

**FILED EFFECTIVE**

06 MAR 13 PM 2: 57

**ARTICLES OF INCORPORATION**

**OF**

SECRETARY OF STATE  
STATE OF IDAHO

**St. Luke's Magic Valley Regional Medical Center, Ltd.  
An Idaho Nonprofit Corporation**

The undersigned, acting as incorporator of a nonprofit corporation ("corporation") organized under and pursuant to the Idaho Nonprofit Corporation Act, Title 30, Chapter 3, Idaho Code ("Act"), adopts the following Articles of Incorporation for the corporation.

**ARTICLE I**

Name of the corporation: St. Luke's Magic Valley Regional Medical Center, Ltd.

**ARTICLE II**

The corporation is a nonprofit corporation. The corporation shall have no capital stock and no shares of stock in the corporation shall be issued. The period of duration of the corporation shall be perpetual.

**ARTICLE III**

The corporation shall be a membership corporation, and its sole member shall be St. Luke's Health System, Ltd., an Idaho nonprofit, charitable corporation.

**ARTICLE IV**

In the event of the dissolution of this corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the corporation, distribute all of the assets of the corporation to such organization(s) organized and operated exclusively for charitable, educational, religious or scientific purposes as shall at the time qualify as tax exempt organization(s) under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), pursuant to the terms set forth in the Sale and Lease Agreement to Create a New Health System dated as of March 16, 2006, among the Corporation, St. Luke's Health System, Ltd., St. Luke's Regional Medical Center, Ltd., Twin Falls County, on behalf of itself and its owned hospital, Magic Valley Regional Medical Center, and Twin Falls Health Initiatives Trust, Ltd. (the "Sale and Lease Agreement"). If the Sale and Lease Agreement is no longer in force or effect, then the Board of Directors shall dispose of all of the assets of the corporation to such tax exempt organizations as a supermajority (2/3) vote of all the Board of Directors shall determine, subject to a supermajority (2/3) vote of all of the board of directors of the member. Any such assets not so disposed of shall be distributed as the Board of Directors shall determine to such other charitable, educational or scientific organization or organizations as qualify at the time as

1 - ARTICLES OF INCORPORATION OF

ST. LUKE'S MAGIC VALLEY REGIONAL MEDICAL CENTER, LTD.

SLMVRMC-Articles.2.DOC; March 13, 2006

IDAHO SECRETARY OF STATE  
03/13/2006 05:00  
CK: 1100005964 CT: 71254 BH: 942890  
1 @ 30.00 = 30.00 INC NONP # 3  
1 @ 20.00 = 20.00 EXPEDITE C # 4

C165589

exempt from federal income tax under Section 501(c)(3) of the Code, or any successor statute, subject to a supermajority (2/3) vote of all of the board of directors of the member.

## ARTICLE V

This corporation is organized and shall be operated exclusively for charitable, scientific and educational purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Code.

This corporation shall not engage in any activity which is not permitted to be engaged in by a corporation exempt from federal income tax under Section 501(c)(3) of the Code; by a corporation, contributions to which are deductible under Section 170(a) of the Code by virtue of its being an organization described in Section 170(c)(2) of the Code; or by a nonprivate foundation described in Section 509(a)(1), (2) or (3) of the Code.

This corporation shall not carry on propaganda or otherwise attempt to influence legislation to such extent as would result in the loss of exemption under Section 501(c)(3) of the Code. The corporation shall not participate in nor intervene in (including the publication or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office.

No part of the net earnings of the corporation shall inure to the benefit of or be distributable to its directors, officers or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of its purposes.

## ARTICLE VI

The corporation shall be managed by a Board of Directors. The names and addresses of the persons constituting the initial Board of Directors are as follows:

<u>NAME</u>	<u>ADDRESS</u>
Larry Cope	190 East Bannock, Boise, ID 83712
Edwin E. Dahlberg	190 East Bannock, Boise, ID 83712
Skip Oppenheimer	190 East Bannock, Boise, ID 83712
Brent Jussel	190 East Bannock, Boise, ID 83712

The Board of Directors shall be appointed in the manner provided in the bylaws, and their appointment (except for the BOCC Appointee, as defined in the bylaws) shall be approved by the member. The Board of Directors shall serve for the term provided in the bylaws.

## ARTICLE VII

The personal liability of the Directors to the corporation or the member for monetary damages for breach of fiduciary duty as a Director shall be limited to the fullest extent permitted under the Act.

## ARTICLE VIII

The corporation shall indemnify its directors and officers, employees and agents from and against all liability and expenses in the manner provided in the bylaws.

## ARTICLE IX

These Articles of Incorporation shall be amended, restated, altered or repealed only by the Board of Directors of this corporation, subject to the approval of the member of this corporation and subject to the applicable provisions of the Sale and Lease Agreement.

## ARTICLE X

The name and address of the corporation's initial registered agent and office is Janine Sarti, 190 East Bannock, Boise, ID 83712.

## ARTICLE XI

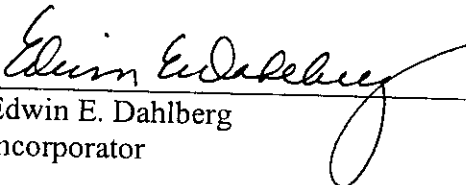
The name and address of the incorporator is:

Edwin E. Dahlberg, 190 East Bannock, Boise, ID 83712

## ARTICLE XII

Provisions for the regulation of the internal affairs of the corporation shall be set forth in the bylaws.

DATED this 13 day of March, 2006.

  
Edwin E. Dahlberg  
Incorporator