

AMENDED AND RESTATED CORPORATE BYLAWS OF

NORTHERN COCHISE COMMUNITY HOSPITAL an Arizona nonprofit corporation Effective June 1, 2021

PREAMBLE

Northern Cochise Community Hospital, an Arizona nonprofit corporation (the “Corporation”), adopts these corporate Bylaws, as amended and restated, effective June 1, 2021.

1. DEFINITIONS.

“Affiliate”: An organization that is not a Subsidiary, but is directly, or indirectly through one or more intermediaries, controlled by or under common control with, TMC HealthCare. “Control” includes the power to elect through membership, ownership, contract or otherwise fifty percent (50%) or more of the governing body of an organization.

“ANCA”: The Arizona Nonprofit Corporation Act, §§ 10-3101 through 10-11702 of the Arizona Revised Statutes, as amended from time to time.

“Board”: The Corporation’s Board of Directors.

“CEO”: The Corporation’s President and Chief Executive Officer.

“Community Directors”: Persons appointed to the Board by the Sole Member following nomination by the Executive Committee. When serving as an *ex officio* Director, the Chief of Staff of Northern Cochise Community Hospital shall be considered a Community Director.

“Director”: Each person serving as a member of the Board.

“Independent Directors”: Persons appointed to the Board for their ability to participate effectively as Directors. Independent Directors may not be Insiders.

“Insider”: Unless otherwise advised by counsel to the Corporation, an “Insider” is any of the following persons:

- (1) A person employed by the Corporation or a Subsidiary or Affiliate.
- (2) A physician who is a member of the Professional Staff of a TMC HealthCare hospital.
- (3) A physician who is being compensated, directly or indirectly by the Corporation or an Affiliate or Subsidiary of the Corporation for services rendered to it within the previous twelve (12) months, whether as a full-time or part-time employee, independent contractor, or otherwise (excluding any reasonable compensation paid to a Director or committee member for serving in such capacity).

- (4) An employee, brother, sister, ancestor, lineal descendant, spouse, brother-in-law, sister-in-law, mother-in-law, or father-in-law of any person described in subsections (1) - (4) above.
- (5) A person whose brother, sister, ancestor, lineal descendant, spouse, brother-in-law, sister-in-law, mother-in-law, or father-in-law is described in subsections (1) - (4) above.

“Internal Revenue Code” or “I.R.C.”: The Internal Revenue Code of 1986, as amended from time to time, and all regulations promulgated thereunder, official IRS guidance, and relevant federal case law.

“Officers”: The Board Officers and Corporate Officers as set forth in Section 5.1.

“Sole Member”: TMC HealthCare, an Arizona nonprofit corporation.

“Sole Member Directors”: Persons appointed to the Board by the Sole Member who were not appointed following nomination by the Executive Committee. When serving as an *ex officio* Director, the CEO of Northern Cochise Community Hospital shall be considered a Sole Member Director.

“Subsidiary”: An organization for which TMC HealthCare is, directly or indirectly through one or more intermediaries, the sole member or the owner of all of the issued and outstanding stock or other voting securities.

“System”: TMC HealthCare and its operating divisions, Subsidiaries, and Affiliates.

2. CORPORATION.

2.1 Corporate Name. The name of the Corporation shall be Northern Cochise Community Hospital.

2.2 Corporate Purposes and Limitations. The Corporation is organized and shall be operated exclusively for charitable, educational or scientific purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under I.R.C. Section 501(c)(3) (or the corresponding provision of any future United States Internal Revenue law), and including conducting any or all lawful affairs which nonprofit corporations are authorized to conduct under the laws of the State of Arizona.

The specific and primary purposes of the Corporation, and the specific limitations on its activities, are as set forth in the Corporation’s Articles of Incorporation.

The Corporation is a Subsidiary of the Sole Member as set forth in the Sole Member’s Bylaws.

2.3 Corporate Offices. The Corporation shall have and continuously maintain in the State of Arizona a known place of business and a statutory agent whose office address may be the

same as such known place of business, and may have other offices within or without the State of Arizona as the Board may from time to time determine.

- 2.4 Action as Parent Corporation. The Corporation may take action as the sole member of a Subsidiary or as an entity holding an interest in an Affiliate by (i) action of the Board, (ii) the written assent of its CEO or (iii) as otherwise set forth in the bylaws of the Subsidiary or Affiliate. A Subsidiary, Affiliate and third parties shall be entitled to rely upon a certificate of the Secretary or an Assistant Secretary of the Corporation stating (i) the actions taken by the Corporation as sole member of the Subsidiary or as an entity holding an interest in an Affiliate, (ii) that such actions were taken in accordance with the Articles of Incorporation and Bylaws of the Corporation, and (iii) the authorization of the Corporation for such certification.

3. MEMBERSHIP.

- 3.1 Sole Member. The Corporation shall have only one member, TMC HealthCare, an Arizona nonprofit corporation. Subject to the provisions of these Bylaws, the Sole Member shall have and be entitled to exercise fully all rights and privileges of a member of a nonprofit corporation under the ANCA.

- 3.2 Requests for Action by the Sole Member. Requests for action by the Sole Member may be made through the Chief Executive Officer or the Chief Legal Officer of the Sole Member, or such other person or persons as the Board of Trustees or the Chief Executive Officer of the Sole Member shall designate.

- 3.3 Action by the Sole Member. The Sole Member shall act by vote of its Board of Trustees or by written assent or other action executed by the Chief Executive Officer of the Sole Member, subject only to limitations or requirements imposed by the articles of incorporation and bylaws of the Sole Member or applicable law.

- 3.4 Proof of Action. The vote, written assent or other action of the Sole Member acting through its Board of Trustees shall be evidenced by, and the Corporation and third parties shall be entitled to rely upon, a certificate of the Secretary of the Sole Member stating (i) the actions taken by the Sole Member, (ii) that such actions were taken in accordance with the articles of incorporation and bylaws of the Sole Member, and (iii) the authorization of the Sole Member for such certification.

The written assent or other action of the Sole Member acting through its Chief Executive Officer shall be evidenced by, and the Corporation and third parties shall be entitled to rely upon, a certificate of the Secretary of the Sole Member or other executed documentation of such action stating (i) the actions taken by the Sole Member, (ii) that such actions were taken in accordance with the articles of incorporation and bylaws of the Sole Member, and (iii) the authorization of the Sole Member for such certification.

- 3.5 Meetings of the Sole Member. Meetings of the Sole Member and its Board of Trustees shall be held in accordance with its bylaws and applicable law.

- 3.6 Sole Member Reserved Powers. The Sole Member shall have exclusive authority, in its

sole and absolute discretion, to perform or commit or authorize or direct any Officer or other person or entity to perform or commit any of the following actions:

- (a) Approve the Corporation's annual operating and capital budgets and material changes thereto. The Board shall propose annual operating and capital budgets for the Corporation, and may request material changes thereto.
- (b) Approve individual non-recurring unbudgeted expenditures in excess of Twenty-Five Thousand and no/100 Dollars (\$25,000.00), which approval can be provided by the Sole Member's Chief Financial Officer or Chief Executive Officer.
- (c) Approve any unbudgeted capital expenditures the cost of which in any one fiscal year exceeds Twenty-Five Thousand and no/100 Dollars (\$25,000.00), which approval can be provided by the Sole Member's Chief Financial Officer or Chief Executive Officer.
- (d) Appoint or remove the Corporation's CEO. The Sole Member shall consult with the Board regarding candidates for the position of CEO.
- (e) Establish the Corporation's strategic goals and objectives.
- (f) File for bankruptcy, make a general assignment for the benefit of creditors, or take any similar action.
- (g) Make any material change in the nature of the Corporation's business.
- (h) Sell, exchange or otherwise dispose of any assets outside the ordinary course of business.
- (i) Engage in any dissolution or liquidation.
- (j) Engage in any merger, consolidation, conversion, reorganization or issue any corporate memberships.
- (k) Enter into a management agreement with any person or entity pursuant to which it would reasonably be interpreted that the Corporation is transferring management control of its operations to a third party.
- (l) Borrow money in the name of the Corporation or utilize property (real or personal) owned by the Corporation as security for such loans, or otherwise enter into any loan, guaranty, security interest, mortgage, surety, hypothecation or other form of indebtedness, except as permitted by a policy of the Sole Member that allows management to incur debt up to but not exceeding a specified amount per transaction without additional approval.
- (m) Make any loan, investment, transfer or disposition of any assets of the Corporation or enter into any contract or incur any liabilities on behalf of the Corporation other than for fair consideration and in the ordinary course of business relating to its normal daily operation.

(n) Take any other action that the Sole Member determines, in its sole and absolute discretion, may have a material adverse effect on the 501(c)(3) status of the Corporation or the 501(c)(3) status or tax-exempt bonds of the Sole Member or any Subsidiary or Affiliate.

In addition, the Corporation shall not (i) acquire or create any Subsidiary or acquire an interest in any Affiliate without prior written approval of the Sole Member, which approval may be given, withheld or conditioned by the Sole Member in its sole and absolute discretion, or (ii) perform or commit, or authorize or direct any Officer or other person or entity to perform or commit, any of the actions identified in this Section 3.6 with respect to a Subsidiary or Affiliate.

4. BOARD OF DIRECTORS.

4.1. Powers of the Board of Directors. Subject to the rights and privileges of the Sole Member as a member of the Corporation under the ANCA and these Bylaws (including, without limitation, Section 3.6 above and this Section 4.1), all corporate powers of the Corporation shall be vested in the Board, which shall possess all authority provided to the board of directors of a nonprofit corporation by the ANCA.

The Board recognizes that it is responsible for developing, maintaining, altering, and otherwise determining the policies that govern the Corporation and its activities. Board policy is, however, to be distinguished from operational and management policies which are the function of the CEO and the CEO's designees.

4.2. Appointment of Directors. The terms of office, qualifications, and method of appointment of the Directors shall be as specified in these Bylaws. The Board shall be composed of those persons appointed by the Sole Member and those persons who are *ex-officio* Directors. Sole Member appointment of *ex-officio* Directors specified in these Bylaws is not required.

(a) Composition of the Board. At no time shall the Corporation be directly or indirectly controlled by one or more Insiders. If the appointment of an individual shall cause this rule to be violated, then that individual shall not take office, but his or her directorship shall be treated as vacant, provided, however, that if such vacancy should cause the Corporation to have less than three (3) Directors, then the Sole Member shall appoint an individual to fill the vacancy who would not cause this rule to be violated.

The Board of Directors, excepting the *ex officio* Directors, shall be divided into three (3) classes of approximately equal size so that approximately one-third (1/3) of the Directors' terms shall expire each year.

Some of those serving on the Board may be persons who are also serving as members of the Sole Member's Board of Trustees or board members of one or more of the Sole Member's Subsidiaries or Affiliates.

(b) Number of Directors. The Board shall consist of not less than five (5) nor more than eleven (11) Directors, as specified from time to time by the Sole Member.

(c) Community Directors. Community Directors shall constitute one less than a majority of Directors. At least one member, but no more than two members, of the board of directors of the Northern Cochise County Hospital District (the “District”) shall be appointed as Community Directors. The Executive Committee shall submit nominations for Community Directors, including at least one member of the District’s board of directors, to the Sole Member, which may appoint Community Directors only from the nominees submitted by the Executive Committee. In the event the Sole Member declines to appoint any persons nominated by the Executive Committee as Community Directors, the Executive Committee shall submit additional nominations until one less than a majority of Directors are Community Directors. Sole Member Directors shall constitute a majority of Directors.

(d) Independent Directors. At all times, a majority of those serving on the Board shall consist of Independent Directors.

(e) CEO. The CEO shall serve as an *ex-officio* voting Director, and shall be considered a Sole Member Director.

(f) Chief of Staff. The Chief of Staff of Northern Cochise Community Hospital shall serve as an *ex-officio* voting Director, and shall be considered a Community Director.

4.3. Terms. Except as set forth below, or as otherwise determined by the Sole Member, Directors shall be appointed for a term of three full calendar years and shall be eligible to serve a maximum of three consecutive three full calendar year terms. Terms shall generally run from January 1 through December 31; however a person may be appointed to serve as a Director beginning at any date during a calendar year. For purposes of counting calendar years, if a Director serves during any portion of a calendar year, that service shall constitute one full calendar year.

(a) The CEO shall serve for the duration of his or her appointment as CEO.

(b) The Chief of Staff shall serve for the duration of his or her appointment as Chief of Staff.

(c) Any Director who is also an employee of the Sole Member (or any Subsidiary or Affiliate) may serve an unlimited number of consecutive terms while so employed, if so appointed by the Sole Member.

(d) A Director who has served three consecutive three full calendar year terms may serve additional one year terms, if so appointed by the Sole Member.

4.4. Vacancies. Vacancies on the Board due to death, resignation or other cause shall be filled in the same manner as the appointment of Directors, except that the vacancy of an *ex-officio* Director shall be filled when the vacant position of the *ex-officio* Director is filled. Unless otherwise designated by the Sole Member, the service of a person appointed to fill a vacancy shall not be limited to service for the remainder of the unexpired term of the Director whose position was vacant, but rather the person so appointed shall be appointed to a full three calendar year term in the same manner as provided under Section 4.2, except

in the case of those individuals described in Section 4.2(a) through 4.2(b).

4.5. Resignation. Any Director may resign at any time by giving written notice of such resignation to the Board Chair. Any such resignation shall take effect at the time specified in such notice, or, if the time is not specified in such notice, upon the Board Chair's receipt thereof. The acceptance of such resignation shall not be necessary to make it effective.

4.6. Removal.

(a) Any Director other than an *ex-officio* Director may be removed as a Director at any time, with or without cause, by action of the Sole Member.

(b) Written notice of the removal of a Director shall be given by the Board Chair to the Director so removed.

4.7. Meetings of the Board.

(a) Annual Meeting of the Board. The Board may designate one of the regular meetings of the Board to constitute an annual meeting.

(b) Regular Meetings of the Board. Including the annual meeting, the Board shall hold regular meetings at least once each calendar quarter at the principal office of the Corporation or such other convenient locations as may be designated by the Board Chair.

(c) Special Meetings of the Board. Special meetings of the Board may be called by the Board Chair or the CEO at the principal office of the Corporation or such other convenient locations as may be designated by the Board Chair.

(d) Notice of Board Meetings. Written notice of all Board meetings shall be provided at least three (3) business days before the date of the meeting, which notice shall, in the case of special meetings, generally state the nature of the business to be taken up at the meeting.

(e) Waiver of Notice. Whenever any notice is required to be given to any Director under the provisions of Arizona law or under the provisions of the Corporation's Articles of Incorporation or these Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice. Attendance or participation of a Director at a meeting shall constitute a waiver of notice of such meeting, except when the Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

(f) Methods of Notice, Communication, and Actions. Any means of electronic or other communication which is approved by the Corporation for communication shall be valid, including email, electronic signature, facsimile, etc., provided that there is a method for ascertaining that the person so communicating is the appropriate person.

(g) Meeting by Interactive Technology. Directors may participate in and act at any

meeting of the Board or any committee by any means by which all persons participating in the meeting can hear each other, provided that the person chairing the meeting consents to the use of such communications in advance of the meeting. Participation in such a meeting shall constitute attendance and presence in person at the meeting of the person or persons so participating.

(h) Quorum at Board Meetings. For all meetings of the Board, a quorum shall be a simple majority of the Directors then serving who shall be present in person, provided that (i) a majority of those present are Independent Directors and (ii) a majority of those present are Sole Member Directors. Directors who are present at a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened shall not count toward a quorum.

If a quorum is present when a meeting is convened, the quorum shall be deemed to exist until the meeting is adjourned, notwithstanding the departure of one or more Directors. No action or question (other than adjournment) shall be decided unless the number of votes cast in favor of such action or question is equal to or greater than a majority of a quorum.

In the absence of a quorum at any meeting of the Board, the Board Chair or a majority of the Directors present may elect to continue the meeting as an informational meeting at which no business may be conducted, or may adjourn the meeting to another date, time, and place with notice to the Directors given in the same manner as in the case of a special meeting.

(i) Manner of Acting. Unless otherwise required by these Bylaws, the Articles of Incorporation or Arizona law, the act of a majority of the Directors present at a meeting at which a quorum exists shall be the act of the Board, unless the act of a greater number is required by these Bylaws or applicable law. The vote of Directors who are present at a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened shall not be counted for purposes of determining Board action. Adjournment. A majority of the Directors present at a meeting, whether or not a quorum is present, may adjourn any Board meeting to another time and place.

Notice of the time and place of holding an adjourned meeting shall be the same as for a special meeting.

(j) Procedure at Meetings. The Board may consult *Roberts Rules of Order Revised* (latest edition) for guidance regarding procedure at meetings of the Board and its committees on matters not covered expressly by these Bylaws; provided, however, that failure to follow *Roberts Rules* shall not invalidate an action taken by the Board or committee that otherwise conforms with these Bylaws and applicable law.

4.8. Action by the Board Without a Meeting. Any action which may be taken at a meeting of the Board may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be provided to all Directors and signed by a majority of the Directors then serving, unless the act of a greater number is required by applicable law or these Bylaws. Any consent signed by the number of Directors which meets the requirement above shall

have the same effect as if the action were taken at a Board meeting.

4.9. Fees and Compensation of Directors and Committee Members. Directors and members of committees may receive compensation for their services and reimbursement of expenses, as may be determined by the Sole Member to be just and reasonable.

4.10. Committees of the Board.

(a) General Statement of Purpose. The Board recognizes that the work of the Board may best be carried on by committees, which focus on specific areas of responsibility for the good of the Corporation. References to committees in these Bylaws shall also apply to subcommittees.

It is the intent of the Board to use a committee process for specific areas of responsibility, while retaining the authority to decide all matters, subject to Sections 3.6 and 4.1. These Bylaws may delegate to a committee the responsibility and delegated authority to act on behalf of the Board. The Board reserves for itself the right to raise and decide any issues, regardless of whether the issue is within the purview of a committee, or whether a committee has the responsibility and delegated authority to act on behalf of the Board.

(b) Appointment. Pursuant to A.R.S. Section 10-3825, the Board Chair shall submit committee appointments to the Board, including the chair of each committee (the "Committee Chair") and such appointments shall be effective (retroactively or prospectively, as the case may be) upon Board action approving the appointments. The Board Chair may appoint members of committees as necessary to fill vacancies on those committees. Committee members appointed by the Board Chair may serve on committees prior to formal Board approval, so that the Board Chair need not submit each name when appointed, but may submit the slate of committee members on an annual or other periodic basis. Actions taken by committee members pending Board approval shall still be valid as if the members had prior approval. The Board Chair may remove any committee member (other than *ex officio* members or members specified in these Bylaws), with or without cause, at any time.

Board appointment of committee members and Committee Chairs specified in these Bylaws is not required.

Unless otherwise provided in these Bylaws, all committee members and Committee Chairs (other than committee members and Committee Chairs specified in these Bylaws) shall serve one (1) year terms, or until their successors are appointed. There shall be no limit as to the number of years a person may serve on a committee.

(c) Committee Membership. Every committee shall consist of at least one (1) Director, and may also include non-Directors. If the committee has authority delegated by the Board, a majority of committee members may not be Insiders.

The Board Chair shall be an *ex-officio* voting member of each committee.

The CEO shall be an *ex-officio* voting member of each committee.

Attendance by persons other than committee members at committee meetings shall be by invitation from the Committee Chair. Directors who are not members of a committee shall not have a vote on matters that come before the committee.

(d) Committee Procedures. Reasonable notice of the meetings of any committee shall be given to the members thereof and to the Board Chair and the CEO, each of whom shall have the right to attend and participate in the deliberations of the committee. The Board Chair, the CEO or the Committee Chair may invite to any committee meeting such individuals as they may select who may be helpful to the deliberations of the committee.

A majority of the members of each committee shall constitute a quorum for the transaction of business, provided that at least one (1) Director is in attendance at the meeting. In calculating whether the Director attendance and quorum requirements are met, the Board Chair or the CEO shall count as an attending Director of any committee for which they are a member, and shall be counted in the denominator and numerator of the calculation of a quorum only if they are present. If not present, the Board Chair or the CEO shall not be counted as an attending Director or for the determination of a quorum.

The act of a majority of the voting members of any committee at a meeting at which a quorum is present shall be the action of the committee, provided that a majority of the Directors present vote in the affirmative.

Each committee, with the approval of the Board Chair, may establish one or more subcommittees to have such duties and responsibilities as shall be assigned to the subcommittee by the committee. Each committee may adopt rules for its own operations and that of its subcommittees not inconsistent with these Bylaws or the policies of the Board.

(e) Reporting. Each committee shall record minutes of its deliberations, recommendations, and conclusions, and shall deliver a copy of such minutes to the Corporation's Secretary (or designee).

Committees shall report their activities to the Board as a part of the regular or special Board agenda, including by submitting minutes of committee meetings for adoption and approval. The adoption and approval of committee minutes by the Board shall constitute affirmative Board action on any decisions or recommendations reflected in the committee minutes.

(f) Limitations on Committee Authority. In addition to the limitations set forth in these Bylaws and such limitations as the Board may adopt from time to time, in accordance with the provisions of A.R.S. Section 10-3825, no committee shall have authority to take any of the following actions:

- (1) Fill vacancies on the Board or any committee.
- (2) Adopt, amend or repeal these Bylaws.
- (3) Fix the compensation of Directors for serving on the Board or any committee.

- (4) Take any action subject to the reserved powers of the Sole Member pursuant to Section 3.6 or requiring approval of the Sole Member pursuant to applicable law, unless the authority to take such action has been delegated by the Sole Member to the Board, or such approval has been obtained.
- (5) Take any action prohibited by applicable law for a committee or which the Board would be prohibited from taking by the Corporation's Articles of Incorporation, these Bylaws or applicable law.

4.11. Standing Committees. The standing committees of the Board shall be the following committees. The Board may authorize other standing committees only by amendment to these Bylaws.

(a) Executive Committee. The Executive Committee shall consist of: (i) the Board Chair and (ii) no more than two additional Directors who shall be appointed by the Board. At least one member of the Executive Committee shall be a Community Director. At least one member of the Executive Committee shall be an Independent Director. The Board Chair shall be the Executive Committee Chair. The Executive Committee shall consist only of Directors.

- (1) Subject to the restrictions set forth in Section 4.9(f), in emergency situations or when it is not practicable to call a special meeting of the Board, the Executive Committee shall have the responsibility and full delegated authority to act on behalf of the Board. Any Board action taken by the Executive Committee shall be reported by the Executive Committee to the full Board at or before its next regularly scheduled meeting.
- (2) The Executive Committee shall act as the nominating committee for Community Directors and Board Officers to be appointed by the Sole Member.

(b) Finance Committee. The Finance Committee shall consist of (i) the Treasurer; (ii) the Chief Financial Officer; and (iii) other members as appointed by the Board Chair. The Treasurer shall be the Finance Committee Chair. The Board may sit as the Finance Committee or perform the functions of the Finance Committee, at its discretion.

- (1) The Finance Committee shall require the CEO and the Chief Financial Officer to present the budget approved by the Sole Member and financial reports to the Board to allow the Directors to exercise fiduciary responsibilities. The Finance Committee shall oversee all financial matters of the Corporation, subject to the reserved powers of the Sole Member as set forth in Section 3.6.
- (2) The Finance Committee shall act as the Board compliance committee for the Corporation. The CEO will be recused as a member of the Finance Committee, but may remain in attendance, when the Finance Committee is acting as the compliance committee for the organization.

The Sole Member shall select the auditor for the annual audit and any special audits or financial reports.

- 4.12. Hospital Committees. The Board shall appoint Directors to attend committees relating to the operations of the Corporation Hospital as observers. Directors may volunteer or be appointed to Hospital Committees. The terms of the appointments shall be determined by the Board. Hospital committees may include, but are not limited to: (1) Quality Committee, (2) Medical Staff Committee, and (3) Medical Executive Committee.
- 4.13. Special Committees. Special committees may be created or terminated at any time by resolution of the Board or by appointment of the Board Chair. A special committee shall limit its activities to the accomplishment of the tasks for which it is appointed and shall have no power to act except as specifically conferred by action of the Board. Upon completion of the tasks for which it is created, a special committee shall stand discharged. All special committees with authority delegated by the Board shall be chaired by an Independent Director.
- 4.14. Advisors to the Board. The Board may from time to time designate nonvoting advisors to the Board, who shall be entitled to attend such meetings of the Board as the Board may request and to express their views.

5. OFFICERS OF THE CORPORATION.

- 5.1. Officers. The “Board Officers” shall be the Board Chair, Vice Chair, Secretary, Treasurer, Assistant Secretaries, and Assistant Treasurers appointed by the Sole Member pursuant to Section 5.2(a). The Board Chair and the Vice Chair must be Directors.

The “Corporate Officers” shall be (i) the CEO appointed by the Sole Member pursuant to Section 3.6 (ii) other Corporate Officers of the Sole Member, who shall hold the same office with the Corporation if so appointed by the Sole Member and (iii) such Executive Vice Presidents, Senior Vice Presidents, Vice Presidents, and Assistant Vice Presidents appointed by the CEO or the Sole Member pursuant to Section 5.2(c).

Any two or more offices may be held by the same person, except that the same person may not serve as the CEO, Secretary or Treasurer at the same time.

- 5.2. Appointment of Officers.

- (a) The Board Officers shall be appointed by the Sole Member. The Board Chair and the Vice Chair must be Directors.
- (b) The CEO shall be appointed by the Sole Member pursuant to Section 3.6.
- (c) The CEO shall appoint those other persons the CEO deems necessary to serve as Corporate Officers. The Sole Member reserves the right to appoint persons to serve as Corporate Officers in the Sole Member’s discretion.

- 5.3. Term of Office; Maximum Terms.

- (a) The Board Chair and the Vice Chair shall hold office for an initial term of two (2) years or until their successors shall have been duly appointed. If the Board Chair or

Vice Chair takes office in the last year of their term on the Board, then the second year of the term of Board Chair or Vice Chair shall be conditioned upon being re-appointed for an additional term as a Director. The Sole Member may approve additional one-year (1) terms for the Board Chair or Vice Chair, provided that their respective terms as a Director have not expired. All other Board Officers shall hold office for a term of one (1) year or until their successors shall have been duly appointed.

(b) Corporate Officers shall hold office until removed from office. Corporate Officers who are employees of the Corporation, the Sole Member, a Subsidiary or Affiliate shall be automatically removed from office upon termination of their employment, provided that the Board may extend the appointment of Corporate Officers appointed by the CEO, or the Sole Member may extend the appointment of Corporate Officers appointed by the Sole Member.

- 5.4. Absence or Disability. In case of the absence or disability of any Officer for any reason deemed sufficient by a majority of the Board, the Board may delegate the power or duties of the absent or disabled Officer to any other Officer or Director for the duration of such absence or disability.
- 5.5. Vacancies. Vacancies due to death, resignation or other cause shall be filled in the same manner as the appointment of Officers. The service of a person appointed to fill a vacancy initially shall be limited to service for the remainder of the unexpired term of the person whose position was vacant.
- 5.6. Removal. Board Officers may be removed from office, with or without cause, at any time, only by the Sole Member. The CEO may be removed from office by the Sole Member pursuant to Section 3.6. Corporate Officers appointed by the CEO may be removed from office, with or without cause, at any time, by the CEO. Corporate Officers may be removed, with or without cause, at any time, by the Sole Member.
- Removal of an Officer shall be without prejudice to the contractual rights of such Officer, if any, with the Corporation.
- 5.7. Duties of Board Chair. The Board Chair shall have all the duties which that position would customarily require, including chairing all meetings of the Board and all other duties assigned to the Board Chair under these Bylaws or by Board resolution. The Board Chair shall not be responsible for the day-to-day business of the Corporation. The Board Chair does not have the authority to sign or execute documents on behalf of the Corporation.
- 5.8. Duties of Vice Chair of the Board. The Vice Chair shall serve in place of the Board Chair when the Board Chair is not available. The Vice Chair shall also perform such duties as determined by the Board Chair from time to time. The Vice Chair does not have the authority to sign or execute documents on behalf of the Corporation.
- 5.9. Duties of the Treasurer. The Treasurer shall have custody and control of all funds of the Corporation and shall have such duties as are customarily performed by or required of corporate treasurers, including giving a bond when requested by the Board. The Treasurer shall ensure that a true and accurate accounting of the financial transactions of the

Corporation is made periodically to the Board. The Treasurer does not have the authority to sign or execute documents on behalf of the Corporation.

- 5.10. Duties of the Secretary. The Secretary shall act as secretary of the Corporation and the Board; shall send or cause to be sent appropriate notices or waivers of notice regarding Board meetings; shall certify as to actions taken by the Board or an Officer of the Corporation; shall act as official custodian of all records, reports, and minutes of the Corporation, the Board and Board committees; shall be responsible for the keeping of adequate records of all meetings of the Board; and shall perform such other duties as are customarily performed by or required of corporate secretaries. The Secretary does not have the authority to sign or execute documents on behalf of the Corporation, except as set forth in these Bylaws.

The Secretary is authorized to sign records of Board meetings and certify actions taken by the Board or an Officer of the Corporation in accordance with the Corporation's Articles of Incorporation and these Bylaws, and third parties are entitled to rely upon such certification.

- 5.11. Duties of Assistant Secretaries and Assistant Treasurers. Assistant Secretaries and Assistant Treasurers shall perform such duties as shall be assigned to them by the Secretary and Treasurer, respectively. Assistant Secretaries and Assistant Treasurers do not have the authority to sign or execute documents on behalf of the Corporation, except as set forth in these Bylaws.

An Assistant Secretary is authorized to sign records of Board meetings and certify actions taken by the Board or an Officer of the Corporation in accordance with the Corporation's Articles of Incorporation and these Bylaws, and third parties are entitled to rely upon such certification.

- 5.12. Duties of the CEO. The CEO shall be the president and chief executive officer of the Corporation, shall be the direct executive representative of the Board in the management of the Corporation, and shall be an *ex-officio* voting Director and member of all committees of the Board.

The CEO shall have the power and authority to exercise or delegate the general duties and powers of supervision and management usually vested in the office of president of a corporation, and such additional duties as directed by the Board. The CEO shall act as the duly authorized representative of the Corporation in all matters in which the Board has not formally designated another person to act. The CEO shall perform such other duties as may from time to time be assigned by the Sole Member or by the Board. Subject to such policies as the Corporation may adopt, the CEO has the authority to sign and execute documents on behalf of the Corporation.

- 5.13. Duties of the Vice Presidents. The Executive Vice Presidents, Senior Vice Presidents, Vice Presidents, and Assistant Vice Presidents, if any, shall perform such duties and have such responsibilities as may be prescribed from time to time by the CEO. Subject to such policies as the Corporation may adopt, Vice Presidents have the authority to sign and

execute documents on behalf of the Corporation.

6. CORPORATE OPERATIONS. The Corporation may conduct its operations in whatever manner it deems appropriate, including without limitation, the use of operating divisions, committees, councils, and such other operating systems and structures as are adopted by the CEO or the Board from time to time. Any such committees, divisions, councils, systems, and structures shall have such roles, responsibilities, duties, and authority established by the CEO or the Board from time to time, and shall be composed of persons who have the qualifications and experience required by the CEO or the Board from time to time.

The policies and procedures of the Sole Member which are applicable to the operations or activities of the Corporation shall be the policies and procedures of the Corporation.

7. FISCAL MATTERS.

7.1. Fiscal Year. The fiscal year of the Corporation shall commence on January 1 of each year and shall end on December 31 of the same year.

7.2. Contracts. Subject to such policies as the Corporation may adopt, Corporate Officers and/or their express designees are authorized to execute contracts, agreements, mortgages, subordinations, and other instruments on behalf of the Corporation. In addition, the Board may authorize other officers or agents to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, with such authority being either general or confined to specific instances.

7.3. Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, and notes or other evidences of indebtedness issued in the name of the Corporation or to the Corporation, shall be signed or endorsed by such officers or agents of the Corporation and in such manner as shall from time to time be determined by the Board.

7.4. Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Treasurer may elect.

7.5. Transactions with the Corporation. It is the intention of the Corporation to comply with the Internal Revenue Code regarding transactions with “disqualified persons” as that term is used I.R.C. Section 4958, and the regulations thereunder. A “disqualified person” is:

(a) A person who is in a position to exercise substantial influence over the affairs of the Corporation at any time during the five-year period ending on the date of the transaction. It is recognized that the ultimate decision is a fact and circumstances test as to the ability to show substantial influence.

(b) A spouse, ancestor, lineal descendant (including adopted children) of persons described in subsection (a) above; a spouse of a lineal descendant of persons described in subsection (a) above; a sibling (whether by whole or half blood) of persons described in subsection (a) above; or the spouse of a person described in subsection (a) above.

(c) A corporation in which persons described in subsections (a) – (b) above hold more than 35 percent of the combined voting power.

(d) A partnership in which persons described in subsections (a) – (b) above hold more than 35 percent of the profits interests.

(e) A trust or estate in which persons described in subsection (a) – (b) above hold more than 35 percent of the beneficial interests.

Unless approved by the Sole Member, the Corporation will not have any transaction in which an economic benefit is provided by the Corporation directly or indirectly to or for the use of any disqualified person if the value of the economic benefit provided exceeds the value of the consideration (including the performance of services) received for providing such benefit, unless provided to a disqualified person solely as a member of the public in furtherance of the Corporation’s charitable mission (*i.e.*, as a patient at Northern Cochise Community Hospital). For purposes of the preceding sentence, an economic benefit shall not be treated as consideration for the performance of services unless such organization clearly indicated its intent to so treat such benefit.

7.6. Gifts. Any contribution, gift, bequest or devise for the general or special purpose of the Corporation may be accepted on behalf of the Corporation by the CEO, any other Corporate Officer, the TMC Foundation or any of its officers, or the Board.

8. CORPORATE SEAL. The Board may adopt a corporate seal, which shall be in the form of a circle and shall have inscribed thereon the name of the Corporation and the words “Corporate Seal, Arizona”.

9. CONFLICTS OF INTEREST. The Corporation, as a Subsidiary of TMC HealthCare, is subject to the TMC HealthCare conflicts of interest policy.

10. INDEMNIFICATION.

10.1. General Provisions. To the extent not specifically prohibited by law or by the Corporation’s Articles of Incorporation, the Corporation shall indemnify any “Indemnitee” (as defined below) against “Claims” (as defined below).

An “Indemnitee” is a person who is or was a party or is threatened to be made a party to any threatened, pending, or contemplated action, suit or proceeding (each, a “Proceeding”), whether civil, criminal, administrative or investigative (in each case, both formal and informal), including all appeals by reason of the fact that such person (i) is serving or has in the past served as a Director, committee member, Officer, employee or agent of the Corporation or (ii) at the request of the Corporation, is serving or has in the past served as a director, committee member, officer or employee of another corporation or entity.

A “Claim” includes all expenses (including attorneys’ fees), judgments, decrees, fines, penalties, and amounts paid in settlement actually and reasonably incurred by an Indemnitee in connection with a Proceeding if the Indemnitee (a) acted in good faith, (b) in a manner which the Indemnitee reasonably believed (i) if acting in Indemnitee’s official

capacity, to be in the best interests of the Corporation or other entity or (ii) if acting in any capacity other than Indemnitee's official capacity, not to be opposed to the best interests of the Corporation or other entity, and (c) with respect to any criminal action or proceeding, had no reasonable cause to believe the Indemnitee's conduct was unlawful. The termination of any 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 Indemnitee did not act in good faith and in a manner which he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation or other entity and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful. A Claim shall not include any amount paid in a voluntary settlement agreement by an Indemnitee unless the Corporation has previously approved such settlement agreement.

- 10.2. Exclusions from Indemnification. The Corporation shall not be obligated to indemnify an Indemnitee in connection with any Proceeding (or part thereof) initiated by the Indemnitee unless: (i) the Proceeding (or part thereof) is to enforce rights to indemnification; or (ii) the Proceeding (or part thereof) was expressly authorized or permitted by the Corporation.

The Corporation shall not be obligated to indemnify an Indemnitee for Claims in connection with a Proceeding by or in the right of the Corporation other than for reasonable expenses incurred by the Indemnitee in connection with the Proceeding.

The Corporation shall not be obligated to indemnify an Indemnitee for Claims arising out of conduct on the part of the Indemnitee that constitutes: (i) receipt by the Indemnitee of a financial benefit to which the Indemnitee is not entitled; (ii) an intentional infliction of harm on the Corporation by the Indemnitee; (iii) gross misconduct; or (iv) an intentional violation of criminal law by the Indemnitee.

- 10.3. Purchase of Insurance. The Corporation shall purchase and maintain insurance, with appropriate deductibles, on behalf of any Indemnitee against any liability asserted against an Indemnitee and incurred by the Indemnitee in any such capacity, or arising out of Indemnitee's status as such, whether or not the Corporation would have the power to indemnify the Indemnitee against such liability under the provisions of this Section 10 or of the ANCA. Such coverage may be part of the Sole Member's self-insurance program, and/or obtained from such other insurers as may be reasonable from time to time.
- 10.4. Advance for Expenses. The Corporation may advance the reasonable expenses incurred by any person who may become entitled to indemnification under the foregoing provisions of this Section 10 upon the written request of such person, which request shall be accompanied by (i) the written affirmation by such person of his or her good faith belief that he or she has met the standard of conduct described in Sections 10.1 and 10.2 and (ii) the written undertaking of the person, executed personally or on the person's behalf, to repay the advance if it is ultimately determined that the person did not meet the standard of conduct required for such indemnification under Sections 10.1 and 10.2.
- 10.5. Nonexclusiveness; Heirs. The indemnification provided by this Section 10 shall not be deemed exclusive of, but rather is in addition to, any other rights to which any person

seeking indemnification may be entitled as a matter of law or under the Corporation's Articles of Incorporation, these Bylaws, any agreement, any insurance purchased by the Corporation, or otherwise, both as to action in such person's official capacity and as to action in another capacity while (i) serving as a Director, committee member, Officer, employee or agent of the Corporation or (ii) at the request of the Corporation, serving as a director, committee member, officer or employee of another corporation or entity, and shall also continue beyond the time such person is no longer associated with the Corporation or other corporation or entity if the course of action arose while such person was so associated, and shall inure to the benefit of the heirs, executors, and administrators of such person.

10.6. Provisions Independent. This Section 10 is independent of and in addition to the rights of any Indemnitee or other person pursuant to Section 10.5 to rely upon the provisions of A.R.S. Section 10-3850 through 10-3858 or any amendment thereof or successor thereto. Any Indemnitee or other person pursuant to Section 10.5 may rely upon the rights provided by the foregoing provisions of this Section 10 and such statutes notwithstanding the revocation of the foregoing statutes or the determination by a court of competent jurisdiction of the invalidity of such statutes.

11. CORPORATE REFORMATION. Upon the occurrence of any "Reformation Event" (as defined below), the Board of Directors or the Sole Member, as appropriate, shall consider the reformation of the Corporation as an independent organization, as set forth below. The Sole Member or the Corporation, as appropriate shall give written notice to the other as soon as practicable that a Reformation Event has occurred or is likely to occur.

11.1. A "Reformation Event" is any of the following:

- (a) The Northern Cochise County Hospital District is not approved by the voters.
- (b) The Northern Cochise County Hospital District does not use substantially all of its revenue to support the Corporation.
- (c) The Sole Member decides to close Northern Cochise Community Hospital.
- (d) There is a "Change of Control" (as defined below) of the Sole Member.

"Control" means, with respect to an entity, the possession by another entity, person or group of other persons or entities of the power to appoint, elect or nominate at least 50% of the voting members of the governing body of the entity (which is the "Controlled" entity), whether by ownership of voting securities, corporate membership, by or pursuant to contract, articles or certificate of incorporation or bylaws, or otherwise. "Control" also includes the power to direct or cause the direction of the policies and management of the entity, whether through contract, membership interests, ownership of voting securities, a lease, a management agreement or other arrangement. Unless the context requires otherwise, the terms "Controls," "Controlling," "Controlled by," and the like shall have correlative meanings.

A "Change of Control" is an event set forth in any one of the following paragraphs:

- (1) A merger, consolidation, share or membership exchange, or similar form of corporate transaction of the Sole Member with any entity, other than a merger, consolidation, share or membership exchange, or similar form of corporate transaction immediately following which the surviving entity is Controlled by the governing body of the Sole Member.
 - (2) A transaction or series of related transactions for the sale or other disposition of the Sole Member's business operations (an "Acquisition"), other than a sale or other disposition by the Sole Member of its business operations to an entity Controlled by the governing body of the Sole Member.
 - (3) A transaction or series of related transactions for the sale, lease or other disposition of all or substantially all of the Sole Member's assets, other than a sale, lease or other disposition by the Sole Member of all or substantially all of the Sole Member's assets to an entity Controlled by the governing body of the Sole Member.
 - (4) An entity becomes a voting member or shareholder of the Sole Member with the power to appoint, elect or nominate at least 50% of the members of the governing body of the Sole Member, whether by amendment to the articles of incorporation or bylaws of the Sole Member, by contract, by statute or court order, or otherwise.
 - (5) A person or group of persons, other than the governing body of the Sole Member, becomes entitled to appoint, elect or nominate at least 50% of the members of the governing body of the Sole Member, whether by amendment to the articles of incorporation or bylaws of the Sole Member, by contract, by statute or court order, or otherwise.
 - (6) The articles of incorporation of the Sole Member are amended to authorize a person or group of persons, other than the governing body of the Sole Member or a committee of the governing body of the Sole Member, to exercise the powers which would otherwise be exercised by the governing body of an Arizona corporation, professional corporation, limited liability company or other business entity.
- 11.2. Process for Reforming the Corporation. Upon receiving notice of a Reformation Event, the Board of Directors and/or the Sole Member of the Corporation shall consider whether the Corporation should be reformed as an independent organization by replacing the Articles of Incorporation and the Bylaws of the Corporation with the Articles of Incorporation and Bylaws of the Corporation in effect as of January 1, 2018. The reformation of the Corporation shall not take effect until after the occurrence of a Reformation Event.
- (a) Upon notice of a Reformation Event set forth in Sections 11.1(a) or (b), the Sole Member shall have the sole authority to take any necessary action to reform the Corporation as an independent organization.
 - (b) Upon notice of a Reformation Event set forth in Sections 11.1(c) or (d), the Community Directors shall have the sole authority to take any necessary action to reform the Corporation as an independent organization. A unanimous vote of the Community

Directors shall be required to approve reforming the Corporation as an independent organization.

(c) The Board of Directors and the Sole Member, as appropriate, shall cooperate with any determination made pursuant to Sections 11.2 (a) or (b), and shall take all necessary action to carry out the reformation of the Corporation as an independent organization.

(d) Upon approval by the Sole Member or the Community Directors of the reformation of the Corporation, the Sole Member, the Board of Directors, and the management and staff of the Corporation and the Sole Member and its Affiliates shall take all commercially reasonable steps to transition the Corporation to a financially and operationally viable independent organization within one hundred eighty (180) days of the occurrence of the Reformation Event.

(e) A decision to rescind the reformation of the Corporation pursuant to Section 11.2(a) can be approved only by the Sole Member, and a decision to rescind the reformation of the Corporation pursuant to Section 11.2(b) can be approved only by a unanimous vote of the Community Directors.

12. CORPORATE DISSOLUTION. In the event the Corporation is dissolved, the Board, after paying or making provision for the payment of all of the liabilities and obligations of the Corporation, shall distribute all of the assets of the Corporation as follows:

12.1. Pursuant to a plan of distribution adopted by the Board, to the Sole Member or any other charitable Subsidiary or Affiliate as determined by the Board in its discretion.

12.2. In the event the distributions set forth in Section 12.1 are not practicable, pursuant to a plan of distribution adopted by the Board, to such organization or organizations selected by the Board which are organized and operated exclusively for religious, charitable, educational or scientific purposes as shall at the time qualify as an exempt organization or organizations under I.R.C. Section 501(c)(3), as determined by the Board in its discretion.

12.3. In the event the distributions set forth in Sections 12.1 and 12.2 are not practicable, any undistributed assets of the Corporation shall be distributed to one or more organizations that are then described in I.R.C. Sections 170(c)(2), 501(c)(3), 2055(a)(2), and 2522(a)(2), and that have purposes substantially similar to those of the Corporation or the Sole Member, or to one or more units or agencies of federal, state or local government to be used exclusively for public purposes, as determined by the Board in its discretion.

12.4. Any assets not distributed as set forth above shall be distributed as ordered by a court of competent jurisdiction in the county in which the principal office of the Corporation is then located, for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for the above stated purposes.

12.5. The disposition of assets under this Section 12 shall be subject to any designations or restrictions placed on the assets if acquired by donation.

13. AMENDMENTS. Except as otherwise set forth in these Bylaws or applicable law, the

Corporation's Articles of Incorporation and these Bylaws may be amended only by Board action and with the consent of the Sole Member.

Adopted by the Board at its meeting on February 23, 2021.

SECRETARY OF THE CORPORATION:

/s/ Tim Hartin