

1  
2  
3  
4

**Bylaws  
of  
Adventist Health System/West  
(the "Corporation")**

5  
6

**Article 1  
Principal Office and Purpose**

7 **1.1 Office.** The principal office for the transaction of the operations of the Corporation  
8 shall be fixed from time to time by the Corporation's board of directors (the "**Board**"). The  
9 Corporation shall operate in that portion of the United States served by the Pacific Union  
10 Conference of Seventh-day Adventists ("**Pacific Union**") and the North Pacific Union  
11 Conference of Seventh-day Adventists ("**North Pacific Union**"), as well as any other  
12 location approved by the Board.

13 **1.2 Purpose.** The Corporation is a nonprofit religious corporation ("**Religious**  
14 **Corporation**") organized pursuant to the Nonprofit Religious Corporation Law of the State  
15 of California (the "**Nonprofit Code**"). The primary purpose of the Corporation is to promote  
16 the wholeness of humanity physically, mentally, and spiritually in a manner that is  
17 consistent with the philosophy, teachings, and practices of the Seventh-day Adventist  
18 Church (the "**Church**").

19  
20

**Article 2  
Membership**

21 **2.1 Members.** There shall be a single class of members of the Corporation who shall  
22 exercise the powers of members of a Religious Corporation as set forth in the Nonprofit  
23 Code and as provided in these bylaws and the articles of incorporation of the Corporation.

24 **2.2 Number and Qualifications.** Each member shall be more than 21 years of age;  
25 shall have an interest in health care matters; shall support the philosophy, teachings, and  
26 practices of the Church; and shall be a member in regular standing in the Church in either  
27 the Pacific Union or North Pacific Union. The membership shall be composed of the  
28 following:

29 (a) The president, treasurer, and one other representative from both the office  
30 of the Pacific Union and the office of the North Pacific Union.

31 (b) One representative from each of the local conferences of the Church in  
32 which are located facilities affiliated with the Corporation.

33 (c) Two representatives selected from among the colleges or universities  
34 affiliated with the Church and located in the Pacific Union or North Pacific Union.

35 (d) The CEO and president of the Corporation, plus two additional  
36 representatives of the management of the Corporation.

37 (e) Three representatives selected from among the presidents of hospital  
38 corporations affiliated with the Corporation.

39 (f) Three representatives selected from among physician members of the  
40 medical staffs of hospital corporations affiliated with the Corporation.

41 (g) Up to 16 lay representatives who do not belong to any of the categories of  
42 persons set forth in (a) through (e) above, but who otherwise meet the  
43 qualifications for membership set forth in these bylaws.

44 **2.3 Election and Term of Office.** The term of office for each member shall be five  
45 years or until that member's successor is elected. Successors for members whose terms  
46 of office are expiring shall be elected at the regular meeting of the members in the year  
47 such terms expire. A member may be elected to successive terms. The Nominating  
48 Committee (see Section 2.14) shall recommend member candidates.

49 **2.4 Vacancies.** The members shall fill vacancies in the membership by a majority vote  
50 of the members then still serving, even though less than a quorum, or by the vote of the  
51 sole remaining member; except, however, that the Board may fill one member vacancy  
52 between membership meetings. Successor members so elected shall serve until the  
53 completion of the term.

54 **2.5 Regular Meetings.** The regular meeting of the membership of the Corporation  
55 shall be held annually at the time and place determined by the Board. Meetings will be  
56 held on a triennial cycle, with meetings every three years held in person and electronic  
57 membership meetings held between these triennial in-person meetings, as provided in  
58 Section 2.9.

59 **2.6 Special Meetings.** Special meetings of the membership shall be held at such time  
60 and place (either in person or electronically), and pursuant to such notice, as may be fixed  
61 by the Board.

62 **2.7 Meeting Notices.** Written notice of meetings (regular or special) shall be by first-  
63 class mail, express delivery service (e.g., FedEx or UPS), or electronic transmission by  
64 the Corporation (as defined in Section 9.3) sent not more than 90 days nor less than 10  
65 days (20 days if by mail) immediately preceding the time fixed for said meeting. The  
66 general purposes for which a special meeting is called shall be specified in the notice.

67 **2.8 Waiver of Notice or Consent.** The meeting of the members of the Corporation,  
68 however called and noticed, shall be as valid as a meeting held after a proper call and  
69 notice if a quorum is present and if, either before or after the meeting, each of the voting  
70 members not present signs a written waiver of notice, or a consent to holding the meeting,  
71 or an approval of the minutes of the meeting. All waivers, consents, or approvals shall be  
72 filed with the corporate records and be made a part of the minutes of the meeting. A  
73 member's attendance at a meeting shall also constitute a waiver of notice of that meeting  
74 unless the member objects at the beginning of the meeting to the transaction of any matter  
75 because the meeting was not lawfully called or convened. Also, attendance at a meeting  
76 is not a waiver of any right to object to the consideration of matters required to be included  
77 in the notice of the meeting but not so included, if that objection is expressly made at the  
78 meeting.

79 **2.9 Meeting Location; Electronic Meetings.** Beginning in 2017, triennial meetings of  
80 the members shall be held at the principal office of the Corporation or at any place  
81 designated by the Board. The Board may authorize members who are not present in  
82 person to participate by electronic transmission or by electronic video communication. If

83 authorized by the Board in its sole discretion, and subject to the requirements of consent  
84 in the Nonprofit Code and guidelines and procedures the Board may adopt, members not  
85 physically present in person at a meeting of members may, by electronic transmission or  
86 by electronic video screen communication, participate in a meeting of members, be  
87 deemed present in person, and vote at a meeting of members whether that meeting is  
88 held (i) at a designated physical location or (ii) at a physical location, together with  
89 electronic transmission or by electronic video screen communication, subject to the  
90 requirements of this Section. Unless the Board elects otherwise, regular meetings of the  
91 members between triennial meetings will be conducted using electronic transmission or  
92 by electronic video screen communication. Where membership meetings are held by  
93 electronic transmission or by electronic video screen communication, the (a) Corporation  
94 must implement reasonable measures to provide all members a reasonable opportunity  
95 to participate in the meeting and to vote on matters submitted to the members, including  
96 an opportunity to read or hear the proceedings of the meeting substantially concurrently  
97 with those proceedings, and (b) if any member votes or takes other action at the meeting  
98 by means of electronic transmission to the Corporation or electronic video screen  
99 communication, a record of that vote or action is maintained by the Corporation.

100 **2.10 Quorum.** A quorum of any meeting of the members shall be 50 percent of the  
101 voting members. Except as otherwise required by law, the articles of incorporation, or  
102 these bylaws, the members present at a duly called or held meeting at which a quorum is  
103 present may continue to transact business until adjournment, even if enough members  
104 have withdrawn to leave less than a quorum, if any action taken (other than adjournment)  
105 is approved by at least a majority of the members required to constitute a quorum.

106 **2.11 Order of Business.** The order of business at a membership meeting shall be  
107 determined by the Board or the members.

108 **2.12 Voting; Written Ballots.** At all membership meetings, all questions shall be  
109 determined by a majority vote, except as provided in Section 9.2. Each member of the  
110 Corporation shall be entitled to one vote. No member may vote or act by proxy. Except for  
111 the election of directors, any action that members may take at a membership meeting may  
112 also be taken by written ballot without a meeting, as follows:

113 (a) The Corporation shall distribute one written ballot and any related material  
114 to each member entitled to vote on the matter either by mail or by electronic  
115 transmission by the Corporation. Responses may be returned by mail or by  
116 electronic transmission to the Corporation.

117 (b) All solicitations of votes by written ballot shall specify the time by which the  
118 ballot must be received in order to be counted.

119 (c) Each ballot so distributed shall (1) set forth the proposed action; (2) give  
120 the members an opportunity to specify approval or disapproval of each proposal;  
121 and (3) provide a reasonable time in which to return the ballot to the Corporation.

122 **2.13 Liabilities of Members.** There shall be no membership fees, dues, or  
123 assessments. No person who is now or later becomes a member of the Corporation shall  
124 be personally liable to its creditors for any indebtedness or liability and any or all creditors  
125 of the Corporation shall look only to the assets of the Corporation for payment.

126 **2.14 Nominating Committee.** There shall be a nominating committee of the  
127 membership (the "**Nominating Committee**") consisting of the individuals serving on the  
128 Governance Committee (described in Section 4.2, below), together with three individuals  
129 selected by the Board from the member categories described in Subsections 2.2(a), (b),  
130 (c), (f), and (g), who shall serve for a term of one year. The Nominating Committee shall  
131 meet prior to any meeting of the membership at which directors or members are to be  
132 elected, and the Nominating Committee will recommend eligible candidates to the full  
133 membership for election to the Board or membership. The report of the Nominating  
134 Committee shall include the attendance records of current directors and members who  
135 are being nominated for election. The membership may also name one or more alternates  
136 to serve on the Nominating Committee in the event of the inability of a committee member  
137 to continue serving on the committee.

138 **2.15 Bylaws Committee.** There shall be a bylaws committee of the membership (the  
139 "**Bylaws Committee**") consisting of the individuals serving on the Governance Committee  
140 (described in Section 4.2, below), together with three individuals selected by the Board  
141 from the member categories described in Subsections 2.2(a), (b), (c), (f), and (g), who  
142 shall serve for a term of one year. The Bylaws Committee shall meet prior to any meeting  
143 of the membership and review the Corporation's bylaws and articles of incorporation. This  
144 committee will forward any recommended amendments to these documents to the  
145 membership for its consideration. Amendments will not be effective unless adopted by the  
146 membership.

147  
148

### **Article 3 Board of Directors**

149 **3.1 Number and Qualification.** The Board shall be composed of no more than 15  
150 members. Each member shall be more than 21 years of age, shall have an interest in  
151 health care matters, and shall support the goals and objectives of the Church in its health  
152 care work and be a member in regular standing in the Church. The Board shall be  
153 composed of the following:

154 (a) The president of the Pacific Union and the president of the North Pacific  
155 Union.

156 (b) Two presidents selected from among the local conferences of the Church  
157 in which are located health care institutions affiliated with the Corporation.

158 (c) The CEO of the Corporation.

159 (d) The president of the Corporation.

160 (e) Two professional health care providers who are practicing or serving in  
161 health care leadership.

162 (f) Seven lay representatives with business backgrounds and perspectives  
163 who do not belong to any of the categories of persons set forth in  
164 Subsections 3.1(a) to (d) above.

165 **3.2 Quorum.** A majority of the directors of the Board shall constitute a quorum for the  
166 transaction of business. Except as otherwise required by law, the articles of incorporation,  
167 or these bylaws, the directors present at a duly called or held Board meeting at which a

168 quorum is present may continue to transact business until adjournment, even if enough  
169 directors have withdrawn to leave less than a quorum, if any action taken (other than  
170 adjournment) is approved by at least a majority of the directors required to constitute a  
171 quorum.

172 **3.3 Powers of the Board.** The Board shall control and generally manage the  
173 operations of the Corporation and exercise all of the powers, rights, and privileges  
174 permitted to be exercised by directors of Religious Corporations under the Nonprofit Code,  
175 except as limited by the Corporation's articles of incorporation and these bylaws. All  
176 corporate powers of the Corporation shall be exercised by or under the authority of the  
177 Board.

178 **3.4 Nomination, Election, and Term of Office.** The Nominating Committee (see  
179 Section 2.14) shall present the names and qualifications of its nominees for the Board to  
180 the members. The members shall consider all nominees and may elect a nominee to serve  
181 on the Board pursuant to a majority vote of the membership. The directors described in  
182 Subsections 3.1(a), (c), and (d) are ex officio directors, with vote, and are not elected. The  
183 term of office of each elected director shall be three years, beginning immediately following  
184 the membership meeting at which that person is elected, and ending following the close  
185 of the third annual membership meeting following such election or until that director's  
186 successor is elected. Successors for directors whose terms of office are expiring shall be  
187 elected at the regular meeting of the members in the year such terms expire. A director  
188 may be reelected to consecutive terms of office. Directors may be elected to terms of less  
189 than three years in order to stagger the terms of directors so that the terms of  
190 approximately one-third of the directors expire each year.

191 **3.5 Vacancies.** The Board shall have the power to fill vacancies among the directors  
192 between meetings of the membership of the Corporation by a majority vote of the directors  
193 then in office even though less than a quorum or by the sole remaining director. Successor  
194 directors so elected shall serve until the end of the next regularly scheduled meeting of  
195 the members.

196 **3.6 Place of Meeting.** Meetings of the Board shall be held at the principal office of the  
197 Corporation or at any place within or without the state that has been designated by the  
198 chair or CEO or by resolution of the Board. Any Board meeting may be held by conference  
199 telephone, video screen communication, or electronic transmission. Participation in a  
200 meeting under this Section shall constitute presence in person at the meeting if both the  
201 following apply: (a) each director participating in the meeting can communicate  
202 concurrently with all other directors; and (b) each director is provided the means of  
203 participating in all matters before the Board, including the capacity to propose, or to  
204 interpose an objection to, a specific action to be taken by the Corporation.

205 **3.7 Regular Meetings; Special Meetings.** The Board shall hold regular meetings at  
206 least four times each year at such times as the Board may fix by resolution. Regular  
207 meetings of the Board shall consist of those meetings reflected on the Corporation's  
208 annual calendar. Special meetings of the Board for any purpose or purposes may be  
209 called at any time by the CEO or chair.

210 **3.8 Meeting Notices; Waiver.** Written notice of the time and place of meetings  
211 (regular or special) shall be delivered to each director or sent to each director by mail or  
212 by other form of written communication, or by electronic transmission by the Corporation  
213 (as defined in Section 9.3), charges prepaid, addressed to the director at that director's  
214 address as it is shown on the records of the Corporation. The notice shall be sent (a) for

215 regular Board meetings, at least 15 days, but not more than 45 days, before the time of  
216 the holding of the meeting; and (b) for special meetings, at least four days before the time  
217 of the meeting, if notice is sent by mail, and at least 48 hours before the time of the  
218 meeting, if notice is delivered personally, telephonically, or by electronic transmission. The  
219 meeting of the Board, however called and noticed and wherever held, shall be as valid as  
220 though the meeting had been held after a proper call and notice if a quorum is present  
221 and if, either before or after the meeting, each of the directors not present signs a written  
222 waiver of notice or consent to hold the meeting, or an approval of the minutes. All waivers,  
223 consents, or approvals shall be filed with the corporate records and made a part of the  
224 minutes of the meeting.

225 **3.9 Voting; Action without a Meeting.** Each director shall have one vote on each  
226 matter presented to the Board for action. No director may vote by proxy. Any action by the  
227 Board may be taken without a meeting if all of the directors, individually or collectively,  
228 consent in writing or by electronic transmission to the action. Such written consent shall  
229 be filed with the minutes of the proceedings of the Board.

230 **3.10 Resignation and Removal.** Except as provided below, any director may resign by  
231 giving written notice to the chair or to the CEO. The resignation shall be effective when  
232 the notice is given unless it specifies a later time for the resignation to become effective.  
233 No director may resign when the Corporation would be left without a duly elected director.  
234 A director may be removed from office by a majority vote of the members.

235 **3.11 Compensation.** Ordinarily, directors and committee members serve as volunteers  
236 to advance the Corporation's mission. The Board may, however, elect to compensate  
237 directors and committee members for their services and reimburse them for their  
238 expenses. Any compensation must be just and reasonable and it must be set forth in a  
239 resolution adopted by the Board.

240 **3.12 Conflicts of Interest.** Upon election to the Board and annually, each director shall  
241 sign a conflict of interest form, certifying that the director has read, understands, and is in  
242 complete compliance with, and agrees to continue to comply with, the Board's conflict of  
243 interest policy.

244 **Article 4**  
245 **Committees**

246 **4.1 Board Committees.** In addition to the Governance Committee described in  
247 Section 4.2, the Board may appoint standing or special Board committees, consisting of  
248 at least two or more directors, to serve at the pleasure of the Board. Committees may also  
249 include one or more nondirectors as members. Each committee shall have any of the  
250 powers and authority of the Board provided in the Board resolution forming that committee,  
251 and memorialized in the Board's charter for that committee, except that no committee may  
252 do the following:

253 (a) Take any final action on matters that, under the Nonprofit Code or these  
254 bylaws, also require approval of the Board;

255 (b) Fill vacancies on the Board or on any committee of the Board;

256 (c) Fix compensation of directors or committee members for serving on the  
257 Board or any committee;

258 (d) Amend or repeal these bylaws or adopt new bylaws;

259 (e) Amend or repeal any resolution of the Board that by its express terms is  
260 not so amendable or repealable; or

261 (f) Appoint committees of the Board or committee members.

262 A Board committee chair must be a director of the Board. All chairs shall be appointed by  
263 the Board and shall serve until they no longer are qualified to serve as chairs, until they  
264 are removed or resign as chairs, or until their committees are terminated. The Board chair  
265 or vice chair shall preside over the Governance Committee.

266 **4.2 Governance Committee.** Without limiting the foregoing, the Board shall appoint a  
267 standing governance committee of the Board (the "**Governance Committee**") comprised  
268 solely of directors.

269 **4.3 Advisory Committees.** The Board may establish one or more advisory  
270 committees, consisting of directors, nondirectors, or both. Advisory committees may not  
271 exercise any authority of the Board, but shall be limited to making recommendations to  
272 the Board and to implementing Board decisions and policies.

273 **4.4 Meetings and Actions.** Meetings and actions of committees shall be governed  
274 by, held, and taken under the provisions of these bylaws concerning Board meetings,  
275 except that the time for general meetings and the calling of special meetings may be set  
276 either by Board resolution or, if none, by the committee chair or by resolution of the  
277 committee. No act of a committee shall be valid unless approved by the vote of a majority  
278 of its committee members with a quorum present. Committees shall keep regular minutes  
279 of proceedings and report the same to the Board, and the minutes will be filed with the  
280 Corporation's records.

281 **4.5 Removal.** The Board may remove at any time, with or without cause, a member  
282 or members of any committee.

283 **Article 5**  
284 **Officers**

285 **5.1 Officers.** The officers of the Corporation shall be a chair of the Board, a vice chair  
286 of the Board, a chief executive officer (who may also be referred to as CEO), a president  
287 (who may also be referred to as chief operating officer), a secretary, and a chief financial  
288 officer (who may also be referred to as treasurer). The Corporation may also have, at the  
289 discretion of the Board, one or more assistant secretaries and one or more assistant chief  
290 financial officers. Any person may hold more than one office, except that none of the chair,  
291 the CEO, or the president may serve concurrently as the secretary or chief financial officer.  
292 In no event shall the title of vice president of the Corporation make a person an officer  
293 within the meaning of the Nonprofit Code or these bylaws, unless designated by the Board.

294 **5.2 Election; Removal; Resignation.** The Board shall elect all officers of the  
295 Corporation, each of whom shall serve at the pleasure of the Board, subject to the rights  
296 of any officer under an employment contract. A person shall serve as chair or vice chair  
297 only so long as that person satisfies the requirements of Sections 5.4 or 5.5, below. Any  
298 officer may resign at any time by giving written notice to the Board. The resignation shall  
299 take effect on the date the notice is received or at any later time specified in the notice.

300 **5.3 Vacancies.** A vacancy in any office because of death, resignation, removal,  
301 disqualification, or otherwise, shall be filled by the Board.

302 **5.4 Chair of the Board.** The chair of the Board shall be one of the individuals  
303 described in Section 3.1(a) of these bylaws, who shall preside at the meetings of the  
304 membership, the Board, and the executive committee, if any executive committee is  
305 appointed. The chair shall also exercise and perform such other powers and duties as the  
306 Board may assign from time to time.

307 **5.5 Vice Chair of the Board.** The vice chair of the Board shall be the individual  
308 described in Section 3.1(a) of these bylaws who is not elected chair. In the absence or  
309 request of the chair, the vice chair shall preside at the meetings of the membership, the  
310 Board, and the executive committee, if an executive committee is appointed. The vice  
311 chair shall also exercise and perform such other powers and duties as the Board may  
312 assign from time to time.

313 **5.6 CEO.** The CEO shall be an experienced health care executive and shall exercise  
314 all of the rights and privileges and perform all of the duties usually pertaining to the office  
315 of a CEO of a health care system, and shall perform additional duties as directed by the  
316 Board. The CEO shall act as the duly authorized representative of the Board in all matters  
317 in which the Board has not formerly designated some other person to act. The authorities  
318 and duties of the CEO shall include the responsibility for:

319 (a) Carrying out all policies and procedures established by the Board,  
320 consistent with the philosophy, teachings, and practices of the Church;

321 (b) Development and submission to the Board for approval of a plan of  
322 organization of the personnel and others concerned with the operation of the  
323 Corporation and its affiliated institutions;

324 (c) Preparation of an annual operating capital expenditure and cash flow  
325 budget showing the expected receipts and expenditures and such other  
326 information as is required by the Board, and submission of such budgets to the  
327 Board for approval;

328 (d) Selection, employment, control, and discharge of all employees and  
329 development and maintenance of personnel policies and practices for the  
330 Corporation and its affiliated institutions;

331 (e) Maintenance of physical properties in a good state of repair and operating  
332 condition;

333 (f) Supervision of operational affairs to ensure that funds are collected and  
334 expended to the best possible advantage and within the provision of the annual  
335 budgets;

336 (g) Presentation to the Board or to its authorized committees of periodic  
337 reports reflecting the professional services and financial activities of the  
338 Corporation and its affiliated institutions and preparation and submission of such  
339 special reports as may be required by the Board;



- 340 (h) Attendance at all meetings of the Board and committees thereof and  
341 serving as chair of the Board in the absence of both the chair and vice chair;
- 342 (i) Serving as the liaison officer and channel of communication for all official  
343 communications between the Board or any of its committees and its affiliated  
344 institutions;
- 345 (j) Execution of the contracts authorized by the Board, or a Board committee,  
346 except as is otherwise provided by these bylaws and subject further to the  
347 limitations of authority delegated by the Board;
- 348 (k) Establishing goals and objectives for the Corporation, which shall include  
349 a long-range strategic plan;
- 350 (l) Together with the management team, operating the Corporation in an  
351 ethical manner, implementing an effective compliance program, and reporting  
352 regularly (directly and together with other corporate officers) to the Board on  
353 compliance matters; and
- 354 (m) Performance of other duties that may be necessary in the best interests of  
355 the Corporation and its affiliated institutions.

356 **5.7 President.** During the unavailability or incapacity of the CEO, the president will act  
357 in the place and stead of the CEO. The president shall have such other powers and duties  
358 as the Board or the bylaws may require.

359 **5.8 Secretary.** The secretary shall keep, or cause to be kept, the records of the  
360 Corporation, including a record of the proceedings of the Corporation, and shall perform  
361 all of the duties usually incident to the office of secretary. The secretary shall have such  
362 other powers and duties as the Board or the bylaws may require.

363 **5.9 Chief Financial Officer.** The chief financial officer shall keep, or cause to be kept,  
364 correct books and accounts of the Corporation's properties and transactions. The chief  
365 financial officer shall perform all the duties pertaining to the office of chief financial officer  
366 and shall have such other powers and duties as the Board or these bylaws may require.  
367 During the unavailability or incapacity of the CEO and the president, the chief financial  
368 officer will act in the place and stead of the CEO.

369 **5.10 Assistant Secretaries.** The chief financial officer shall be an assistant secretary  
370 and there shall be such other assistant secretaries as may be designated by the Board,  
371 any one of whom shall perform the duties of the secretary in the absence of the secretary.

372 **5.11 Assistant Chief Financial Officers.** There shall be such assistant chief financial  
373 officers (who may also be referred to as assistant treasurers) as may be designated by  
374 the Board, any one of whom shall perform the duties of the chief financial officer in the  
375 absence of the chief financial officer.

376 **Article 6**  
377 **Affiliated Institutions**

378 **6.1 Affiliation Authority.** The Corporation may enter into an association with any  
379 hospital or health institution having objectives similar to those outlined in these bylaws,

380 provided that the best interest of the Corporation and that of the affiliated institution will be  
381 served. An affiliated hospital shall function in harmony with the management guidelines  
382 established by the Corporation.

383 **6.2 Reimbursement for Services.** The Corporation may enter into contracts with an  
384 affiliated or unaffiliated institution on a fee basis.

385 **Article 7**  
386 **Indemnification**

387 **7.1 Advancement of Expenses.** To the fullest extent permitted by law and except as  
388 otherwise determined by the Board in a specific instance (and in the Board's sole and  
389 absolute discretion), expenses incurred by an agent (defined below) seeking  
390 indemnification under this Article of these bylaws in defending any proceeding covered by  
391 this Article shall be advanced by the Corporation before final disposition of the proceeding,  
392 on receipt by the Corporation of an undertaking by or on behalf of that person that the  
393 advance will be repaid unless it is ultimately found that the person is entitled to be  
394 indemnified by the Corporation for those expenses. The Board must approve any advance  
395 made to the CEO under this Section, prior to such advance being paid to the CEO. For  
396 purposes of this article, an "agent" shall have the meaning established in the Nonprofit  
397 Code applicable to the Corporation.

398 **7.2 Indemnification upon Successful Defense.** If an agent of the Corporation is  
399 successful on the merits in defense of any proceeding, claim, or other contested matter  
400 brought against the agent in connection with the agent's actions or omissions in relation  
401 to the Corporation, the Corporation shall indemnify the agent against that agent's actual  
402 and reasonable expenses incurred in the defense against such proceeding or claim.

403 **7.3 Indemnification upon Unsuccessful Defense.**

404 (a) Mandatory Indemnification. To the maximum extent permitted by law, the  
405 Corporation shall indemnify each of its present and former (1) directors,  
406 (2) officers, (3) persons who are or were regularly invited for six consecutive  
407 months or more to attend and participate at Board meetings or Board committee  
408 meetings, and (4) persons identified in a duly approved Board resolution as  
409 qualifying for this mandatory indemnification (each of whom is an "indemnitee")  
410 against expenses (collectively, "payments") actually and reasonably incurred by  
411 such indemnitee in connection with defending that indemnitee against an action or  
412 proceeding. An employee of the Corporation may be an indemnitee if that  
413 employee meets one or more of the definitions of indemnitee set forth above.  
414 Notwithstanding the above, mandatory indemnification shall be given to a potential  
415 indemnitee only if all of the following apply:

416 (1) The potential indemnitee was not a director, officer, or other person who  
417 was removed from one or more of their positions with the Corporation;

418 (2) The action or proceeding against the indemnitee is based on or relates to  
419 an action or inaction taken by the indemnitee on behalf of the Corporation  
420 and within the scope of the indemnitee's role or relationship with the  
421 Corporation;

422 (3) The Board (excluding vacancies and directors who have a conflict of  
423 interest) has made all findings required by the Nonprofit Code (the  
424 indemnitee shall not be eligible to receive this mandatory indemnification if  
425 such findings are not made); and

426 (4) The potential indemnitee has not procured any illegal profit, remuneration,  
427 or advantage, as determined by the Board in its sole discretion.

428 If a person does not qualify for this mandatory indemnification, such person  
429 might still receive discretionary indemnification as outlined below.

430 (b) Discretionary Indemnification. To the maximum extent permitted by law,  
431 the Board may in its sole discretion, by a majority vote (excluding vacancies and  
432 directors with a conflict of interest), indemnify an agent (including former directors  
433 who were removed by the Board, employees, or agents identified by the Board as  
434 acting on behalf of the Corporation and not entitled to mandatory indemnification)  
435 (each of which is a “recipient”) against any or all of the expenses, judgments,  
436 fines, settlements, or other amounts actually and reasonably incurred by such  
437 recipient in connection with an action or proceeding against the recipient, subject  
438 to the following:

439 (1) The action or proceeding against the recipient must be based on or relate  
440 to an action or inaction taken by the recipient on behalf of the Corporation  
441 and within the scope of the recipient’s role or relationship with the  
442 Corporation;

443 (2) The Board (excluding vacancies and directors who have a conflict of  
444 interest) must have made all findings required by the Nonprofit Code (the  
445 recipient shall not be eligible to receive this discretionary indemnification if  
446 such findings are not made); and

447 (3) Indemnification is not available if the recipient is found to have procured  
448 illegal profit, remuneration, or advantage.

449 **Article 8**  
450 **Legal Instruments**

451 **8.1 Execution of Legal Documents.**

452 (a) The CEO or president, together with the secretary or an assistant secretary  
453 or chief financial officer or assistant chief financial officer, shall sign any deeds or  
454 mortgages or other legal documents for real estate transactions under authority  
455 given them by the Board (either by resolution specific to a transaction or by a  
456 general resolution authorizing such persons to enter into certain types of real  
457 estate transactions). The Board may also authorize other persons or officers to  
458 execute the documents described in this Subsection.

459 (b) The CEO, the president, the chief financial officer, or any other officer or  
460 person designated by the Board are each authorized to vote, represent, and  
461 exercise on behalf of the Corporation all rights incident to any and all voting  
462 securities of any other corporation or corporations standing in the name of the  
463 Corporation. The authority granted by these bylaws to vote or represent the

464 Corporation arising from any voting securities held by the Corporation of any other  
465 corporation may be exercised in person or by any person authorized to do so by  
466 proxy or power of attorney.

467 (c) With respect to all contracts, transactions, or arrangements other than  
468 those described in Subsections 8.1(a) or 8.1(b), the CEO, president, or chief  
469 financial officer may execute, and the Board may authorize specific other persons  
470 or officers to execute, the appropriate agreements and other documents related to  
471 such transactions or arrangements. The CEO, president, or chief financial officer  
472 may sign individually. Any Board resolution authorizing other persons or officers to  
473 execute documents shall specify whether one person may sign the appropriate  
474 documents or whether two signatures are required under specified circumstances.

475 **8.2 Seal.** The Corporation may have a corporate seal, and the same shall have  
476 inscribed thereon the name of the Corporation, the date of its incorporation, and the word  
477 "California."

478 **Article 9**  
479 **General Provisions**

480 **9.1 Auditor.** The books of the Corporation shall be reviewed annually by an auditor  
481 selected by the Board.

482 **9.2 Amendment of Bylaws.** These bylaws may be amended or repealed by the vote  
483 of two-thirds of the members present at any regular meeting or special meeting of the  
484 membership or by two-thirds of the members voting by written ballot, as provided in  
485 Section 2.12.

486 **9.3 Electronic Transmission.**

487 (a) "Electronic transmission by the Corporation" means a communication  
488 (1) delivered by (A) electronic mail when directed to the electronic mail address for  
489 that recipient on record with the Corporation; (B) posting on an electronic message  
490 board or network that the Corporation has designated for those communications,  
491 together with a separate notice to the recipient, which transmission shall be  
492 considered delivered upon the later of the posting or delivery of the separate notice  
493 thereof; or (C) other means of electronic communication; and (2) that creates a  
494 record that is capable of retention, retrieval, and review, and that may thereafter  
495 be rendered into clearly legible tangible form.

496 (b) "Electronic transmission to the Corporation" means a communication  
497 (1) delivered by (A) electronic mail when directed to the electronic mail address  
498 that the Corporation has provided to members or directors for communications;  
499 (B) posting on an electronic message board or network that the Corporation has  
500 designated for those communications, which transmission shall be considered  
501 delivered upon posting; or (C) other means of electronic communication; (2) as to  
502 which the Corporation has placed in effect reasonable measures to verify that the  
503 sender is the member or director purporting to send the transmission; and (3) that  
504 creates a record that is capable of retention, retrieval, and review, and that may  
505 thereafter be rendered into clearly legible tangible form.

506  
507


(c) **“Electronic transmission”** means any combination of electronic transmission by or to the Corporation.

**Certificate of Secretary**

**Adventist Health System/West**

I, Meredith Jobe, certify that I am the duly elected and acting secretary of Adventist Health System/West, a California nonprofit religious corporation ("Adventist Health"); that the foregoing bylaws, consisting of 13 pages, are a true and correct copy of the bylaws of Adventist Health as duly adopted by the vote of more than two-thirds of the membership at a meeting held on October 2, 2018; and that these bylaws have not been amended or modified since that date.

Date: 10/31/18

  
Meredith Jobe, Secretary