



**MAT-SU HEALTH  
FOUNDATION**

**AMENDED AND RESTATED  
BYLAWS  
of  
The Valley Hospital Association, Inc.  
(an Alaska nonprofit corporation)**

**D/B/A**

**MAT-SU HEALTH FOUNDATION**

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**As of December 19, 2022**



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**Article I - Purpose**

***Section 1. General***

The Valley Hospital Association, Inc. (“VHA”) d/b/a Mat-Su Health Foundation (“MSHF” or the “Foundation”) is established for charitable, scientific and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, (“IRC”) or any corresponding provisions of any subsequent federal tax laws, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under said section. No part of the net earnings of the Foundation shall inure to the benefit of, or be distributable to, any private individual, except that the Foundation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of its purposes. No substantial part of the activities of the Foundation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, except as permitted by IRC Section 501(h) or any subsequent federal tax laws. The Foundation shall not participate in or intervene in (including the publishing or distribution of statements), any political campaign on behalf of or in opposition to any candidate for public office. Notwithstanding any other provision of these Bylaws, the Foundation shall not carry on any other activities not permitted to be carried on by an organization exempt from federal income tax under IRC Section 501(a), described in IRC Section 501(c)(3), contributions to which are deductible under IRC Section 170(c)(2), or the corresponding provisions of any subsequent federal tax laws (hereinafter referred to as “exempt organizations”).

***Section 2. Specific Purposes***

The specific purposes of the Foundation shall be:

(a) To be a member of **Mat-Su Valley Medical Center, LLC** (the “LLC”), and in such capacity, through the LLC, to decide which services are appropriate and to establish, support, manage and furnish facilities, personnel and services to provide diagnosis, medical-surgical and private hospital care, extended care, outpatient care, home care and other hospital and medically related services without regard to race, creed, color, sex or national origin.

(b) To carry on such activities and to provide such services related to the promotion of health through the LLC, as well as any additional health related services which in the opinion of the Foundation’s Board of Directors, hereinafter referred to as the “Foundation Board of Directors,” may be justified by the facilities, personnel, funds or other requirements that are or can be made available, subject to any contractual limitations agreed to by the Foundation Board of Directors.

(c) To engage in any and all charitable activities which better the health and wellness of primarily the residents of the Matanuska-Susitna Valley consistent with or in furtherance of the above charitable purposes.



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**Article II - Offices**

The Foundation shall maintain its principal office for the transaction of its affairs within the Matanuska-Susitna Borough, Third Judicial District, State of Alaska.

**Article III - Seal**

The Foundation shall have a seal.

**Article IV - Membership**

***Section 1 - Membership.***

Membership in the Foundation is open to all residents of the Matanuska-Susitna Borough (established by voter registration and/or mailing address within the Borough), 18 years of age or older, without regard to citizenship, race, sex, age or religious preference who apply for membership, pay membership fees and comply with the Foundation's Bylaws and regulations made pursuant thereto. In addition, employees or contract employees of the LLC or the Foundation who work a minimum of 25 hours per week and reside in Alaska but not in the Matanuska-Susitna Borough may, during the time of such employment, apply for membership.

***Section 2 - Voting.***

Each member in good standing may vote on any issue brought before the membership, in person or by proxy.

***Section 3 - Term, Fees.***

General membership is on an annual calendar year basis. Lifetime memberships are also available at a cost established by the Foundation Board of Directors from time to time and require the member to provide annual proof of qualification under Section 1 of this Article IV. Membership applications shall be maintained until (i) a member is no longer eligible to be a member, (ii) a member terminates his/her membership, or (iii) the expiration of the term, whichever occurs first. The fee for each class and category of member shall be set by the Foundation Board of Directors from time to time.

***Section 4 - Certificates, Records.***

The Secretary shall maintain or cause to be maintained a complete set of records of current membership in good standing, open to inspection by any member or an agent or attorney for the member. Only those persons shown on these records shall be regarded as members. Membership certificates may be issued. Ballots and membership records related to such ballots will be retained for 90 days after the results of any vote are announced.



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**Article V- Membership Meetings**

***Section 1 - Regular Annual Meeting.***

The regular annual meeting of the membership shall be held at 7 p.m. on the second Monday in the month of June of each year in the Matanuska-Susitna Borough, Alaska at such place determined by the Foundation Board of Directors set forth in the notice of meeting. At such meeting, the membership shall transact such business as shall have been placed upon the agenda to come before the meeting.

If an emergency order or a change to the Alaska Nonprofit Corporation Act permits virtual meetings of the members, the Board of Directors, in its sole discretion, may authorize the holding of a virtual annual meeting of the members in any given year, without participation in person. Such a meeting shall be held by means of a virtual platform or platforms selected by the President or Board Chair using communications equipment that allows for telephonic participation.

***Section 2 - Special Meetings.***

Special meetings of the members may be called by the Chairperson, or the Foundation Board of Directors, and shall be called by the Chairperson upon written request signed by twenty-five percent (25%) or more of the members, unless the request submitted by members for a special meeting is made within thirty (30) days prior to the date of an annual meeting.

***Section 3 - Notice, Ballots.***

Notice of annual or special membership meetings shall be published in a newspaper of general circulation in the Matanuska-Susitna Borough and on the Foundation's website. Ballots for any issue to be voted upon by mail as appropriate shall be mailed by regular mail to all members in good standing at least fifteen (15) days and not more than fifty (50) days prior to the time set for the meeting. The record date for determining membership shall be set by the Foundation Board of Directors and shall be at least ten (10) but not more than twenty (20) days preceding the mailing of such notice or ballots. Only those members reflected on the membership records on the record date are entitled to notice, ballots and to vote.

***Section 4 - Proxies.***

A member may vote at the meeting regarding matters to be voted upon at the meeting, in person or by written proxy (hereinafter defined) signed by the member. A member may vote by mail ballot only personally, and not by proxy. Unless otherwise stated in the proxy, a proxy is valid only for the meeting which has been noticed, and in no event may a proxy be valid for a



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period longer than the remaining current annual membership of the member or eleven (11) months, whichever is the shorter time.

A proxy signed by a member and received prior to the beginning of a meeting shall be regarded as the proxy of a member to the attorney or other agent for the Foundation or such other person named by the member on the proxy to vote in accordance with the instructions written by the member on the proxy for all matters described on the proxy, and to vote in the holder's discretion for matters for which no instruction is given on the proxy. No other form or proxy is allowed.

Any person, other than an agent of the Foundation, who solicits proxies of members or intends to do so shall first, at least fifteen (15) days prior to the meeting, register with a person designated by the Foundation Board of Directors his/her intention to solicit proxies, and shall furnish to such designated person copies of his/her proxy solicitation materials. Such materials shall describe the person, his/her background and connection with the Foundation, the issue(s) upon which proxies are solicited and reason therefore. The person shall furnish a copy of such materials to members solicited, and any proxy obtained shall state on the face thereof that such materials have been furnished to the member giving the proxy. Failure to follow this provision invalidates any proxy obtained in violation hereof.

***Section 5 - Quorum.***

A quorum for the transaction of business of any meeting of the membership shall consist of at least twenty-five (25) voting members or one-tenth (1/10) of the voting membership, whichever is the greater number. If at the meeting there is to be announced the results of an issue to be voted upon by mailed ballot, then all such ballots counted shall be regarded as members attending the meeting for purposes of establishing a quorum at the meeting. Once established, a quorum is valid for the remainder of the meeting and may not be defeated by members absenting themselves from the meeting. The members present at any meeting, though less than a quorum, may adjourn the meeting to a future time.

***Section 6 - Majority Vote, Cumulative Voting, Two-Thirds Vote Tie Votes.***

A vote by a majority of the votes entitled to be cast on a matter to be voted upon by the members present or represented by proxy at a meeting at which a quorum has been established or a vote by a majority of the votes cast in a mailed ballot where total votes cast constitute a quorum is an action by the membership. Cumulative voting is not permitted.

A vote by two-thirds (2/3) rather than majority as above is required for membership approval of:

- (a) amendment of the Articles of Incorporation; and
- (b) dissolution.



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Upon the finding that a tie vote has occurred on an issue, a piece of paper with the word “aye” written on it and a separate piece of paper of equal shape and weight with the word “nay” written on it shall be placed in a container. The Chairperson of the Foundation Board of Directors shall select a member from those present to draw one of the pieces of paper. If the piece of paper that is drawn has the word “aye” written on it, then the issue will be deemed approved. If the piece of paper that is drawn has the word “nay” written on it, then the issue will be deemed disapproved.

***Section 7 - Agenda, Matters not to be Considered by Members.***

The Chairperson of the Foundation Board of Directors shall, prior to the meeting, determine the Agenda of a regular (including annual) or special meeting of the membership. At each annual meeting, a date will be announced after which no member’s suggestion for an item(s) to be placed on the agenda of the next following annual meeting shall be considered.

The Foundation Board of Directors shall place upon the Agenda of a special meeting called upon written request signed by twenty-five percent (25%) of the members the item(s) set forth in the written request. If any such item violates the next following provision, only an advisory vote may be taken by the membership.

It being provided by law, AS 10.20.081, and Article VI, Section 1 of these Bylaws that the business, property and affairs of the Foundation shall be managed by its Foundation Board of Directors, it shall be out of order for an Agenda to be placed before the membership, or the membership to act (except in an advisory capacity to the Foundation Board of Directors) upon any matter or question reserved to the Foundation Board of Directors as management of the business, property and affairs of the Foundation.

**Article VI - Foundation Board of Directors**

***Section 1 - Management and Control.***

The business, property and affairs of the Foundation shall be managed by its Foundation Board of Directors. Decisions regarding merger, consolidation or the sale or disposal of substantially all of the assets of the Foundation are reserved to the Foundation Board of Directors.

***Section 2 - Number.***

The Foundation Board of Directors shall consist of no less than eleven (11) and no more than fifteen (15) Directors who shall be as nearly as possible representative of the activities and services needed in the community or provided by the Foundation, whether directly or indirectly through the LLC, or who shall possess attributes, experience, or expertise beneficial to the Foundation.





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### ***Section 3 - Qualification.***

A Director must be a member of the Foundation. The following restrictions apply to VHA dba MSHF members applying for seats on the Foundation Board of Directors:

Members are not eligible to serve on the Foundation Board of Directors if they are:

- (a) Employees of the LLC;
- (b) Employees of the Foundation;
- (c) Employees, partners with majority ownership, officers, directors or members of any member of the LLC other than the Foundation or syndicated physicians;
- (d) Officers of any union that represents any employees of a facility operated or owned by the LLC;
- (e) Mid to upper management, partners, officers, or directors of any significant entity that competes, directly or indirectly, with the LLC, Susitna Surgery Center, LLC, or Mat-Su Valley III, LLC (and the various business names under which any of the foregoing operate);
- (f) Spouses of, or persons having significant family relationships with, any of the foregoing natural persons.

No more than one person, or spouse or significant family relation of such person, in each of the following categories may serve on the Foundation Board of Directors at any time:

- (a) Member or employee of any union that represents any employees of a facility operated or owned by the LLC;
- (b) Employee or member of any significant entity that competes, directly or indirectly, with the LLC or Mat-Su Valley III, LLC.

Each Director must meet the foregoing qualifications at the time of his/her application and election to the Foundation Board of Directors. If any Director fails to meet the foregoing qualifications at any time during his/her term, the Foundation Board of Directors may, at the Foundation Board of Directors' sole discretion, (i) require such Director to immediately resign from the Foundation Board of Directors, (ii) remove such Director from the Foundation Board of Directors, or (iii) allow such Director to serve until the expiration of his/her current term but be ineligible to serve a subsequent term if any condition that causes such Director to be ineligible remains in effect.

### ***Section 4 - Term.***

A Director shall be elected for a term of three (3) years. A Director may not serve more than three (3) consecutive terms, not including partial terms.

### ***Section 5 - Election.***

Directors serving on the Foundation Board of Directors are elected at the April meeting by the Foundation Board of Directors and their term of office begins at the commencement of the Foundation Board of Directors June annual board meeting. A director whose term expires and



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who is not re-elected to the Foundation Board of Directors at the April meeting shall return materials to VHA before the commencement of the June annual board meeting and provide such other assistance as may be necessary to ensure a smooth transition for the incoming director. The Foundation Board of Directors shall be divided into three (3) classes, each with approximately the same number of Directors, and the classes shall serve staggered three-year terms. The terms being served by the Foundation Board of Directors prior to the effective date of these Amended and Restated Bylaws shall constitute the staggered terms of the Foundation Board of Directors.

Prior to each election of the Foundation Board of Directors, a Committee established by the Foundation Board of Directors shall nominate one or more qualified members whom the Committee concludes would be suitable to serve on the Foundation Board of Directors. The Directors shall be elected by majority vote of the Foundation Board of Directors serving at the time of the election.

If, in an election for Directors to serve on the Foundation Board of Directors, two or more candidates receive the same number of votes and one or more seats remain to be filled, then, in such an event, the office(s) shall be filled by lot between the candidates receiving the highest number of tie votes as follows:

Upon a finding by the Chairperson that such tie vote has occurred, the Chairperson, in the presence of the remaining Directors, shall write the name of each of the candidates who received the highest number of tie votes on individual pieces of paper so that there is one piece of paper for each such candidate, shall place the pieces of paper into a container, shall mix them, and shall draw, without looking, a piece of paper from the container. The candidate whose name appears on the drawn piece of paper shall be declared the winner. If another Director's seat still remains to be filled, another piece of paper shall be drawn, and so forth until the tie(s) has been broken by such lot and the winning candidate(s) have been so selected.

***Section 6 - Unexpired Term and Removal.***

Whenever a vacancy occurs, a committee established by the Foundation Board of Directors may present a list of candidates to the Foundation Board of Directors. The Foundation Board of Directors may elect a person to fill a vacancy on the Foundation Board of Directors and the person elected shall serve the remainder of the unexpired term of the vacancy on the Foundation Board of Directors. A vacancy occurs upon the death, resignation, or removal of any Director. A Foundation Director may be removed at any time, with or without cause, by a vote of 2/3rds of the remaining persons then serving on the Foundation Board of Directors.

***Section 7 - Meetings.***

The Annual Board Meeting of the Foundation Board of Directors shall be held the third Monday in the month of June of each year at 4 p.m. at a location selected by the Chairperson. Other regular meetings may be set by the Foundation Board of Directors. Special meetings may



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be called by the Chairperson or any four Directors serving on the Foundation Board of Directors, and at such special meeting no business other than that stated in the notice shall be transacted.

***Section 8 - Notice, Place.***

No notice need be given of annual or regular meetings unless the time or place is other than that stated in these Bylaws or at a prior meeting. Unless waived by unanimous consent, notice of any special meeting shall be given at least two (2) days prior thereto by means then deemed to give actual notice. Any Director may waive notice of any meeting, and the attendance of a Director shall constitute a waiver of notice, except where the Director attends for the express purpose of objecting to the transaction of any business because the meeting has not been lawfully called or convened.

Any or all of the Directors may participate in the annual meeting, regular board meetings, committee meetings, or a special meetings of the Board of Directors by means of a virtual platform or platforms selected by the President or Board Chair using communications equipment that must allow for telephonic participation, and which allows all persons participating in the meeting to hear each other at the same time, to speak in a manner capable of being heard by all who are participating, and to cast votes during the meeting electronically, on actions to be taken. The Board of Directors shall adopt rules and procedures for Directors to participate in this manner, and participation by a Director using such means shall constitute presence in person at a meeting.

***Section 9 - Quorum.***

The majority of the Foundation Board of Directors shall constitute a quorum. Once a quorum is established, it may not be defeated by the withdrawal of a Director. The act of a majority of the Directors present at a meeting at which a quorum has been established shall be the action of the Foundation Board of Directors.

***Section 10 - Action Without a Meeting.***

Any action that may be taken by the Foundation Board of Directors at a meeting may be taken without a meeting if consent in writing shall be signed by all of the Directors then serving. Copies of such executed consents, which may be executed in counterparts, shall be filed with the records of the Foundation, and shall have the same force and effect as a unanimous vote of the Directors.



### ***Section 11 - Compensation.***

Unless approved by the membership of the Foundation, no Director shall be compensated except that he/she may be paid expenses, if any. This shall not preclude any Director from serving the Foundation in any other capacity and receiving reasonable compensation, therefore.

### ***Section 12 - Committees.***

The Foundation Board of Directors may by resolution establish such standing or special committees as may from time to time be determined. The Foundation Board of Directors is encouraged to involve persons on these committees who possess special expertise or attributes which would be of service to the Foundation. In general, committee members need to be members of the Foundation, but need not, in all instances, be then serving as Directors. Notwithstanding the foregoing, all persons serving on the Governance Committee and all persons serving on the Finance and Investment Committee must be then serving on the Foundation Board of Directors. Each committee shall have only the powers set forth in its charter and such additional powers, if any, as may be legally delegated to such committee by the Foundation Board of Directors by resolution.

The Foundation Board of Directors shall establish a Committee consisting of a minimum of three persons serving on the Foundation Board of Directors for the purpose of soliciting and inviting applications from residents of the Matanuska Susitna Borough to serve on the Foundation Board of Directors. Such applications shall include a brief resume of relevant experience, a statement of conflicts of interest, a statement confirming eligibility under the qualifications set forth in these Bylaws and under the qualifications set forth in any applicable committee charter, a statement of the reasons why the person is interested in serving and such other information as the Committee determines may be relevant or useful.

The Foundation Board of Directors shall seek input from the Foundation's members, residents of the Mat-Su Valley, and other sources in developing the Foundation's strategic goals and operational plan.

### ***Section 13 – Officer Elections and Duties.***

The Foundation Board of Directors shall annually select from among its Directors, a Chairperson, Vice Chairperson, Recording Secretary/Treasurer, and such other officers of the Foundation Board of Directors as the Foundation Board of Directors may from time to time determine. Each officer's term shall begin at the June annual meeting of the Foundation Board of Directors. An officer who is not re-elected to the same office shall provide such assistance as may be necessary to ensure a smooth transition for the incoming officer.

The Chairperson of the Foundation Board of Directors shall preside at all meetings of the Foundation Board of Directors and of the membership of the Foundation. The Vice-Chairperson



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shall act in the absence of the Chairperson. The Recording Secretary shall keep and maintain, or cause to be kept and maintained, records of the meetings of the Foundation Board of Directors.

***Section 14 - Director Conflicts of Interest.***

Directors shall disclose any conflict of interest in any contract or other transaction between the Foundation and the Director or a Foundation, firm, or association in which one or more of the Directors has a material financial interest. Such contracts or other transactions may be approved, pursuant to AS 10.06.478, by the Foundation Board of Directors if the material facts of the contract or transaction are fully disclosed or known to the Foundation Board of Directors and the Foundation Board of Directors authorizes, approves, or ratifies the contract or transaction in good faith by a sufficient vote without counting the vote of the interested Director or Directors. In the case of a contract or other transaction between the Foundation and a Director of the Foundation, the person asserting the validity of the contract or transactions also shall sustain the burden of proving to the Foundation Board of Directors that the contract or transaction is just and reasonable as to the Foundation at the time it is authorized, approved, or ratified. The approval procedure for any transaction in which a Director has a material financial interest shall be approved in the manner prescribed in IRC Section 4958 and the regulations promulgated thereunder to establish a “rebuttable presumption” of reasonableness. All Foundation Directors shall comply with the requirements of the Foundation’s policies addressing its Code of Ethics and Conflicts of Interest as the same may be amended from time to time.

**Article VII - Category A Directors for LLC**

***Section 1 – Selection.***

The Foundation Board of Directors shall select five Category A Directors to serve on the LLC’s Board of Directors. Selection shall be by majority vote of the Foundation Board of Directors. A Committee of the Foundation Board of Directors shall nominate at least one person for each vacancy to be filled at the election. Any member who is qualified under Article VII, Section 3, “Qualification,” of these Bylaws may submit an application to be nominated for a Category A Director position with the LLC and shall provide such information on the application form as may be determined by the Committee to be relevant to the selection of candidates. For each vacancy, the Committee, in its discretion, may nominate one or more qualified members who have submitted applications.

***Section 2 – Term.***

The Category A Directors of the LLC shall be divided into three (3) classes, with Class I consisting of one Director, Class II consisting of two Directors and Class III consisting of two Directors. Terms shall commence as of January 1 each year. During the fourth quarter of each calendar year, the Foundation Board of Directors, shall elect the successors for those Category A



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Directors of the LLC whose term expires at the end of that calendar year to serve a term of three (3) years and until their successors are elected and qualified or until their earlier death, resignation or removal.

***Section 3 – Qualifications.***

Each person selected to serve as a Category A Director on the LLC Board of Directors shall be a member of the Foundation. At least three of the Category A Directors serving on the LLC Board of Directors shall also be serving on the Foundation Board of Directors of the Foundation or employed as an Officer or senior executive of VHA dba MSHF at the time of election to the LLC Board of Directors. A person may not serve as a Category A Director on the LLC Board of Directors if an adult member of such person's household is also serving as Category A Director on the LLC Board of Directors.

Members are not eligible to serve as a Category A Director on the LLC Board of Directors if they are:

- (a) Employees of the LLC;
- (b) Employees, partners with majority ownership, officers, directors or members of any member of the LLC other than the Foundation or syndicated physicians;
- (c) Officers of any union that represents any employees of a facility operated or owned by the LLC;
- (d) Mid to upper management, partners, officers, directors of any significant entity that competes, directly or indirectly, with the LLC, Susitna Surgery Center, LLC, or Mat-Su Valley III, LLC (and the various business names under which any of the foregoing operate); or
- (e) Spouses or significant family relationships of any of the foregoing natural persons.

Only one person, or spouse or significant family relation of such person, in each of the following categories may serve as a Category A Director on the LLC Board of Directors at any time:

- Member or employee of any union that represents any employees of a facility operated or owned by the LLC;
- Employee or member of any significant entity that competes, directly or indirectly, with the LLC, Susitna Surgery Center, LLC or Mat-Su Valley III, LLC (and the various business names under which any of the foregoing operate).

Each Director must meet the foregoing qualifications at the time of his/her application and election as a Category A Director on the LLC Board of Directors. If any Director fails to meet the foregoing qualifications at any time during his/her term, the Foundation Board of Directors may, at the Foundation Board of Directors' sole discretion, (i) remove such Director as a Category A Director on the LLC Board of Directors, or (ii) allow such Director to serve until the expiration of his/her current term but be ineligible to serve a subsequent term if any condition that causes such Director to be ineligible remains in effect.



***Section 4 – Term Limits.***

Category A Directors are not subject to term limits.

***Section 5 – Vacancies and Removal.***

A vacancy occurs upon the death, resignation, or removal of any Category A Director. A Category A Director may be removed, with or without cause, by a two-thirds (2/3) vote of the Foundation Board of Directors of the Foundation. The Foundation Board of Directors shall elect a person to fill a vacancy in the Category A Director seat on the LLC Board of Directors.

***Section 6 – Quorum, Proxies and Reporting Obligations.***

A quorum of the Category A Directors on the LLC Board of Directors shall consist of at least three such Directors appearing in person or by telephone; however, Category A Directors are expected to attend each meeting. Because the Category A LLC Directors serve in a hybrid capacity as representatives of the Foundation's interest as a member of the LLC, Category A Directors serving on the LLC Board of Directors may vote in person or by proxy at a meeting of the LLC Board of Directors. A Category A Director may only give a proxy to another Category A Director. At each meeting of the Foundation Board of Directors, the Category A Directors shall report on the activities and actions of the LLC.

***Section 7 – Limitations on Category A Director Authority.***

The Category A Directors shall present information to the Foundation Board of Directors regarding the proposed activities of the LLC, including but not limited to those identified below, and shall vote on the activities below only as set forth in directives from the VHA dba MSHF Board of Directors:

- (a) A call for Additional Capital Contributions of the Members;
- (b) Acceptance of a Distribution in Kind by a Member;
- (c) Establishment of, or any changes in, the mission, values, or philosophy according to which the LLC shall operate;
- (d) Evaluation of the amount of charity care provided by the LLC, as provided in the LLC's operating agreement, and any material change to the indigent care policies of the LLC;
- (e) Admitting any additional members to the LLC or issuing additional Units;
- (f) Engaging in any merger, consolidation, or share exchange;
- (g) Amendments to the LLC operating agreement or certification of formation;
- (h) Dissolution or liquidation of the LLC;
- (i) Approval of any significant additions, modifications or termination of services provided by or at the hospital operated by the LLC; and



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(j) Any change in the general character of the business conducted by the LLC, it being understood that such business is the ownership and operation of healthcare related facilities and the delivery of healthcare services.

Capitalized terms used in this Article VII, Section 7 shall have the meaning used in the LLC's operating agreement.

***Section 8 - Notice, Place.***

Category A Directors may meet from time to time to discuss matters related to the LLC. Unless waived by unanimous consent, notice of any Category A Directors' meeting shall be given at least two (2) days prior thereto by means then deemed to give actual notice. Any Category A Director may waive notice of any meeting, and the attendance of a Category A Director shall constitute a waiver of notice, except where the Category A Director attends for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Meetings shall be held at a place as may from time to time be determined by the Category A Directors. Category A Directors' meetings may be called by the Chair of the LLC or by three of the five Category A Directors and at such meeting, no business other than that stated in the notice shall be transacted.

**Article VIII - Fiscal Year**

The fiscal year of the Foundation shall be the calendar year.

**Article IX - Indemnification**

***Section 1 - Non-Derivative Actions.***

Subject to the provisions of Sections 3, 5, and 6 below, the Foundation shall defend, indemnify and hold financially harmless any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Foundation) by reason of or arising from the fact that the person is or was a director, officer, employee, or agent of the Foundation, or is or was serving at the request of the Foundation as a director, officer, employee, agent, partner or trustee of another Corporation, partnership, joint venture, limited liability company, trust, or other enterprise, against costs and expenses (including attorney's fees) of said suit, action of proceeding, judgments, fines, and amounts paid in settlement actually and reasonably incurred in connection with the action, suit or proceeding if:

(a) the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the Foundation and, with respect to a criminal action or proceeding, did not know and had no reasonable cause to believe the conduct was unlawful, or





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(b) the person's act or omission giving rise to such action, suit or proceeding is ratified, adopted or confirmed by the Foundation or the benefit thereof received by the Foundation.

The termination of any action, suit, or proceeding by judgment, order settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not of itself create a presumption, and settlement shall not constitute any evidence, that the person did not act in good faith and in a manner which the person reasonably believed to be in or not opposed to the best interests of the Foundation and, with respect to a criminal action or proceeding, did not know and had no reasonable cause to believe that the conduct was unlawful.

***Section 2 - Derivative Actions.***

Subject to the provisions of Sections 3, 5, and 6 below, the Foundation shall defend, indemnify and hold financially harmless any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Foundation to procure a judgment in its favor by reason of or arising from the fact that the person is or was a director, officer, employee or agent of the Foundation, or is or was serving at the request of the Foundation as a director, officer, employee, agent, partner or trustee of another Corporation, partnership, joint venture, limited liability company, trust or other enterprise against costs and expenses (including attorney fees) actually and reasonably incurred in connection with the defense or settlement of such action or suit if:

(a) the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the Foundation, or

(b) the person's act or omission giving rise to such action or suit is ratified, adopted or confirmed by the Foundation or the benefit thereof received by the Foundation.

No indemnification shall be made in respect of any claim, issue or matter as to which such person as a Director shall have been adjudged to be liable for (a) a breach of a Director's duty of loyalty to the Foundation; (b) acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law; or (c) a transaction from which a Director derives an improper personal benefit, unless, and only to the extent that, the court in which the action or suit was brought, shall determine upon application that, despite the adjudication of liability, but in view of all the circumstances of the case, the person is fairly and reasonably entitled to indemnity for the expenses which the court considers proper.

***Section 3 - Denial of Right to Indemnification.***

Subject to the provisions of Sections 5 and 6 below, defense and indemnification under Sections 1 and 2 of this article automatically shall be made by the Foundation unless it is expressly determined that defense and indemnification of the person is not proper under the circumstances because the person has not met the applicable standard of conduct set forth in Sections 1 or 2 of this article. The person shall be afforded a fair opportunity to be heard as to such determination.



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Defense and indemnification payment may be made, in the case of any challenge to the propriety thereof, subject to repayment upon ultimate determination that indemnification is not proper.

***Section 4 - Determination.***

The determination described in Section 3 shall be made:

- (a) by the Foundation Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to the action or proceeding, or
- (b) if such quorum is not obtainable, or, even if obtainable a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion.

***Section 5 - Successful Defense.***

Notwithstanding any other provisions of Sections 1, 2, 3, or 4 of this article, but subject to the provisions of Section 6 below, if a person is successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Sections 1 or 2 of this article, or in defense of any claim, issue or matter therein, the person shall be indemnified against costs and expenses (including attorney fees) actually and reasonably incurred in connection therewith.

***Section 6 - Condition Precedent to Indemnification.***

Any person who desires to receive defense and indemnification under this article shall notify the Foundation reasonably promptly that the person has been named a defendant to an action, suit or proceeding of a type referred to in Sections 1 or 2 and that the person intends to rely upon the right of indemnification described in this Article. The notice shall be in writing and mailed via registered or certified mail, return receipt requested, to the Executive Director of the Foundation at the executive offices of the Foundation or, in the event the notice is from the Executive Director, to the registered agent of the Foundation. Notice need not be given when the Foundation is otherwise notified by being named a party to the action.

***Section 7 - Insurance.***

At the discretion of the Foundation Board of Directors, the Foundation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Foundation, or is or was serving at the request of the Foundation as a director, officer, employee, agent, partner or trustee of another Corporation, partnership, joint venture, limited liability company, trust or other enterprise against any liability asserted against or incurred by the person in any such capacity, or arising out of the person's status as such, whether or not the Foundation would have the power to defend and indemnify the person against such liability under the provisions of this article.



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***Section 8 - Former Officers, Directors, etc.***

The indemnification provisions of this article shall be extended to a person who has ceased to be a director, officer, employee, or agent as described above and shall inure to the benefit of the heirs, personal representatives, executors, and administrators of such person.

***Section 9 - Purpose and Exclusivity.***

The defense and indemnification referred to in the various sections of this article shall be deemed to be in addition to and not in lieu of any other rights to which those defended and indemnified may be entitled under any statute, rule of law or equity, agreement, vote of the members or Foundation Board of Directors or otherwise. The purpose of this Article is to augment, pursuant to AS 10.06.490(f), the provisions of AS 10.20.011(14), and the other provisions of AS 10.06.490.

***Section 10 - Limitation of Liability.***

No Director or former Director of this Foundation shall have any personal liability to the Foundation for monetary damages for the breach of fiduciary duty as a Director except as provided in AS 10.20.151(d).

***Section 11 - Employees or Former Employees***

The foregoing indemnification provisions apply to members or former members of the VHA dba MSHF staff who are acting or who have acted in the capacity of officers, committee members, or other staff position or duty under these Bylaws for acts or omissions by such persons when such acts or omissions were authorized under these Bylaws or otherwise by the Foundation.

***Section 12 - Director/Officer Reliance.***

In acting for the Foundation and unless the Director has knowledge concerning the matter in question that makes reliance unwarranted, Directors may rely upon information, opinions, reports, or statements, including financial statements and data prepared by (1) officers, employees, and agents of the Foundation whom the Director believes to be reliable and competent in the matters presented, (2) counsel, public accountants, or other persons as to matters that the Director reasonably believes to be within the person's professional or expert competence, and (3) committees of the Foundation Board of Directors as to matters within the authority of the committee which the Director believes to merit confidence. An officer or other person entitled to indemnification from the Foundation may also similarly rely upon such information, opinions, reports or statements, including financial statements.



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**Article X - Parliamentary Procedure**

Unless inconsistent with law, these Bylaws or the Articles of Incorporation, meetings of the membership shall be conducted in accordance with the version of Robert's Rules of Order selected by the Chairperson. Unless determined otherwise by the Foundation Board of Directors, meetings of the Foundation Board of Directors shall be conducted in accordance with the version of Robert's Rules of Order selected by the Chairperson. A copy of the version selected by the Chairperson shall be available at each meeting of the Foundation Board of Directors and shall be given to each Director upon request.

**Article XI - Foundation Board of Directors Reservation of Authority**

In the same manner as federal law preempts and has priority over state law and state over local law, the laws and several documents which relate to the Foundation shall have the following priority over each other, with (a) having priority over (b) and so forth:

- (a) Applicable Law.
- (b) The Foundation's Articles of Incorporation.
- (c) These Bylaws.
- (d) Resolutions adopted by the Foundation Board of Directors.
- (e) Specific Policies adopted by the Foundation Board of Directors.

When any provision of one conflicts with another, the provision of the one with the higher priority shall be given priority and shall govern.

Except as it may be preempted by a court or other authority as to applicable law, the Foundation Board of Directors reserves to itself the right and authority to interpret any provision of any of the above and to decide and determine any question or controversy arising over the meaning of any provision of any of the above and the rights or obligations of persons which may flow from such interpretation. Any such interpretation shall be final and binding upon all parties who are subject to such provision.

**Article XII - Amendments**

These Bylaws may be altered, amended or repealed and new Bylaws may be adopted at any regular or special meeting by resolution of the Foundation Board of Directors after 7 business days advance notice in writing of the proposed change to each Director. The Governance Committee shall annually review these Bylaws and submit its proposals for revision, if any, for adoption by resolution of the Foundation Board of Directors. Any failure to conduct such annual review shall not act to invalidate any provision of these Bylaws. Any provision contained in these Bylaws which requires approval by the membership, or which requires membership vote or action may not be altered, amended or repealed without such approval by the membership of the Foundation.

ADOPTED: February 28, 1985.



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REVISED: Several times between 1985 and 2002.

AMENDED AND RESTATED: May 12, 2003 (approved by Operating and Association VHA dba MSHF Board of Directors; June 9, 2003 approved by Membership; changes effective on December 1, 2003 as set forth in resolution and proxy materials).

AMENDED: April 10, 2007 (approved by VHA dba MSHF Board of Directors); June 12, 2006 (approved by membership).

AMENDED: April 20, 2009 (approved by VHA dba MSHF Board of Directors); (Article IV changes approved by the members at the June 8, 2009 membership meeting).

AMENDED: March 15, 2010 (approved by VHA dba MSHF Board of Directors); (Article VI - VHA dba MSHF Board of Directors, Section 3 – Qualification, Section 7 – Meetings, Section 12 – Committees, Article VII Category A Directors for LLC, Section 3 – Qualifications).

AMENDED: October 17, 2011 (approved by VHA dba MSHF Board of Directors); (Article VII, Section 3 of the VHA DBA MSHF Bylaws).

AMENDED: May 20, 2013 (approved by VHA dba MSHF Board of Directors); (Article VI – VHA dba MSHF Board of Directors, Section 4 - Term, Section 12 – Committees, Article VII Category A Directors for LLC, section 4 – Term Limits).

AMENDED: June 17, 2019 (approved by VHA dba MSHF Board of Directors); (Article I – Purpose, Section 1 – General, Article IV - Membership, Section 1 – Membership, Section 3 – Term, Fees, Section 4 – Certificates, Records, Article V – Membership Meetings, Section 2 – Special Meetings, Section 4 – Proxies, Article VI – VHA dba MSHF Board of Directors, Section 3 – Qualifications, Section 4 – Term, Section 5 – Election, Section 6 – Unexpired Term and Removal, Section 8 – Notice, Place, Section 12 – Committees, Section 13 – Office Elections and Duties, Section 14 – Director Conflicts of Interest, Article VII – Category A Directors for LLC, Section 1 – Selection, Section 3 – Qualifications, Section 6 – Quorum, Proxies and Reporting Obligations, Section 7 – Limitations on Category A Director Authority, Section 8 – Notice, Place, Article IX – Indemnification, Section 4 – Determination, Article X – Parliamentary Procedure, Article XI – VHA dba MSHF Board of Directors Reservation of Authority, Article XII – Amendments).

AMENDED: December 21, 2020 (approved by VHA dba MSHF Board of Directors); (Article IV Membership-Section 3-Terms, Fees; Article V Membership Meetings-Section 5-Quorum; Article V Membership Meetings-Section 7-Agenda, Matters not to be Considered by Members; Article VI-Foundation Board of Directors-Section 6-Unexpired Term and Removal; Article VI-Foundation Board of Directors-Section 11-Compensation; Article VI-Foundation Board of Directors-Section 13-Officer Elections and Duties; Article VII-Category A Directors for LLC-Section 5-Vancancies and Removal; Article XII-Amendments)

AMENDED: December 19, 2022

DATED this 19th day of December, 2022 (approved by VHA dba MSHF Board of Directors); (Article V Membership Meeting-Section 1- Regular Annual Meeting, Article VI-Foundation Board of Directors-Section 2-Number, Article VI-Foundation Board of



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Directors-Section 6- Unexpired Term and Removal, Article VI-Foundation Board of Directors-Section 8-Notice, Place, Article VI-Foundation Board of Directors-Section 13- Officer Elections and Duties-

THE VALLEY HOSPITAL ASSOCIATION, INC.  
d/b/a Mat-Su Health Foundation

By Lebron P. McPhail  
Lebron McPhail, Chairperson

ATTEST:

Teri Namtvedt  
Teri Namtvedt, Secretary