

**AMENDED BYLAWS
OF
DOGWOOD HEALTH TRUST**

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OF
DOGWOOD HEALTH TRUST

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BYLAWS
OF
DOGWOOD HEALTH TRUST

ARTICLE I

PURPOSE

- Section 1 *Purpose.* As set forth in the articles of incorporation of the Trust, the purpose of the Trust shall be to dramatically improve the health and well-being of all people and communities of Western North Carolina. The purpose of the Trust as stated herein and in the articles of incorporation may not be amended prior to January 1, 2029 without written approval of the North Carolina Attorney General. Thereafter any such amendment shall not be effective prior to 30 days following the provision of notice thereof to the North Carolina Attorney General.

ARTICLE II

OFFICES

- Section 1 *Principal Office.* The principal office of the Trust shall be located in Western North Carolina.
- Section 2 *Registered Office.* The registered office of the Trust required by law to be maintained in the State of North Carolina may be, but need not be, identical with the principal office.
- Section 3 *Other Offices.* The Trust may have offices at such other places, either within or without the State of North Carolina, as the Board of Directors may designate or as the affairs of the Trust may require.

ARTICLE III

BOARD OF DIRECTORS

- Section 1 *General Powers.* The business and affairs of the Trust shall be managed by its Board of Directors.
- Section 2 *Number, Term and Qualifications.* The number of directors constituting the Board of Directors shall be at least five and not more than nineteen as may be fixed or changed, within the minimum and maximum, by the Board of Directors. Except as provided herein, each director shall be elected for a three-year term. The Board of Directors shall, by resolution, divide its membership into three classes with staggered terms, with each class as nearly equal in number of directors as possible. The initial term for one class shall expire on December 31, 2019; the initial term for a second class, on December 31, 2020; and the initial term for the third class, on December 31, 2021. Any director serving in one of such initial

terms for less than three years shall be considered to have served only a partial term. Accordingly, approximately one-third of the directors' terms of office shall expire each year. Each director shall be eligible to serve on the Board of Directors for three full consecutive three-year terms.

Thereafter such director must cease to serve for a least one year before being eligible for election to the Board of Directors of the Trust. Any person who is elected to replace a director whose term has expired shall be elected to serve a three-year term. Any person elected to replace a director who dies, resigns or is removed prior to the expiration of his or her term shall serve for the remainder of such director's unexpired term and also shall be eligible to serve three additional consecutive three-year terms. Directors shall be qualified to serve as such on the basis of their knowledge, skill, experience and commitment to advance the charitable purpose of the Trust. In addition, the Board shall be composed of directors who represent the diversity of the residents of Western North Carolina. Notwithstanding the foregoing, the President & Chief Executive Officer shall serve ex officio as a director without voting rights.

- Section 3 *Election of Directors.* The directors shall be elected by the vote of the directors then in office. Those persons who receive the highest number of votes and at least a majority of votes at a meeting at which a quorum is present shall be deemed to have been elected. If any director so demands, the election of directors shall be by ballot.
- Section 4 *Removal.* Any director may be removed at any time with or without cause by the vote of a majority of the directors present at a meeting at which a quorum is present.
- Section 5 *Vacancies.* Any vacancy occurring among the directors may be filled by the affirmative vote of a majority of the remaining directors even though less than a quorum or by the sole remaining director. A director elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office.
- Section 6 *Compensation.* Directors shall not be compensated for their services as such but may be reimbursed for any or all reasonable and documented expenses incurred in connection with their service on the Board.

ARTICLE IV

MEETINGS OF DIRECTORS

- Section 1 *Regular Meetings.* A regular meeting of the Board of Directors shall be held periodically and at least quarterly at the principal office of the Trust or at such other place as the Board of Directors may designate. In addition, the Board of Directors may provide, by resolution, the time and place, either within or without the State of North Carolina, for the holding of additional regular meetings.

- Section 2 *Special Meetings.* Special meetings of the Board of Directors may be called by or at the request of the Chair or of any two directors. Such a meeting shall be held within the State of North Carolina.
- Section 3 *Notice of Meetings.* Regular meetings of the Board of Directors may be held without notice. The person or persons calling a special meeting of the Board of Directors shall, at least five days prior to the meeting, give written notice thereof delivered personally or sent by United States mail, facsimile or electronic mail to each director at his or her address as shown by the records of the Trust. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed with postage thereon prepaid. If sent by facsimile or electronic mail, such notice shall be deemed delivered upon receipt of an electronic acknowledgment of delivery. Such notice need not specify the purpose for which the meeting is called.
- Section 4 *Waiver of Notice.* Any director may waive notice of any meeting. The attendance by a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.
- Section 5 *Quorum.* A majority of the members of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.
- Section 6 *Manner of Acting.* Except as otherwise provided in these bylaws, the act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. The following actions shall require the affirmative vote of eighty-five percent of the then-current members of the Board of Directors:
- (a) Changing the name of the Trust by amending, modifying or repealing Article 1 of the articles of incorporation or by adopting an assumed name;
 - (b) Modifying the statement of purpose of the Trust by amending, modifying or repealing Article 2 of the articles of incorporation or Article I of these bylaws;
 - (c) Amending, modifying or repealing Article III, Section 2 of these bylaws (Board of Directors; Number, Term and Qualifications);
 - (d) Appropriating for expenditure in any fiscal year an amount greater than seven percent of the average fair market value of the Trust's investment assets for the three preceding years, with the average fair market value determined pursuant to the rules and regulations for computing the Trust's annual minimum distributable amount under the U.S. Internal Revenue Code; provided, however, that during the start-up period as defined by Treas. Reg. § 53.4942(a)-3(b)(4)(i) the Board may on an annual basis appropriate for

expenditure any amount that meets the requirements for distributions as defined by Internal Revenue Code § 4942 and related Treasury regulations.

- (e) Approving dissolution, merger, or the sale, pledge or transfer of all or substantially all of the Trust's assets.

For purposes of calculating the super-majority voting requirement in this Section 6, abstentions shall be considered negative votes.

- Section 7 *Telephonic Meetings.* The Board of Directors may permit any or all directors to participate in a regular or special meeting by, or conduct the meeting through the use of, any means of communication by which all directors participating may simultaneously hear each other during the meeting. A director participating in a meeting by this means is deemed to be present in person at the meeting.
- Section 8 *Presumption of Assent.* A director of the Trust who is present at a meeting of the Board of Directors at which action on any Trust matter is taken shall be presumed to have assented to the action taken unless (a) his or her contrary vote is recorded; (b) his or her dissent is otherwise entered in the minutes of the meeting; (c) he or she shall file his or her written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof; or (d) he or she shall forward such dissent by registered mail to the Secretary of the Trust immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.
- Section 9 *Informal Action by Directors.* Action taken by the directors without a meeting is nevertheless Board action if written consent to the action in question is approved in writing by all of the directors, whether done before or after the action so taken. Such approval may be evidenced by signature or electronic indicia of assent, and shall be filed with the minutes of the proceedings of the Board.
- Section 10 *Standing Committees of the Board.* The Board of Directors, by resolution adopted by a majority of the directors present at a meeting at which a quorum is present, may designate certain directors to constitute standing committees. Each committee, to the extent authorized by law and provided in such resolution, shall have and may exercise all of the authority of the Board of Directors in the management of the Trust; provided, however, that no committee of the Board shall (a) authorize distributions; (b) authorize or approve any dissolution, merger or sale, pledge, transfer or other distribution of all or substantially all of the Trust's assets; (c) elect, appoint or remove any directors, officers, committee chairs or committee members, or the Chair, or fill any vacancy; (d) adopt, amend or repeal the articles of incorporation or the bylaws; or (e) engage in any other act not specifically delegated to such committee by these bylaws or by resolution of the Board. The designation of any committee and the delegation thereto of authority shall not operate to relieve the

Board of Directors, or any member thereof, of any responsibility or liability imposed upon it or him or her by law.

In addition, the Board of Directors, by resolution adopted by a majority of the directors present at a meeting at which a quorum is present, may designate certain standing committees that include persons not currently serving as directors. At least three Board Members shall serve on each standing committee, but the existence of a vacancy on a committee shall not preclude such committee from making recommendations to the Board of Directors or acting within its delegated authority. Such committees generally shall not exercise the authority of the Board of Directors; provided, however, that, subject to the proviso in the first sentence of this Section 10, the Board of Directors, by resolution adopted by a majority of the directors present at a meeting at which a quorum is present, may grant specific, defined authority to such committees, and in such instances, committee members who are not currently serving as directors may participate in discussion and make recommendations to director members of such committee but may not exercise delegated board authority. These committees may include an Audit Committee, Covenant Compliance Committee, Finance Committee, Governance and Compensation Committee, Investment Committee, Nominating Committee, Program and Grants Committee, and any other committee as the Board of Directors may from time to time designate as a standing committee.

Section 11 *Ad Hoc Committees.* The Board of Directors, by resolution adopted by a majority of the directors present at a meeting at which a quorum is present, may designate certain ad hoc committees as needed for a particular purpose. To the extent authorized by law and provided in such resolution, such committees shall have and may exercise all the authority of the Board of Directors subject to the restrictions in Article IV, Section 10 of these bylaws.

ARTICLE V

OFFICERS

Section 1 *Officers of the Trust.* The officers of the Trust shall consist of a Chair, one or more Vice Chairs, Secretary, Treasurer, and other such officers as the Board of Directors may from time to time elect. Any two or more offices may be held by the same person, but no officer may act in more than one capacity where action of two or more officers is required.

Section 2 *Election and Term.* The officers of the Trust shall be elected from their number annually by the Board of Directors. Each officer shall hold office for a term expiring two years after the first day of the calendar year following the date of election, and until his or her successor shall have been elected and qualified. Each officer may be re-elected to serve for an additional two-year term. However, the Secretary need not be a director and may serve without a term limit.

The Board of Directors may appoint one or more additional officers, including but not limited to an Assistant Secretary or Assistant Treasurer, as may be required from time to time. Additional officers shall hold office for a term expiring one year after the first day of the calendar year following the date of election, and until his or her successor shall have been elected and qualified. However, additional officers need not be directors and such non-director additional officers may serve without term limits. A vacancy in any office because of death, resignation, removal, disqualification or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

Section 3 *Compensation of Officers.* Officers of the Trust shall not be compensated for their service as such or in any other capacity unless such compensation shall be authorized by the Board of Directors; provided, however, that non-directors serving as officers may be compensated for their services to the Trust.

Section 4 *Removal.* Any officer elected or appointed by the Board of Directors may be removed by a majority vote of the Board of Directors whenever in its judgment the best interests of the Trust will be served thereby.

Section 5 *Chair.* The Chair shall oversee the activities of the Board of Directors and, when present, preside at all meetings of the Board of Directors.

Section 6 *Vice Chair.* In the absence of the Chair or in the event of his or her death, inability or refusal to act, the Vice Chair, unless otherwise determined by the Board of Directors, shall perform the duties of the Chair, and when so acting shall have all the powers of and be subject to all the restrictions upon the Chair. If there is more than one Vice Chair, the Board of Directors shall determine which shall perform the duties of the Chair in the instances described above. The Vice Chair shall perform such other duties as from time to time may be assigned to him or her by the Chair or by the Board of Directors, or by these bylaws.

Section 7 *Secretary.* The Secretary shall (a) keep the minutes of the meetings of the Board of Directors and of all committees in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these bylaws or as required by law; (c) be custodian of Trust records and of the seal of the Trust, if any, and see that the seal of the Trust is affixed to all documents executed on behalf of the Trust which require the seal of the Trust; and (d) in general perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him or her by the Chair, by the Board of Directors, or by these bylaws. The Secretary may be assisted in the discharge of the duties described herein by professional staff and other persons as he or she deems necessary or desirable.

Section 8 *Treasurer.* The Treasurer shall (a) have charge and custody of and be responsible for all funds and securities of the Trust; (b) receive and give receipts for moneys due and payable to the Trust from any source whatsoever, and deposit all such moneys in the name of the Trust in such

depositories as shall be selected in accordance with the provisions of these bylaws; and (c) in general, perform all of the duties incident to the office of treasurer and such other duties as from time to time may be assigned to him or her by the Chair or by the Board of Directors, or by these bylaws. The Treasurer may be assisted in the discharge of the duties described herein by professional staff and other persons as he or she deems necessary or desirable.

ARTICLE VI

PRESIDENT & CHIEF EXECUTIVE OFFICER

Section 1 *President & Chief Executive Officer.* The President & Chief Executive Officer shall be the principal executive officer of the Trust and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the Trust. He or she shall sign any deeds, mortgages, bonds, contracts or other instruments that the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these bylaws to some other officer or agent of the Trust, or shall be required by law to be otherwise signed or executed. In addition, he or she shall perform all duties incident to the office of chief executive officer and such other duties as may be prescribed by the Board of Directors. The compensation of the President & Chief Executive Officer shall be determined by the Board of Directors, or by the Governance and Nominating Committee as delegated by the Board of Directors.

ARTICLE VII

CONTRACTS, LOANS, CHECKS AND DEPOSITS

- Section 1 *Contracts.* The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Trust, and such authority may be general or confined to specific instances.
- Section 2 *Loans.* No loans shall be contracted on behalf of the Trust and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.
- Section 3 *Checks and Drafts.* All checks, drafts or other orders for the payment of money, issued in the name of the Trust, shall be signed by such officer or officers, agent or agents, of the Trust and in such manner as shall be determined by resolution of the Board of Directors. In the absence of such resolution, such instruments shall be signed by the Chief Executive Officer or Chief Financial Officer or equivalent.

Section 4 *Deposits.* All funds of the Trust not otherwise employed shall be deposited to the credit of the Trust in such depositories as the Board of Directors may select.

ARTICLE VIII

GENERAL PROVISIONS

Section 1 *Seal.* The seal of the Trust, if any, shall consist of two concentric circles between which is the name of the Trust and in the center of which is inscribed SEAL.

Section 2 *Indemnification.* Any person who at any time serves or has served (a) as a director, officer, committee member or employee of the Trust, or (b) upon the request of the Trust, in such capacity for any other Trust, partnership, joint venture, trust or other enterprise, shall have a right to be indemnified by the Trust to the fullest extent permitted by law against (i) reasonable expenses, including attorneys' fees, actually and necessarily incurred by him or her in connection with any threatened, pending or completed action, suit or proceedings, whether civil, criminal, administrative or investigative, brought by a third party, seeking to hold him or her liable by reason of the fact that he or she is or was acting in such capacity, and (ii) reasonable payments made by him or her in satisfaction of any judgment, money decree, fine, penalty or settlement for which he or she may have become liable in any such action, suit or proceeding. Such person shall not be indemnified by the Trust against suits brought by or on behalf of the Trust, seeking to hold him or her liable by reason of the fact that he or she is or was acting in such capacity, unless such person is found blameless by a court of law or other properly constituted tribunal.

The Board of Directors of the Trust shall take all such action as may be necessary and appropriate to authorize the Trust to pay the indemnification required by this bylaw, including without limitation, to the extent needed, making a good-faith evaluation of the manner in which the claimant for indemnity acted and of the reasonable amount of indemnity due him.

Expenses incurred in defending a civil or criminal action, suit or proceeding shall be paid by the Trust in advance of the final disposition of such action, suit or proceeding, as authorized by the Board of Directors in the specific case, upon receipt of an undertaking by or on behalf of the director, officer, committee member or employee to repay such amount if it shall ultimately be determined that he or she is not entitled to be indemnified by the Trust as authorized in this bylaw.

Any person who at any time after the adoption of this bylaw serves or has served in any of the aforesaid capacities for or on behalf of the Trust shall be deemed to be doing or to have done so in reliance upon, and as consideration for, the right of indemnification provided herein. Such right shall inure to the benefit of the legal representatives of any such person

and shall not be exclusive of any other rights to which such person may be entitled apart from the provision of this bylaw.

In addition to the foregoing, the Board of Directors shall have the right and power to purchase and maintain insurance on behalf of any person who is or was a director, officer, committee member or employee of the Trust, or is or was serving at the request of the Trust as director, officer, committee member, employee or agent of another Trust, partnership, joint venture, trust or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Trust would have the power to indemnify him or her against such liability.

- Section 3 *Fiscal Year.* The fiscal year of the Trust shall be the calendar year.
- Section 4 *Amendments.* Except as provided in Article I, Section 1 of these bylaws, these bylaws may be amended or repealed and new or amended bylaws may be adopted by the affirmative vote of two-thirds of the directors then holding office at any regular or special meeting of the Board of Directors at which a quorum is present; provided, however, that amendment, modification or repeal of Article IV, Section 6 (Meetings of Directors, Manner of Acting) of these bylaws shall require the affirmative vote of eighty-five percent of the then-current members of the Board of Directors with abstentions considered as negative votes.
- Section 5 *Construction of Terms.* Where appropriate, any word denoting or referring to one gender shall be deemed to include any other gender.

Approved by the Board of Directors on September 17, 2019.