

STATE OF NEW HAMPSHIRE

Recording Fee: \$25.00 (Note 1)
Use black print or type.
Leave 1" margins both sides

Form No. NP 3
RSA 292:5 & 7

**AFFIDAVIT OF AMENDMENT
OF
CMC HEALTHCARE SYSTEM
A NEW HAMPSHIRE NONPROFIT CORPORATION**

I, _____, the undersigned, being the _____ (Note 2) of CMC Healthcare System, a New Hampshire nonprofit corporation (the "Corporation"), do hereby certify that a unanimous consent resolution was signed by the Board of Governors of the Corporation on _____, 2009, in Manchester, New Hampshire (Note 3), for the purpose of amending the Articles of Agreement, as approved by the Bishop of the Roman Catholic Diocese of Manchester. (Note 4)

Articles II, III, VIII, IX, and X of the Articles of Agreement shall be replaced in their entirety with Articles II, III, VIII, IX, and X, and Articles I, IV, V, VI, and VII shall be included, as set out hereafter.

I further certify that after such amendments, the Articles of Agreement shall read as follows:

ARTICLE I - NAME

The Name of the Corporation shall be: CMC HEALTHCARE SYSTEM.

ARTICLE II - PURPOSE

The purpose for which the Corporation is established is:

1. To benefit, serve as the sole member of, help carry out the purposes of, and uphold, promote and further the welfare, programs and activities of Catholic Medical Center and Alliance Health Services and any and all other for-profit and non-profit entities subsidiary to Catholic Medical Center or Alliance Health Services (collectively, the "Subsidiary Entities" or, alternatively, referred to as the "Manchester System"), by exercising certain powers over the Subsidiary Entities and serving as a public juridic person of diocesan right under the canon law of the Roman Catholic Church responsible for assuring that the Subsidiary Entities, individually and collectively, operate in adherence to the Ethical and Religious Directives for Catholic Health Care Services ("ERDs") and subject to the powers reserved to the Roman Catholic Bishop of Manchester (the "Bishop") consistent with the canon law of the Roman Catholic Church.

2. To help carry out the purposes of, uphold and promote the activities of the Subsidiary Entities in the initiation, development and conduct of programs to further (i) the quality and

AFFIDAVIT OF AMENDMENT OF
CMC HEALTHCARE SYSTEM
A NEW HAMPSHIRE NONPROFIT CORPORATION

Form No. NP 3
RSA 292:5 & 7

accessibility of health care services, particularly in the Greater Manchester community, and throughout the State of New Hampshire (collectively when acting in conjunction with Sole Member of the Corporation as defined in Article III of this Affidavit of Amendment, referred to herein as the "Regional System"); (ii) the efficiency of utilization of health care facilities and services, particularly in the Regional System; and (iii) the reasonable containment of the cost of health care to the public.

3. To help carry out the purposes of, uphold and promote the activities of the Subsidiary Entities in the conduct of educational programs for health professionals and for members of the public, including without limitation programs of continuing medical education, nursing education, residency, training, and community education regarding health, health services, preventive care and fitness.

4. To help carry out the purposes of, uphold and promote the activities of the Subsidiary Entities with regard to programs of research to further (i) general health, particularly in the Greater Manchester community and throughout the State of New Hampshire; (ii) the effective delivery of health care services; and (iii) preventive health care and fitness.

5. To help carry out the purposes of, uphold and promote the activities of the Subsidiary Entities with regard to programs for the effective delivery of a continuum of health care services to persons other than hospital inpatients; and the operation, either directly or indirectly, of one or more health-related programs or facilities, including without limitation the Catholic Medical Center, and other hospitals, neighborhood health centers, retirement or nursing homes, rehabilitation centers, industrial health facilities, health maintenance organizations, ambulatory surgical facilities and emergency or urgent care facilities.

6. To develop a strategic plan for the Manchester System which is compatible with the Regional System plan and which addresses those portions of the Regional System plan for which the Corporation is responsible as well as to account for adherence within the Manchester System of overall quality goals established for the Regional System.

7. The Corporation shall at all times be organized and operated exclusively for charitable, scientific or educational purposes within the meaning of Section 501(c)(3) and Section 509(a)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), or of any corresponding provision of subsequent Federal law.

ARTICLE III - MEMBERSHIP

The Sole Member of the Corporation shall be Dartmouth-Hitchcock Health ("DHH"). DHH as Sole Member of the Corporation shall have all reserved powers and responsibilities conferred on it pursuant to Article VIII of these Articles of Agreement.

ARTICLE IV - DISPOSITION OF ASSETS

The provisions for the disposition of the corporate assets in the event of dissolution of the corporation are: In the event of the complete termination or complete dissolution of this Corporation, in any manner or for any reason whatsoever, its remaining assets, if any, shall revert to the Roman Catholic Bishop of Manchester, a corporation sole.

ARTICLE V - ADDRESS

The address at which the business of this corporation is to be carried on is: 100 McGregor Street, Manchester, New Hampshire.

ARTICLE VI - CAPITAL STOCK

The amount of capital stock, if any, or the number of shares is: None.

ARTICLE VII - PROHIBITED ACTIVITIES

1. No part of the net earnings of the Corporation shall inure to or for the benefit of, or be distributable to its members, directors, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article II hereof.

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

3. Notwithstanding any other provision of these Articles, the Corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax pursuant to Section 501(c)(3) of the Code, or (b) by a corporation, contributions to which are deductible pursuant to Section 170(c)(2) of the Code.

ARTICLE VIII - DHH RESERVED POWERS

As the Sole Member of the Corporation, DHH will retain certain reserved powers over the Corporation so that DHH can serve as the coordinator and steward of the Regional System. DHH agrees that it will reserve only the following powers over the Corporation. DHH acknowledges and agrees that some of its reserved powers below must be exercised concurrently with the reserved powers of the Bishop as set forth in Article IX:

AFFIDAVIT OF AMENDMENT OF
CMC HEALTHCARE SYSTEM
A NEW HAMPSHIRE NONPROFIT CORPORATION

Form No. NP 3
RSA 292:5 & 7

1. The DHH Board of Trustees (the “DHH Board”) must approve the appointment or removal of a member of the Corporation’s Board;
2. The DHH Board must approve the final adoption of the annual and any revised operating and capital budgets of the Corporation, and any proposed action which may result in a deviation in a “Material Amount” (which is defined as a dollar amount equal to or greater than the capital expenditure threshold for acute care facilities set forth in New Hampshire RSA 151-C:5(II)(a) as adjusted for inflation from time to time by the Health Services Planning and Review Board) from such budgets. The DHH Board also must approve the final adoption of, and any approval of a deviation in a Material Amount from, only those components of the annual and any revised operating and capital budgets of CMC and AHS, respectively, that constitute a Material Amount and have strategic implications for the Regional System;
3. The DHH Board must approve any unbudgeted transfer by the Corporation, its subsidiaries, CMC and/or AHS to any person or organization, with or without consideration, during any twelve (12) month period of tangible, intangible or mixed assets with a value of a Material Amount;
4. The DHH Board must approve any unbudgeted single incurrence, or unbudgeted cumulative incurrences in any twelve (12) month period, of debt by the Corporation, CMC and/or AHS in a Material Amount (for purposes of this Article VIII, the term “debt” is defined as short-term and long-term indebtedness and financial obligations of all types, including, but not limited to, capitalized leases, notional principal contracts, and guarantees, except "debt" shall not include loans or guarantees incurred to facilitate routine business transactions (not to exceed a Material Amount) or accounts payable incurred in the ordinary course of business);
5. The DHH Board must approve the creation of any direct affiliate or subsidiary of the Corporation or any merger with or consolidation of the Corporation, CMC and/or AHS into another entity, or the acquisition by the Corporation, CMC and/or AHS of substantially all of the assets of another entity which acquisition may have a material effect on the Manchester System and/or the Regional System;
6. The DHH Board must approve the corporate division, dissolution, or liquidation of the Corporation, CMC and/or AHS;
7. The DHH Board must approve the participation by the Corporation, CMC and/or AHS in a “Key Strategic Relationship” defined as the ownership of, or contractual participation in, a network, system, affiliation, joint venture, alliance or similar arrangement (not including ordinary academic programs, managed care contracts, or other payment arrangement with third party payors), entered into with another organization that is not a Manchester Provider Organization;

8. The DHH Board must approve the appointment and termination of the Corporation's President and CEO;

9. The DHH Board must approve the elimination or addition of any material health care service or program by the Corporation, CMC and/or AHS; and

10. The DHH Board must approve the amendment of the Articles of Agreement and/or Bylaws of the Corporation, CMC and/or AHS where such proposed amendment would (i) impact the powers reserved to DHH in this Article VIII, or (ii) reasonably be expected to have any material strategic, competitive or financial impact on one or more Regional Provider Organizations or on the Regional System and Manchester System as a whole.

ARTICLE IX - BISHOP'S RESERVED POWERS

Although many of the reserved powers of the person who holds the office of the Bishop of the Roman Catholic Diocese of Manchester regarding the Corporation are shared with Dartmouth-Hitchcock Health ("DHH") as Sole Member of the Corporation, the following actions require the express approval of the Bishop of the Roman Catholic Diocese of Manchester before they can be effective and implemented:

1. Any repeal, alteration or amendment of the Articles of Agreement or Bylaws of the Corporation;

2. Any change in the philosophy, objectives or purposes of the Corporation or its ethical or religious standards;

3. Any conveyance, purchase, sale or lease of, or grant of mortgages, trust deeds or creation of other liens or encumbrances on, real property assets of the Corporation or those of its Subsidiaries with a fair market value in excess of the maximum amount approved by the Holy See for the United States of America or any conveyance of any non-real property assets of the Corporation or those of its Subsidiaries or the incurring of any general indebtedness by the Corporation or those of its Subsidiaries which exceeds the same maximum amount;

4. The appointment of each CMC-affiliated trustee of the Corporation as described in the Bylaws;

5. The removal of any CMC-affiliated trustee of the Corporation;

6. The appointment of the President and Chief Executive Officer of the Corporation as described in the Bylaws;

7. The removal of the President and Chief Executive Officer of the Corporation;
8. Any merger with or consolidation of the Corporation or any of its Subsidiary Entities into another entity, or the acquisition by the Corporation or any of its Subsidiary Entities of substantially all of the assets of another entity or the sale or lease of substantially all of the assets of the Corporation or any of its Subsidiary Entities to any person or entity;
9. Any creation by the Corporation or one of its Subsidiary Entities, or any affiliation of the Corporation or any of its Subsidiary Entities with any other entity for the purpose of the joint conduct of business or other programs, whether in the form of or participation in a corporation (either through the holding of stock or membership), partnership, joint venture, co-tenancy or any other form of ownership or control; and
10. The dissolution or liquidation of the Corporation.

At all times, the Corporation shall be operated in accordance with the Canon Law and teachings of the Roman Catholic Church as well as with the *Ethical and Religious Directives for Catholic Health Care Services*, promulgated by the United States Conference of Catholic Bishops, as amended from time to time. In regard to the foregoing, the Corporation shall, in all such matters, rely upon and defer to the authority of the Bishop of the Roman Catholic Diocese of Manchester who, in such manner as he deems appropriate -- whether directly or by delegation of authority -- shall monitor the Corporation' implementation of and compliance with the *Ethical and Religious Directives for Catholic Health Care Services*.

ARTICLE X - LIMITATION OF LIABILITY

The provisions eliminating or limiting the personal liability of Trustees or officers are: Each Trustee and officer shall be indemnified by the Corporation against personal liability to the Corporation for monetary damages for breach of fiduciary duty as a Trustee or officer, or both, except with respect to: (1) Any breach of the Trustee's or officer's duty of loyalty to the Corporation or the members; (2) acts or omissions which are not in good faith or which involve intentional misconduct or a knowing violation of the law; or (3) any transaction from which the Trustee or officer derived any improper personal benefit.

AFFIDAVIT OF AMENDMENT OF
CMC HEALTHCARE SYSTEM
A NEW HAMPSHIRE NONPROFIT CORPORATION

Form No. NP 3
RSA 292:5 & 7

A true record, attest: _____

Date signed: _____, 2009

- Notes:
1. Make check payable to N.H. Secretary of State.
 2. Clerk, secretary or other officer.
 3. Town/city and state.
 4. Enter either "Board of Directors" or "Trustees".

Mail fee with DATED AND SIGNED ORIGINAL to: Corporation Division, Department of State, 107 North Main Street, Concord, NH 03301-4989.

File a copy with Clerk of the town/city of the principal place of business.

3/05
CD Misc. NP-3 V-1.1