Updated Attachment 46-4

[Mission Health System Letterhead]

[Board Chair Name
Grantee Organization Name
Street Address
City, State, Zip]

Dear [Chair Name]:

I am pleased to inform you that the Board of Directors of [Mission Health System, Inc.] (the "Board") unanimously approved a restricted grant of $10,000,000 to be paid in two, $5,000,000 installments in 2020 and 2021 (the "funds") to [Grantee Organization Name] (the "Grantee"). Receipt of the restricted grant in 2020 and 2021 is subject to the Grantee's acceptance of the terms and conditions set forth in this letter, and contingent upon the Grantee's pursuit of the program outcomes outlined below.

General Terms and Conditions

1) Grantee warrants that Grantee (a) is a tax-exempt organization as described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code") and is further classified as a public charity within the meaning of Section 509(a)(1) of the Code, and (b) that receipt of this grant will not adversely affect Grantee's current status under the Code. The Grantee is incorporated in North Carolina.

2) Grantee must furnish to the Grantor any information concerning a change or proposed change in Grantee's classification under the Code, including the results of the Grantee's reclassification from a 509(a)(3) supporting organization to a 509(a)(1) public charity. Should any change in status occur other than reclassification from a 509(a)(3) supporting organization to a 509(a)(1) public charity, the Grantor reserves the right to withhold future payments and/or have unexpended grant funds returned to the Grantor.

3) All expenditures made by the Grantee from this grant must be used only within the terms and conditions set forth herein. Any funds not used or committed pursuant to the terms and conditions must be returned to the Grantor.

4) All grant funds must be expended for charitable, scientific, literary, or educational purposes, as those terms are defined in the Code.

5) Grantee may not use grant funds nor any income earned thereon to:

   i) carry on propaganda or otherwise attempt to influence legislation (within the meaning of Section 4945(d)(1) of the Code),

   ii) influence the outcome of any specific public election or to carry on, directly or indirectly, any voter registration drive (within the meaning of Section 4945(d)(2) of the Code),

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iii) make grants to individuals or to other organizations that do not comply with the requirements of Section 4945(d)(3) or (4) of the Code, or

iv) undertake any activity other than for a charitable, educational, literary, or scientific purpose specified in Section 170(c)(2)(B) of the Code.

6) Grantee agrees to furnish to Grantor a written plan demonstrating progress toward sustainability prior to receipt of the funds. This plan should include:

i) A strategy for achieving geographic, ethnic, and gender diversity in its Board membership, such as:

(1) Inclusion of at least one Board Member from each county in the Foundation's [##] county region in Western North Carolina; and

(2) Inclusion of individuals with varieties of professional expertise, cultural backgrounds, life experiences, and geographic reach;

ii) A plan for community outreach to better understand the needs of its [##] county region in Western North Carolina;

iii) A fundraising plan to achieve sustainability, including:

(1) Planned fundraising activities;

(2) Types of donors solicited and partnerships established, such as individuals, corporations, foundations, and government;

(3) Types of solicitations made, such as mail campaigns, email campaigns, special events, and face-to-face solicitation meetings; and

(4) Grants solicited from foundations, donor-advised funds, government entities, or corporations.

7) Grantee agrees to furnish quarterly written reports to Grantor as to the use, results, or progress of projects financed by this grant. This report should contain a brief narrative about projects and a financial accounting of the expenditure of funds. Additional reports should be submitted quarterly until all grant funds have been expended. Grantee also agrees to provide any additional information reasonably requested by the Grantor.

8) Grantee agrees to keep its financial and other records so that they adequately reflect that the funds were used exclusively for the grant's purposes.

9) The Grantor retains the right to release information regarding this grant to any public media. Grantee will submit to the Grantor all materials for publication or broadcast related to the grant for approval at least ten (10) business days prior to the intended date of publication or broadcast or submission for publication or broadcast. Grantee agrees to

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forward to the Grantor copies of any news releases, published materials, or media articles mentioning this grant that come to the Grantee's notice or attention.

10) Grantee hereby agrees to release, indemnify, defend and hold harmless the Foundation, its affiliates, their officers, trustees, directors, managers and employees from and against all claims, damages or injuries to persons or property of the Foundation, its affiliates, Grantee or any third party arising out of (directly or indirectly) or related in any way to the actions or omissions of Grantee, its officers, directors, employees or agents under this grant or related to the project.

11) If the conditions set forth herein are not upheld or if the Grantor determines, in its sole discretion, that the grant funds are not being used in an effective and efficient manner to further the purposes of the grant, the Grantor may (a) terminate any and all further distributions to Grantee whether or not such distributions are to be made as a part of this grant or any other approved grant from the Grantor, and/or (b) require the repayment to the Grantor of any unexpended grant funds.

Program Guideposts

1) It is understood that receipt of the funds is conditioned upon Grantee pursuing the goals outlined in the program guideposts and making reasonable progress each year toward these benchmarks.

2) Grantee's mission, programs, and activities serve to dramatically improve the health and well-being of all people and communities of Western North Carolina. Activities and programs supported by the funds provided pursuant to this grant shall:

   a. represent and serve the broad interests of the public, rather than the personal or private interests of a limited few;

   b. serve the populations of each county in the Foundation's [##] county region in Western North Carolina and are driven by the health and wellness needs of all communities served;

   c. focus on social determinants of health, recognizing that it is not inconsistent with this focus for the Grantee to use funds provided under this grant to support community health services; and

   d. demonstrate a commitment to traditionally underserved and under-resourced populations in Western North Carolina.

   Nothing in these Program Guideposts shall restrict Grantee's use of funds other than the funds provided by Grantor pursuant to this grant.

3) The Grantee has a diverse Board of Directors representing a cross-section of the communities served. Board members demonstrate a commitment to understanding the social determinants of health affecting all communities of Western North Carolina.

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Board Members demonstrate a commitment to community outreach to better understand the social determinants of health affecting traditionally underserved and under-resourced populations in Western North Carolina.

4) The Grantee adopts a strategy for achieving geographic, ethnic, and gender diversity in its Board membership, such as:

   a. inclusion of at least one Board Member from each county in the Foundation's [##] county region in Western North Carolina; and

   b. inclusion of individuals with varieties of professional expertise, cultural backgrounds, life experiences, and geographic reach.

5) The Grantee actively engages in fundraising efforts and adopts a strategy for sustainability.

6) The Grantee actively engages in community outreach to better understand the needs of its [##] county region in Western North Carolina, such as:

   a. establishing partnerships or relationships with local businesses or other stakeholders to better understand and improve social determinates of community health and wellness; or

   b. soliciting feedback from community members, businesses, and other organizations beyond its Board of Directors and staff to better understand the needs and social determinates of health.

Relationship with Dogwood Health Trust

1) Subject to the Grantee's acceptance of the terms and conditions set forth in this letter, and contingent upon the Grantee's pursuit of the program outcomes outlined above, professional services for the Grantee will be provided by the Grantor, the Dogwood Health Trust, and other individuals designated to meet the needs of the Grantee. This includes:

[Services provided will be defined at a later date, following conversations with Mission Health System, Dogwood Health Trust, and the Legacy Foundations]

2) Any deviations from the professional services provided by Grantor and Dogwood Health Trust must be discussed with Dogwood Health Trust, and an agreement must be collectively reached that the deviation is in the best interest of the underserved communities of Western North Carolina.

Progress toward sustainability must be to the satisfaction of the Grantor prior to the receipt of funds in 2020 or 2021. Each of the Grantor's grants is considered individually and no grant award should be construed as precedent for subsequent gifts. An award of funds in 2020

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does not guarantee an award of funds in 2021. Grantor's advancement in meeting the program guideposts will be re-evaluated by Grantor prior to an award of funds in 2021.

This agreement shall inure to the benefit of and be binding upon the Parties and their respective legal representatives, successors and permitted assigns and delegates. Grantee may not assign any of its rights hereunder or delegate any of its duties hereunder without the prior written consent of Grantor. Grantor may assign its rights and obligations hereunder to Dogwood Health Trust.

Acknowledgement of Grantee's agreement to the terms and conditions set forth in this letter must be made by a duly authorized officer of Grantee who should execute a copy of this letter and return the executed copy to the Grantor within thirty (30) days from the date of this letter.

Congratulations, thanks for all that you do, and we wish you great success with your work.

Sincerely,

[Dr. John R. Ball, Chairman]

As an officer of _____, I certify that I am duly authorized to bind the organization to the terms of this agreement, and do hereby agree to, and accept the terms set forth above, this ___ day of _____, 20__.

By:_____ _____
(Signature) (Title)

_____
(Name -- please print)

As an officer of Dogwood Health Trust, I certify that I am duly authorized to bind the organization to the terms of this agreement, and do hereby agree to, and accept the terms set forth above, this ___ day of _____, 20__.

By:_____ _____
(Signature) (Title)

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_____

(Name -- please print)

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