

RESOLUTION OF THE BOARD OF SUPERVISORS  
OF JACKSON COUNTY, MISSISSIPPI AMENDING  
AND EXTENDING THE MEMORANDUM OF AGREEMENT BY  
AND BETWEEN SINGING RIVER HEALTH SYSTEM  
AND JACKSON COUNTY BOARD OF SUPERVISORS

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WHEREAS, the Jackson County Board of Supervisors entered into Memorandum of Agreement by and between Singing River Health System and Jackson County Board of Supervisors on December 15, 2014, a copy of which is attached hereto as Exhibit A; and

WHEREAS, the Memorandum of Agreement is set to expire on March 15, 2015; and

WHEREAS, the Jackson County Board of Supervisors desires to amend the Memorandum of Agreement to provide an extension of 120 days from March 15, 2015 for its continued review and examination;

BE IT, THEREFORE, RESOLVED the Jackson County Board of Supervisors approves the amendment to Memorandum of Agreement by and between Singing River Health System and Jackson County Board of Supervisors, attached hereto as Exhibit B, and authorizes the President of the Board to execute same;

BE IT FURTHER RESOLVED the Jackson County Board of Supervisors hereby directs its counsel Mr. Billy Guice to request Singing River Health System approve and execute the amendment extending the Memorandum of Agreement by and between Singing River Health System and Jackson County Board of Supervisors.

The motion to approve the foregoing resolution was made by Supervisor Mangum seconded by Supervisor McKay and the following vote was recorded:

Supervisor Cumbest

Yes

Supervisor Harris

Yes

Supervisor Mangum

Yes

Supervisor Ross

Yes

Supervisor McKay

Yes

RESOLVED, this the 17th day of February, 2015.

ATTEST:

BOARD OF SUPERVISORS

[Signature]  
Clerk of the Board

By: [Signature]  
President

**MEMORANDUM OF AGREEMENT BY AND BETWEEN  
SINGING RIVER HEALTH SYSTEM AND  
JACKSON COUNTY BOARD OF SUPERVISORS**

WHEREAS, Singing River Health System (hereinafter "Hospital") is a publicly owned hospital established pursuant to the laws of the State of Mississippi and is owned by Jackson County, Mississippi (hereinafter "Jackson County"); and

WHEREAS, Singing River Health System, by and through its Board of Trustees, desires to continue to cooperate and work with Jackson County, Mississippi, by and through the Jackson County Board of Supervisors, its agents and assigns, as requested, to continue to provide information and access to all documents and information in order to enable Jackson County a full examination of the financial situation currently, in the past and projected for the future of the Hospital, including all of its facilities. Hospital further agrees to continue to provide Jackson County access to all documents and information with regard to the Employee Defined Benefit Plan (hereinafter "the Plan").

WHEREAS, the Parties acknowledge that since April 2014, the new management team of Hospital has developed a comprehensive strategic plan to turn Hospital operations around, and much of that plan has been executed or is in the process of being executed by Hospital management. As such, the Hospital and Jackson County desire to set forth the terms of their understanding through this Memorandum of Agreement (hereinafter "Agreement") in order to continue to facilitate an attempt to resolve current financial issues of the Hospital and the Plan that affect the citizens of Jackson County, Mississippi, while at the same time, and to the extent possible, keep the pension program active (as set forth in Paragraph 6 *infra*), while said examination occurs.

Based upon the foregoing premises, Singing River Health System, by and through its Trustees and its Administration, and Jackson County, Mississippi, by and through its Board of Supervisors, do hereby agree as follows:

1. Upon execution of this Agreement, the Hospital will continue to communicate with and provide to Jackson County, Mississippi, by and through its attorneys of record, full and complete access to any and all information, including giving Jackson County consent to have access to and communicate with agents and professionals employed by the Hospital, either through contract or regular employment, during the last ten (10) years, as requested by Jackson County.
2. Hospital further agrees to continue to fully cooperate with Jackson County and any professionals, or agents employed by it to obtain information, including, but not limited to, all financial information needed to independently evaluate the current, past and future financial stability of the hospital and to properly evaluate the state of the Plan. The historical review of the Hospital financials shall include, but not be limited to, a review and/or determination of expenditures, accounts receivables, contracts, and

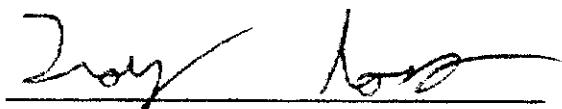
exhibit a

accounting procedures and/or actions that contributed or led to the current financial status.

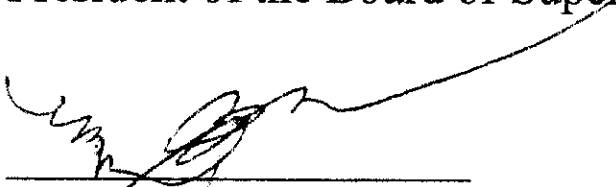
3. Hospital and Jackson County acknowledge and agree that an independent evaluation by Jackson County of the past, current and future financial stability, including, but not limited to, an independent evaluation of the Plan is being conducted. This independent evaluation referenced herein is in addition to the annual audit performed by Horne LLP, the in-depth financial consulting study directed by the Bond Insurer and performed by FTI Consulting, and any review by the State Auditor's Office of Mississippi. Hospital also agrees to continue having members of the Board of Supervisors at its monthly Board meetings to ensure full transparency. These actions are to ensure the best decisions are being made for the citizens of Jackson County, Mississippi and said independent evaluation is beneficial to the Hospital, Jackson County, and the citizens of Jackson County that are employed by and are served by the Hospital. Hospital agrees to continue having members of the Board of Supervisors at its monthly board meetings to ensure full transparency.
4. The Hospital understands and acknowledges that Jackson County will select professionals, as needed, to assist in conducting the independent evaluation discussed *supra* and Jackson County will be solely responsible for any fees associated therewith. While Jackson County will have the discretion to select said professionals, and to ensure that said professionals are truly independent and keep the Hospital and Bond Insurers aware of all professionals hired.
5. Both parties understand and acknowledge that some of the information provided may involve legal issues of confidentiality and Jackson County agrees that its professionals and Jackson County will execute any documents reasonably necessary so as to preserve and protect the confidentiality under HIPAA or any other applicable law governing the confidentiality of the Hospital's records, including but not limited to the execution of confidentiality agreements by all professionals hired.
6. For the next 90 days, or shorter if agreed between the parties, the Hospital agrees that the Plan shall: (1) continue to pay the retirees as set forth in the Plan; (2) continue to eliminate the deduction of the three percent (3%) from active employees' pay and (3) continue to accrue retirement liabilities on its monthly interim financial statements as required in order to be in compliance with interim monthly submissions of financial statements to the Bond Insurer which assumes a plan will be adopted that preserves financial stability of the system. No further action shall be taken to affect the operation of the Plan during the duration of this agreement. This 90 day stay will permit Jackson County to conduct its independent review, which may conclude with recommendations from professionals of other options, and the Hospital agrees to reasonably and in good faith consider such options as a substitute to the options previously selected. If additional time is needed to complete the evaluation by Jackson County, the parties agree to a reasonable extension of same.

7. During the term of this Agreement, the Hospital will appoint an independent interim trustee of the Plan. The investment objectives of the Plan will continue to be maintained, pending independent evaluation, while the interim trustee is appointed. Jackson County shall receive notice of the independent interim trustee selected by the Hospital. Should Jackson County, for any reason, object to the selected interim trustee, the Hospital shall appoint an alternative interim trustee to which Jackson County has no objection during the term of this Agreement.
8. Both parties agree, to the extent reasonably possible, communications regarding the actions set forth in this Agreement will be issued to the public, as approved by each of their respective Attorneys. Both parties agree to provide frequent updates on the progress to the media.
9. Both parties acknowledge that this Agreement is being entered into as a cooperative effort between Jackson County and the Hospital and is limited solely to the continued discovery of information by Jackson County. The Hospital shall appoint Brett Williams, or other Counsel at the discretion of the Hospital needed to assist in the execution of this Agreement, as its Counsel of Record and Jackson County shall appoint Paula Yancey, or other Counsel at the discretion of Jackson County needed to assist in the execution of this Agreement.
10. The term of this Agreement shall be from the date of execution until 90 days *or* the independent evaluation is completed by Jackson County, and all information has been obtained and provided to Jackson County as contemplated herein.
11. Simultaneously with the execution of this Agreement, the Hospital and Jackson County shall enter into a Joint Defense Privilege Agreement and/or Common Interest Agreement, whereby in the event of litigation going forward that the Hospital and Jackson County are considered separate entities in litigation, that no privilege will be waived by access to information through this Agreement.

Signature Page to Follow



Troy Ross,  
President of the Board of Supervisors, Jackson County, Mississippi



Michael Heidelberg,  
President of the Board of Trustees, Singing River Health System



Kevin Holland,  
Chief Executive Officer, Singing River Health System

FIRST AMENDMENT TO  
MEMORANDUM OF AGREEMENT  
BY AND BETWEEN SINGING RIVER HEALTH SYSTEM  
AND JACKSON COUNTY BOARD OF SUPERVISORS

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WHEREAS, pursuant to paragraph number 6 of the Memorandum of Agreement by and between Singing River Health System and Jackson County Board of Supervisors entered into on December 15, 2014, a copy of which is attached hereto as Exhibit A, the parties hereby amend said Memorandum of Agreement to extend same for an additional 120 days from March 15, 2015. All other terms of the Memorandum of Agreement shall remain in effect as written.

IN WITNESS WHEREOF, the parties have executed this First Amendment on the 17<sup>th</sup> day of February, 2015.



Barry Cumbest, President  
Board of Supervisors, Jackson County, Mississippi

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Michael Heidelberg, President  
Board of Trustees, Singing River Health System

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Kevin Holland, Chief Executive Officer  
Singing River Health System

exhibit b