

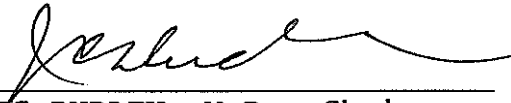
BYLAWS

SUMTER REGIONAL HOSPITAL FOUNDATION INC.

Incorporated under the laws of the State of Georgia

Adopted by the Board of Trustees  
as of February 18, 1991.

These are the Bylaws of, Sumter Regional Hospital  
Foundation, Inc., adopted by resolution of the Board of  
Trustees, effective as of the 18th day of February, 1991.



JAMES DUDLEY, M.D., Chairman

Date: February 18, 1991

Amended 2 /12/2015

Approved 3/18/2015

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Randy Jones, Chairman

SUMTER REGIONAL HOSPITAL FOUNDATION INC,  
INC.

BYLAWS

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## BYLAWS

### SUMTER REGIONAL HOSPITAL FOUNDATION INC.

Incorporated under the laws of the State of Georgia

#### ARTICLE ONE

##### Name, Location, and Offices

1.1 Name. The name of this corporation shall be "SUMTER REGIONAL HOSPITAL FOUNDATION INC." (Hereinafter the "Foundation")

1.2 Registered Office and Agent. The corporation shall maintain a registered office in the State of Georgia, and shall have a registered agent whose address is identical with the address of such registered office, in accordance with the requirements of the Georgia Nonprofit Corporation Code.

1.3 Other Offices. The principal office of the corporation shall be located in Americus, Sumter County, Georgia. The corporation may have other offices at such place or places, within or outside the State of Georgia, as the Board of Trustees may determine from time to time or the affairs of the corporation may require or make desirable.

#### ARTICLE TWO

##### Purposes and Governing Instruments

2.1 Nonprofit Corporation. The corporation shall be organized and operated as a nonprofit corporation under the provisions of the Georgia Nonprofit Corporation Code.

2.2 Charitable Purposes. The corporation is a voluntary association of individuals the purposes of which, as set forth in the articles of incorporation, are exclusively charitable, educational, scientific, and religious within the meaning of section 501(c)(3) of the Internal Revenue Code. The corporation was organized, interests of Sumter Regional Hospital, its successors and assigns, including the Phoebe Sumter Medical Center and at all times shall be operated, to serve the needs and interests of Phoebe Sumter Medical Center (hereinafter "PSMC") and the Americus and Sumter County Hospital Authority (hereinafter "ASCHA"), in such ways as the Board of Trustees shall determine in its discretion. In furtherance of such purposes, the corporation shall have full power and authority:

(a) To make distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code;

(b) To make distributions for other charitable purposes;

(c) To receive and accept property, whether real, personal, or mixed, by way of gift, bequest, or devise, from any person, firm, trust, or corporation, to be held, administered, and disposed of in accordance with and pursuant to the governing instruments of the corporation, as the same shall be amended from time to time;

(d) To make grants and contributions and otherwise to render financial assistance and support services in furtherance of the programs and activities of Phoebe Sumter and the ASCHA, as determined by the Board of Trustees in its discretion;

(e) To solicit gifts, grants, and contributions and otherwise to raise funds to support and advance the charitable, educational, and scientific programs and activities of the corporation as provided above;

(f) To distribute property exclusively for charitable, educational, and scientific purposes in accordance with the terms of gifts, bequests, or devises to the corporation not inconsistent with its purposes, as set forth in the articles of incorporation, or in accordance with determinations made by the Board of Trustees pursuant to the articles of incorporation and bylaws of the corporation; and

(g) To perform all other acts necessary or incidental to the above and to do whatever is deemed necessary, useful, advisable, or conducive, directly or indirectly, to carry out any of the purposes of the corporation, as set forth in the articles of incorporation and these bylaws, including the exercise of all other power and authority enjoyed by corporations generally by virtue of the provisions of the Georgia Nonprofit Corporation Code (within and subject to the limitations of section 501(c)(3) of the Internal Revenue Code).

2.3 Governing Instruments. The corporation shall be governed by its articles of incorporation and these bylaws.

ARTICLE THREE  
Board of Trustees

3.1 Authority and Responsibility of the Board of Trustees.

(a) The supreme authority of the corporation and the government and management of the affairs of the corporation shall be vested in the Board of Trustees; and all the powers, duties, and functions of the corporation conferred by the articles of incorporation, these bylaws, state statutes, common law, court decisions, or otherwise, shall be exercised, performed, or controlled by the Board of Trustees.

(b) The governing body of the corporation shall be the Board of Trustees. The Board of Trustees shall have supervision, control and direction of the management, affairs and property of the corporation; shall determine its policies or changes therein; and shall actively prosecute its purposes and objectives and supervise the disbursement of its funds. The Board of Trustees may adopt, by majority vote, such rules and regulations for the conduct of its business and the business of the corporation as shall be deemed advisable, and may, in the execution of the powers granted, delegate certain of its authority and responsibility to an executive committee. Under no circumstances, however, shall any actions be taken which are inconsistent with the articles of incorporation and these bylaws; and the fundamental and basic purposes of the corporation, as expressed in the articles of incorporation and these bylaws, shall not be amended or changed.

(c) The Board of Trustees shall not permit any part of the net earnings or capital of the corporation to inure to the benefit of any member, director, officer, trustee, or other private person or individual.

(d) The Board of Trustees may, from time to time, appoint, as advisors, persons whose advice, assistance and support may be deemed helpful in determining policies and formulating programs for carrying out the purposes and functions of the corporation.

(e) The Board of Trustees is authorized to employ such person or persons, including an executive director or officer, attorneys, Trustees, agents, and assistants, as in its judgment are necessary or desirable for the administration and management of the corporation, and to pay reasonable compensation for the services performed and expenses incurred by any such person or persons.



3.2 Regular Board of Trustees. The regular Board of Trustees of the corporation shall consist of not less than five (5) nor more than twenty-six (26) members, which number shall include one (1) then serving member of the Governing Body of the ASCHA, as appointed by the Authority and one (1) then serving member of the Governing Body of PSMC Board of Trustees, as appointed by the Board, together with such other Trustees as may be elected from time to time in accordance with these bylaws. At no time shall more than one (1) member of Governing Body of the ASCHA serve as a member of the Board of Trustees of the Foundation and at no time shall more than one (1) member of the PSMC Board or Trustees, serve as a member of the Foundation. Anything in these bylaws to the contrary notwithstanding, at no time shall the number persons who are serving from time to time as members of the regular Board of Trustees of the Foundation be comprised of one-half (1/2) or more of (i) the members of the ASCHA, (ii) Board of Trustees of PSMC, (iii) Phoebe Health System or (iv) other related entities of the Phoebe Putney Healthcare System.

3.3 Manner of Elections and Term of Office. The regular Trustees of the Foundation shall be elected by the Board of Trustees of the Foundation. Each trustee so elected who is a then serving member of the Governing Body of the ASCHA or the PSMC Board of Trustees shall take office as of the close of such annual meeting and shall continue in office for a term of one (1) year and thereafter until his or her successor shall have been approved, elected and qualified or until his or her earlier death, resignation, retirement, disqualification, or removal. Each trustee so elected who not a then is serving member of the Governing Body of the ASCHA or the PSMC Board of Trustees shall take office as of the close of such annual meeting and shall continue in office for a term of three (3) years and thereafter until his or her successor shall have been elected and qualified or until his or her earlier death, resignation, retirement, disqualification, or removal. There shall be no limitation on the number of successive terms of office for which a trustee may serve.

3.4 Removal. Any trustee may be removed, either for or without cause, only by the Board of Trustees of the Foundation. A removed trustee's successor may be elected or appointed by the Board of Trustees of the Foundation to serve the unexpired term.

3.5 Vacancies. Any vacancy in the Board of Trustees arising at any time and from any cause, including the authorization of an increase in the number of Trustees, may be filled for the unexpired term only by the Board of Trustees of the Foundation. Unless otherwise provided by the Board of Trustees of the Foundation, each trustee so elected or appointed shall hold office until the expiration of his or her term, or the unexpired term of his or her predecessor, as the case may be, and until his or her successor is elected and qualifies.

3.6 Committees of the Board of Trustees. By resolution adopted by a majority of the full Board of Trustees, the Board of Trustees may designate from among its members an executive committee, consisting of three (3) or more Trustees, which number shall always include the Chairman of the Foundation and the president. By resolution adopted by a majority of Trustees present at a meeting at which a quorum is present, the Board of Trustees may designate from among its members one or more other committees, each consisting of two (2) or more Trustees. Except as prohibited by law, each committee shall have the authority as set forth in the resolution establishing said committee. See also Article Seven ("Committees of Trustees").

3.7 Compensation. Nothing contained in the governing instruments of the corporation shall be construed to prevent any trustee from receiving reasonable compensation for services rendered to, and in furtherance of the purposes and functions of, the corporation; provided such compensation is disclosed and in accordance with the Conflict of Interest Policy, as adopted from time to time by the Board of Trustees of the Foundation.

#### ARTICLE FOUR Meetings of the Board of Trustees

4.1 Place of Meetings. Meetings of the Board of Trustees may be held at any place within or outside the State of Georgia as set forth in the notice thereof or in the event of a meeting held pursuant to waiver of notice, as may be set forth in the waiver, or if no place is so specified, at the principal office of the corporation.

4.2 Annual Meeting; Notice. The annual meeting of the Board of Trustees shall be held at such place as the Board of Trustees shall determine on such day and at such time as the Board of Trustees shall designate. Unless waived as contemplated in Section 5.2, notice of the time and place of such annual meeting shall be given by the secretary not less than ten (10) nor more than fifty (50) days before such annual

meeting.

4.3 Regular Meetings; Notice. Regular meetings of the Board of Trustees shall be held from time to time between annual meetings at such times and at such places as the Board of Trustees may prescribe. Notice of the time and place of each such regular meeting shall be given by the secretary not less than seven (7) nor more than thirty (30) days before such regular meeting.

4.4 Special Meetings; Notice. Special meetings of the Board of Trustees may be called by or at the request of the chairman or by the president or by any three (3) of the Trustees in office at that time. Notice of the time, place and purpose of any special meeting of the Board of Trustees shall be given by the secretary at least twenty-four (24) hours before such meeting.

4.5 Waiver. Attendance by a trustee at a meeting shall constitute waiver of notice of such meeting, except where a trustee attends a meeting for the express purpose of objecting to the transaction of business because the meeting is not lawfully called. See also Article Five ("Notice and Waiver").

4.6 Quorum. At meetings of the Board of Trustees, a majority of the members of the Board of Trustees then in office shall be necessary to constitute a quorum for the transaction of business.

4.7 Vote Required for Action. Except as otherwise provided in these bylaws or by law, the act of a majority of Trustees present at a meeting at which a quorum is present at the time shall be the act of the Board of Trustees. Adoption, amendment and repeal of a bylaw are provided for in Article Thirteen of these bylaws. Vacancies in the Board of Trustees may be filled as provided in Section 3.5 of these bylaws.

4.8 Action by Trustees without a Meeting. Any action required or permitted to be taken at a meeting of the Board of Trustees may be taken without a meeting if consent in writing, setting forth the action so taken is signed by all the members of the Board of Trustees. Such consent shall have the same force and effect as a unanimous vote at a meeting. The signed consent, or a signed copy, shall be placed in the minute book.

4.9 Telephone and Similar Meetings. Trustees may participate in and hold a meeting by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in such a meeting shall constitute presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

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

4.11 Proxies. Except where proscribed by applicable law, a trustee may vote in person or by proxy executed in writing by the trustee or by his or her attorney-in-fact. A proxy shall not be valid after eleven (11) months from the date of its execution, unless a longer period is expressly stated therein.

ARTICLE FIVE  
Notice and Waiver

5.1 Procedure. Whenever these bylaws require notice to be given to any trustee, the notice shall be given in accordance with this Section 5.1. Notice under these bylaws shall be in writing unless oral notice is reasonable under the circumstances. Notice may be communicated in person, by email, telephone, telegraph, teletype, or other form of wire or wireless communication; or by mail or private carrier. If these forms of personal notice are impracticable, notice may be communicated by a newspaper of general circulation in the area where published, or by radio, television, or other form of public broadcast communication. Written notice, if in a comprehensible form, is effective at the earliest of the following:

- (1) When received or when delivered, properly addressed, to the addressee's last known principal place of business or residence;
- (2) Five days after its deposit in the mail, as evidenced by the postmark, if mailed with first-class postage prepaid and correctly addressed; or
- (3) On the date shown on the return receipt, if sent by registered or certified mail, return receipt requested, and the receipt is signed by or on behalf of the addressee.

Oral notice is effective when communicated if communicated in a comprehensible manner.

In calculating time periods for notice, when a period of time

measured in days, weeks, months, years, or other measurement of time is prescribed for the exercise of any privilege or the discharge of any duty, the first day shall not be counted but the last day shall be counted.

5.2 Waiver. A trustee may waive any notice before or after the date and time stated in the notice. Except as provided herein, the waiver must be in writing, signed by the trustee entitled to the notice, and delivered to the corporation for inclusion in the minutes or filing with the corporate records. A trustee's attendance at or participation in a meeting waives any required notice to him or her of the meeting unless the trustee at the beginning of the meeting (or promptly upon his or her arrival) objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

## ARTICLE SIX Officers

6.1 Number and Qualifications. The executive officers of the corporation may consist of a chairman, one or more vice chairmen, as determined or designated by the Board of Trustees, a president, one or more vice presidents, as determined or designated by the Board of Trustees, a secretary, and a treasurer. The Board of Trustees of the Foundation shall from time to time create and establish the duties of such other officers or assistant officers as it deems necessary for the efficient management of the Foundation, but the Foundation shall not be required to have at any time any officers other than a Chairman, a Secretary, and a Treasurer. Any two (2) or more offices may be held by the same person, except the offices of Chairman and Secretary. Anything herein to the contrary notwithstanding, the person serving from time to time as chief executive officer of the corporation may not hold the office of chairman or vice chairman.

6.2 Election and Term of Office. Officers shall be elected annually by the Board of Trustees of the corporation. Such officers shall serve for terms of one (1) year and thereafter until their successors have been elected and have qualified, or until their earlier death, resignation, removal, retirement, or disqualification. Any other officers or assistant officers appointed by the Board of Trustees of the Foundation under Section 6.1 of these bylaws shall serve at the will of the Board of Trustees of the corporation and until their successors have been elected and have qualified, or until their earlier death, resignation, removal, retirement, or disqualification.

6.3 Other Agents. The Board of Trustees may appoint from time to time such agents as it may deem necessary or desirable, each of whom shall hold office during the pleasure of the board, and shall have such authority and perform such duties and shall receive such reasonable compensation, if any, as the Board of

Trustees may from time to time determine.

6.4 Removal. Any officer or agent elected or appointed by the Board of Trustees of the Foundation may be removed by the Board of Trustees whenever in its judgment the best interests of the Foundation will be served thereby. However, any such removal shall be without prejudice to the contract rights, if any, of the officer or agent so removed.

6.5 Vacancies. A vacancy in any office arising at any time and from any cause may be filled for the unexpired term at any meeting of the Board of Trustees

6.6 Chairman. The chairman shall preside at all meetings of the Board of Trustees. The chairman shall also serve as a member, with right to vote, of any executive committee of the Board of Trustees and as a voting member, ex officio, of any and all other committees of Trustees. The chairman shall perform such other duties and have such other authority and powers as the Board of Trustees may from time to time prescribe. The person serving as chief executive officer of the corporation may not hold the office of chairman or vice chairman.

6.7 Vice Chairmen. The vice chairmen, in the order of their seniority, unless otherwise determined by the chairman or by the Board of Trustees, shall, in the absence or disability of the chairman, perform the duties and have the authority and exercise the powers of the chairman: They shall perform such other duties and have such other authority and powers as the Board of Trustees may from time to time prescribe or as the chairman may from time to time delegate.

6.8 President/CEO. The president shall be the chief executive officer of the corporation and, as such, shall exercise general supervision of all operations and personnel of the corporation, including determination of compensation to be paid any employee other than himself or herself for services rendered to the Foundation, subject to the control of the Board of Trustees. The president shall serve as a member, with right to vote, of any executive committee of the Board of Trustees and as a voting member, ex-officio, of any and all other committees of Trustees. The president shall be authorized to sign checks, drafts, and other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation, grant requests, and statements and reports required to be filed with state or federal officials or agencies; and the president shall be authorized to enter into any contract or agreement and to execute in the corporate name, along with the treasurer or the secretary, any instrument or other writing; and he or she shall see that all orders and resolutions of the Board of Trustees are carried into effect. The president shall have the right to supervise and direct the management and operation of the Foundation and to make all

decisions as to policy and otherwise which may arise between meetings of the Board of Trustees, and the other officers and employees of the Foundation shall be under his or her supervision and control during such interim. Unless otherwise determined by the chairman or by the Board of Trustees, the president shall, in the absence or disability of the chairman and all the vice chairmen, perform the duties and have the authority and exercise the powers of the chairman. The president shall perform such other duties and have such other authority and powers as the Board of Trustees may from time to time prescribe.

#### 6.10 Secretary.

(a) The secretary shall attend all meetings of the Board of Trustees and record, or cause to be recorded, all votes, actions and the minutes of all proceedings in a book to be kept for that purpose and shall perform, or cause to be performed, like duties for the executive and other committees when required.

(b) The secretary shall give, or cause to be given, notice of all meetings of the Board of Trustees.

(c) The secretary shall keep in safe custody the seal of the Foundation and, when authorized by the Board of Trustees or the chairman, affix it to any instrument requiring it. When so affixed, it shall be attested by his or her signature or by the signature of the treasurer or an assistant secretary.

(d) The secretary shall be under the supervision of the president. He or she shall perform such other duties and have such other authority and powers as the Board of Trustees may from time to time prescribe or as the president may from time to time delegate.

#### 6.12 Treasurer.

(a) The treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements of the corporation, or shall have such accounts maintained, and shall deposit, or have deposited, all monies and other valuables in his name and to the credit of the corporation into depositories designated by the Board of Trustees.

(b) The treasurer shall disburse the funds of the corporation, or have such funds disbursed, as ordered by the Board of Trustees, and prepare financial statements, or have financial statements prepared, each month or at such other intervals as the Board of Trustees shall direct.

(c) If required by the Board of Trustees, the treasurer shall give the corporation a bond (in such form, in such sum, and with such surety or sureties as shall be satisfactory to the board) for the faithful performance of the duties of his or her office and for the restoration to the corporation, in case of his or her death, resignation, retirement, or removal from office of all books, papers, vouchers, money and other property of whatever kind in his or her possession or under his or her control belonging to the corporation.

(d) The treasurer shall perform such other duties and have such other authority and powers as the Board of Trustees may from time to time prescribe or as the president may from time to time delegate.

6.13 Assistant Treasurers. The assistant treasurers, in the order of their seniority, unless otherwise determined by the president or by the Board of Trustees, shall, in the absence or disability of the treasurer, perform the duties and have the authority and exercise the powers of the treasurer. They shall perform such other duties and have such other powers as the Board of Trustees may from time to time prescribe or as the president may from time to time delegate.

## ARTICLE SEVEN Committees of Trustees

7.1 Executive Committee. By resolution adopted by a majority of the Trustees in office, the Board of Trustees may designate from among its members an executive committee, consisting of three (3) or more Trustees, including the chairman and the president/if any of the Foundation, which executive committee, to the extent provided in such resolution, shall have and exercise the authority of the Board of Trustees in the management of the affairs of the corporation. However, the designation of an executive committee and the delegation thereto of authority shall not operate to relieve the Board of Trustees, or any individual trustee, of any responsibility imposed upon it or him or her by law.

7.2 Other Committees of Trustees. Other committees, each consisting of two (2) or more Trustees, not having and exercising the authority of the Board of Trustees in the management of the corporation may be designated by a resolution adopted by a majority of Trustees present at a meeting at which a quorum is present. Except as otherwise provided in such resolution or in these bylaws, members of each such committee shall be appointed by the chairman of the Foundation. Any member of any committee may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the corporation shall be served by such removal.



7.3 Advisory and Other Committees. The Board of Trustees may provide for such other committees, including committees, advisory groups, boards of governors, etc., consisting in whole or in part of persons who are not Trustees of the corporation, as it deems necessary or desirable, and discontinue any such committee at its pleasure. It shall be the function and purpose of each such committee to advise the Board of Trustees on matters relating to the business and affairs of the corporation; and each such committee shall have such powers and perform such specific duties or functions, not inconsistent with the articles of incorporation of the corporation or these bylaws, as may be prescribed for it by the Board of Trustees. Appointments to and the filling of vacancies on any such other committees shall be made by the chairman of the corporation, unless the Board of Trustees otherwise provides. Any action by each such committee shall be reported to the Board of Trustees at its meeting next succeeding such action and shall be subject to control, revision, and alteration by the Board of Trustees, provided that no rights of third persons shall be prejudicially affected thereby.

7.4 Term of Appointment. Each member of a committee shall continue as such until the next annual meeting of the Board of Trustees and until his or her successor is appointed, unless the committee shall be sooner terminated, or unless such member shall be removed from such committee, or unless such member shall cease to qualify as a member thereof.

7.5 Chairman. One member of each committee shall be appointed chairman thereof.

7.6 Vacancies. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

7.7 Quorum. Unless otherwise provided in the resolution of the Board of Trustees designating a committee, a majority of the whole committee shall constitute a quorum; and the act of a majority of members present at a meeting at which a quorum is present shall be the act of the committee.

7.8 Rules. Each committee may adopt rules for its own government, so long as such rules are not inconsistent with these bylaws or with rules adopted by the Board of Trustee.

ARTICLE EIGHT  
Special Committees

8.1 Special Committees. The chairman, after consultation with the Board of Trustees, shall appoint such other committees, Sub-committees, or task forces as may be necessary or desirable and which are not in conflict with any other provisions of these bylaws; and the duties of any such committees shall be prescribed by the Board of Trustees upon their appointment.

8.2 Term of Appointment. Each member of a committee shall continue as such until the next annual meeting of the Board of Trustees or until his successor is appointed, unless the committee shall be sooner terminated, or unless such member shall be removed from such committee, or unless such member shall cease to qualify as a member thereof.

8.3 Chairman. One member of each committee shall be appointed chairman thereof.

8.4 Vacancies. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

8.5 Quorum. Unless the Board of Trustees directs otherwise, a majority of the whole committee shall constitute a quorum; and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

8.6 Rules. Each committee may adopt rules for its own government, so long as such rules are not inconsistent with these bylaws or with rules adopted by the Board of Trustees.

ARTICLE NINE Distributions and  
Disbursements

9.1 Distributions and Disbursements. The Board of Trustees, not less frequently than annually, shall (a) determine all distributions to be made from net income and principal of the corporation (including funds held by Trustees, custodians, or agents of the corporation) pursuant to provisions of the articles of incorporation, these bylaws, and the donors' directions if and to the extent applicable as provided herein; (b) make, or authorize and direct the respective Trustees, custodians, or agents having custody of funds of the corporation to make, payments to organizations or persons to whom payments are to be made, in such amounts and at such times and with such accompanying restrictions, if any, as it deems necessary to assure use for the charitable purposes and in the manner intended; and (c) determine all disbursements to be made for administrative expenses incurred by the corporation and direct the respective Trustees, custodians, or agents having custody of funds of the corporation as to payments thereof and funds to be charged.

9.2 Vote Required for Determination. All such determinations shall be made by the affirmative vote of a majority of Trustees present at a meeting duly called at which a quorum is present, unless otherwise expressly provided in these bylaws or by direction of the donor as a condition of the gift. Upon approval of a distribution or disbursement in an amount equal to or greater than ten thousand dollars (\$10,000), the board of Trustees of the Foundation shall notify the ASCHA and the PSMC Board of Trustees and seek approval the proposed distribution or disbursement. Only upon receipt of the written approval by the ASCHA and the PSMC Board of Trustees, shall the disbursement or distribution be made. Furthermore, for purposes of this Section 9.2 in the event the Board of Trustees shall have not received approval of or denial of the budget and proposed disbursement or any distribution within one hundred twenty (120) days of the date of the request received by each Board, the request shall be deemed to have been approved and the disbursement or distribution maybe made without further action. In the event, the ASCHA and the Board of Trustees of PSMC shall have approved an annual budget for the operation of the Foundation and/or a budget and expenditures associated with fundraising campaigns or projects related to the Foundation's charitable purposes, no further written approval shall be required to be received by the Foundation prior to such related disbursement or distribution.

9.3 Distribution of Capital. Determinations may be made to distribute capital from funds given without directions as to principal or income, as well as pursuant to directions expressly permitting use of principal; but the Board of Trustees shall inform the trustee, custodian, or agent having custody of the funds of the corporation as far in advance as

the Board of Trustees deems practicable so as to permit the trustee, custodian, or agent to adjust its investment policies accordingly, and may, upon advice from the trustee, custodian, or agent as to how the desired distribution and any necessary liquidation of investment can be accomplished most economically, adjust its directions for distributions so far as it deems practicable accordingly.

9.4 Determination of Effective Agencies and Means for Carrying Out the Charitable Purposes of the Corporation. The Board of Trustees shall gather and analyze facts and conduct such investigation and research as from time to time may be necessary or desirable in order to determine the most effective agencies and means for carrying out the charitable purposes and functions of the corporation, and may direct disbursements for such fact gathering and analysis, investigation, and research from funds given for such purposes or from funds given without designation as to purpose. Disbursements for other proper administrative expenses incurred by the Board of Trustees, including salaries for such professional and other assistance as it from time to time deems necessary or desirable, shall be directed to be paid so far as possible, first from any funds designated for such purposes, and any balance out of income of the funds of the corporation or such of its principal as is not specifically restricted against such use.

9.5 Furtherance of Charitable Purposes. In furtherance of the charitable purposes and functions of the corporation, when needs therefore have been determined and with appropriate provisions to assure use solely for such purposes, the Board of Trustees may direct distributions to such persons, organizations, governments, or governmental agencies as in the opinion of the Board of Trustees can best carry out such purposes and functions or help create new qualified charitable organizations to carry out such purposes and functions.

ARTICLE TEN  
Contracts, Checks, Deposits, and Funds

10.1 Contracts. The Board of Trustees may authorize any officer *or* officers, agent *or* agents of the corporation, in addition to the officers so authorized by these bylaws, to enter into any contract or execute and deliver any instrument in the name and on behalf of the corporation. Such authority must be in writing and may be general or confined to specific instances.

10.2 Checks, Drafts, Notes, Ect. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation shall be signed by such officer or officers, agent or agents, of the corporation and in such other manner as may from time to time be determined by resolution of the Board of Trustees. In the absence of such determination by the Board of Trustees, such instruments shall be signed by the treasurer or an assistant treasurer and countersigned by the president or a vice president of the corporation.

10.3 Deposits. All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositories as the Board of Trustees may select.

10.4 Gifts. The Board of Trustees may accept on behalf of the corporation any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the corporation.

ARTICLE ELEVEN  
Indemnification and Insurance

11.1 Indemnification. In the event that any person who was or is a party to or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, seeks indemnification from the corporation against expenses, including attorneys' fees (and in the case of actions other than those by or in the right of the corporation, judgments, fines and amounts paid in settlement), actually and reasonably incurred by him in connection with such action, suit, or proceeding by reason of the fact that such person is or was a trustee, officer, employee, director, or agent of the corporation, or is or was serving at the request of the corporation as a trustee, officer, employee, director, or agent of another corporation, domestic or foreign, nonprofit or for profit, partnership, joint venture, trust, or other enterprise, then, unless such indemnification is ordered by a court, the corporation shall determine, or cause to be determined, in the

manner provided under Georgia law whether or not indemnification is proper under the circumstances because the person claiming such indemnification has met the applicable standards of conduct set forth in Georgia law; and, to the extent it is so determined that such indemnification is proper, the person claiming such indemnification shall be indemnified to the fullest extent now or hereafter permitted by Georgia law.

11.2 Indemnification Not Exclusive of Other Rights. The indemnification provided in Section 11.1 above shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under the articles of incorporation or bylaws, or any agreement, vote of members or disinterested Trustees, or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a trustee, officer, employee, director, or agent, and shall inure to the benefit of the heirs, executors, and administrators of such a person.

11.3 Insurance. To the extent permitted by Georgia law, the corporation may purchase and maintain insurance on behalf of any person who is or was a trustee, officer, employee, director, or agent of the corporation, or is or was serving at the request of the corporation as a trustee, officer, employee, director, or agent of another corporation, domestic or foreign, nonprofit or for profit, partnership, joint venture, trust or other enterprise.

## ARTICLE TWELVE Miscellaneous

12.1 Books and Records. The corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, Board of Trustees, and committees having any of the authority of the Board of Trustees. The corporation shall keep at its registered or principal office a record giving the names and addresses of the Trustees.

12.2 Corporate Seal. The corporate seal (of which there may be one or more exemplars) shall be in such form as the Board of Trustees may from time to time determine.

12.3 Fiscal Year. The Board of Trustees is authorized to fix the fiscal year of time to time as it The Board of Trustees the corporation and to deem appropriate.

12.4 Internal Revenue Code. All references in these bylaws to sections of the Internal Revenue Code shall be considered

references to the Internal Revenue Code of 1986, as from time to time amended, to the corresponding provisions of any applicable future United States Internal Revenue Law, and to all regulations issued under such sections and provisions.

12.5 Construction. Whenever the context so requires, the masculine shall include the feminine and neuter, and the singular shall include the plural, and conversely. If any portion of these bylaws shall be invalid or inoperative, then, so far as is reasonable and possible:

- (a) The remainder of these bylaws shall be considered valid and operative.
- (b) Effect shall be given to the intent manifested by the portion held invalid or inoperative.

12.6 Table of Contents: Headings. The table of contents and headings are for organization, convenience and clarity. In interpreting these bylaws, they shall be subordinated in importance to the other written material.

12.7 Relation to Articles of Incorporation. These bylaws are subject to, and governed by, the articles of incorporation.

### Article Thirteen Amendments

13.1 Power To Amend Bylaw. Subject to the provisions of Section 2 of this Article, the Board of Trustees shall have the power to alter, amend, or repeal these bylaws, or adopt new bylaws; provided, however, that the Board of Trustees shall have no power or authority to (i) make any changes in these bylaws which would in any way diminish the power of the PSMC Board of Trustees, so long as the PSMC Board of Trustees shall operate the Phoebe Sumter Medical Center (ii) amend the membership restrictions set forth in Section 3.2 of these bylaws (iii) change the procedures relating to approval on distributions and disbursements set forth in section 9.2 of Article Nine of these bylaws.

13.2 Conditions. Action by the Board of Trustees with respect to bylaws shall be taken by the affirmative vote of a majority of all Trustees then holding office.

ARTICLE FOURTEEN  
Tax-Exempt Status

14.1 Tax-Exempt Status. The affairs of the corporation at all times shall be conducted in such a manner as to assure its

status as a "publicly supported" organization as defined in section 509(a)(1) or section 509(a)(2) or section 509(a)(3) of the Internal Revenue Code, and so in other ways to qualify for exemption from tax pursuant to section 501(c)(3) of the Internal Revenue Code.

ARTICLE FIFTEEN  
Adoption of  
Bylaws

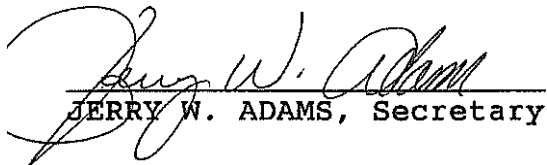
These bylaws were adopted by resolution of the Board of Trustees of the corporation, and became effective on February 18, 1991.

APPROVED:  
FOUNDATION INC, INC.

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Jim Dudley, Chairman

SUMTER REGIONAL HOSPITAL ATTEST:

  
JERRY W. ADAMS, Secretary

[CORPORATE SEAL]



