

**AMENDED AND RESTATED
BYLAWS
OF
LINCOLN HEALTH FOUNDATION, INC.**

Effective September 9, 2010

A Louisiana Nonprofit Corporation

**ARTICLE I
PURPOSES, POWERS, AND DEFINITIONS**

Section 1.1 **Purpose.** The Foundation was originally organized and operated exclusively to benefit and support Lincoln Health System, Inc. and the Lincoln Parish Police Jury by furthering the charitable, scientific, and educational purposes, within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986 as amended (the "Code") or the corresponding section of any future federal tax code, of Lincoln Health System, Inc. and the Lincoln Parish Police Jury. Effective April 1, 2007, Lincoln Health System, Inc. sold substantially all its assets and began the process of liquidation and distribution of all assets to its stockholders. Lincoln Health Foundation, as a stockholder, then became a health care conversion foundation pursuant to LA RS 40:2115.11 et seq. As a health care conversion foundation, and pursuant to the approval granted Lincoln Health Foundation by the Louisiana Attorney General, the purpose of the Foundation shall include managing and using the sale proceeds or liquidating distributions to improve health care and outcomes for residents of the area historically served by Lincoln Health System, Inc. d/b/a Lincoln General Hospital in accordance with Louisiana law applicable to the use of proceeds from the sale of non-profit hospitals. In furtherance of the above, the Foundation will continue to be organized and operated exclusively for purposes described in 501(c)(3) of the Code.

Section 1.2 **Powers.** The Corporation shall have and exercise such powers as provided in the Articles of Incorporation of the Corporation.

1. The Foundation shall not possess or exercise any power or authority either expressly, by interpretation, or by operation of law that will prevent it at any time from qualifying, and continuing to qualify, as a corporation described in Section 501(c)(3) of the Code, nor shall it engage directly or indirectly in any activity that would cause the loss of such qualification.

2. No part of the net earnings of the Foundation shall inure to the benefit of any director of the Foundation, officer of the Foundation, member of the Foundation, or any other private individual (except that reasonable compensation may be paid for services rendered to or for the Foundation effecting one or more of its purposes), and no director, officer or member of the Foundation, or any private individual, shall be entitled to share in the distribution of any of the corporate assets on dissolution of the Foundation. No substantial part of the activities of the Foundation shall be the carrying on of propaganda, or otherwise attempting, to influence legislation, and the Foundation shall not participate in, or intervene in (including the publication or distribution of statements) any political campaign on behalf of (or in opposition to) any candidate for public office. Notwithstanding any other provision of these Articles, the Foundation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Code, or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Code.

3. Upon the dissolution of the Foundation, the board of directors shall, after paying or making provision for payment of all of the liabilities of the Foundation, distribute the remaining assets of the Foundation to the Lincoln Parish Police Jury, a political subdivision of the State of Louisiana which is described in Sections 170(c)(1) and 509(a)(1) of the Code, to be used for the same purposes as Lincoln Health Foundation, for its purpose of improving health care and outcomes

for residents of the area historically served by Lincoln Health System, Inc. d/b/a Lincoln General Hospital.

4. The Foundation 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 Internal Revenue Code, or the corresponding section of any future federal tax code.

5. The Foundation will not engage in any act of self-dealing as defined in section 4941(d) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

6. The Foundation will not retain any excess business holdings as defined in section 4943(c) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

7. The Foundation will not make any investments in a manner as to subject it to tax under section 4944 of the Internal Revenue Code, or the corresponding section of any future federal tax code.

8. The Foundation will not make any taxable expenditures as defined in section 4945 of the Internal Revenue Code, or the corresponding section of any future federal tax code.

Section 1.3 **Definitions.** The terms set forth below shall have the following meanings unless otherwise required by the context in which they may be used:

Articles of Incorporation. The term "Articles of Incorporation" shall mean the Amended and Restated Articles of Incorporation of the Foundation filed with the Secretary of State of the State of Louisiana on the ____ day of _____, _____, and any amendments thereto.

Board. The term "Board" shall mean the Board of Directors of the Foundation.

Foundation. The term "Foundation" shall mean Lincoln Health Foundation, Inc., a Louisiana nonprofit corporation.

President. The term "President" shall mean the president of the Foundation duly

elected or appointed by the Board.

Secretary. The term "Secretary" shall mean the secretary of the Foundation duly elected or appointed by the Board.

ARTICLE II OFFICES

Section 2.1 **Registered Office and Registered Agent.** The Foundation shall have and continually maintain in the State of Louisiana a registered office and a registered agent. The registered agent and/or registered office may be changed from time to time by the Board.

Section 2.2 **Other Offices.** The Foundation may have such other offices as the Board of Directors may determine or as the affairs of the Foundation may require from time to time.

ARTICLE III MEMBERS

Section 3.1 **Membership.** The membership of the Foundation at any particular time shall consist of all persons serving as directors of the Foundation at such time. Any person elected or appointed as a director of the Foundation shall automatically become a member of the Foundation when he or she takes office as a director of the Foundation. Any member of the Foundation shall automatically cease to be a member of the Foundation when he or she ceases to be a director of the Foundation.

Section 3.2 **Action of Members.** When acting as members rather than directors, a majority of the members must be present at a meeting of the members in order for a quorum to exist. When acting as members rather than directors, the act of the members of the Foundation shall require the affirmative vote of a majority of all members of the Foundation. The members of the Foundation may amend the Articles of Incorporation of the Foundation or repeal or amend these Bylaws only upon the affirmative vote of a majority of all the members of the Foundation.

ARTICLE IV DIRECTORS

Section 4.1 **General Powers.** The affairs of the Foundation shall be managed under the direction of the Board, and the powers of the Foundation shall be exercised by or under the direction of the Board. The Board shall make appropriate delegations of authority to the officers. The Board may exercise all powers granted to the Foundation and do all lawful acts required by the affairs of the Foundation so long as the exercise of such powers and the doing of such acts are consistent with the Foundation's prescribed purposes.

Section 4.2 **Number, Selection, Qualifications, and Tenure.**

A. **Number.** Effective June 30, 2007, the number of directors shall be increased from six to nine members.

B. **Selection.** The six current Board members shall continue to serve as the Foundation Board through June 30, 2007, and may serve beyond that date, with the tenure limits provided below becoming applicable to current Board members prospectively from June 30, 2007.

Six members of the Board shall be nominated and selected by a majority vote of all the members of the Board.

Effective June 30, 2007, the Board shall be increased to nine members. The three new Board seats shall be filled as follows: one member nominated by the Lincoln Parish Police Jury; one member nominated by the Lincoln Parish School Board; and one member nominated by the Mayors of all incorporated municipalities in Lincoln Parish, with each Mayor voting on such nomination proportionately, as the population of his municipality relates to the total population in all municipalities in Lincoln Parish. Subject to meeting the qualifications for Board members as

determined by a majority vote of all directors, the three nominees of the public bodies shall be elected by the Board as directors.

C. Qualifications. Board members shall fairly represent Lincoln Parish, geographically and demographically.

Board members shall have been a resident of Lincoln Parish for at least three years. Board members shall have demonstrated an interest in health care and the specific needs of the Foundation, such as grant writing, research, financial management, and education.

At least one Board member shall be a health care professional such as a medical doctor, nurse, or hospital administrator.

D. Tenure. Board terms shall be staggered so that three Board members rotate off each year. Effective June 30, 2007, two of the six current Board members shall be allocated new terms of three years, two allocated new terms of two years, and two allocated terms of one year.

The terms of the three new Board members shall also be staggered, with one new member allocated an initial term of three years, one member allocated an initial term of two years, and one member allocated an initial term of one year.

The Board by resolution adopted before June 30, 2007, shall decide which directors serve which length terms.

After such initial terms, all directors shall serve terms of three years.

No Board member may serve more than two full three-year terms. The one and two-year initial terms listed above shall not be considered in determining a member's allowable length of service.

Board members whose terms have expired may serve until their successor is elected and qualified, but such service shall not last more than six months.

Section 4.3 Election, Removal, and Replacement of a Director. No less than sixty (60) days prior to an annual directors' meeting at which the term of a director holding a Board seat which is to be filled by the Board will be expiring, the directors of the Foundation shall, by majority vote, select a qualified person to fill such director position. No less than ninety (90) days prior to an annual directors meeting at which the term of a director holding one of the three Board seats that are filled by the public bodies will be expiring, the directors of the Foundation shall solicit a nomination from that public body, with such nominations to be received not less than sixty (60) days before the directors' meeting.

Any director may be removed from office by the affirmative vote of a majority of all the directors of the Foundation. Any vacancy in any director position shall be filled by a replacement director who shall serve for the remaining term of the director being replaced. When such a replacement director is needed, the existing directors of the Foundation shall select the replacement by the procedure applicable to that director's seat.

Section 4.4 Advisory Directors. The Board may appoint not more than two persons as Advisory Directors to serve for a term set by the Board at the time of their appointment. Advisory Directors may be appointed to serve concurrent or staggered terms as determined by the Board. Advisory Directors shall be appointed or removed by a majority vote of the Board taken at any regular or special meeting of the Board. Advisory Directors must possess the same qualifications to serve as members of the Board. They shall be allowed to attend all Foundation Corporation Board meetings. Advisory Directors shall have no voting rights and shall not be eligible to serve on committees or as officers of the Foundation.

At the end of the term of an Advisory Director, and provided that there is a vacancy or pending vacancy on the Board, the Advisory Director may be considered for membership to the Board.

Section 4.5 **Meetings.**

Subsection 4.5-1 **Annual and Regular Meetings.** An annual meeting of the Board shall be held at a time, date, and place as determined by the Board each year for the transaction of such business as may come before the meeting.

Unless otherwise specified by the Board, regular meetings of the Board shall be held at the times, dates, and places as determined by the Board for the purpose of transacting any business as may come before the meeting.

Subsection 4.5-2 **Special Meetings.** Special meetings of the Board may be called by or at the written request of the President or any two (2) directors. Notice of each special meeting of the Board shall be received by each director at least twenty-four (24) hours before the meeting, and such notice shall include the date, time, place, and purpose of the meeting. Notice shall be in writing and delivered personally, communicated by telefax, email, or sent by first class mail with postage prepaid.

Section 4.6 **Resignation.** Each director shall have the right to resign at any time upon written notice thereof to the President or the Secretary. Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof, and the acceptance of such resignation shall not be necessary to make it effective.

Section 4.7 **Waiver of Notice.** Notice of a special meeting of the Board need not be given to any director who signs a waiver of notice either before or after the meeting. Attendance

of a director at any meeting shall constitute a waiver of notice of such meeting, except when a director states, at the beginning of the meeting or promptly upon arrival at the meeting, any objection to that transaction of business because the meeting is not lawfully called or convened. If any meeting of the Board is irregular for want of notice, the proceedings of such meeting may be ratified, approved and rendered valid, and the irregularity or defect therein waived, by a writing signed by all directors, provided a quorum was present at such meeting.

Section 4.8 **Quorum and Voting.** At meetings of the Board, a majority of the directors shall constitute a quorum for the transaction of business. The act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board, unless otherwise specifically provided by law, the Articles of Incorporation, or these Bylaws.

Section 4.9 **Board Committees.** The Chair of the Board, or the Board by resolution adopted by a majority of directors at a Board meeting at which a quorum is present, may from time to time designate and appoint committees. No committee shall have or exercise the authority of the Board but shall serve in an advisory capacity only for the purpose of making recommendations to the Board. A majority vote of all the members of any committee shall be necessary in order to act, fill vacancies, or discharge any member of any committee.

Section 4.10 **Action Without A Meeting.** Any action required or permitted to be taken at any meeting of the Board or any Board committee may be taken without a meeting if a consent in writing, describing the action so taken, assigned by all of the directors or committee members, as the case may be. Each written consent shall bear the date of signature of each director or committee member who signs the consent. Action taken by such written consent shall be effective when the last director or committee member signs the consent, unless the consent specifies a different effective date.

Section 4.11 Telephone and Similar Meetings. Members of the Board of Directors may participate in a special meeting of the Board of Directors by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can simultaneously hear each other, and such participation in a special meeting shall be deemed to constitute presence in person at the meeting.

Section 4.12 Directors may serve on the Board of Northern Louisiana Medical Center. One or more of the Foundation's Directors may serve on the Board of Northern Louisiana Medical Center. Such service will aid the Foundation in fulfilling its purposes, and such service shall not be considered a conflict of interest.

ARTICLE V OFFICERS

Section 5.1 Number and Classification. The officers of the Foundation shall consist of a Chair of the Board, a Vice Chair of the Board, a President, a Secretary, a Treasurer, and one or more Vice Presidents. Any two or more offices may be held by the same person; provided that no person holding more than one office may sign, in more than one capacity, any certificate or other instrument required by law to be signed by two officers.

Section 5.2 Election; Term; Qualification. Officers shall be elected annually by the Board at the annual meeting of the Board. Each officer shall hold office until such officer's successor has been duly chosen and qualified or until such officer's earlier death, resignation, or removal.

Section 5.3 Removal. Any officer elected or appointed by the Board may be removed, with or without cause, at any time by vote of the majority of the directors, but such removal shall be

without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer shall not of itself create any contract right.

Section 5.4 **Vacancies.** Any vacancy in any office for any cause may be filled by the Board by majority vote for the unexpired portion of the term.

Section 5.5 **Duties.** The officers of the Foundation shall have such powers and duties, except as modified by the Board, as generally pertain to their respective offices, as well as such powers and duties as from time to time shall be conferred by the Board and by these Bylaws.

Subsection 5.5-1 **Chair of the Board.** The Chair of the Board shall (a) preside at all meetings of the Board and act in such capacity as is necessary to transact the business of the Board at such meetings and at any other times designated by the Board; (b) designate committees of the Board and appoint members of such committees; and (c) in general, perform such duties normally performed by a chair of the board of a corporation and such other duties as from time to time may be assigned by the Board or as are prescribed by the Bylaws.

Subsection 5.5-2 **President.** The President shall be the Chief Executive Officer of the Foundation, and shall have general direction of the affairs of the Foundation and general supervision over its several officers, subject however to the control of the Board. The President shall: (a) at each annual meeting, and from time to time, report to the Board on all matters within the President's knowledge which, in his or her opinion, the interest of the Foundation may require to be brought to their notice; (b) sign and execute in the name of the Foundation all contracts or other instruments authorized by the Board, except in cases where the signing and execution thereof shall be expressly delegated or permitted by the Board or by these Bylaws to some other officer or agent of the Foundation; and (c) in general, perform all duties incident to the office of President, and such other duties as from time to time may be assigned by the Board or as are prescribed by these Bylaws.

Subsection 5.5-3 **Vice President.** At the request of the President or in the President's absence or disability, the Vice President shall perform the duties of the President, exercising all powers of and subject to all restrictions on that office. If more than one Vice President exists at such a time, then the Board may designate which Vice President is to perform the duties of President in such situation, or in the absence of such a designation by the Board, the Vice President who has continuously held the office of Vice President for the longest period of time shall perform the duties of President in such a situation. The Vice President shall also perform such other duties as may from time to time be assigned to him by the Board or the President.

Subsection 5.5-4 **Secretary.** The Secretary shall: (a) prepare the minutes of all meetings of the Board and keep such minutes, as well as the minutes of all committees of the Board, in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of the Bylaws or as required by law; (c) serve as custodian of the corporate records of the Foundation; (d) have general charge of such books and papers as the Board may direct, all of which shall, at all reasonable times, be open to the examination of the directors, or their agents or attorneys, for any proper purpose; and (e) authenticate records of the Foundation. The Secretary shall also perform such other duties and exercise such other powers as are incident to the office of the Secretary and such other duties and powers as the Board or the President from time to time may assign or confer.

Subsection 5.5-5 **Treasurer.** The Treasurer shall: (a) keep complete and accurate books and records, showing accurately at all times the financial condition of the Foundation; (b) be the legal custodian of all monies, notes, securities, and other valuables that may from time to time come into the possession of the Foundation; and (c) furnish at meetings of the Board, or whenever requested, a statement of the financial condition of the Foundation. The Treasurer shall

also perform all duties and exercise all powers incident to the office of the Treasurer and such other duties and powers as the Board or the President from time to time may assign or confer.

Section 5.6 **Delegation.** The Board may delegate temporarily the powers and duties of any officer of the Foundation, in case of such officer's absence or for any other reason, to any other officer, and may authorize the delegation by any officer of the Foundation of any such officer's powers and duties to any agent or employee subject to the general supervision by such officer.

ARTICLE VI MISCELLANEOUS

Section 6.1 **Contracts.** The Board may authorize any officer or officers or agent or agents of the Corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Foundation, and such authority may be general or confined to specific instances. Unless so authorized by the Board or by these Bylaws, no officer, agent, or employee shall have any power or authority to bind the Foundation by any contract or engagement or to pledge its credit or to render it liable pecuniarily for any purpose or any amount.

Section 6.2 **Checks, Drafts, Orders for Payment.** All checks, drafts, or other orders for the payment of money and all notes or other evidences of indebtedness issued in the name of the Foundation shall be signed by such officer or officers of the Foundation and in such manner as provided in these Bylaws or as shall from time to time be determined by resolution of the Board.

Section 6.3 **Depositories.** All funds of the Foundation shall be deposited from time to time to the credit of the Foundation in one or more such banks, trust companies, or other depositories as the Board or the President may from time to time designate, upon such terms and conditions as shall be fixed by the Board or the President. The Board or the President may from time to time

authorize the opening and keeping, with any such depository as the Board or the President may designate, of general and special bank accounts and may make such special rules and regulations with respect thereto, not inconsistent with the provisions of these Bylaws.

Section 6.4 **Books and Records.** The Foundation shall keep correct and complete books and records of account and shall also keep records of the actions of the Foundation, which records shall be open to inspection by the directors at any reasonable time.

Section 6.5 **Fiscal Year: Accounting Election.** The fiscal year of and the method of accounting for the Foundation shall be as the Board shall determine.

Section 6.6 **Loans Prohibited.** Except for an advancement of expenses, no loans shall be made by the Foundation to its directors, officers, or employees, or to any non-exempt corporation, firm, association, or other non-exempt entity in which one or more of its directors, officers, or employees is a director, officer, or employee or holds a substantial financial interest. Non-exempt, for these purposes, refers to any organization which: (1) is not exempt from federal income taxes under Section 501(a) of the Code by reason of being described in Section 501(c)(3) of the Code; and (2) is not exempt from federal income taxes as a governmental entity.

Section 6.7 **Revocability of Authorizations.** No authorization, assignment, referral, or delegation of authority by the Board to any committee, officer, agent, or other official of the Foundation shall preclude the Board from exercising the authority required to meet its responsibility. The Board shall retain the right to rescind any such authorization, assignment, referral, or delegation in its discretion.

Section 6.8 **Conflict of Interest Policy.** With respect to any particular transaction or arrangement contemplated or entered into by this Foundation, the term "interested person" includes any voting or non-voting director, any officer, or any committee member who has a financial interest,

directly or indirectly, through business, investment, or family, in the transaction or arrangement. For these purposes, a financial interest shall include without limitation any present or potential ownership interest, investment interest, or compensation arrangement in or with any entity involved in the transaction or arrangement with this Foundation. Foundation includes any remuneration, directly or indirectly, and gifts of favors which are substantial in nature.

Whenever any director, officer, or committee member is aware that the Board or a committee is contemplating a transaction or arrangement with respect to which such director, officer, or committee member would be considered an interested person, then such director, officer, or committee member shall fully disclose to the Board or committee contemplating such transaction or arrangement all of his or her financial interests with respect to the transaction or arrangement and all material facts relating thereto. The Board or committee shall then discuss and vote upon, out of the presence of the interested person, whether a conflict of interest exists.

No person with a conflict of interest shall be allowed to be present at a meeting where a transaction or arrangement in which such person is interested is being considered, discussed, or voted upon, except for the purpose of fully disclosing his or her financial interest in the transaction or arrangement. If appropriate, a non-interested person or committee shall be appointed to investigate alternatives to the proposed transaction or arrangement.

Whenever a transaction or arrangement involving an interested person is being contemplated and the Board or committee has determined that a conflict of interest exists, the Foundation shall enter into such transaction or arrangement only after the Board or committee has determined by a majority vote of the non-interested directors or committee members present (i) that the transaction or arrangement is in the Foundation's best interests and for its own benefit and is fair and reasonable to

the Foundation, and (ii) that the Foundation cannot obtain a more advantageous transaction or arrangement with reasonable efforts under the circumstances.

The minutes of Board meetings and all committee meetings shall include (i) the names of all persons who disclosed financial interests, the nature of such financial interest, and whether the Board determined there was a conflict of interest; and (ii) the names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of such discussions, including any alternatives to the proposed transaction or arrangement, and a record of the vote.

The Foundation shall conduct annual reviews of its activities to ensure that it is operating in a manner consistent with accomplishing its charitable purposes and that its operations do not result in private inurement or impermissible benefit to private interests, including (1) whether compensation arrangements and benefits are reasonable and are the result of arms length negotiations; and (2) whether agreements to provide health care and agreements with health care providers, employees, and third-party payors serve charitable purposes.

The provisions of this conflict of interest policy shall be distributed to all directors, officers, and committee members. Each such person shall annually sign a statement that such person received a copy of this conflict of interest policy, has read and understands the policy, agrees to comply with the policy, understands that the policy applies to all committees and subcommittees of the Board as well as all directors and officers, and understands that the Foundation is a charitable organization which, in order to maintain its tax-exempt status, must continuously engage primarily in activities which accomplish one or more of its tax-exempt purposes. Appropriate disciplinary action shall be taken with respect to any interested person who violates this conflict of interest policy.

Notwithstanding any other provision in this conflict of interest policy, no director, officer, or committee member shall use their position as such, or allow their position as such to be used, for personal gain to themselves or related persons or entities.

ARTICLE VII INDEMNIFICATION AND INSURANCE

Section 7.1 **Indemnification.** The Foundation may indemnify any person who was or is a party or is threatened to be made a party to an action, suit or proceeding, whether civil, criminal, administrative or investigative (including any action by or in the right of the corporation) by reason of the fact that such person is or was a director, officer, employee or agent of the Foundation, or is or was serving at the request of the Foundation as a director, officer, employee or agent of another business, foreign or nonprofit Foundation, partnership, joint venture or other enterprise, against expenses (including attorney's fees), judgments, fines and amounts paid in settlement reasonably incurred by such person in connection with the defense or settlement of such action if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Foundation and, with respect to any criminal proceedings, had no reasonable cause to believe his conduct was unlawful. In case of actions by or in the right of the Foundation, the indemnity shall be limited to expenses (including attorney's fees and amounts paid in settlement not exceeding, in the judgment of the Board, the estimated expense of litigating the action to conclusion) actually and reasonably incurred in connection with the defense or settlement of such action and no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Foundation unless and only to the extent that the court shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, he is fairly and

reasonably entitled to indemnity for such expenses which the court shall deem proper. The 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 which he reasonably believed to be in or not opposed to the best interests of the Foundation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

Section 7.2 **Payment of Expenses.** To the extent that a director or officer of the Foundation has been successful on the merits or otherwise in defense of any such action, suit or proceeding referred to in Section 7.1, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorney's fees) actually and reasonably incurred by him in connection therewith.

Section 7.3 **Determination.** The indemnification hereunder (unless ordered by the court) shall be made by the Foundation only as authorized in a specific case upon a determination that the applicable standard of conduct has been met. Such determination shall be made (a) by the Board by majority vote of a quorum consisting of members of the Board who were not parties to such action, suit or proceedings, or (b) if such quorum is not obtainable and the Board so directs, by independent legal counsel.

Section 7.4 **Advance Payment of Expenses.** The expenses incurred in defending such an action, suit or proceeding referred to in Section 7.1 shall be paid by the corporation in advance of the final disposition thereof if authorized by the Board upon receipt of an undertaking by or on behalf of the director or officer to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the Foundation as authorized hereunder.

Section 7.5 **Non-Exclusivity.** The indemnification provided hereunder shall not be deemed exclusive of any other rights to which one indemnified may be entitled in law and/or equity, including any action in such person's official capacity and/or any action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of his or her heirs and legal representatives.

Section 7.6 **Insurance.** The Foundation may procure insurance on behalf of any person who is or was a director, officer, employee or agent of the Foundation, or is or was serving at the request of the Foundation as a director, officer, employee or agent of another business, nonprofit or foreign corporation, partnership, joint venture or other enterprise against any liability asserted against or incurred by such person in any such capacity, or arising out of his status as such, whether or not the Foundation would have the power to indemnify him against such liability under the Louisiana Non-Profit Corporation Law.

Section 7.7 **No Limitation.** To the extent that greater indemnification than that provided herein, of the Foundation's directors, officers, employees, or agents, is allowed or allowable under an present or future law, this Article and these provisions shall not prevent nor be deemed to prevent the Foundation from indemnifying such directors, officers, employees, or agents to such greater extent.

ARTICLE VIII

SALE OR DISSOLUTION OF LINCOLN HEALTH SYSTEM, INC.

Section 8.1 **Availability.** Upon the sale by the Foundation of all of its Lincoln Health System, Inc. stock, or upon the dissolution of Lincoln Health System, Inc., or the sale of all or substantially all the assets of Lincoln Health System, Inc., the proceeds from such sale that are received by the Foundation shall be used for appropriate healthcare purposes consistent with the purpose of the Foundation including for the support and promotion of health care in Lincoln Parish

and the surrounding area in accordance with Louisiana law. The investment and employment of said proceeds shall continue to be controlled by the Foundation. In furtherance of the above, the Foundation will continue to be organized and operated exclusively for purposes described in 501(c)(3) of the Code.

Section 8.2 **Requirements**. If the provisions of this Article become applicable, then following requirements shall apply to the Foundation:

A. Needs Assessment. The Foundation shall not make grants or expenditures in furtherance of the above purposes until it has first completed a professionally conducted community needs assessment.

B. Grant Procedures. The Foundation shall adopt by resolution a written procedure for grants and grant applications.

C. Restrictions on spending. The Foundation, in employing funds to improve health care and outcomes, shall not spend more than the earnings on the sale proceeds and other funds held by it unless such expenditure is approved by a vote of a least sixty percent of all the members of the Board. If the expenditure of principal becomes necessary by operation of law or regulation, such as IRS regulations relating to spending requirements applicable to private foundations, only a majority vote shall be necessary to authorize expenditures necessary to meet such legal requirements. Prior to June 30, 2012, the Foundation may not expend any principal, unless otherwise required by law.

The Foundation shall not expend funds that would supplant or replace current funding for health care services.

D. Public Meeting. The Foundation shall hold at least one public meeting per year, with prior notice to the public, and at that meeting, shall present its annual report and provide a reasonable opportunity for members of the public to comment.

E. Annual Reports. The Foundation shall publish an annual report within 120 days after the end of its fiscal year which shall contain the Foundation's financial statements and a report of the Foundation's activities, including assessments of its grant recipients' projects. One copy of the annual report shall be mailed to the Lincoln Parish Police Jury, the Lincoln Parish School Board, and the Mayors of all incorporated municipalities in Lincoln Parish.

ARTICLE IX AMENDMENTS

Section 9. **Amendments.** These Bylaws may be altered, amended, or repealed, and new Bylaws adopted, by the affirmative vote of a majority of all the directors of the Foundation .

If the provisions of Article VIII of these By-laws become applicable, and the Board desires to make amendments to the Articles or By-laws, the Louisiana Attorney General shall be given a copy of such amendments thirty (30) days before such amendments become effective.

ADOPTED as of the ____ day of _____, 2010, to be effective on the ____ day of _____, 2010.



Shirley P. Reagan, Chairperson

CERTIFICATE

I, _____, _____ (Title) of Lincoln Health Foundation, Inc., hereby certify that the foregoing Amended Restated Bylaws of Lincoln Health Foundation were adopted by the affirmative vote of a majority of the directors of Lincoln Health Foundation, Inc. on the ____ day of _____, 2010. These Amended and Restated Bylaws are effective _____, 2010, and have been approved by the Louisiana Attorney General.



Assistant Secretary

**LINCOLN HEALTH FOUNDATION, INC.
RESOLUTION OF THE BOARD OF DIRECTORS**

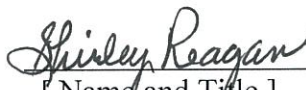
Acting under the provisions of LSA-R.S. 12:201 et. seq. and other applicable laws of the State of Louisiana, I, the undersigned, am the Chairperson of Lincoln Health Foundation, Inc., and that as such have the custody of the corporate records and seal of the Foundation, and further certify that the following resolution was duly and properly adopted by a quorum of the Board of Directors in good standing at a meeting held, pursuant to notice, on September 9, 2010 as the same appears in the minute book of the Foundation and further certify that there are no provisions in the Articles of Incorporation or Bylaws which impair or modify the effectiveness of such resolution:

WHEREAS, the members ("Members") of Lincoln Health Foundation, Inc. ("Foundation") have reviewed the articles of incorporation ("Articles") and bylaws ("Bylaws") of the Foundation and believe that the current needs and objectives of the Foundation require that the Articles and Bylaws be updated; and

WHEREAS, the Members of the Foundation have approved the amendment and restatement of the Articles and Bylaws by a majority vote of the Directors and Members on September 9, 2010.

THEREFORE, BE IT RESOLVED, that the officers of the Foundation are authorized, in the name of and on behalf of the Foundation, to take any and all such actions and to do, or authorize to be done, all such actions as the officers may deem necessary or appropriate to effectuate the foregoing amended and restated Articles and Bylaws, including the filing of articles of amendment and restated articles with the Secretary of State of the State of Louisiana.

IN WITNESS WHEREOF, I have hereunto set my name at Ruston, Lincoln Parish, Louisiana on the 9th day of September, 2010.


[Name and Title]
Shirley Reagan
Chairperson

STATE OF LOUISIANA)
 :SS
PARISH OF LINCOLN)

Before me, the undersigned authority, on this day personally appeared Shirley Reagan known to me to be the person and officer of the Foundation as indicated above and being by me duly sworn on oath acknowledged and stated that the facts contained in the foregoing certificate are true and correct, and that said person and officer executed the same in the capacity stated as an act of the Foundation.

SWORN TO AND SUBSCRIBED before me the 9th day of September,
2010.

William D. Jones, Sr.
Notary Public
Print Name: William D. Jones, Sr.
Notary ID/Bar Roll No. 07514

lhf-amended bylaws 072910.doc