or part, its rights and obligations hereunder to NewCo.

2.6 Entire Agreement; Third Party Beneficiaries. Any agreements between the parties before the date of this LOI and relating to the Transaction are superseded by this LOI. Nothing in this LOI is intended to or shall confer upon any person other than the parties hereto, and the Manager in regards to Sections 2.3(a), and their respective successors and permitted assigns, any rights, benefits or remedies of any nature whatsoever under or by reason of this LOI.

2.7 No Obligation. No party is under any obligation of any kind with respect to a transaction or a party's services with respect thereto, except for the matters specifically agreed to herein, unless and until Definitive Documents have been executed and delivered by each of the parties hereto.

2.8 No Broker. The parties hereto represent that no brokers have been engaged with respect to the Transaction. H2C Securities Inc. has been retained by Seller as its investment banker with respect to the Transaction.

2.9 Counterparts. This LOI may be executed in one or more counterparts, each of which shall be deemed an original.

2.10 Construction. No consideration shall be given to the fact or presumption that one party had a greater or lesser hand in drafting this LOI. Each party is advised of its right to consult with an attorney before entering into this LOI, and each party has exercised its right to legal counsel or voluntarily waived that right with full knowledge of its rights and the significance of its decision.

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2.11 GOVERNING LAW. THIS LETTER SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF DELAWARE WITHOUT REFERENCE TO THE PRINCIPLES OF CHOICE OF LAW THEREOF.

2.12 Effectiveness. This LOI will only be effective upon the execution and delivery by all parties hereto.

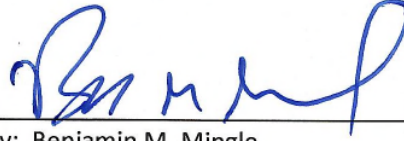
2.13 Amendments. This LOI may not be amended or modified except in writing signed by each of the parties hereto.

[SIGNATURE PAGE FOLLOWS]

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Sincerely yours,

The Centurion Foundation Inc.



By: Benjamin M. Mingle

Title: President

Agreed and accepted:

RTE

PROSPECT MEDICAL HOLDINGS, INC.

Samuel Lee

By: Samuel Lee

Title: CEO

Acknowledged and agreed to solely for the purpose of entering into Section 2.3(a):

QUORUM HEALTH RESOURCES

By: _____

Title: _____

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**APPENDIX A:
ASSETS TO BE ACQUIRED**

Certain assets associated with the operations of the following entities:

Prospect CharterCARE, LLC, a Rhode Island limited liability company

Prospect CharterCARE RWMC, LLC, a Rhode Island limited liability company, d/b/a Roger Williams Medical Center

Prospect RI Home Health and Hospice, LLC, , a Rhode Island limited liability company

Prospect CharterCARE Home Health and Hospice, LLC, a Rhode Island limited liability company

New University Medical Group, LLC, a Rhode Island limited liability company, d/b/a University Medical Group

Prospect CharterCARE SJHSRI, LLC, a Rhode Island limited liability company, d/b/a Our Lady of Fatima Hospital

Prospect CharterCARE Physicians, LLC, a Rhode Island limited liability company, d/b/a CharterCARE Medical Associates

Prospect CharterCARE Ancillary Services, LLC, a Rhode Island limited liability company

Prospect Blackstone Valley Surgicare, LLC, a Rhode Island limited liability company

Prospect Health Services RI, Inc. (a Delaware corporation)

Prospect Provider Group RI, LLC (a Delaware LLC)

- dba CharterCARE Provider Group RI, LLC

Classification: Internal Use

C-CNT-PMH-010715



**Department of the Treasury
Internal Revenue Service
Tax Exempt and Government Entities**

Employee Plans
P.O. Box 2508
Cincinnati, OH 45201

ELIZABETH T. DOLD
GROOM LAW GROUP, CHARTERED
1701 PENNSYLVANIA AVE., NW, STE. 1200
WASHINGTON, DC 20006

Date:
3/9/2023
Taxpayer ID number:
33-0564370
Taxpayer or applicant name:
Prospect Medical Holdings, Inc.
Form or application number:
29007049052002
Person to contact:
Name: Christi Dressman
ID number: 100030328
Telephone: 513-975-6217
Fax: 855-840-5372

Dear Elizabeth T. Dold:

We're sending the enclosed material to you because of a power of attorney or other authorization we have on file.

If you have questions, contact the person listed at the top of this letter.

Sincerely,

Christi Dressman

Christi Dressman
Internal Revenue Agent

Enclosures:
5274 Letter



Department of the Treasury
Internal Revenue Service
Tax Exempt and Government Entities
 Employee Plans
 P.O. Box 2508
 Cincinnati, OH 45201

PROSPECT MEDICAL HOLDINGS, INC
 345 SOUTH SEPULVEDA 9TH FL
 LOS ANGELES, CA 90034

Date:
3/9/2023
Employer ID number:
33-0564370
Plan name:
Prospect Medical Retirement Savings
Plan B
Plan number:
003
Document Locator Number (DLN):
29007049052002
Person to contact:
 Name: Christi Dressman
 ID number: 1000203038
 Telephone: 513-975-6217

Dear Applicant:

We're issuing this favorable determination letter for your plan listed above, based on the information you provided. Our favorable determination applies only to the status of your plan under the Internal Revenue Code (IRC) Section 401(a). In order to rely on this letter as proof of the plan's status, you must keep this letter, the application forms, the information submitted with the application, and all other correspondence.

Your determination letter doesn't apply to any qualification changes that become effective, any guidance issued, or any statutes enacted after the dates specified in the applicable Required Amendments List you submitted with your application.

This letter considered up to the 2020 Required Amendments List changes in plan qualification requirements.

This determination letter applies to the plan adopted on 4/30/18.

This determination letter also applies to the amendments dated on 2/16/23, 12/21/21, 12/16/20 & 12/31/19.

This determination letter also applies to the amendments dated on 12/30/19 & 12/23/19.

We made this determination on the condition you adopt the proposed amendments submitted in your letter dated 2/20/23, on or before the date provided in Tax Regulations Section 1.401(b)-1.

This determination letter applies to the trust document adopted on 4/25/18.

Your plan's continued qualification in its present form will depend on its effect in operation (Treasury Regulations Section 1.401-1(b)(3)) and on satisfying reporting requirements. We may review and determine the status of the plan in operation periodically.

You can find more information on favorable determination letters in Publication 794, Favorable Determination Letter, including:

- The significance and scope of reliance on this letter.
- The effect of any elective determination request in your application materials.
- The reporting requirements for qualified plans.
- Examples of the effect of a plan's operation on its qualified status.

You can get a copy of Publication 794 by visiting our website at www.irs.gov/forms-pubs or by calling 800-TAX-FORM (800-829-3676).

CONFIDENTIAL

If you submitted a Form 2848, Power of Attorney and Declaration of Representative, or Form 8821, Tax Information Authorization, with your application and asked us to send your authorized representative or appointee copies of written communications, we will send a copy of this letter to him or her.

If you have questions, you can contact the person at the top of this letter.

Sincerely,



Daniel Dragoo

Director, Employee Plans

Rulings and Agreements

cc: Elizabeth T. Dold Power of Attorney and Kimberly M. Boberg Power of Attorney

“Decrease in Refund Liability” – The current portion of Refund liability increased, but if you sum the current and long term portions, the total liability decreased between FY20 and FY21. This is due to the advances being paid back over time. See attached footnote for explanation (last paragraph below).

Prospect CharterCARE RWMC, LLC

Balance Sheets (in thousands)

<i>September 30,</i>	2021	2020
Liabilities and Member's Equity		
Current liabilities		
Accounts payable and other accrued liabilities	\$ 11,001	\$ 13,803
Accrued salaries, wages and benefits	7,383	9,861
Due to government payers	1	509
Refund liability, current portion	12,469	3,773
Sale-leaseback liability, current portion	257	257
Total current liabilities	31,111	28,203
Asset retirement obligations	1,193	1,182
Refund liability, net of current portion	-	12,997
Sale-leaseback liability, net of current portion	1,547	2,017
Other long-term liabilities	39,377	29,343
Total liabilities	73,228	73,742
Commitments, contingencies and subsequent event		
Member's equity		
Member contributions	34,241	34,241
Accumulated deficit	(12,995)	(9,128)
Total member's equity	21,246	25,113
Total liabilities and member's equity	\$ 94,474	\$ 98,855

See accompanying notes to financial statements.

Footnotes (See last paragraph regarding Refund Liabilities (Medicare Advances = Refund Liabilities (ST & LT))):

1. Organization

Prospect CharterCARE RWMC, LLC (“RWMC” or the “Company”) is a wholly-owned subsidiary of Prospect CharterCARE, LLC (“PCC”). PCC was previously owned 85% by Prospect Medical Holdings, Inc. (“Prospect” or “PMH”) and 15% by CharterCARE Community Board (“CCCB”). Effective August 18, 2021, PMH bought the 15% minority interest and PCC became an indirect wholly-owned subsidiary. RWMC operates a 220-bed acute care general hospital which provides healthcare services in Providence, Rhode Island and surrounding communities.

Admitting physicians are primarily practitioners in the local area. The hospital has payment arrangements with Medicare, Medicaid and other third-party payers, including commercial insurance carriers, health maintenance organizations (“HMOs”) and preferred provider organizations (“PPOs”).

COVID-19 Pandemic

During 2020 and 2021, federal, state and local authorities have taken several administrative actions intended to assist healthcare providers in providing care during the outbreak of the novel coronavirus (“COVID-19”) public health emergency. Sources of relief include the Coronavirus Aid, Relief and Economic Security Act, the Paycheck Protection Program and Health Care Enhancement Act (the “PPHCE Act”), the Continuing Appropriations Act, 2021 and Other Extensions Act, and the Consolidated Appropriations Act, 2021 (collectively, the “COVID Acts”). With the COVID Acts, the federal government authorized funding to be distributed through the Public Health and Social Services Emergency Fund (“Provider Relief Fund” or “PRF”). The U.S. Department of Health and Human Services (“HHS”) will recoup PRF grant funds not utilized by the established deadlines. The COVID Acts also revised the Medicare accelerated payment program in an attempt to disburse payments to hospitals and other care providers more quickly and permitted employers to defer payment of the 6.2% employer Social Security tax beginning March 27, 2020 through December 31, 2020. In June 2021, HHS established new deadlines for when recipients of PRF grants must use the funding received, generally 12 to 18 months after receipt of the grant funds.

In certain circumstances, when a hospital is experiencing financial difficulty due to delays in receiving payment for the Medicare services it provided, it may be eligible for an accelerated or advance payment pursuant to the Medicare accelerated payment program. The COVID Acts revised the Medicare accelerated payment program in an attempt to disburse payments to healthcare providers more quickly. Recipients may retain the accelerated payments for one year from the date of receipt before recoupment commences, which is effectuated by a 25% offset of claims payments for 11 months, followed by a 50% offset for the succeeding six months. The initial 11-month recoupment period began in April 2021. At the end of the 29-month period, interest on the unpaid balance will be assessed at 4% per annum. As of September 30, 2021, the Company had received Medicare accelerated and advance payments of approximately \$16,770,000, of which approximately \$4,301,000 had been repaid during year ended September 30, 2021 and approximately \$12,469,000 and \$16,770,000 were reflected in current and noncurrent refund liabilities in the accompanying balance sheets as of September 30, 2021 and 2020, respectively.

Exhibit 6- Privilege Log for Prospect Transacting Parties**A. Chamber Inc., Ivy Holdings Inc., Ivy Intermediate Holding Inc, and Prospect Medical Holdings, Inc.**

<u>Bates Number</u>	<u>Document</u>	<u>Date</u>	<u>To</u>	<u>From</u>	<u>Narrative</u>
06-R-C-CNT-PMH-003322	Minutes of the Board of Directors of Prospect Medical Holdings, Inc.	12/15/2022	Samuel Lee, David Topper, Mitchell Lew, M.D., George Pillari, Eric Samuels, Rob Elders, Esq., Tom Califano, Esq.	Board Discussion	Attorney-client communication regarding legal advice on financing transaction and MPT.
C-CNT-PMH-010626	Minutes of the Board of Directors of Prospect Medical Holdings, Inc.	8/30/2023	Samuel Lee, David Topper, Mitchell Lew, M.D., Von Crockett, George Pillari, Alfredo Sabillo, Frank Saidara, Esq., Laura LaCorte, Tom Califano, Esq., Erik Klein, Esq.	Sara Goldstein, Esq.	Attorney client privileged communication regarding cyber-attack response.
C-CNT-PMH-010627	Minutes of the Board of Directors of Prospect Medical Holdings, Inc.	8/30/2023	Samuel Lee, David Topper, Mitchell Lew, M.D., Von Crockett, George Pillari, Alfredo Sabillo, Frank Saidara, Esq., Laura LaCorte, Tom Califano, Esq.	Eric Klein, Esq.	Attorney client privileged communication regarding compliance advice.

C-CNT-PMH-010627	Minutes of the Board of Directors of Prospect Medical Holdings, Inc.	8/30/2023	Samuel Lee, David Topper, Mitchell Lew, M.D., Von Crockett, George Pillari, Alfredo Sabillo, Frank Saidara, Esq., Laura LaCorte, Tom Califano, Esq.	Eric Klein, Esq.	Attorney client privileged communication regarding an unrelated transaction.
C-CNT-PMH-010627	Minutes of the Board of Directors of Prospect Medical Holdings, Inc.	8/30/2023	Samuel Lee, David Topper, Mitchell Lew, M.D., Von Crockett, George Pillari, Alfredo Sabillo, Frank Saidara, Esq., Laura LaCorte, Tom Califano, Esq.	Eric Klein, Esq.	Attorney client privileged communication regarding an ongoing investigation.
C-CNT-PMH-010627- C-CNT-PMH-010628	Minutes of the Board of Directors of Prospect Medical Holdings, Inc.	8/30/2023	Samuel Lee, David Topper, Mitchell Lew, M.D., Von Crockett, George Pillari, Alfredo Sabillo, Frank Saidara, Esq., Laura LaCorte, Tom Califano, Esq.	Eric Klein, Esq.	Attorney client privileged communication regarding an unrelated transaction.
C-CNT-PMH-010628	Minutes of the Board of Directors of Prospect Medical Holdings, Inc.	8/30/2023	Samuel Lee, David Topper, Mitchell Lew, M.D., Von Crockett, George Pillari, Alfredo Sabillo, Frank	Eric Klein, Esq.	Attorney client privileged communication regarding compliance with certain loan obligations.

			Saidara, Esq., Laura LaCorte, Tom Califano, Esq.		
C-CNT-PMH-010628	Minutes of the Board of Directors of Prospect Medical Holdings, Inc.	8/30/2023	Samuel Lee, David Topper, Mitchell Lew, M.D., Von Crockett, George Pillari, Alfredo Sabillo, Frank Saidara, Esq., Laura LaCorte, Tom Califano, Esq.	Eric Klein, Esq.	Attorney client privileged communication regarding status of Proposed Transaction.
C-CNT-PMH-010630	Minutes of the Board of Directors of Prospect Medical Holdings, Inc.	10/18/2023	Samuel Lee, David Topper, Mitchell Lew, M.D., Von Crockett, Alfredo Sabillo, Frank Saidara, Esq., Eric Samuels.	George Pillari	Attorney client privileged communication regarding response to cyber-attack.
C-CNT-PMH-010630	Minutes of the Board of Directors of Prospect Medical Holdings, Inc.	10/18/2023	Samuel Lee, David Topper, Mitchell Lew, M.D., Von Crockett, Alfredo Sabillo, Eric Samuels, George Pillari.	Frank Saidara, Esq.	Attorney client privileged communication regarding ongoing or threatened litigation.
C-CNT-PMH-010630	Minutes of the Board of Directors of Prospect Medical Holdings, Inc.	10/18/2023	Samuel Lee, David Topper, Mitchell Lew, M.D., Von Crockett, Alfredo Sabillo, Eric Samuels, George Pillari.	Frank Saidara, Esq.	Attorney client privileged communication regarding status of Proposed Transaction.

C-CNT-PMH-010631- C-CNT-PMH-010632	Minutes of the Board of Directors of Prospect Medical Holdings, Inc.	10/18/2023	Samuel Lee, David Topper, Mitchell Lew, M.D., Von Crockett, Alfredo Sabillo, Eric Samuels, George Pillari.	Frank Saidara, Esq.	Attorney client privileged communication regarding status of unrelated transaction.
C-CNT-PMH-010632	Minutes of the Board of Directors of Prospect Medical Holdings, Inc.	10/18/2023	Samuel Lee, David Topper, Mitchell Lew, M.D., Von Crockett, Alfredo Sabillo, Eric Samuels, George Pillari.	Frank Saidara, Esq.	Attorney client privileged communication regarding an ongoing investigation.
C-CNT-PMH-010633	Minutes of the Board of Directors of Prospect Medical Holdings, Inc.	10/18/2023	Samuel Lee, Mitchell Lew, M.D., Von Crockett, Alfredo Sabillo, Eric Samuels, George Pillari, Frank Saidara, Esq	David Topper	Proprietary and confidential commercial and strategic information regarding an unrelated transaction. ¹
C-CNT-PMH-010634	Minutes of the Board of Directors of Prospect Medical Holdings, Inc.	11/30/2023	Samuel Lee, David Topper, Mitchell Lew, M.D., Von Crockett, Alfredo Sabillo, Eric Samuels, George Pillari	Frank Saidara, Esq	Attorney client privileged communication regarding ongoing litigation.

¹ Pursuant to Fernanda Lopes and Julia Harvey, Esq.’s November 10, 2023 letter, the Transacting Parties will make any information herein that was redacted due to confidentiality available in unredacted form to RIDOH and the RIAG for an *in camera* review at their respective offices. The parties will not unredact privileged information.

C-CNT-PMH-010635	Minutes of the Board of Directors of Prospect Medical Holdings, Inc.	11/30/2023	Samuel Lee, David Topper, Mitchell Lew, M.D., Von Crockett, Alfredo Sabillo, Eric Samuels, George Pillari	Frank Saidara, Esq	Attorney client privileged communication regarding status of Proposed Transaction and unrelated applications.
C-CNT-PMH-010635	Minutes of the Board of Directors of Prospect Medical Holdings, Inc.	11/30/2023	Samuel Lee, David Topper, Von Crockett, Alfredo Sabillo, Eric Samuels, George Pillari, Frank Saidara, Esq.	Mitchell Lew, M.D.	Proprietary and confidential commercial and strategic information regarding an unrelated transaction.
C-CNT-PMH-010636	Minutes of the Board of Directors of Prospect Medical Holdings, Inc.	11/30/2023	Samuel Lee, David Topper, Mitchell Lew, M.D., Von Crockett, Alfredo Sabillo, Eric Samuels, George Pillari	Frank Saidara, Esq	Attorney client privileged communication regarding an ongoing investigation.
C-CNT-PMH-010636	Minutes of the Board of Directors of Prospect Medical Holdings, Inc.	11/30/2023	Samuel Lee, David Topper, Mitchell Lew, M.D., Von Crockett, Alfredo Sabillo, Eric Samuels, George Pillari, Frank Saidara, Esq.	Tom Califano, Esq.	Attorney client privileged communication regarding an Board fiduciary obligations.
C-CNT-PMH-010637	Minutes of the Board of Directors of Prospect Medical Holdings, Inc.	11/30/2023	Samuel Lee, David Topper, Mitchell Lew, M.D., Von Crockett, Alfredo	Board Discussion	Discussion regarding attorney client privileged communication regarding an Board fiduciary obligations.

			Sabillo, Eric Samuels, George Pillari, Frank Saidara, Esq.		
C-CNT-PMH-010638- C-CNT-PMH-010639	Minutes of the Board of Directors of Prospect Medical Holdings, Inc.	12/20/2023	Samuel Lee, David Topper, Mitchell Lew, M.D., Von Crockett, Alfredo Sabillo, Eric Samuels, George Pillari.	Frank Saidara, Esq	Attorney client privileged communication regarding an ongoing investigation.

B. Prospect Medical Holdings, Inc. Management Audit Committee

<u>Bates Number</u>	<u>Document</u>	<u>Date</u>	<u>To</u>	<u>From</u>	<u>Narrative</u>
06-R-C-CNT-PMH- 003758	Prospect Medical Holdings, Inc Management Audit Committee Minutes	2/11/2021	George Pillari, Steven Collins, Von Crockett, Rob Elders, Esq., Laura LaCorte, Eric Samuels, Mark Johnson, Dennis Geary	Steven Collins	Attorney client privileged communication regarding potential resolution of claim.

C. The Centurion Foundation, Inc.

<u>Bates Number</u>	<u>Document</u>	<u>Date</u>	<u>To</u>	<u>From</u>	<u>Narrative</u>
06-R-C-CNT-PMH- 003889	Minutes of a Meeting of the Board of Directors of The Centurion Foundation, Inc.	5/15/2023	Ben Mingle, Mitzi Ball, James Field, Sue Painter, Jeffrey Liebman, Steve Lovoy	Board of Directors	Proprietary and confidential commercial and strategic information regarding unrelated matters.