

**CLOSING CERTIFICATE
OF
MAUI REGION OF HAWAII HEALTH SYSTEMS CORPORATION**

On this 30th day of June, 2017 and pursuant to Sections 3.3(b) and 3.3(d) of that certain Maui Regional Hospitals Transfer Agreement (the "*Transfer Agreement*"), dated as of January 14, 2016, as amended, by and among MAUI HEALTH SYSTEM, A KAISER FOUNDATION HOSPITALS LLC, a Hawaii limited liability company ("*MHS*"), the HAWAII HEALTH SYSTEMS CORPORATION, a public body corporate and politic and instrumentality of the State of Hawaii, the MAUI REGION OF HAWAII HEALTH SYSTEMS CORPORATION ("*MRHS*"), an agency of the State established in Sections 323F-2(b)(3) and 323F-3.5 of the Hawaii Revised Statutes, the STATE OF HAWAII and KAISER FOUNDATION HOSPITALS, a California nonprofit public benefit corporation ("*KFH*"), the undersigned, as a duly authorized officer of MRHS, and not in any individual capacity whatsoever, hereby certifies on behalf of MRHS the following to MHS and KFH. Capitalized terms used but not defined herein shall have the definitions ascribed to them in the Transfer Agreement.


1. Attached hereto as Exhibit A are true and correct copies of the resolutions duly adopted by the board of directors of MRHS, authorizing and approving the performance of the Transactions and the signing and delivery of the Transfer Agreement and the other documents described therein, which such resolutions are in full force and effect.
2. Each covenant and agreement of MRHS to be performed before or as of the Closing Date under the Transfer Agreement has been performed by MRHS in all material respects.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned has executed this Closing Certificate as of the date first set forth above, solely in his official capacity and not in any individual capacity whatsoever.

MRHS:

MAUI REGION OF HAWAII HEALTH
SYSTEMS CORPORATION



By: _____
Name: Barry Shitamoto, M.D.
Title: Regional Chief Executive Officer

EXHIBIT A

MRHS Resolutions

Attached.

CERTIFICATE OF THE MAUI REGIONAL HEALTHCARE SYSTEM

The undersigned hereby certifies that she is the Secretary of the Board of Directors of the MAUI REGIONAL HEALTHCARE SYSTEM ("MRHS"), and as such officer, is authorized to make the certifications hereinafter set forth and is familiar with the MRHS properties, affairs, and records.

The undersigned certifies that attached hereto as Exhibit A is a full, true and complete copy of the Resolution adopted by the Board of Directors at a meeting thereof duly called and convened on May 25, 2017. The Resolution does not, and did not, in any manner contravene Chapter 323F of the Hawaii Revised Statutes (HRS) or the By-laws of the MRHS as such Chapter of the HRS and Bylaws exist now and as they existed as of the date of adoption of said Resolution; and said Resolution has not been rescinded or modified in any manner and remains in full force and effect on the date hereof.

WITNESS my signature this 24 day of May, 2017.

MAUI REGIONAL HEALTHCARE SYSTEM

By: 

Andrea Demetras

Its:

Secretary of the Board of Directors of MRHS

RESOLUTION AUTHORIZING AND APPROVING THE SIGNING AND DELIVERY OF THE MAUI REGIONAL HOSPITALS TRANSFER AGREEMENT AND THE OTHER DOCUMENTS DESCRIBED THEREIN AND THE PERFORMANCE OF APPLICABLE CONDITIONS PRECEDENT TO CLOSING

WHEREAS, pursuant to HRS Section (§) 323F-7, the Maui Regional Healthcare System (“MRHS”) and its Board of Directors (“MRHS Board”) are currently responsible for managing and operating the hospitals in the Maui Regional Healthcare System of the Hawaii Health Systems Corporation (“Maui Region Hospitals”) to deliver health care services to the people of Maui and Lanai;

WHEREAS, the Legislature enacted Act 103, SLH 2015 (H.B. No. 1075), codified at HRS Chapter 323F (“Act 103”), “to ensure that the people of Maui and Lanai continue to have access to health care services in their communities, by discontinuing MRHS’ direct delivery of those services, and leasing or transferring the real property and some or all of the equipment and furnishings of one or more of the MRHS’ hospitals, to one or more private entities to use to manage and operate their own hospitals to provide health care services on Maui and Lanai instead;

WHEREAS, pursuant to HRS Section 323F-52(a), MRHS invited private entities to submit statements of interest in acquiring the right and responsibility to use one or more of MRHS’ facilities to manage, operate and otherwise provide health care services in one or more of MRHS’ facilities;

WHEREAS, KAISER FOUNDATION HOSPITALS, a California nonprofit public benefit corporation, tax-exempt under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, authorized to transact business in the State of Hawaii (“KFH”) submitted a statement of interest, and was selected by MRHS’ Board of Directors to negotiate with the Governor, the MAUI REGIONAL HOSPITALS TRANSFER AGREEMENT (“Transfer Agreement”) and a lease of MRHS’ hospital facilities to enable MAUI HEALTH SYSTEM, A KAISER FOUNDATION HOSPITALS LLC, a Hawaii limited liability company (“MHSKFH”) to provide health care services on Maui and Lanai;

WHEREAS, KFH represented that it is committed to investing and using the Maui Region Hospitals to provide quality health care services and improve the delivery of those services to the communities presently served by the Maui Region Hospitals, including clinical service line expansions, upgrading facilities and equipment, implementing physician primary care and specialty recruitment and retention initiatives, introducing innovative approaches to fill physician coverage gaps, leveraging technology, developing community linkages with community organizations and healthcare providers and suppliers to improve continuity of care and reduce wait times, and promoting evidence-based medicine;

WHEREAS, after wide-ranging discussions between the Governor and the Directors of Finance and Human Resources and Development, the Comptroller, the Attorney General, the Executive Officer of the HHSC, and the Chair and Administrator of the MRHS, and their KFH counterparts, they explored and considered numerous alternatives for implementing Act 103’s objectives, the State of Hawaii (“State”) and KFH concluded that the Transfer Agreement provided the best means of ensuring continued access to cost-effective health care services for the people of Maui and Lanai;

WHEREAS, the State, having determined to its satisfaction that MHSKFH is capable of providing the people of Maui and Lanai with continued access to quality health care services in a cost-effective manner, is satisfied that it can prudently discontinue the management and operations of the Maui Region Hospitals;

WHEREAS, consistent with Act 103, MHSKFH wishes to lease the Real Property as defined in the Transfer Agreement, and certain of the furnishings and equipment presently used by the Maui Region Hospitals to provide the people of Maui and Lanai with continued access to quality health care services;

WHEREAS, by enacting Act 103, and entering into the Transfer Agreement with KFH and MHSKFH to implement the provisions of Act 103, the State has made a clearly articulated and clearly expressed policy decision to modify competition to the extent reasonably necessary to accomplish the purpose of Act 103, and fulfill its underlying public policy goal;

WHEREAS, the Transfer Agreement requires that there be a resolution duly adopted by the Board of Directors of the MRHS authorizing and approving the signing and delivery of the Transfer Agreement and the other documents described therein, and further authorizing and approving MRHS's performance of the applicable conditions precedent to Closing as set forth in the Transfer Agreement.

NOW, THEREFORE, the MRHS Board declares:

Section 1. The MRHS Board finds and determines that the foregoing recitals are true and correct.

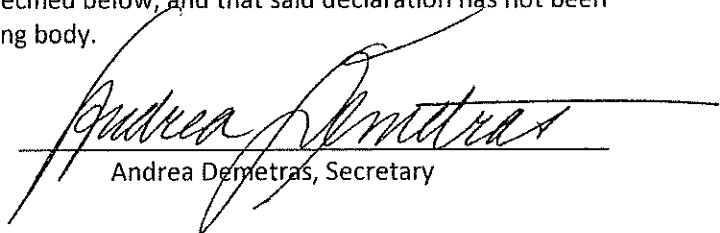
Section 2. The MRHS Board authorizes and approves the signing and delivery of the Transfer Agreement and any of the other documents described therein, and further authorizes and approves MRHS to proceed with the performance of the applicable conditions precedent to Closing as set forth in the Transfer Agreement.

Section 3. This declaration shall take effect from and after its adoption.

The undersigned, Secretary of the governing body of the MRHS, hereby certifies that the foregoing is a full, true and correct copy of the declaration of the governing body of the MRHS duly made at a meeting thereof held on the date specified below, and that said declaration has not been amended, modified or revoked by said governing body.

Date

May 24, 2017


Andrea Demetras, Secretary