

**BYLAWS
OF
HOSPITAL AUTHORITY OF FULTON COUNTY**

**ARTICLE ONE
DEFINITIONS**

1.1 The following words and phrases shall have the following meanings, unless the context clearly indicates otherwise:

The Authority	Hospital Authority of Fulton County, a public body corporate and politic, exercising governmental functions under the Hospital Authorities Law.
Board	The governing body of Hospital Authority of Fulton County comprised of the members of the Authority.
Hospital	Northside Hospital.
Hospital Authorities Law	Georgia Hospital Authorities Law, Official Code of Georgia Annotated (OCGA), Title 31, Chapter 7, Art.4.
Chairman	Chairman of Hospital Authority of Fulton County.
Northside	Northside Hospital, Inc., a Georgia nonprofit corporation and the lessee/transferee under the Lease and Transfer Agreement with the Corporation as lessor/transferor, dated November 1, 1991, as amended.

**ARTICLE TWO
GENERAL**

2.1 Name. The name of this organization is Hospital Authority of Fulton County.

2.2 Office. The principal office and place of business of the Authority shall be at Northside Hospital, 1000 Johnson Ferry Road, N.E., Atlanta (Fulton County), Georgia 30342. The Board may establish and maintain an office or offices at such other places within Fulton County as it may from time to time determine.

2.3 Seal. The Seal of the Authority shall have inscribed thereon the words, "Hospital Authority of Fulton County" and the word, "SEAL."

ARTICLE THREE BOARD

3.1. Board. The Authority shall be governed by a Board consisting of nine members. The number of members of the Board may be increased in accordance with the applicable provisions of the Hospital Authorities Law.

3.2. Selection. The qualifications and selection of Board members shall be governed by the applicable provisions of the Hospital Authorities Law and by such resolutions as may from time to time be adopted pursuant to it. It is anticipated that there will generally be two or more members of the Board who are physicians. Persons selected as Board members shall evidence commitment to community health and welfare; an ability to conceptualize; successful managerial, technical or professional experience; objectivity; sensitivity to confidentiality; and an awareness of the needs and expectations of those being served; an awareness of and sensitivity to fiduciary obligations to the Authority and its facilities; and a demonstrated willingness to support and serve the interests of the Authority and its facilities. Board members shall represent the interests of the Authority and not their personal interests, the interests of any entity with which they have a financial relationship, or the interests of any other group or organization to which the Board member belongs. Board members shall not hold any fiduciary position or public office that will conflict with their fiduciary duties to the Authority, create divided loyalties with respect to the Authority, or interfere with their ability to participate actively and fully in the business of the Authority and to promote the interests of the Authority. No employee of Northside shall be eligible for membership on the Board.

3.3 Term of Office. The term of office of Board members is four years. At the conclusion of any such term, Board members shall serve until their successors are appointed and qualified in accordance with the applicable provisions of the Hospital Authorities Law. Except as provided above, no member of the Board shall serve more than five consecutive four-year terms in office plus the unexpired portion of any term to which the member may be elected to complete. Such unexpired term may be served before or after the relevant four-year term. After a member has served such period, at least one full year must expire before that member may again serve as a Board member. In determining whether a full year has expired following service as a Board member, service as a non-member officer of the Authority (either Secretary or Treasurer) shall be deemed equivalent to service as a member of the Board.

3.4 Resignations; Vacancies. Any member wishing to resign from the Board shall submit a written resignation to the Chairman or Vice Chairman of the Board. The Chairman or Vice Chairman shall be authorized to accept formally the resignation at the time of receipt or may defer to the full Board for full acceptance. The officer receiving the resignation shall present it to the Board at its next meeting and advise the Board of the action, if any, taken on the resignation. Such resignation shall be effective on the date set forth in the resignation, or, if none, on the date formally accepted by the officer receiving the resignation or by the Board. Vacancies in the Board, however arising, shall be filled by selection from eligible nominees presented to the Authority in accordance with the applicable provisions of the Hospital Authorities Law.

3.5 Removal. In the event a Board member fails to perform the minimum required functions of the position, the Board may request the Board of Commissioners of Fulton County to remove such member. The request shall set forth the reasons for removal and shall be signed by all Board members who are in agreement with the request.

3.6 Orientation and Education. Each member, upon appointment to the Board, shall complete an orientation to the Authority, to the health care environment and to the duties of a Board member. The orientation program shall be conducted by the Chairman or the Chairman's designee. Board members will participate in educational programs regarding the health care field as made available from time to time to Authority members.

3.7 Compensation. Board members shall receive no compensation for their service as members of the Authority, but may be reimbursed their expenses incurred in the performance of their duties as allowed by law.

3.8 Responsibilities. The purpose of the Board shall be to provide for needed health care facilities in its area of operation in accordance with the Hospital Authorities Law, through oversight of the Authority's compliance with the Lease and Transfer Agreement dated November 1, 1991, as amended from time to time, between the Authority as lessor/transferor and Northside as lessee/transferee, and enforcement of Northside's obligations under such agreement.

3.9 Self-evaluation. The Board shall annually review and evaluate performance of its duties set forth in these Bylaws.

ARTICLE FOUR **MEETINGS OF THE BOARD**

4.1 Location. Meetings of the Board shall be held at Northside Hospital or at such other place as shall be specified in the notice of meeting.

4.2 Regular Meetings. Regular meetings of the Board shall be held as from time to time determined by the Board, provided that (a) such meetings shall be held at least quarterly and (b) an annual meeting shall be held at such time designated by the Board for the purpose of electing officers. The Board may at any regular meeting change the date of the following regular meeting. Written notice of any changed meeting date shall be given to each Board member at least five (5) days prior to the date of the changed meeting.

4.3 Special Meetings. Special meetings of the Board shall be held whenever called by the Chairman, or in the Chairman's absence, the Vice-Chairman, or whenever three members of the Board then in office shall make written request for a meeting to the Secretary, stating the time, place and purpose of the meeting called.

4.4 Notice. No notice shall be required to Authority members for any regularly scheduled meeting of the Board, except as required under Section 4.2 and otherwise required under these Bylaws. Written notice of each special meeting of the Board, stating its time, place and purpose, shall be given by the person entitled to call a special meeting of the Board or by the

Secretary, if so directed by the Chairman or Vice-Chairman, not less than five (5) nor more than thirty (30) days prior to the date of the meeting. The notice shall be personally delivered to each member or mailed or delivered to the last known address of each member as shown on the Corporation's records. No business shall be transacted at special meetings of the Board other than that stated in the notice of meeting unless all members of the Board give unanimous consent to the consideration of other business.

4.5 Public Notice. Notice of all meetings of the Board or of any committee of the Board shall be posted or otherwise published as required by law.

4.6 Waiver of Notice. Notice of a regular or special meeting of the Board required to be given under any provision of the law or these Bylaws need not be given to any Board member who signs a written waiver of notice either before or after the meeting and delivers such waiver to the Authority for inclusion in the minutes or filing with the records of the Authority. Attendance of a Board member at a meeting or participation in a meeting shall constitute a waiver of notice of such meeting and waiver of any and all objections to the place of the meeting, the time of the meeting or the manner in which it has been called or convened, except when a Board member, at the beginning of the meeting (or promptly upon such member's arrival), objects to the holding of the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

4.7 Procedure. Meetings of the Board or any Board committee shall proceed in accordance with rules of procedure which may be adopted by the Board. If such rules are not adopted, the Chairman of the Board or of any Board committee may invoke Robert's Rules of Order when necessary.

4.8 Quorum. A majority of the members of the Board then in office shall constitute a quorum for the transaction of business. Should a quorum not be present, the Chairman may attempt to establish one or adjourn the meeting. If a quorum cannot be obtained, the Chairman may set another date for the meeting, which shall be held as soon as practicable after the originally scheduled meeting. Notice of the adjournment and of the time and place of the rescheduled meeting shall be provided to all Board members. At any such rescheduled meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting originally called.

4.9 Voting. Each member of the Board shall be entitled to one vote in the transaction of the business of the Authority; except that the director serving as Chairman shall vote only when a vote by the other members present at a meeting at which a quorum is present has resulted in a tie. The vote of a majority of the Board members present at the time of the vote, if a quorum is present at such time, shall be the act of the Board, unless the vote of a greater number is required by statute or these Bylaws. No member shall be permitted to vote by proxy.

4.10 Attendance. Each member of the Board is expected to attend all meetings of the Board. Reasons or excuses for non-attendance shall be submitted to and considered by the Secretary and presented to the Board for approval. The Secretary shall maintain a record of each member's attendance. In special circumstances as approved by the Board, a member may attend and participate in regular or special meetings by means of conference telephone or similar communications equipment, by means of which all persons participating in the meeting can hear

and can be heard and participate in a meeting by means of such communication, which shall constitute presence in person at any meeting.

4.11 Adjournments. A meeting of the Board, whether or not a quorum is present, may be adjourned by a majority vote of those members present at the meeting, to reconvene at a specific time and place. Notice of the adjournment and of the time and place of the rescheduled meeting shall be provided to all Board members. At any such reconvened meeting at which a quorum is present, any business may be transacted which could have been transacted at the meeting which was adjourned.

4.12 Oath of Office. Each member of the Board shall take such oath of office as required by law.

ARTICLE FIVE

OFFICERS

5.1 Officers of the Authority. The Board, at its annual meeting, shall elect one of its members as Chairman and another as Vice-Chairman, and shall also elect a Secretary and a Treasurer, neither of whom need be a member of the Board. No member shall hold more than one office during any one year. Each of such officers shall take office at the next regular meeting of the Board (unless otherwise stated at the time of election) and shall serve for a period of one year or until a successor shall be duly elected and qualified. Any officer elected or appointed by the Board may be removed by the affirmative vote of two-thirds of the entire Board at any regular or special meeting. In the event of a vacancy of office occasioned by death, resignation, removal or the expiration of a member's appointment, an election shall be held to fill such vacancy as soon as practicable.

5.2 Chairman.

(a) The Chairman shall preside at all meetings of the Board and the Executive Committee. The Chairman shall serve as Chairman of the Executive Committee and shall serve as an ex-officio, non-voting (except as provided in Section 6.1 of these Bylaws) member of all other Board committees. The Chairman shall oversee all Board committees to ensure that they are efficient and productive. The Chairman shall appoint all members and chairmen of all special and standing committees of the Board, excluding the Executive Committee.

(b) The Chairman shall have the authority to execute on behalf of the Authority all contracts, instruments and agreements to which the Authority is a party or which affect its property or operations unless execution thereof shall be exclusively delegated by these Bylaws or by the Board to some other officer or agent of the Corporation. The Chairman shall borrow money on behalf of the Authority only pursuant to authority of the Board.

5.3 Vice-Chairman. In the absence of the Chairman or upon the Chairman's failure or inability to act, the Vice-Chairman shall have the powers of the Chairman. Notwithstanding the foregoing, when acting in the absence of the Chairman, the Vice Chairman shall not be counted towards a quorum in committee meetings as may be the Chairman, as set forth in Section 6.1 of these Bylaws. The Vice-Chairman shall perform such other duties as shall from time to time be assigned by the Board.

5.4 Secretary. The Secretary shall attend and keep the minutes of all meetings of the Board, shall have charge of the records and seal of the Authority and shall, in general, perform all the duties incident to the office of Secretary of a corporation, subject at all times to the direction and control of the Board.

5.5 Treasurer.

(a) The Treasurer shall oversee and monitor the financial affairs of the Authority. The Treasurer shall render to the Board, whenever it requires, an accounting of all financial transactions and a report of the financial condition of the Authority and shall render to the Board, within sixty (60) days after the close of the Authority's fiscal year, an annual report of the financial condition of the Authority.

(b) The Treasurer shall perform such other duties as may be assigned from time to time by the Board. The Treasurer may be required to give the Authority a bond in such sum and with such surety or sureties as the Board may require for the faithful performance of the duties of the office and the restoration to the Authority in the case of death, resignation or removal from office, of all bonds, papers, records, monies and other properties of whatever kind in the Treasurer's possession and control belonging to the Authority.

(c) The Treasurer may from time to time be authorized and directed by the Board to delegate to such personnel as the Board may designate, such of the Treasurer's duties as may be desirable and practical. Such delegation shall not, however, relieve the Treasurer of the responsibilities set forth in these Bylaws.

5.6 Other Officers of the Authority. The Authority may have an Assistant Secretary and an Assistant Treasurer (neither of whom must be members of the Authority) elected by the Board who shall perform such duties as may from time to time be assigned by the Board.

ARTICLE SIX **COMMITTEES**

6.1 General.

(a) The committees of the Board shall be either standing or special committees. All members and chairmen of both standing and special committees, excluding the Executive Committee, shall be appointed by the Chairman and shall serve one-year terms of office. Members and chairmen of standing committees shall be appointed following the annual Board meeting. The Chairman shall be an ex-officio member of each Committee without voting privileges, unless otherwise provided in these Bylaws.

(b) Except as otherwise provided herein, committees shall meet as often as needed.. Notice of committee meetings will be given in the same manner as set out in these Bylaws for meetings of the Board, unless otherwise provided in these Bylaws or unless the committee, by majority vote, adopts another procedure. Committee chairmen shall report instances of non-attendance at committee meetings, and any excuses offered for such non-

attendance, to the Secretary. Minutes shall be kept for all committee meetings and reported to the full Board at the next meeting of the Board.

(c) Unless otherwise provided in these Bylaws or the resolution of the Board authorizing a committee, at meetings of committees, a majority of the members then appointed to the committee, not counting the Chairman of the Board, shall constitute a quorum for the transaction of committee business. Should a quorum not be present, the chairman of the committee may attempt to establish one. When less than a quorum is in attendance, then by majority vote of the voting committee members present, the Chairman of the Board may be counted toward a quorum and may vote on matters at such meeting. If a quorum cannot be obtained even by counting the Chairman of the Board, as set out above, the chairman of the committee may set another date for the meeting, which shall be held as soon as practicable after the originally scheduled meeting. Notice of the adjournment and of the time and place of the rescheduled committee meeting shall be provided to all committee members. At any such rescheduled meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting originally called.

(d) Each member of the committee shall be entitled to one vote in the transaction of the business of the committee; except that the Chairman of the Board serving as an ex-officio member of the committee shall vote only when (i) a vote by the other members present at a meeting at which a quorum is present has resulted in a tie, or (ii) when the committee has authorized the Chairman to be counted towards a quorum and to vote as set out in subsection (c) above. The vote of a majority of the committee members present at the time of the vote and entitled to vote, if a quorum is present at the time, shall be the act of the committee, unless a vote of a greater number is required by statute, these Bylaws or the resolution of the Board establishing such committee.

6.2 Standing Committee. The Corporation shall have the following Standing Committee: the Executive Committee.

6.3 Executive Committee.

(a) The Executive Committee shall consist of four or more members of the Board and shall include the Chairman of the Board, the Vice-Chairman of the Board and the Treasurer of the Board, if the Treasurer is a member of the Board. If the Secretary is not a member of the Board, the Chairman shall appoint another Board member as a member of the Executive Committee, and if the Treasurer is not a Board member, the Chairman shall appoint another Board member as a member of the Executive Committee. If the Secretary or Treasurer is not a member of the Executive Committee, each shall be free to and encouraged to attend all meetings of the Committee. During such times as the membership of the Board contains two or more physicians who are members of the Active Medical Staff of the Hospital, one of such physicians will, unless one of the officers who are members of the Board is a physician, normally serve on the Executive Committee.

(b) The Executive Committee shall have the power to transact all regular business of the Authority during the interim between the meetings of the Board; provided, however, that any action taken by such committee shall not conflict with the policies of the

Board, and provided further that it shall refer all matters of major importance to the Board at its next regular or special meetings.

6.4 Special Committees. The Chairman shall have the authority to appoint special committees for such special tasks as circumstances warrant. Each special committee shall limit its activities to the accomplishment of the task for which it is created and appointed and it shall have no power to act except as specifically authorized by action of the Board. Upon completion of the task for which it was appointed, such special committee shall stand discharged.

6.5 Committee Consultants. The Chairman may appoint individuals who are not members of the Authority as consultants to any Board committee. Consultants may attend committee meetings and participate in any discussions of matters before the committee, but shall not vote or be counted toward determining the existence of a quorum.

ARTICLE SEVEN

CONFLICTS OF INTEREST

7.1 Conflict of Interest Policy.

(a) The Board shall adopt policies and procedures designed to disclose duality of interests and avoid potential conflicts of interest with respect to issues affecting the Authority and its facilities. Such policies shall apply to Board members, non-member officers of the Board, nominees for such positions, employees of the Authority, family members and related persons of the foregoing persons, and entities in which any of them have an interest, all as defined in the policy. The policy shall address duties of loyalty and other fiduciary duties of Board members and Authority officers with respect to the Authority. Board members and Authority officers shall at all times abide by all provisions of the Hospital Authorities Law and other applicable law and policies and procedures of the Authority relating to conflicts of interest, duties of loyalty and other fiduciary duties in the performance of their responsibilities for the Authority.

(b) The conflict of interest policy shall, at a minimum, require advance disclosure of all potential dualities of interest, recording of such disclosures in the minutes of the Board and exclusion of an interested Board member, officer or employee from presence at a meeting or participation in a decision regarding the matter. Required disclosure shall also include disclosure of other public office held by the Board member and any other fiduciary position held by the Board member (such as an officer, director, or trustee) with another entity, and any other matters bearing on the person's qualifications for service as set out in Section 3.2 above. The policy shall also, at a minimum, provide for disclosure of financial interests and other information as may be required from time to time by applicable law to be reported by the Authority. The policy may address use of confidential and non-public information for Authority business. The Board may adopt policies regarding conflicts of interest that are stricter than the provisions of applicable law.

(c) The Board shall annually review the conflict of interest policy and make such revisions as are necessary in the best interests of the Authority.

ARTICLE EIGHT **INDEMNIFICATION**

8.1 Indemnification. The Authority shall, to the extent authorized by the Hospital Authorities Law and other relevant statutes and regulations, indemnify members and officers of the Authority from and against all expenses (including counsel fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with any action, suit or proceeding arising from performance of the person's authorized responsibilities on behalf of the Authority, provided that with respect to the action, suit or proceeding from which the claim for indemnification arose, the person acted in a manner the person reasonably believed to be in the best interests of the Authority and, respect to any criminal action, suit or proceeding, the person had no reasonable cause to believe the conduct at issue was unlawful.

8.2 Limitations. Indemnification shall not apply (a) in connection with an action, suit or proceeding by or in the right of the Authority in which the person entitled to indemnity was adjudged liable to it, (b) in connection with any other action, suit or proceeding in which the person was adjudged liable on the basis that personal benefit was improperly received by that person, or (c) in any other circumstance in which indemnification would be prohibited by law.

8.3 Conditions. Indemnification shall be effective only if the following conditions are satisfied:

(a) The person claiming indemnity shall give the Authority written notice of the assertion of any claim or matter with respect to which indemnity may be sought hereunder in a timely manner and in any event within thirty (30) days after the person has notice or knowledge of such claim or matter, and reasonable cause to believe that the claim or matter is subject to indemnity hereunder; and,

(b) The person provides to and preserves for the Authority the right and opportunity to assume and control at all times the defense, settlement or compromise of any claim or matter subject to indemnity hereunder; and,

(c) The person (i) provides the Authority with reasonable access to all documents and other evidence relevant to the defense of any claim or matter subject to indemnity and within the custody or control of such person, and (ii) cooperates with the Authority in the defense of such claim or matter, and enters into any settlement or compromise regarding such claim or matter only with the Authority's prior written consent.

8.4 Authorization. Indemnification shall be made by the Authority only as authorized in the specific case upon a determination that indemnification is proper in the circumstances because the person claiming indemnity (a) is eligible for indemnity within the scope of this Article, (b) has met the applicable standards of conduct, and (c) has satisfied all applicable conditions. Such determination shall be made: