

**BYLAWS
OF
PONDERA HEALTHCARE FOUNDATION**

Amended February 21, 2018

**ARTICLE I
PURPOSES AND POWERS**

1.01 Purpose. The general purpose of the Pondera Healthcare Foundation (referred to herein as the “Foundation”) is to support the health and well-being of residents of Pondera County and surrounding communities, including promotion of the long-term presence of stable and viable health care services and facilities in Pondera County and other health and wellness programs. To accomplish that purpose, the Foundation intends to provide financial assistance to Pondera County health care facilities, services and wellness programs by engaging in fundraising that takes into account and implements the donative intent of donors and offers a variety of gift options designed to meet each donor’s financial situation.

**ARTICLE II
BOARD OF DIRECTORS**

2.01 Powers. Except as otherwise provided by law, all corporate powers shall be exercised by the Board of Directors and the affairs of the Foundation shall be managed under the direction of the Board.

2.02 Number of Directors. The Foundation shall have a Board of Directors consisting of at least five Directors and no more than eleven Directors. The initial Board of Directors shall be appointed by the incorporators and shall consist of nine Directors. The Board may subsequently increase or decrease the number of Directors serving on the Board within these limits.

2.03 Terms. The initial Board of Directors shall serve until the first regular meeting of the Board of Directors to be held in January 2015. At the January 2015 meeting the initial Board of Directors shall elect up to eleven Directors, three of whom shall be appointed to serve a one-year term, three of whom shall be appointed to serve a two-year term, and three of whom shall be appointed to serve a three-year term, in order to implement staggered terms. Thereafter, Directors will be elected to serve three-year terms. No Director may serve more than nine consecutive years.

2.04 Elections. After the initial appointment of the Board of Directors by the incorporators, the Board of Directors shall elect subsequent Directors at the Board’s annual meeting.

2.05 Qualifications. The Board of Directors shall consist of persons age 18 or older who are interested in and who have the expertise and experience to implement the purposes of the Foundation. Relevant qualifications include (without limitation) persons who have medical, legal, investment, fund-raising, grant-writing, and accounting expertise; representatives of both city and rural residents of Pondera County and surrounding counties who utilize health care facilities in Pondera County; members

of unique groups who use medical facilities in Pondera County (such as members of Hutterite colonies and Native Americans); city or county government employees involved in the provision of medical services; and persons who represent a spectrum of ages and gender. No more than one member of the Foundation Board of Directors may also be a member of the Board of Directors of the Pondera Medical Center.

2.06 Ex Officio Directors. The Pondera Medical Center may appoint a non-voting, ex officio Director to the Foundation's Board of Directors, to serve for a term of one to three years specified by the Pondera Medical Center. The purpose of this ex officio Director is to facilitate communication between the Foundation and the Pondera Medical Center, which is an important health care provider in Pondera County.

The Foundation Board of Directors may establish other ex officio Directors by a majority vote.

2.07 Resignation. Any Director may resign at any time by delivering written notice to the President or the Secretary at the registered office of the Foundation, or by giving oral or written notice at any meeting of the Directors. Any such resignation shall take effect at the time specified therein, or if the time is not specified, upon delivery thereof and the acceptance of such resignation shall not be necessary to make it effective.

2.08 Vacancies. The Board of Directors may fill, by majority vote, any vacancies in the Board of Directors that arise due to resignation, death, disability, or removal. Any Director appointed to fill a vacancy shall serve for balance of the term of the Director that he or she is replacing, unless otherwise specified by the Board of Directors in its appointment.

2.09 Removal of Directors. A Director may be removed by a majority of the Board of Directors with or without cause. Without limiting the basis for removing a Director, a Director who consistently misses meetings without being excused may be removed.

2.10 Board of Directors Meetings.

(a) **Annual and Regular Meetings.** The Board of Directors shall have its annual meeting in January of each calendar year, and a minimum of three additional regular meetings each calendar year at times and places fixed by the Board at its annual meeting. Once the regular meetings of the Board have been scheduled, they may be held without further notice. However, the Secretary of the Foundation shall use best efforts to send an electronic or written reminder of regular meetings a minimum of seven days before the meeting.

(b) **Special Meetings.** Special meetings of the Board may be called by the President or by any three Directors. A special meeting must be preceded by at least five days' notice to each Director of the date, time, place, and general purpose of the meeting. Notice of a special meeting may be provided by e-mail or by U.S. mail, or by phone as long as the caller either speaks directly to the Director being contacted by phone or leaves a message on an answering machine at the phone number provided by the Director as his or her phone number.

(c) **Special Notice Provisions.** If a purpose of the meeting is to consider (i) an amendment to the Articles of Incorporation, (ii) a plan of merger, (iii) the sale, lease, exchange, or disposition of all or substantially all of the Foundation's property, or (iv) the dissolution of the Foundation, then a notice must be given to each Director at least fourteen days before the meeting. Notice must be sent in writing by U.S. mail, and the notice must be accompanied by a copy of or summary of the proposed amendment, plan of merger, transaction for the disposition of property, or proposed dissolution.

(d) **Waiver of Notice.** Any Director may waive notice of any meeting, in accordance with Montana law.

2.11 Manner of Acting.

(a) **Quorum.** A majority of the Directors shall constitute a quorum for the transaction of business at that meeting of the Board.

(b) **Vote.** The act of the majority of the voting Directors present at a meeting at which a quorum is present shall be the act of the Board, unless otherwise specified in these Bylaws or required by law. Each Director shall have one vote.

(c) **No Proxy Voting.** Directors may not vote or sign Board resolutions or consents by proxy.

(d) **Participation.** Directors may participate in a regular or special meetings through the use of any means of communication by which all Directors participating may simultaneously hear each other during the meeting, including participation by telephonic conference calls.

2.12 Action without Meeting. Any action required or permitted to be taken at a meeting of the Board may be taken without a meeting if a written consent setting forth the action is signed by all of the Directors. Such action may be taken by e-mail if the proposed written consent action is attached to the electronic e-mail delivered to the Director, and the Director provides an affirmative electronic response. Such consent shall have the same effect as a unanimous vote and shall be placed in the minute book by the Secretary.

2.13 Compensation for Board Service. Directors shall receive no compensation for carrying out their duties as Directors. The Board may adopt policies providing for reasonable reimbursement of Directors for expenses incurred in conjunction with carrying out Board responsibilities, such as travel expenses to attend Board meetings.

2.14 Compensation for Professional Services by Directors. Directors are not restricted from being remunerated for professional services provided to the Foundation. Such remuneration shall be reasonable and fair to the Foundation and must be reviewed and approved in accordance with any Conflict of Interest policy adopted by the Board and state law.

ARTICLE III **OFFICERS**

3.01 Officers. The Officers of the Foundation shall be a President, Vice President, Secretary, and Treasurer, all of whom shall be chosen by, and serve at the pleasure of, the Board of Directors. Directors may hold these positions, but the Board may also elect persons who are not Directors to serve in these positions. Each Officer shall have the authority and shall perform the duties set forth in these Bylaws or by resolution of the Board or by direction of an Officer authorized by the Board to prescribe the duties and authority of other Officers. The Board may also appoint additional Vice Presidents and such other Officers as it deems expedient for the proper conduct of the business of the Foundation, each of whom shall have such authority and shall perform such duties as the Board of Directors may determine.

3.02 Term of Office. Each Officer shall serve a one-year term of office. Unless elected to fill a vacancy in an Officer position, each Officer's term of office shall begin upon the adjournment of the annual meeting of the Board of Directors at which elected and shall end upon the adjournment of the subsequent annual meeting of the Board of Directors.

3.03 Removal and Resignation. The Board of Directors may remove an Officer at any time, with or without cause. Any Officer may resign at any time by giving written notice to the President or the Secretary at the registered office of the Foundation, or by giving oral or written notice at any meeting of the Directors to the Foundation. Any resignation shall take effect at the date of the receipt of the notice or at any later time specified in the notice, unless otherwise specified in the notice. The acceptance of the resignation shall not be necessary to make it effective.

3.04 President. The President shall be principal executive officer of the Foundation. The President shall lead the Board of Directors in performing its duties and responsibilities, including, if present, presiding at all meetings of the Board of Directors, and shall perform all other duties incident to the office or properly required by the Board of Directors.

3.05 Vice President. In the absence or disability of the President, the Vice President shall perform the duties of the President. When so acting, the Vice President shall have all the powers of and be subject to all the restrictions upon the President. The Vice Presidents shall have such other powers and perform such other duties prescribed for them by the Board of Directors or the President

3.06 Secretary. The Secretary shall keep or cause to be kept a book of minutes of all meetings and actions of Directors and committees of Directors. The Secretary shall cause notice to be given of all meetings of Directors and committees as required by the Bylaws. The Secretary shall have such other powers and perform such other duties as may be prescribed by the Board of Directors.

3.07 Treasurer. The Treasurer shall collect, receive and disburse all money of the Corporation under the direction of the Board of Directors; shall prepare a financial statement for use at the regularly scheduled meetings of the Board of Directors; and shall generally be responsible for the funds of the Corporation. The Treasurer shall have such other powers and perform such other duties as may be prescribed by the Board of Directors.

3.08 Compensation for Officers. Officers shall receive no compensation for carrying out their duties as Directors, unless otherwise specifically approved by the Board. The Board may adopt policies providing for reasonable reimbursement of Officers for expenses incurred in conjunction with carrying out Officer responsibilities.

3.09 Compensation for Professional Services by Officers. Directors are not restricted from being remunerated for professional services provided to the Foundation. Such remuneration shall be reasonable and fair to the Foundation and must be reviewed and approved in accordance with any Conflict of Interest policy adopted by the Board and state law.

ARTICLE IV **BOARD COMMITTEES**

4.01 Committees. The Board of Directors may appoint such committees as it deems necessary to facilitate the operation of the Foundation, and appoint its members and fill any vacancies.

4.02 Committee Manner of Acting. The provisions of these Bylaws which govern meetings, manner of acting, action without meetings, notice, waiver of notice, and quorum and voting requirements of the Board shall apply to committees of the Board and their members.

ARTICLE V **STAFF**

5.01 Appointment. The Board of Directors may appoint an Executive Director or such other staff as it determines to be appropriate. The Board shall determine any compensation payable to the Executive Director or staff, and shall determine the Executive Director or staff's responsibilities.

ARTICLE VI **CONTRACTS, CHECKS, LOANS**

6.01 Contracts and other Writings. Except as otherwise provided by resolution of the Board or Board policy, all contracts, deeds, leases, mortgages, grants, and other agreements of the Foundation shall be executed on its behalf by the President, or other persons to whom the Foundation has delegated authority to execute such documents in accordance with policies approved by the Board.

6.02 Checks, Drafts. All checks, drafts, or other orders for payment of money, notes, or other evidence of indebtedness issued in the name of the Foundation, shall be signed by such directors or officers of the Foundation and in such manner as shall from time to time be determined by resolution of

the Board. Checks in excess of One Hundred Dollars (\$100.00) shall be signed by at least two officers or directors.

6.03 Deposits. All funds of the Foundation not otherwise employed shall be deposited from time to time to the credit of the Foundation in such banks, trust companies, or other depository as the Board may select.

6.04 Endowment Fund. If the Board authorizes the establishment of a fund that qualifies for the Montana endowment tax credit, the Board shall determine the bank, trust company, or other depository at which the fund shall be held, and shall establish an endowment policy that governs those funds.

6.05 Loans. No loans shall be contracted on behalf of the Foundation and no evidence of indebtedness shall be issued in its name unless authorized by resolution of the Board.

ARTICLE VII **INDEMNIFICATION**

7.01 Indemnification.

(a) **Mandatory Indemnification.** The Foundation shall indemnify a Director or former Director, who was wholly successful, on the merits or otherwise, in the defense of any proceeding to which he or she was a party because he or she is or was a Director of the Foundation against reasonable expenses incurred by him or her in connection with the proceedings.

(b) **Permissible Indemnification.** The Foundation shall indemnify a Director or former Director made a party to a proceeding because he or she is or was a Director of the Foundation, against liability incurred in the proceeding, if the determination to indemnify him or her has been made in the manner prescribed by the law and payment has been authorized in the manner prescribed by law.

(c) **Advance for Expenses.** Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Foundation 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 (i) a written affirmation from the Director, officer, employee or agent of his or her good faith belief that he or she is entitled to indemnification as authorized in this Article, and (ii) an undertaking by or on behalf of the Director, officer, employee or agent to repay such amount, unless it shall ultimately be determined that he or she is entitled to be indemnified by the Foundation in these Bylaws.

(d) **Indemnification of Officers, Agents and Employees.** An officer of the Foundation who is not a Director is entitled to mandatory indemnification under this Article to the same extent as a Director. The Foundation may also indemnify and advance expenses to an employee or agent of the Foundation who is not a Director, consistent with Montana

Law and public policy, provided that such indemnification, and the scope of such indemnification, is set forth by the general or specific action of the Board or by contract.

ARTICLE VIII MISCELLANEOUS

8.01 Books and Records. The Foundation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of all meetings of its Board of Directors, a record of all actions taken by the Board of Directors without a meeting, and a record of all actions taken by committees of the board.

8.02 Policies. The Board shall adopt and periodically review the following policies:

(a) a conflict of interest policy to protect the Foundation's interest when it is contemplating any transaction or arrangement which may benefit any Director, Officer, employee, or member of a Committee;

(b) an investment policy to govern the investment of the Foundation's liquid assets, including guidelines allocating investments between cash, certificates of deposit, stocks, bonds, and similar investments;

(c) a policy that provides guidelines governing the distribution of funds of the Foundation to further its exempt purposes; and

(d) such other policies that the Board of Directors determines to be appropriate in managing the affairs of the Foundation and furthering its exempt purposes.

8.03 Amendments. These Bylaws may be amended, altered, repealed, or restated by a vote of the majority of the Board of Directors.

8.04 Taxable Year. The taxable year of the Corporation shall be maintained on a calendar year basis, which year shall be period of twelve months ending on December 31.

CERTIFICATE OF BYLAWS

I hereby certify that these Amended Bylaws of the Pondera Healthcare Foundation were approved by the Board of Directors on February 21, 2018.

s/Kristen G. Juras

Secretary