

SOUTHERN ILLINOIS HEALTHCARE ENTERPRISES, INC.
AND SUBSIDIARY CORPORATIONS

CORPORATE BYLAW PROVISIONS

SECTION 6.085; CONFLICT OF INTEREST

I. Conflict of Interest

- a. Statement of General Policy. This Corporation recognizes that it is natural for both actual or ostensible conflicts of interest to sometimes occur in the course of conducting the daily affairs of the Corporation. A conflict of interest is defined as referring only to personal, proprietary interests of the persons covered by this policy and their immediate families, (spouse, mother, father, children, brothers and sisters) and not to philosophical or professional differences of opinion. Conflicts will occur because the many persons associated with the Corporation do in fact have multiple interests and affiliations and various positions of responsibility within the community.
- b. Actual or Ostensible Conflicts. Conflicts of interest may be actual or ostensible. A conflict of interest, whether actual or ostensible, may reflect adversely upon the persons involved and upon the institutions with which those persons are affiliated, regardless of the actual facts or motivations of the parties. Conflicts of interest that are actual may potentially place the interest of the individual(s) above that of the corporate obligations to its corporate purpose(s) and to the public interest. It is decidedly not in the long-range best interests of the Corporation to terminate or cease all association with persons who may have actual or ostensible conflicts of interests, if however, there is a prescribed and effective method of rendering such conflicts, actual or ostensible, harmless to the Corporation, its corporate purposes, and the public interest.
- c. Affirmative Policy. It shall be the affirmative policy of the Corporation, therefore, not to prohibit conflicts of interest from occurring, but to require that they be disclosed fully when and as they are discovered or occur and to prohibit specified activities by such parties in the affairs of the Corporation. Such disclosure shall be made to the General Counsel of the Corporation annually and at such other times as may be required as the actual or ostensible conflict arises, using such forms as may be prescribed by the Board of Trustees.
- d. Coverage of this Policy. This policy shall apply to all Trustees, Directors, Corporate Officers, agents, and employees of the Corporation, including independent contract providers of services and materials. It shall be the affirmative obligation of executive management of the Corporation to publicize this policy to all such parties on a recurring basis.
- e. Disclosure of all Conflicts. All Trustees, Directors, Officers, agents and employees of the Corporation shall disclose all actual or ostensible conflicts of interest which they discover or have brought to their attention in connection with the Corporation's activities as soon as reasonably possible. "Disclosure" shall mean providing to the appropriate person, Board or committee a description of the facts comprising the actual or ostensible conflict. In the case of conflicts involving Officers, Directors, and Board members or their immediate families, the written notice of disclosure shall be filed with the Board Chair, the Secretary of the Corporation and the President. All other written notices of disclosure shall be filed with the Secretary of the Corporation or person designated by the Secretary from time to time to receive such notifications. All notices of conflict of interest received hereunder shall be noted for record in the minutes of a meeting of the Board of Trustees and any appropriate committee thereof.
- f. Prescribed Activity by Persons Having Conflicts. Where an individual Trustee, Director, Officer, agent or employee believes that individual or a member of that individual's immediate family might have or does have an actual or ostensible conflict of interest, that individual should in addition to filing the notice of disclosure required under this provision, abstain from making motions, voting, executing agreements on behalf of the Corporation, or taking any other similar direct action on behalf of the Corporation where the conflict might pertain. At any time an item comes up for business before the Board or the member in which a person has a conflict, such person shall not participate in voting on the matter. Where any person requests in writing, or upon

its own initiative, the Board at any time in special cases may establish further guidelines for the resolution of any real or apparent conflicts of interest consistent with the interest of the Corporation.

- g. Procedure. Any Trustee, Director or Officer having an actual or ostensible conflict of interest on any matter shall not vote on a matter and shall not be counted in determining a quorum for the meeting. It is anticipated that the Trustee, Director or Officer having such actual or ostensible conflict of interest, shall have an opportunity to explain the actual or ostensible conflict and then will leave; and be available to answer any questions from other Board members, if any. The minutes of the meeting should reflect that disclosure was made and abstention from voting and quorum determination.

The forgoing requirements shall neither be construed as preventing the Trustee, Director or Officer from revealing the conflict, stating the position in the matter, nor from answering pertinent questions of other Board members.

This policy shall be reviewed annually for the information and guidance of Trustees, Directors and Officers, and any new Trustee, Director or Officer shall be advised of this policy to the duties of office.

If there are any questions concerning a particular situation or proposed transaction which may result in an actual or ostensible conflict of interest, the Trustee, Director or Officer should contact the Corporation's General Counsel. If a conflict exists and is not resolved it shall be brought to the attention of the Chair of the Board by any person having knowledge or information.

Copies of this policy statement shall be sent to each Trustee, Director or Officer and management person at least once per year, with the requirement that they complete a certificate which confirms that they understand this policy, agree to comply with it, indicate any known conflicts, and have no knowledge of any additional violation of this policy. In the case of a real or ostensible conflict of interest situation, the Trustee, Director, Officer or management person and others affected by this policy shall complete a specific disclosure notice.

- h. Special Note. Certain approval levels for financial transactions may be approved by the Board from time to time. Such resolution with delegation of authority to commit assets of the Corporation shall not supersede the policy and any business with Board members, even while under said limits, shall require full disclosure and approval by the Board of Trustees prior to execution of any agreements, payments, etc.

SECTION 6.100; CONFIDENTIALITY POLICY

The Corporation recognizes that confidential information will be disseminated and shared from time to time and it is important to the continuing vision, vitality and viability of the Corporation that such information remain confidential. It shall be the policy of this Corporation that confidential information shall not be disclosed, transmitted, or used to personal or competitive advantage by any Trustee, Director, Officer, management person or employee of the Corporation and shall not be disclosed to any competitor or potential competitor. The Corporation may require any Trustee, Director, Officer, management person or employee of the Corporation to sign a statement that confirms that they understand and agree to comply with this policy.