

**RESOLUTION OF THE BOARD OF DIRECTORS  
OF  
CENTRAL CALIFORNIA FOUNDATION FOR HEALTH**

WHEREAS, this Board has authorized and directed the officers of this Corporation to explore and otherwise consider potential affiliations of Delano Regional Medical Center with one or more nonprofit health systems, with a view to helping assure the long-term availability of high quality, local hospital care to the community now served by this Corporation;

WHEREAS, in connection with such efforts and structuring and implementing an affiliation in the best interests of this Corporation, the ongoing services of William Noble, the CEO and a consultant to this Corporation, and Bahram Ghaffari, the President of this Corporation, are critical;

WHEREAS, Mr. Noble and Mr. Ghaffari both render such services pursuant to contracts with this Corporation that provide for terms ending March 31, 2022, and January 31, 2022, respectively, although both such contracts permit early termination by either party on the conditions specified therein, and it is expected that both such contracts likely would be terminated in connection with an affiliation;

WHEREAS, this Board wishes to assure the ongoing participation of Mr. Noble and Mr. Ghaffari in the affiliation process and to avoid penalizing either of them due to loss of compensation as a result of early termination of his contract as a consequence of affiliation;

WHEREAS, each of Mr. Noble and Mr. Ghaffari is currently entitled under his contract to severance pay equal to 24 months of compensation (limited to "Base Compensation" in the case of Mr. Ghaffari), which severance payment obligation would be triggered upon a termination of his contract due to affiliation, with the result that only contract terminations occurring prior to 24 months before his contract expiration date present a potential loss of compensation;

WHEREAS, this Corporation's contracts with each of Mr. Noble and Mr. Ghaffari also provide for payment of annual bonus compensation provided that this Corporation achieves a certain operating margin, and this Board also wishes to avoid penalizing either of them due to loss of such bonus compensation as a result of a mid-year early termination of contract due to affiliation;

NOW, THEREFORE, for the reasons above provided, be it RESOLVED:

1. That, in the event this Corporation's contract with either Mr. Noble or Mr. Ghaffari terminates mid-year as a result of affiliation, and it is reasonably clear that this Corporation will achieve the requisite operating margin, this Corporation shall pay to Mr. Noble and to Mr. Ghaffari a *pro rata* portion of the bonus that would have been payable to him had his contract continued in effect through the end of the year, based on ratio that the number of weeks in the year preceding contract termination bears to 52.


2. That, in the event this Corporation's contract with either Mr. Noble or Mr. Ghaffari terminates more than 24 months before the normal expiration date of his contract as a result of affiliation, this Corporation shall pay to each of Mr. Noble and to Mr. Ghaffari additional severance equal to the compensation ("Base Compensation" in the case of Mr. Ghaffari) that otherwise would be paid to him from and after the date of contract termination to and until the date that is 24 months before the normal expiration date of his contract with the Corporation.

3. That the appropriate officers of this Corporation be, and each hereby is, authorized, empowered and directed to prepare appropriate documentation to legally commit this Corporation to pay compensation to Mr. Noble and Mr. Ghaffari as above described, with such additional terms and conditions as such officers determine to be appropriate and in the best interests of this Corporation, and as are reasonably acceptable to Mr. Noble and to Mr. Ghaffari, respectively.

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IN WITNESS WHEREOF, the undersigned, being the duly appointed and acting Secretary of Central California Foundation for Health, hereby certifies that the foregoing resolution was duly adopted by the Board of Directors of the Corporation at a duly convened board meeting held July 18, 2018, and that the same remains in full force and effect as of the date set forth below.

Dated: July 18, 2018

  
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Sheryl Wiggins, Secretary