

ARTICLES OF INCORPORATION
OF
VIRGINIA HALL NURSING HOME
(A Non-Profit Corporation)

STATE OF LOUISIANA :

PARISH OF CADDO :

BE IT KNOWN, that on this 19th day of September, 1985, before me, a Notary Public in and for Caddo Parish, Louisiana, personally came and appeared the undersigned incorporator, who declared, in the presence of the undersigned competent witnesses, that availing itself of the provisions of Louisiana Revised Statutes (1950), Title 12, Sections 201 through 269, inclusive, as amended, it does hereby organize a non-profit corporation as defined in R.S. 12:201 (7), under and in accordance with these Articles of Incorporation:

ARTICLE I - NAME

The name of this corporation is

VIRGINIA HALL NURSING HOME

ARTICLE II - PURPOSES

This corporation is organized exclusively for and will be operated exclusively for charitable purposes and for the operation of a nursing home and old age home, and including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).

No part of the net earnings of this corporation will inure to the benefit of private shareholders or individuals, nor shall it ever be operated for the benefit of private interests.

The corporation will not, as a substantial part of its activities, attempt to influence legislation or participate to any extent in a political campaign for or against any candidate for public office.

ARTICLE III - NATURE OF THE CORPORATION

This is a non-profit corporation organized under the laws of the State of Louisiana, not involving pecuniary benefit or gain to its members, and not paying dividends or other pecuniary remuneration to its members; provided that the corporation may pay reasonable compensation or salaries for services rendered.

ARTICLE IV - DURATION

The corporation shall enjoy perpetual corporate existence.

ARTICLE V - REGISTERED OFFICE

The location and post office address of its registered office is

2715 Virginia Avenue
Shreveport, Caddo Parish, Louisiana 71103

ARTICLE VI - REGISTERED AGENT

The full name and post office address of its registered agent is

Rosalind B. Foster
2715 Virginia Avenue
Shreveport, Louisiana 71103

ARTICLE VII - BASIS OF ORGANIZATION

- (a) This corporation shall be organized on a non-stock basis.
- (b) No dividends or other similar pecuniary remuneration shall be paid to any members nor shall the members be entitled, during the existence of the corporation, to any portion of the earnings of the corporation derived through increment of value on its property or otherwise incidentally made, nor shall the corporation be permitted to distribute its net assets to its members upon dissolution.
- (c) The corporation shall have only one class of members, whose qualifications are as follows: members shall be persons, firms or corporations which reside in, work in, own property in, or otherwise are especially interested in the sick and elderly people of this region; all of these members shall have the right to vote.
- (d) The initial member of this corporation is Willis-Knighton Medical Center, a non-profit corporation, domiciled in Caddo Parish, Louisiana, with mailing address at 2600 Greenwood Road, Shreveport, Louisiana 71103. The

requirements for becoming a member of the corporation, the rules of admission, retention, suspension and expulsion, the number of members, and other matters incidental to membership in the corporation shall be prescribed by the by-laws.

ARTICLE VIII - DUES AND ASSESSMENTS

The corporation may levy dues or assessments, or both, upon the members, only in accordance with authority conferred by the by-laws. All matters pertaining to dues and assessments and the enforcement of same shall be regulated in the by-laws of the corporation.

ARTICLE IX - MEETINGS OF VOTING MEMBERS

(a) At least one meeting of the voting members shall be held in each calendar year for the election of directors, the time for which shall be fixed in the by-laws.

(b) The place of holding meetings of the members, the time, dates, and notices of the meetings, the method of calling the meetings, requirement for quorum, and all other matters pertaining to meetings of the members, both regular and special, shall be as prescribed by the by-laws.

ARTICLE X - DIRECTORS

(a) The names of the first directors and their post office addresses are as follows:

Ray P. Oden, Jr.
833 Thora Boulevard
Shreveport, Louisiana 71106

John A. Luster
214 Whitfield Drive
Natchitoches, Louisiana 71457

Albert L. Bicknell, M.D.
4520 Fairway Drive North
Shreveport, Louisiana 71109

George D. Nelson
2770 Fairfield Avenue
Shreveport, Louisiana 71104

Ralph F. Caldwell
1808 Park Avenue
Monroe, Louisiana 71201

Tigner Walker
3320 Flournoy-Lucas Road
Shreveport, Louisiana 71118

James K. Elrod
347 Millicent Way
Shreveport, Louisiana 71106

P. V. Blanchard
932 Monrovia
Shreveport, Louisiana 71106

Sam L. Gill, M.D.
4458 Richmond Avenue
Shreveport, Louisiana 71106

Richard M. Davis
8312 North Park Lane
Shreveport, Louisiana 71107

Donald L. Hall, M.D.
6611 Gilbert Avenue
Shreveport, Louisiana 71106

These directors shall serve for a period of one year and until their successors are chosen and have qualified.

(b) The number, qualifications, terms of office, manner of election, compensation, and powers and duties of the directors, the time, place and manner of calling, giving notice of and conducting directors' meetings and the number of directors which shall constitute a quorum shall be prescribed by the by-laws. Directors may also be called Trustees, the two names being synonymous for all corporate purposes.

ARTICLE XI - OFFICERS

The Board of Directors shall elect a President, a Vice-President, a Secretary and a Treasurer, and may elect any other officers, assistant officers and agents as may be authorized in the by-laws. The by-laws may prescribe special qualifications for each officer. Any two or more offices may be held by the same person except the office of President and Secretary.

ARTICLE XII - BY-LAWS

The Board of Directors shall have authority to make and alter by-laws, including the right to make or alter by-laws fixing their qualifications, classification or term of office, or fixing or increasing their compensation for services rendered, subject to the power of the members to change or repeal the by-laws so made.

ARTICLE XIII - LIABILITY OF MEMBERS

No member shall be personally liable for the obligations of the corporation.

ARTICLE XIV - INCORPORATORS

The name and post office address of the incorporator of this organization is as follows:

Willis-Knighton Medical Center
2600 Greenwood Road
Shreveport, Louisiana 71103

Willis-Knighton Medical Center is a non-profit corporation, domiciled in Shreveport, Caddo Parish, Louisiana.

ARTICLE XV - DISSOLUTION

Upon the dissolution of the corporation, the corporation shall, after paying or making provision for the payment of all of the liabilities of the

corporation, dispose of all of the assets of the corporation exclusively for the purposes of the corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious, or scientific purposes as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provisions of any future United States Internal Revenue Law), as the corporation shall determine. Any of such assets not so disposed of shall be disposed of by a court of competent jurisdiction of the County (or Parish) in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

THUS DONE AND SIGNED at my office in the State and Parish aforesaid on the day, month and year hereinabove set forth, in the presence of the undersigned competent witnesses and me, Notary, after due reading of the whole.

WITNESSES:

Patricia L. Cascio
PATRICIA L. CASCIO
May S. Stacy
MAY S. STACY

WILLIS-KNIGHTON MEDICAL CENTER

By: Ray P. Odum
RAY P. ODUM, CHAIRMAN OF THE BOARD

T.K. Giddens, Jr.
T.K. Giddens, Jr. Notary Public in and for
Caddo Parish, Louisiana

BY-LAWS

OF

VIRGINIA HALL NURSING HOME

A Louisiana Non-Profit Corporation,
organized on September 19, 1985
Domiciled in Shreveport, Caddo Parish, Louisiana

ARTICLE I - CORPORATION

Section 1

This corporation is organized exclusively for and will be operated exclusively for charitable purposes and for the operation of a nursing home and old age home, and including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).

No part of the net earnings of this corporation will inure to the benefit of private shareholders or individuals, nor shall it ever be operated for the benefit of private interests.

The corporation will not, as a substantial part of its activities, attempt to influence legislation or participate to any extent in a political campaign for or against any candidate for public office.

This is a non-profit corporation organized under the laws of the State of Louisiana, not involving pecuniary benefit or gain to its members, and not paying dividends or other pecuniary remuneration to its members; provided that the corporation may pay reasonable compensation or salaries for services rendered.

Section 2

Primarily, the corporation shall serve Northwest Louisiana, but it also may serve and shall serve patients from Arkansas and Texas, as well as patients from other states. No patient is denied admission on basis of residence, race, color, creed or national origin. No emergency admission is denied on the basis of residence, race, color, creed, national origin or ability to pay.

Section 3

The corporation shall have only one class of members, whose qualifications are as follows: members shall be persons, firms or corporations which reside in, work in, own property in, or otherwise are especially interested in the sick and elderly people of this region; all of these members shall have the right to vote.

The initial member of this corporation is Willis-Knighton Medical Center, a non-profit corporation, domiciled in Caddo Parish, Louisiana, with mailing address at 2600 Greenwood Road, Shreveport, Louisiana 71103. Additional members may be added not to exceed a total of thirteen (13) in number (including the initial member or its replacement), by affirmative vote of the members.

Section 4

The annual meeting of the membership shall be held in the month of May for the purpose of appointing and electing the Board of Trustees (synonymous with the word "Director" or "Directors" as used under Louisiana Law). At least ten (10) days written notice shall be given to all members prior to the annual meeting.

Section 5

Special meetings of the members may be called, as needed, by any member and upon giving ten (10) days written notice to the other members.

ARTICLE II - BOARD OF TRUSTEES*

Section 1

The affairs of this corporation shall be managed by a Board of Trustees composed of not less than seven (7) or more than thirteen (13) members who

*Synonymous with Board of Directors
under Louisiana Law

shall be appointed and elected by vote of two-thirds (2/3) of the members of the corporation, and the corporation members shall determine the term of office of each member who is appointed or elected to the Board of Trustees.

Upon death, resignation or termination of office for any cause of a Trustee prior to the expiration of the term for which he was appointed, his successor may be elected and appointed by a two-thirds (2/3) vote of the members to finish the term of the member who was succeeded.

Members of the Board of Trustees are expected to be regular in their attendance at all duly called meetings of the Board, and in the event a member fails to attend three (3) consecutive meetings he shall be considered as having resigned his office and have no further official standing as a member of the Board unless reasons beyond his control prevented his attendance, in which event he may be reinstated and accorded full privileges of membership on the Board of Trustees upon the affirmative vote of two-thirds (2/3) of the other members. In the event the membership of a member of the Board of Trustees is terminated for this cause, his successor for the remaining period of his term shall be appointed as above provided.

The present policy of the membership is to elect the members to the Board for a term of two (2) years. Qualifications for membership on the Board is the same as for membership in the corporation.

The Board of Trustees is also sometimes referred to as the "Governing Body" or "Governing Board."

Section 2

The administrative powers of the corporation shall be vested in the Board of Trustees, which shall have charge, control, and management of the property, affairs, and funds of the corporation; shall fill vacancies among

the officers for unexpired terms; and shall have the power and authority to do and perform all acts and functions not inconsistent with these by-laws or with any action taken by the corporation. However, having carefully selected a qualified Chief Executive Officer and granted him executive authority, the Board of Trustees as a whole relinquishes the right to deal directly with any other person or department in the nursing home.

Section 3

The Board of Trustees (Directors) may authorize any officer of the corporation to borrow money, purchase immovable property, or sell, lease encumber or otherwise alienate any of the immovable property of the corporation. The Board of Trustees shall have full and complete authority to manage, purchase and acquire, sell, lease, encumber or otherwise alienate any and all property of the corporation, Virginia Hall Nursing Home.

ARTICLE III - MEETINGS OF THE BOARD OF TRUSTEES

Section 1

All meetings shall be held at the Willis-Knighton Medical Center, 2600 Greenwood, Shreveport, Louisiana, or at such place as may be designated from time to time by the chairman of the Board of Trustees.

Annual meeting of the Board of Trustees shall be held immediately after the annual meeting of corporate members.

Regular meetings of the Board of Trustees shall be held as required, upon proper notice.

Notice of regular and annual meetings shall be in writing and sent at least ten (10) days prior to meeting.

Special meetings of the Board of Trustees may be called for at any time by the Chairman of the Board, or the President, or any three (3) Trustees, upon giving not less than twenty-four (24) hours written notice. In case of a serious emergency, certified by the chairman and the president, twenty-four (24) hours notice by telephone shall suffice.

Any required notice of any meeting may be waived in writing at any time.

Section 2

A quorum consists of a majority of the number of members of a body. A majority vote by the quorum suffices for the taking of action, except where the Articles of Incorporation require a specified percentage.

Section 3

Conflict of interest: when any member of the Board of Trustees believes that he has any personal financial interest, relationship, or involvement in any project or project proposal or any other issue before the Board, that member shall disclose the fact of such interest, relationship or involvement and shall be required to absent himself from discussion of the project, proposal, or issue unless, as a matter of record, he has been specifically invited to participate after the fact of such interest, relationship or involvement has been fully disclosed. Any member of the Board having disclosed such interest, relationship, or involvement in any project, proposal or issue before the Board shall be disqualified from voting on the project, proposal or issue.

ARTICLE IV - OFFICERS

Section 1

Officers of the corporation shall be a Chairman of the Board, Vice-Chairman of the Board, President, Secretary-Treasurer, and Assistant

Secretary-Treasurer, and such other officers as the Board of Trustees deems advisable. The same person may hold one or more of the above offices at the same time. Officers may, but are not required to be, members of the Board of Trustees.

Officers shall serve for a term of two (2) years upon election at an annual meeting of the Board of Trustees immediately following an annual members meeting.

Section 2

The chairman shall preside at all meetings whether of the corporation or of the governing board, and shall be, ex officio, a member of all committees.

Section 3

The vice-chairman shall act as chairman in the absence of the chairman, and when so acting, shall have the power and authority of the chairman.

Section 4

The president shall be the chief executive officer of the corporation and shall execute all documents issued in the corporate name, and he shall discharge all other duties and have such other powers as the Board of Trustees may prescribe.

Section 5

The secretary-treasurer shall keep accurate and current records of the minutes of meetings; shall issue notices and shall produce his records for the inspection of any officer, Trustee or member upon request. He shall have such other powers and perform such other duties as the Board may prescribe. In addition, the secretary-treasurer shall receive all monies payable to the corporation, have custody thereof, and shall keep a correct and accurate

account of all funds received and disbursed and shall prepare and submit such financial statements as the Board requires. He shall timely prepare and file all tax returns and renditions required by law. If the Board of Trustees so requires, the Treasurer shall give satisfactory bond in such amount as the Board may fix. Persons elected as assistant secretary-treasurer shall be vested with all powers and required to perform all the duties of the secretary-treasurer in his absence or disability, and shall perform such other duties as shall be prescribed by the Board of Trustees including all duties of secretary-treasurer.

Section 6

The Board of Trustees may employ such other officers including additional vice-presidents, for such compensation as they deem reasonable and advisable and they may delegate to such persons such title and powers not inconsistent with these by-laws or the Articles of Incorporation, as the Board sees fit.

ARTICLE V - AMENDMENTS

Section 1

These by-laws of the corporation and governing board may be amended or supplemented by affirmative vote of a two-thirds (2/3) majority of the members present, or represented by proxy, at the annual meeting or any special meeting of the corporation.

ARTICLE VI - SUPREMACY

Section 1

These by-laws and all others hereinafter adopted are enacted pursuant to the Articles of Incorporation, and in case of any conflict the Articles of Incorporation shall govern, said Articles of Incorporation being expressly incorporated herein by reference.