

Baldwin County
Administration Department
Via Courier from Foley Courthouse
Received: Aug. 23, 2022
By: Amber

SOUTH BALDWIN COUNTY HEALTHCARE AUTHORITY

1613 North McKenzie Street

Foley, Alabama 36535

August 17, 2022

Office of Chairman, County Commissioner, District No. 1
Baldwin County Courthouse
Attn: Honorable James E. "Jeb" Ball
312 Courthouse Square
Bay Minette, AL 36507

***Re: Nomination for Board Members
South Baldwin County Health Care Authority***

Dear Mr. Ball:

Terms have expired for three Board Members of the South Baldwin County Health Care Authority (the "Authority") June 2022. The Authority is required to submit a recommendation for each of the three expiring terms so that the County Commission can appoint Board Members.

The present members for these three positions are John Lee, Clyde Abrams and recently deceased Arthur Holk. Please accept this letter as a notice to the County

Commission that the Authority makes the following recommendations for each of the three terms that have expired.

John Lee's Position: John Lee – 25655 Stapleton Lane, Loxley, AL 36551.

Clyde Abram's Position: Clyde Abram – 9496 Lakeview Dr., Foley, AL 36535.

Arthur Holk's Position: Clark Cathey – 25202 Olive St., Foley, AL 36530.


The Authority believes that the reappointments of John Lee and Clyde Abrams are important for the continuity of the Board and the knowledge they have gained serving previous terms will help the Authority as it moves forward working with the medical community in South Baldwin County. Mr. Cathey brings important knowledge of the Elberta/Lillian/Perdido Beach communities, an important and growing portion of our service area. The Authority respectfully requests the Commission to consider the reappointments of Mr. Lee and Mr. Abrams, and the appointment of Mr. Cathey.

Please also find attached the amended Bylaws for the Authority requiring the Authority to only submit one name for each position.

Thank you for your consideration of the South Baldwin County Health Care Authority's request.

Respectfully submitted,

SOUTH BALDWIN COUNTY HEALTH CARE
AUTHORITY

By: 
Clark Stewart, Chairman

**SECOND AMENDED AND RESTATED BYLAWS
OF
THE SOUTH BALDWIN COUNTY HEALTH CARE AUTHORITY**

ARTICLE I

1.1 **Name:** Pursuant to the action taken on October 17, 1972, and further resolved on March 27, 1996, by the South Baldwin County Hospital Corporation, the name of this organization is stated to be "The South Baldwin County Health Care Authority."

1.2 **Powers:** The powers of The South Baldwin County Health Care Authority shall be as stated in its Articles of Incorporation, as amended from time to time, and as provided by the laws of the State of Alabama including the Health Care Authorities Act of 1982, codified as sections 22-21-310, et seq., *Code of Alabama*, 1975 (the "Act").

1.3 **Definitions:** When used in these Bylaws:

(a) The terms "corporation" and the "Authority" shall mean the corporate entity known as The South Baldwin County Health Care Authority.

(b) The term "board of directors", "board", "governing body", or "governing board" shall mean the Board of Directors of The South Baldwin County Health Care Authority.

(c) Throughout these Bylaws the masculine titles of office shall be deemed to include the feminine, the singular the plural, and vice-versa.

ARTICLE II

2.1 **Principal Office:** The South Baldwin County Health Care Authority shall have and continuously maintain its principal office in Foley, Alabama.

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ARTICLE III

3.1 **Governing Authority:** The governing authority of The South Baldwin County Health Care Authority shall be its Board of Directors.

3.2 **Management:** The property, funds, affairs, and business of The South Baldwin County Health Care Authority shall be managed by its Board of Directors. The Board of Directors shall have and is vested with full power and authority except as may be expressly limited by law, the Articles of Incorporation, or these Bylaws. The Board of Directors of The South Baldwin County Health Care Authority shall have the power to do or cause to be done by delegation to others any of its powers, privileges, and franchises to seek the accomplishment of its object and purposes.

3.3 **Terms of Office and Manner of Election:**

(a) The number of Directors of the Corporation shall be nine (9). The Directors shall make up the Board of Directors which shall constitute the governing body of the Authority and shall be elected by the governing body of Baldwin County, Alabama, only from a list of nominees, as proposed by the Board of Directors of The South Baldwin County Health Care Authority, by resolution duly adopted.

(b) For each seat on the Board of Directors that becomes vacant due to the expiration of the term of office of any Director, or for each seat that has become vacant due to the death or resignation of any Director, the Board of Directors shall propose one (1) nominee to fill such seat to the governing body of Baldwin County, Alabama. The Board of Directors shall duly adopt a resolution setting forth the candidate for each seat, not more than ninety (90) days, nor less than ten (10) days prior to the expiration of such term of office (or in the case of a vacancy resulting

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from the death or resignation of any such Director or from a cause other than the expiration of the stated term of office of any such Director, within ninety (90) days following the occurrence of such vacancy), and cause a certified copy of such resolution to be filed with the governing body of Baldwin County, Alabama.

(c) The initial Board of Directors of The South Baldwin County Health Care Authority shall consist of those Directors last seated as Board of Directors of the South Baldwin County Hospital Corporation. Each initial Director's term shall expire on the date each respective Director's term would have expired had the Board of Directors of the South Baldwin County Hospital Corporation continued operations.

(d) Each Director's term shall be for six (6) years. In the case of a vacancy resulting from the death or resignation of a Director or from a cause other than the expiration of the stated term of office, the successor shall serve for the unexpired portion of the prior Director's term.

3.4 **Compensation:** Directors shall serve without compensation, except that actual reasonable expenses incurred in the performance of their duties as Directors shall be paid. However, to the extent deemed necessary by the Board of Directors, they may be employed by the Board of Directors other than in their capacity as a Director and compensated for their services as the Board of Directors may from time to time find necessary or desirable. Such employment of a director shall in no way be done when there is a conflict of interest.

3.5 **Annual Meeting:** The annual meeting of the Board of Directors shall be held on the fourth Wednesday in January, or at such other date designated by the Board, of each year at a

location designated by the Board. Standing and special committees shall make reports to the Board if reports on activities have not been previously presented and approved by board action.

3.6 **Regular Meeting:** The Board of Directors shall hold regular meetings at quarterly intervals on the fourth Wednesday of January, April, July, and October of each calendar year, or at other times as designated by the Board. Such meetings shall be held at a location and time designated by the Board.

3.7 **Special Meetings:** Special meetings may be called by the chairman or called at the written request of a majority of the directors. Written notice of a special meeting shall be delivered either in person, by U.S. mail, facsimile or electronic mail to each director at least three (3) days prior to the date of each special meeting and shall state the business or the transaction for which the special meeting is called. No business other than that stated in the notice shall be transacted at such special meeting. Provided, however, notice of special meetings may be waived by agreement of all members of the Board. At a special meeting where notice has been waived, any business or transaction which cannot reasonably be deferred until the next regular meeting may be considered by the Board.

3.8 **Quorum:** A quorum for the transaction of business shall consist of a majority of the members of the Board of Directors.

3.9 **Telephone and Electronic Meetings:**

(a) Any one or more members of the Board of Directors may attend a regular meeting or special meeting by telephone conference call, video conference or other electronic means which allows all persons participating in the meeting to hear each other, if his/her physical

presence at the meeting is prevented due to exceptional circumstances such as personal illness or emergency.

(b) If a meeting is to be held entirely by telephone conference call, video conference or other electronic means or it is apparent to the Board that one or more Board members may attend a meeting by telephone conference call, video conference or other electronic means, notice of the meeting shall indicate such and provide a call-in number or other instructions for participation.

(c) In the event that notice of the meeting has already been disseminated when it becomes apparent to the Board that one or more Board members' attendance may be by telephone conference call, video conference or other electronic means, the Board should provide notice of such to the Board and provide a call-in number or other instructions for participation as soon as practicable prior to the meeting unless such notice is impracticable.

(d) Board members who wish to attend a meeting by telephone conference call, video conference or other electronic means must give the Secretary at least twenty-four (24) hours' advance notice prior to the commencement of the meeting so that a call-in number may be established unless such advanced notice is impracticable or a call-in number has already been established.

(e) Participation by telephone conference call, video conference other electronic means shall be equivalent to physical presence in person at the meeting for purposes of determining whether a quorum is present. All board members attending meetings by telephone conference call, video conference or other electronic means shall be entitled to vote as if they were

personally and physically present at the meeting site so long as the telephone, video or other electronic connection exists and a quorum of the Board is otherwise present.

(f) The meeting minutes shall indicate the members of the Board who were either present or absent from the meeting and whether those members in attendance were physically present or present by telephone conference call, video conference or other electronic means.

(g) The location of the meeting included on the notice shall be equipped with a suitable speaker phone system or transmission system in order that the Board members in attendance will be able to hear any input, vote, or discussion of the telephone, video or other electronic conferencing.

(h) Nothing in this Section shall not be construed to mean that attendance by telephone or video conferencing or other electronic means shall be regularly used, or used at every meeting of the Board, but instead shall be used only as necessary to allow the participation of Board members who are unable to attend in physically person due to such circumstances as provided in this Section.

3.10 **Action without a meeting:** Any action that may be taken at a meeting of the Board of Directors may be taken without a meeting if authorized by a writing or writings signed by all of the Directors entitled to vote.

3.11 **Voting:** All questions at a meeting of the Board of Directors shall be decided by a majority vote of the Directors entitled to vote and present at the meeting.

3.12 **Proceedings:** All meetings shall be governed by Robert's Rules of Order.

3.13 **Minutes:** Minutes shall be recorded and maintained of all meetings and shall be signed by the Secretary. In the Secretary's absence, the minutes may be signed by another officer.

ARTICLE IV

4.1 **Officers:** The officers of The South Baldwin County Health Care Authority shall be a Chairman, Vice-Chairman, Secretary and Treasurer, and such other officers as the Board of Directors may authorize. The office of Chairman and Vice-Chairman can only be held by members of the Board. Officers shall be elected at the annual meeting and shall take effect at the first regular meeting after he has been elected. Officers shall hold office for a period of one year or until their successors shall have been duly elected or qualified.

(a) **Chairman:** The Chairman of the Board shall preside at all meetings of the Board and shall be a member ex officio of all standing committees of the Board. The Chairman may sign, alone or with the Secretary, or any proper officer of the Authority authorized by the Board, any deeds, mortgages, bonds, contracts or other instruments which the Board has authorized to be executed except in cases where the signing and execution thereof shall be expressly delegated by the Board or by these Bylaws or by statute to some other officer or agent of the Authority; and in general shall perform all duties incident to the office of Chairman of the Board and such other duties as may be prescribed by the Board of Directors from time to time.

(b) **Vice-Chairman:** The Vice-Chairman of the Board shall have the same powers and duties as the Chairman except that he shall preside at meetings of the Board only in the absence of the Chairman, and shall act in other matters only when the Chairman is incapacitated or unavailable. In addition, the Vice Chairman shall perform such other duties as from time to time may be assigned by the Chairman of the Board of Directors.

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(c) **Secretary:** The Secretary of the Board shall attend all meetings of the Board and record the minutes of all proceedings in a book to be kept for that purpose; shall give, or cause to be given, notice of all meetings of the Board; shall keep in safe custody the corporate seal and, when authorized by the Board, shall affix the same to any instrument requiring it and shall attest it; and shall perform all other duties as may be prescribed by the Board.

(d) **Treasurer:** The Treasurer shall keep correct and complete records of all accounts, showing accurately at all times the financial condition of the notes, securities and other valuables which may from time to time come into the possession of the Authority. He shall promptly deposit all funds of the Authority coming into his hands in some reliable bank or other depository to be designated by the Board of Directors and shall keep such bank account in the name of the Authority. He shall furnish at meetings of the Board of Directors and at other times when requested by them, a statement of the financial condition of the Authority. He shall have such additional duties and responsibilities as customarily devolve upon and shall have such additional powers and authorities as customarily vested in, the Treasurer of a business corporation, and shall have such other duties and responsibilities, powers and authorities as may be provided in these Bylaws or prescribed by the Board of Directors.

(e) **Multiple Officers:** Only the offices of secretary and of treasurer may be held by the same person.

4.2 **Absences:** In the case of absence or inability of any officer to act, the Board of Directors may delegate that officer's powers and duties to any other officer or director.

4.3 **Vacancies:** Vacancies in any office may be filled by the Directors at any regular or special meeting for the remainder of the vacant term.

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4.4 **Removal:** Any officer can be removed at any time for any cause by an affirmative vote of five Directors.

4.5 **Indemnification of Officers and Directors:** As partial inducement to the officers and directors of the Authority to accept such positions, the Authority shall henceforth be obligated to, and it hereafter shall, indemnify and hold harmless all officers and Directors of the corporation (including such person's estate and personal representatives), whether or not their terms as such officers or Directors shall have expired, if such persons are made or threatened to be made a party to any action or proceeding, whether civil or criminal, by reason of the fact that such person is or was an officer or Director of the Authority, or by reason of the fact that such person serves or served any other corporation or other entity or organization in any capacity at the request of the Authority while he was an officer or board member of the Authority, against all judgments, fines, amounts paid in settlement and reasonable expenses (including, without limitation, attorneys' fees actually and necessarily incurred) as a result of any such action or proceeding, or any appeal therein. Such indemnification shall be cumulative with any other rights of such persons. In addition, the Authority may, upon resolution duly authorized by the Directors of the Authority, indemnify other persons to the extent permitted by law. Nothing contained in this section shall permit the Authority to indemnify any officer, director or person in connection with (i) any malpractice action or proceeding arising out of or in any way connected with such person's practice of his profession; or (ii) an action or proceeding by the Authority in which a person is finally adjudicated by a court of competent jurisdiction to be liable to the Authority; or (iii) any other action or proceeding in which such person is finally adjudicated by a court of competent jurisdiction to be liable on the basis that personal benefit was improperly received by such person.

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ARTICLE V

5.1 **Committees:** The Board may by resolution name and appoint such committees as the Board deems appropriate. The Chairman of each committee shall be appointed or designated by the Chairman of the Board. Members and Chairman of committees shall be appointed to serve a term designated by the resolution of the Board until their successors are appointed.

5.2 **Checks:** All checks or demands for money or notes of the Authority shall be signed by such officer or officers as the Board may from time to time designate.

5.3 **Fiscal Year:** The fiscal year of the Authority shall begin on October 1st of each year and end on September 30th of the following year.

5.4 **Notices:**

(a) Whenever, under the provision of these Bylaws, notice is required to be given to any director, such notice must be written and delivered either in person, by U.S. mail, facsimile or electronic mail at least three (3) days in advance of the meeting.

(b) Any director may waive any notice required to be given under these Bylaws either before or after the meeting of which notice is required to be given.

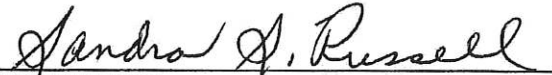
(c) The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need to be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by the Certificate of Reincorporation or by these Bylaws.

ARTICLE VI

6.1 **Amendment:** The Bylaws may be altered or amended by the affirmative vote of a majority of the entire Board at any regular meeting thereof or at any special meeting if the proposed alteration or amendment be contained in the notice of such meeting.

CERTIFICATION

I hereby certify the foregoing to be the Second Amended and Restated Bylaws of The South Baldwin County Health Care Authority which were adopted by the Board of Directors of the Authority on the 30th day of June, 2021.


SECRETARY

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CORPORATE RESOLUTION

The undersigned, as Secretary of The South Baldwin County Health Care Authority (the "Authority"), hereby certifies that the following resolution was adopted by the Board of Directors of the Authority on the 30th day of June, 2021;

WHEREAS, the Authority has determined that it is appropriate to adopt a Conflicts of Interest Policy.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

RESOLVED, that the Board of Directors of the Authority, in accordance with its Bylaws, does hereby approve and adopt the Conflicts of Interest Policy annexed hereto as Attachment 1, to be and remain in effect until amended or superseded.


Secretary

ATTACHMENT 1

APPLIES TO: Board of Directors, Officers, Members of Committees with Board Delegated Powers

PURPOSE

The South Baldwin County Health Care Authority (the "Authority") is a tax exempt organization and in order to maintain its federal tax exemption, it must engage primarily in activities which accomplish one or more of its tax-exempt purposes. In addition, members of the Board of Directors, and members of committees with Board delegated powers have a duty of loyalty to act in good faith in the best interests of the Authority. The purpose of the conflicts of interest policy is to protect the interest of the Authority when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an "interested person" as defined below. This policy is intended to supplement but not replace any applicable state laws governing conflicts of interest applicable to nonprofit and charitable corporations.

DEFINITIONS

Interested Person

Any Director or member of a committee with Board delegated powers of the Authority that have a direct or indirect financial interest, as defined below, is an "interested person."

Conflicts of Interest and Financial Interests

A conflict of interest exists if the interested person (or family member could benefit privately, directly or indirectly, from decisions of the Authority or relationships with the Authority. A conflict of interest can arise from a "financial interest" or from positions of power or control with organizations that do business (or want to do business) with the Authority.

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A person has a financial interest if the person has, directly or indirectly, through business, investment or family:

- (a) an ownership or investment interest in any entity with which the Authority has a transaction or arrangement, or
- (b) a compensation arrangement with the Authority or with any entity or individual with which the Authority has a transaction or arrangement, or
- (c) a potential ownership or investment interest in, or compensation arrangement with, or position of influence or control with, any entity or individual with which the Authority is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature.

A financial interest or a position of power or control is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if the appropriate board or committee decides that a conflict of interest exists.

PROCEDURES

Duty to Disclose

If actual or possible conflicts of interest arise, all interested persons must promptly disclose such conflicts. In connection with any actual or possible conflicts of interest, an interested person must disclose the existence of his or her financial interest or other potential conflict and all material facts to the directors and members of committees with Board delegated powers considering the proposed transaction or arrangement.

Examples of potential conflicts which must be disclosed include, but are not limited to: contracts to provide services to the Authority; relationships with persons who supply goods and services to the Authority; service on boards of directors of entities that do, or may, provide goods or services to the Authority, such as vendors, banks, and the like. If an interested person has a question about whether a relationship constitutes a possible conflict of interest, that person should disclose the relationship.

Determining Whether a Conflict of Interest Exists

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, the interested person shall leave the board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board or committee members shall decide if a conflict of interest exists.

Procedures for Addressing the Conflict of Interest

An interested person may make a presentation at the board or committee meeting but after such presentation, he shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement that results in the conflict of interest.

The chairman of the Board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

After exercising due diligence, the Board or committee shall determine whether the Authority can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest.

If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the Board or committee shall

determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the best interest of the Authority and for its own benefit and whether the transaction is fair and reasonable to the Authority and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination. In making such decision, the Board or committee shall rely on appropriate comparability data, and shall include such data in the record of its determinations.

Violations of the Conflicts of Interest Policy

If the Board or committee member has reasonable cause to believe that an interested person has failed to disclose actual or possible conflicts of interest, it shall inform the other members of the basis for such belief and afford the interested person an opportunity to respond and explain the alleged failure to disclose. If, after hearing the response and making such further investigation as may be warranted in the circumstances, the Board or committee determines that the interested person has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

RECORDS OF PROCEEDINGS

The minutes of the Board and all committees with Board delegated powers shall contain:

(a) The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the decision of the Board or committee as to whether a conflict of interest in fact existed; and

(b) The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives

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to the proposed transaction or arrangement, and a record of any votes taken in connection therewith; and

(c) If a conflict of interest exists, whether the Board or committee determined by a majority vote of the disinterested directors: (1) that the transaction or arrangement is in the best interest of the Authority and for its own benefit, and (2) that the transaction or arrangement is fair and reasonable to the Authority. Any interested persons cannot be present for the vote, and the minutes shall so indicate. In making its decision, the Board or committee shall rely on appropriate comparability data, and shall include such data in the minutes of the meeting.

COMPENSATION COMMITTEES

A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Authority for services are precluded from voting on matters pertaining to that member's compensation.

Physicians who receive compensation, directly or indirectly, from the Authority, whether as employees or independent contractors, are precluded from membership on any committee whose jurisdiction includes compensation matters. No physician either individually or collectively, is prohibited from providing information to any committee regarding physician compensation.

PERIODIC REVIEWS

To ensure that the Authority operates in a manner consistent with its charitable purposes and that it does not engage in activities that could jeopardize its status as an organization exempt from federal income tax, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

Whether compensation arrangements and benefits are reasonable and are the result of arm's-length bargaining.

Whether partnership, joint venture, and other arrangements conform to written policies, are properly recorded, reflect reasonable payments for goods and services, further the charitable purposes of the Authority and do not result in inurement or impermissible private benefit.

Whether agreements to further the charitable purposes of the Authority and do not result in inurement or impermissible private benefit.

USE OF OUTSIDE ADVISORS

In conducting the periodic reviews, the Authority may, but need not, use outside advisors.

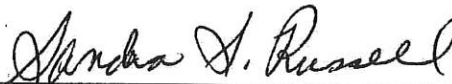
CORPORATE RESOLUTION

The undersigned, as Secretary of The South Baldwin County Health Care Authority (the "Authority"), hereby certifies that the following resolution was adopted by the Board of Directors of the Authority on the 30th day of June, 2021;

WHEREAS, the Authority has determined that it is appropriate to adopt a Corporate Governance Policy.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

RESOLVED, that the Board of Directors of the Authority, in accordance with its Bylaws, does hereby approve and adopt the Corporate Governance Policy annexed hereto as Attachment 2, to be and remain in effect until amended or superseded.


Secretary

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ATTACHMENT 2

INTRODUCTION

This Corporate Governance Policy has been adopted to assist Directors in exercising their responsibilities to the Authority. This policy is subject to modification from time to time.

FIDUCIARY DUTIES OF THE BOARD

Duty of Oversight: Directors govern the organization, and assure that the mission of the Authority is accomplished. The fundamental duty of the Directors is the duty of oversight, and it is the core of everything that a Director does.

Related Duties of Care, Loyalty and Obedience: These duties describe the manner in which Directors carry out their duty of oversight.

Duty of Care: This duty requires Directors to act in good faith with the care an ordinarily prudent person would exercise under similar circumstances, in a manner they reasonably believe is in the best interests of the Authority. It requires directors to make *reasonable inquiry* to obtain information necessary to make sound judgments and, having obtained the information, to act with care and attentiveness appropriate to the circumstances.

Duty of Loyalty: This duty requires Directors to discharge their duties in a manner designed to benefit only the Authority, and not themselves or their families or friends.

Duty of Obedience: This duty requires that the Directors understand the charitable mission of the Authority and act faithfully to further that mission.

All Directors are expected to conduct themselves in accordance with these fiduciary duties throughout their terms of office.

ATTENDANCE AT MEETINGS

The Board of Directors is relatively small, and the needs of the Authority are constant and ever changing. Directors are expected to attend Board meetings and meetings of committees to which they are assigned on a regular basis. If a Director is unable to attend three-fifths (3/5ths) of all Board meetings (or meetings of a committee to which the Board member is assigned) in any contiguous twelve (12) month period, that Director has the responsibility to meet with the Chairman of the Board to discuss whether the Director can continue to perform his duties.

MAKING DECISIONS

When making decisions, Directors are obligated to act in accordance with their fiduciary duties and on an informed basis. Whenever possible, materials related to agenda items will be provided to Directors sufficiently in advance of Board meetings where necessary to allow the Directors to prepare for discussion of the items at the meeting. Directors are expected to review any Board materials circulated prior to Board meetings before the meeting at which the materials will be discussed.

Directors are expected to ask questions and obtain information until they are satisfied that they have sufficient information on which to make a sound judgment. They are expected to be aware of what is going on around them in the business and to make reasonable inquiry, in the same manner an ordinarily prudent person would act under similar circumstances. When making decisions, they are obligated to act in what they believe is in the best interests of the Authority. Directors are entitled to rely on information, opinions, reports and other data prepared or presented by legal counsel, consultants and experts retained by the Board who are competent to present those matters to the Board.

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CONFLICTS OF INTEREST

Board members are obligated to act in the best interests of the Authority, and not to further their own interests. The Board shall adopt a Conflict of Interest Policy, and Board members shall be expected to follow it.