

**RESOLUTION 2024-11-18**

**RESOLUTIONS OF**

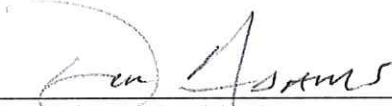
**COMMISSIONERS OF MORGAN COUNTY, INDIANA**

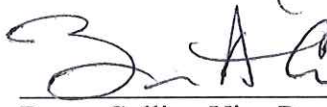
**Approval of Affiliation Agreement Amendment**

WHEREAS, the Commissioners of Morgan County, Indiana (the “**Commissioners**”), having received and reviewed the First Amendment to that certain Affiliation Agreement by and among Indiana University Health Morgan Hospital, Inc., n/k/a Indiana University Health Morgan, Inc., Indiana University Health, Inc., and Morgan County, Indiana, dated June 28, 2011, in the form presented to the Board (“**Affiliation Agreement Amendment**”), has determined that the Affiliation Agreement Amendment is advisable and in the best interests of Morgan County and its residents;

NOW, THEREFORE, IT IS HEREBY RESOLVED, that the Commissioners approve the Affiliation Agreement Amendment), and authorize one or more of the Commissioners to execute and deliver on behalf of Morgan County the Affiliation Agreement Amendment, and any and all other documents necessary or desirable to effect the foregoing.

**MORGAN COUNTY BOARD OF COMMISSIONERS**

  
\_\_\_\_\_  
Don Adams, President

  
\_\_\_\_\_  
Bryan Collier, Vice President

  
\_\_\_\_\_  
Kenny Hale, Commissioner

  
\_\_\_\_\_  
Linda Pruitt, Morgan County Auditor

## **FIRST AMENDMENT TO AFFILIATION AGREEMENT**

This First Amendment to Affiliation Agreement (this "**Amendment**") is entered into as of [REDACTED], 2024 (the "**Amendment Effective Date**"), by and among Indiana University Health, Inc., an Indiana nonprofit corporation ("**IU Health**"), Indiana University Health Morgan, Inc., an Indiana nonprofit corporation ("**IU Health Morgan**"), and the Board of Commissioners of Morgan County ("**Commissioners**"), acting on behalf of Morgan County, Indiana ("**Morgan County**"), as the former operator of Morgan Hospital and Medical Center ("**MHMC**"). IU Health, IU Health Morgan and Morgan County are sometimes referred to individually as a "**Party**" and collectively as the "**Parties**." Capitalized terms used in this Amendment but not defined in this Amendment will have the meanings assigned to them in the Affiliation Agreement (as defined below).

### **Recitals**

A. IU Health, IU Health Morgan and Morgan County entered into that certain Affiliation Agreement, dated June 28, 2011 (the "**Affiliation Agreement**"), pursuant to which, as more particularly set forth in the Affiliation Agreement, Morgan County transferred to IU Health Morgan the assets formerly owned and operated by Morgan County through MHMC;

B. Although, as previously approved by IU Health Morgan's Board of Directors, IU Health Morgan discontinued operation of its formerly licensed hospital, following the transfer of MHMC's assets to IU Health Morgan, IU Health Morgan has continued to maintain business and health care operations in Morgan County for the benefit of Morgan County residents;

C. As a part of its strategic plan and goal to increase the efficiency of its operations statewide, IU Health is in the process of streamlining its governance structure;

D. IU Health, IU Health Morgan and Morgan County have discussed a proposal to merge IU Health Morgan with and into IU Health, and the Parties are supportive of this proposal;

E. Following the proposed merger of IU Health Morgan into IU Health (the "**Merger**"), IU Health will continue to maintain business and health care operations in Morgan County for the benefit of Morgan County residents; and

F. IU Health, IU Health Morgan and Morgan County have discussed and agreed upon modifications to the Affiliation Agreement, and the Parties now desire to memorialize and incorporate those modifications into the Affiliation Agreement through this Amendment.

### **Amendment**

NOW, THEREFORE, in consideration of the foregoing recitals, which are an integral part of this Amendment, the provisions set forth in this Amendment, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. IU Health Morgan Governing Documents. As a result of the Merger, IU Health Morgan will cease to exist as a separate entity and the IU Health Morgan Board of Directors will cease to exist. Accordingly, the Parties agree that, as of the effective time of the Merger, the Affiliation Agreement is hereby amended to remove any requirements for or related to IU Health Morgan's organizational documents or the existence or composition of IU Health Morgan's Board of Directors.

2. IU Health Morgan County Fund. Following the effective time of the Merger:

(a) IU Health or an affiliate will transfer \$4.8 million to the "IU Health Morgan County Fund" to be maintained by the Indiana University Health Foundation, Inc. (the "**Foundation**"), which will be used to promote the health care needs of the residents of Morgan County, consistent with the approach used by IU Health from time to time for its other regions in the State of Indiana.

(b) The Foundation will create an IU Health Morgan County Philanthropy Council, which will include Morgan County residents who will advise the Foundation on the use of revenue generated by the IU Health Morgan County Fund for projects to promote the health of Morgan County residents. Consistent with the approach used by IU Health from time to time for other regions in the State of Indiana, within five (5) years following the effective date of the Merger, the IU Health Morgan County Philanthropy Council will be transitioned and integrated into the IU Health South Central Region Philanthropy Council.

(c) All philanthropic and other community commitments made by IU Health or IU Health Morgan in the Affiliation Agreement are hereby replaced by the commitments to be made, and the projects to be funded, using IU Health Morgan County Fund proceeds.

3. Effective Amendment. The Parties agree that (a) this Amendment has been duly prepared and executed in accordance with the terms of the Affiliation Agreement, (b) the provisions of this Amendment are consistent with the Parties' best interests, and (c) no other amendments to the Affiliation Agreement are required to enable each Party to meet any continuing obligations a Party may have under the Affiliation Agreement.

4. No Other Modifications. Except as otherwise set forth in this Amendment, all other provisions of the Affiliation Agreement shall remain unchanged.

5. Joint Drafting/Interpretation. Each Party acknowledges and agrees that this Amendment will be deemed to have been jointly prepared by the Parties and their respective legal counsel and will not be strictly construed against any Party.

6. Advisors Consulted. Each Party hereby acknowledges and agrees that each (a) has read this Amendment in its entirety prior to executing it, (b) understands the provisions and effects of this Amendment and (c) has consulted with such attorneys, accountants, and other financial advisors as each has deemed appropriate in connection with such Party's execution of this Amendment.



**IN WITNESS WHEREOF**, Indiana University Health, Inc., Indiana University Health Morgan, Inc., and Morgan County, Indiana, have caused this Amendment to be executed by their duly authorized representatives effective as of the first set forth above.

**Indiana University Health, Inc.**

By: \_\_\_\_\_  
[Printed, Title]

**Morgan County, Indiana**

By: Don Adams  
[Printed, Title]  
Don Adams, Commissioner President

**Indiana University Health Morgan, Inc.**

By: \_\_\_\_\_  
[Printed, Title]