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Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

or Section 4947(a)(1) Trust Treated as Private Foundation

▶ Do not enter social security numbers on this form as it may be made public.
▶ Information about Form 990-PF and its instructions is at *www.irs.gov/form990pf*.

OMB No 1545-0052

2014

Open to Public Inspection

For calendar year 2014, or tax year beginning 01-01-2014 , and ending 12-31-2014

Name of foundation
TENNESSEE HEALTH FOUNDATION INC

A Employer identification number
20-0298456

Number and street (or P O box number if mail is not delivered to street address) Room/suite
1 CAMERON HILL CIRCLE

B Telephone number (see instructions)
(423) 535-7163

City or town, state or province, country, and ZIP or foreign postal code
CHATTANOOGA, TN 37402

C If exemption application is pending, check here ▶ ☐

G Check all that apply ☐ Initial return ☐ Initial return of a former public charity
☐ Final return ☐ Amended return
☐ Address change ☐ Name change

D 1. Foreign organizations, check here ▶ ☐
2. Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐

H Check type of organization ☑ Section 501(c)(3) exempt private foundation
☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ ☐

I Fair market value of all assets at end of year *(from Part II, col. (c), line 16)*▶$ 238,964,861

J Accounting method ☐ Cash ☑ Accrual
☐ Other (specify)
(Part I, column (d) must be on cash basis.)

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ ☐

Part I **Analysis of Revenue and Expenses** *(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))*

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue 1	Contributions, gifts, grants, etc , received (attach schedule)	20,000,000			
2	Check ▶ ☐ if the foundation is **not** required to attach Sch B				
3	Interest on savings and temporary cash investments	4,202	122,982		
4	Dividends and interest from securities	1,901,509	3,349,616		
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10	10,396,333			
b	Gross sales price for all assets on line 6a				
7	Capital gain net income (from Part IV, line 2)		18,827,717		
8	Net short-term capital gain				
9	Income modifications				
10a	Gross sales less returns and allowances				
b	Less Cost of goods sold				
c	Gross profit or (loss) (attach schedule)				
11	Other income (attach schedule)		18,229		
12	**Total.** Add lines 1 through 11	32,302,044	22,318,544		
Operating and Administrative Expenses 13	Compensation of officers, directors, trustees, etc	0	0		0
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16a	Legal fees (attach schedule)				
b	Accounting fees (attach schedule)	10,100	1,515		8,585
c	Other professional fees (attach schedule)	393,792	393,792		0
17	Interest				
18	Taxes (attach schedule) (see instructions)	181,645	102,351		0
19	Depreciation (attach schedule) and depletion				
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses (attach schedule)	905,446	21,987		882,000
24	**Total operating and administrative expenses.** Add lines 13 through 23	1,490,983	519,645		890,585
25	Contributions, gifts, grants paid	8,583,058			8,583,058
26	**Total expenses and disbursements.** Add lines 24 and 25	10,074,041	519,645		9,473,643
27	Subtract line 26 from line 12				
a	**Excess of revenue over expenses and disbursements**	22,228,003			
b	**Net investment income** (if negative, enter -0-)		21,798,899		
c	**Adjusted net income** (if negative, enter -0-)				

Part II **Balance Sheets** Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)

			Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash—non-interest-bearing	34,421	336,615	336,615
	2	Savings and temporary cash investments	8,258,198	21,301,406	21,301,406
	3	Accounts receivable ▶			
		Less allowance for doubtful accounts ▶			
	4	Pledges receivable ▶			
		Less allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7	Other notes and loans receivable (attach schedule) ▶			
		Less allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments—U S and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule)	190,771,218	194,967,276	194,967,276
	c	Investments—corporate bonds (attach schedule)			
	11	Investments—land, buildings, and equipment basis ▶			
		Less accumulated depreciation (attach schedule) ▶			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)			
	14	Land, buildings, and equipment basis ▶			
		Less accumulated depreciation (attach schedule) ▶			
	15	Other assets (describe ▶)	4,601,906	22,359,564	22,359,564
	16	**Total assets** (to be completed by all filers—see the instructions Also, see page 1, item I)	203,665,743	238,964,861	238,964,861
Liabilities	17	Accounts payable and accrued expenses	18,152	9,187	
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶)	-8,556	19,467,875	
	23	**Total liabilities** (add lines 17 through 22)	9,596	19,477,062	
Net Assets or Fund Balances		**Foundations that follow SFAS 117, check here** ▶ ☑ **and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted	203,656,147	219,487,799	
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ ☐ **and complete lines 27 through 31.**			
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	**Total net assets or fund balances** (see instructions)	203,656,147	219,487,799	
	31	**Total liabilities and net assets/fund balances** (see instructions)	203,665,743	238,964,861	

Part III **Analysis of Changes in Net Assets or Fund Balances**

1	Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	203,656,147
2	Enter amount from Part I, line 27a	2	22,228,003
3	Other increases not included in line 2 (itemize) ▶	3	0
4	Add lines 1, 2, and 3	4	225,884,150
5	Decreases not included in line 2 (itemize) ▶	5	6,396,351
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	219,487,799

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
1a	See Additional Data Table			
b				
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a	See Additional Data Table			
b				
c				
d				
e				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) **or** Losses (from col (h))
	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a	See Additional Data Table			
b				
c				
d				
e				

2	Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	2	18,827,717
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8	3	

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income)

If section 4940(d)(2) applies, leave this part blank

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☑ No
If "Yes," the foundation does not qualify under section 4940(e) Do not complete this part

1 Enter the appropriate amount in each column for each year, see instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2013	7,842,656	168,066,934	0 046664
2012	6,107,244	132,433,040	0 046116
2011	5,278,257	115,203,888	0 045817
2010	4,246,999	103,465,432	0 041048
2009	4,194,354	87,277,228	0 048058

2	**Total** of line 1, column (d)	2	0 227703
3	Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0 045541
4	Enter the net value of noncharitable-use assets for 2014 from Part X, line 5	4	200,793,803
5	Multiply line 4 by line 3	5	9,144,351
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	217,989
7	Add lines 5 and 6	7	9,362,340
8	Enter qualifying distributions from Part XII, line 4	8	9,473,643

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate See the Part VI instructions

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1 Date of ruling or determination letter ______ **(attach copy of letter if necessary–see instructions)**				
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☑ and enter 1% of Part I, line 27b			1	217,989
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)				
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)			2	0
3	Add lines 1 and 2			3	217,989
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)			4	0
5	**Tax based on investment income.** Subtract line 4 from line 3 If zero or less, enter -0-			5	217,989
6	Credits/Payments				
a	2014 estimated tax payments and 2013 overpayment credited to 2014	6a	188,409		
b	Exempt foreign organizations—tax withheld at source	6b			
c	Tax paid with application for extension of time to file (Form 8868)	6c	35,000		
d	Backup withholding erroneously withheld	6d			
7	Total credits and payments Add lines 6a through 6d			7	223,409
8	Enter any **penalty** for underpayment of estimated tax Check here ☑ if Form 2220 is attached			8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶			9	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶			10	5,420
11	Enter the amount of line 10 to be **Credited to 2015 estimated tax** ▶ 5,420 **Refunded** ▶			11	0

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		No
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see Instructions for definition)?	1b		No
	*If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		No
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year **(1)** On the foundation ▶ $ 0 **(2)** On foundation managers ▶ $ 0			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ 0			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities.*	2		No
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3	Yes	
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		No
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		No
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	Yes	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col. (c), and Part XV.*	7	Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶TN			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? *If "No," attach explanation*	8b	Yes	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2014 or the taxable year beginning in 2014 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9		No
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses.*	10		No

Part VII-A Statements Regarding Activities *(continued)*

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions).	11		No
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	Yes	

Website address ▶SEE STATEMENT FOR PART XV

14 The books are in care of ▶TREY WHITE Telephone no ▶(423) 535-7036

Located at ▶1 CAMERON HILL CIRCLE CHATTANOOGA TN ZIP+4 ▶37402

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** —Check here . . . . ▶ ☐

and enter the amount of tax-exempt interest received or accrued during the year . . . . . . ▶ | 15 | |

			Yes	No
16	At any time during calendar year 2014, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16	Yes	
	See instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR) If "Yes", enter the name of the foreign country ▶ CA			

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

			Yes	No
	File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.			
1a	During the year did the foundation (either directly or indirectly)			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☑ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☑ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☑ Yes ☐ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☑ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☑ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days). ☐ Yes ☑ No			
b	If any answer is "Yes" to 1a(1)–(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?	1b		No
	Organizations relying on a current notice regarding disaster assistance check here. . . . . ▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2014?	1c		No
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))			
a	At the end of tax year 2014, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2014? ☐ Yes ☑ No			
	If "Yes," list the years ▶ 20____ , 20____ , 20____ , 20____			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement—see instructions).	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ▶ 20____ , 20____ , 20____ , 20____			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☑ No			
b	If "Yes," did it have excess business holdings in 2014 as a result of **(1)** any purchase by the foundation or disqualified persons after May 26, 1969, **(2)** the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or **(3)** the lapse of the 10-, 15-, or 20-year first phase holding period? *(Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2014.)*.	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		No
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2014?	4b		No

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required *(continued)*

5a	During the year did the foundation pay or incur any amount to			
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☑ No			
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☑ No			
	(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☑ No			
	(4) Provide a grant to an organization other than a charitable, etc, organization described in section 4945(d)(4)(A)? (see instructions) ☐ Yes ☑ No			
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☑ No			
b	If any answer is "Yes" to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see instructions)?	5b		
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☐ No			
	If "Yes," attach the statement required by Regulations section 53.4945–5(d).			
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☑ No			
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	6b		No
	If "Yes" to 6b, file Form 8870.			
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☑ No			
b	If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?	7b		

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	**(b)** Title, and average hours per week devoted to position	**(c)** Compensation **(If not paid, enter -0-)**	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
See Additional Data Table				

2 Compensation of five highest-paid employees (other than those included on line 1—see instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than $50,000	**(b)** Title, and average hours per week devoted to position	**(c)** Compensation	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
NONE				

Total number of other employees paid over $50,000 ▶	0

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors *(continued)*

3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE".

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over $50,000 for professional services. . . . . ▶	0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1 SHAPE THE STATE PROGRAM FOCUSES ON COMBATING CHILDHOOD OBESITY THROUGH PHYSICAL ACTIVITY AND NUTRITION MORE THAN $2 6 MILLION WAS INVESTED IN 2014 INTO MULTIPLE COMMUNITY PARTNER PROGRAMS RESULTING IN MORE THAN 400,000 CHILDREN GETTING REGULAR PHYSICAL ACTIVITY AT APPROXIMATELY 1,200 ELEMENTARY AND MIDDLE SCHOOL SITES ACROSS TENNESSEE	882,000
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1	
2	
All other program-related investments See instructions	
3	
Total. Add lines 1 through 3 . . . . ▶	0

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes				
a	Average monthly fair market value of securities.			1a	192,074,548
b	Average of monthly cash balances.			1b	11,777,029
c	Fair market value of all other assets (see instructions).			1c	0
d	**Total** (add lines 1a, b, and c).			1d	203,851,577
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation).	1e	0		
2	Acquisition indebtedness applicable to line 1 assets.			2	0
3	Subtract line 2 from line 1d.			3	203,851,577
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions).			4	3,057,774
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4			5	200,793,803
6	**Minimum investment return.** Enter 5% of line 5.			6	10,039,690

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ▶ ☐ and do not complete this part.)

1	Minimum investment return from Part X, line 6.			1	10,039,690
2a	Tax on investment income for 2014 from Part VI, line 5.	2a	217,989		
b	Income tax for 2014 (This does not include the tax from Part VI).	2b			
c	Add lines 2a and 2b.			2c	217,989
3	Distributable amount before adjustments Subtract line 2c from line 1.			3	9,821,701
4	Recoveries of amounts treated as qualifying distributions.			4	0
5	Add lines 3 and 4.			5	9,821,701
6	Deduction from distributable amount (see instructions).			6	0
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1.			7	9,821,701

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc , purposes		
a	Expenses, contributions, gifts, etc —total from Part I, column (d), line 26.	1a	9,473,643
b	Program-related investments—total from Part IX-B.	1b	0
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes.	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required).	3a	
b	Cash distribution test (attach the required schedule).	3b	
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	9,473,643
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions).	5	217,989
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4.	6	9,255,654

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2013	(c) 2013	(d) 2014
1 Distributable amount for 2014 from Part XI, line 7				9,821,701
2 Undistributed income, if any, as of the end of 2014				
a Enter amount for 2013 only.			5,511,417	
b Total for prior years 20___ , 20___ , 20___		0		
3 Excess distributions carryover, if any, to 2014				
a From 2009.				
b From 2010.				
c From 2011.				
d From 2012.				
e From 2013.				
f Total of lines 3a through e.	0			
4 Qualifying distributions for 2014 from Part XII, line 4 ▶ $ 9,473,643				
a Applied to 2013, but not more than line 2a			5,511,417	
b Applied to undistributed income of prior years (Election required—see instructions).		0		
c Treated as distributions out of corpus (Election required—see instructions).	0			
d Applied to 2014 distributable amount.				3,962,226
e Remaining amount distributed out of corpus	0			
5 Excess distributions carryover applied to 2014 *(If an amount appears in column (d), the same amount must be shown in column (a).)*	0			0
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0			
b Prior years' undistributed income Subtract line 4b from line 2b		0		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.		0		
d Subtract line 6c from line 6b Taxable amount —see instructions		0		
e Undistributed income for 2013 Subtract line 4a from line 2a Taxable amount—see instructions			0	
f Undistributed income for 2014 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2015				5,859,475
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions)	0			
8 Excess distributions carryover from 2009 not applied on line 5 or line 7 (see instructions) . . .	0			
9 Excess distributions carryover to 2015. Subtract lines 7 and 8 from line 6a	0			
10 Analysis of line 9				
a Excess from 2010. . . .				
b Excess from 2011. . . .				
c Excess from 2012. . . .				
d Excess from 2013. . . .				
e Excess from 2014. . . .				

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9)

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2014, enter the date of the ruling. . . . . . . ▶

b Check box to indicate whether the organization is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

	Tax year	Prior 3 years			(e) Total
	(a) 2014	**(b)** 2013	**(c)** 2012	**(d)** 2011	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon **a** "Assets" alternative test—enter **(1)** Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test— enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test—enter **(1)** Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the organization had $5,000 or more in assets at any time during the year—see instructions.)

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than $5,000) (See section 507(d)(2))

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here ▶☐ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds If the foundation makes gifts, grants, etc (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

a The name, address, and telephone number or e-mail address of the person to whom applications should be addressed

DAWN ABEL FOUNDATION DIRECTOR
1 CAMERON HILL CIRCLE
CHATTANOOGA,TN 37402
(423) 535-7163

b The form in which applications should be submitted and information and materials they should include

WWW BCBST COM/WHY-BCBST/ABOUT-US/CORPORATE-RESPONSIBILITY/ TENNESSEE-HEALTH-FOUNDATION/

c Any submission deadlines

SUBMISSIONS MUST BE WITHIN 3 CYCLES JAN,MAY,SEP

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors

WWW BCBST COM/WHY-BCBST/ABOUT-US/CORPORATE-RESPONSIBILITY/ TENNESSEE-HEALTH-FOUNDATION/

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year* See Additional Data Table				
Total . . . . ▶ 3a				8,583,058
b *Approved for future payment*				
Total . . . . ▶ 3b				0

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments. . . .					
3 Interest on savings and temporary cash investments			14	4,202	
4 Dividends and interest from securities. . . .			14	1,901,509	
5 Net rental income or (loss) from real estate					
a Debt-financed property.					
b Not debt-financed property.					
6 Net rental income or (loss) from personal property					
7 Other investment income.					
8 Gain or (loss) from sales of assets other than inventory			14	10,396,333	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory. .					
11 Other revenue a					
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e). .		0		12,302,044	0

13 **Total.** Add line 12, columns (b), (d), and (e). 13 12,302,044

(See worksheet in line 13 instructions to verify calculations)

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See instructions)

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

			Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a	Transfers from the reporting foundation to a noncharitable exempt organization of			
	(1) Cash	1a(1)		No
	(2) Other assets	1a(2)		No
b	Other transactions			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		No
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		No
	(3) Rental of facilities, equipment, or other assets	1b(3)		No
	(4) Reimbursement arrangements	1b(4)		No
	(5) Loans or loan guarantees	1b(5)		No
	(6) Performance of services or membership or fundraising solicitations	1b(6)		No
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		No

d If the answer to any of the above is "Yes," complete the following schedule Column **(b)** should always show the fair market value of the goods, other assets, or services given by the reporting foundation If the foundation received less than fair market value in any transaction or sharing arrangement, show in column **(d)** the value of the goods, other assets, or services received

(a) Line No	**(b)** Amount involved	**(c)** Name of noncharitable exempt organization	**(d)** Description of transfers, transactions, and sharing arrangements

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☑ No

b If "Yes," complete the following schedule

(a) Name of organization	**(b)** Type of organization	**(c)** Description of relationship

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge

******	2015-09-03	******	May the IRS discuss this return with the preparer shown below (see instr)? ☐ Yes ☑ No
Signature of officer or trustee	Date	Title	

Paid Preparer Use Only

Print/Type preparer's name	Preparer's Signature	Date	Check if self-employed ☐	PTIN
BECKY G MURPHY				P01029295

Firm's name ▶ LBMC PC

Firm's EIN ▶ 62-1199757

Firm's address ▶ 605 CHESTNUT STREET SUITE 1100 CHATTANOOGA, TN 37450

Phone no (423)756-6585

Schedule B
(Form 990, 990-EZ, or 990-PF)
Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990, 990-EZ, or 990-PF.
▶ Information about Schedule B (Form 990, 990-EZ, or 990-PF) and its instructions is at *www.irs.gov/form990*.

OMB No 1545-0047

2014

Name of the organization	Employer identification number
TENNESSEE HEALTH FOUNDATION INC	20-0298456

Organization type (check one)

Filers of:	Section:
Form 990 or 990-EZ	☐ 501(c)( ) (enter number) organization
	☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
	☐ 527 political organization
Form 990-PF	☑ 501(c)(3) exempt private foundation
	☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation
	☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule.**
Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule See instructions

General Rule

☑ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling $5,000 or more (in money or other property) from any one contributor Complete Parts I and II See instructions for determining a contributor's total contributions

Special Rules

☐ For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of **(1)** $5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1 Complete Parts I and II

☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than $1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals Complete Parts I, II, and III

☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc , purposes, but no such contributions totaled more than $1,000 If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc , purpose Do not complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc , contributions totaling $5,000 or more during the year . . . . ▶ $ ____________

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990, or check the box on line H of its Form 990-EZ or on its Form 990PF, Part I, line 2, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF)

Name of organization
TENNESSEE HEALTH FOUNDATION INC

Employer identification number
20-0298456

Part I **Contributors** (see instructions) Use duplicate copies of Part I if additional space is needed

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	BLUECROSS BLUESHIELD OF TENNESSEE INC 1 CAMERON HILL CIRCLE CHATTANOOGA, TN 374022520	$ 233,272	Person ☑ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
2	BLUECROSS BLUESHIELD OF TENNESSEE INC 1 CAMERON HILL CIRCLE CHATTANOOGA, TN 374022520	$ 19,766,728	Person ☐ Payroll ☐ Noncash ☑ (Complete Part II for noncash contributions)
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)

Name of organization	**Employer identification number**
TENNESSEE HEALTH FOUNDATION INC	20-0298456

Part II **Noncash Property** (see instructions) Use duplicate copies of Part II if additional space is needed

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
2	PUBLICLY TRADED SECURITIES	$ 19,766,728	2014-12-15

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

Name of organization
TENNESSEE HEALTH FOUNDATION INC

Employer identification number
20-0298456

Part III *Exclusively* **religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than $1,000 for the year from any one contributor.** Complete columns **(a)** through **(e) and** the following line entry For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc , contributions of **$1,000 or less** for the year (Enter this information once See instructions) ▶ $ ____________
Use duplicate copies of Part III if additional space is needed

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP 4	Relationship of transferor to transferee

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d

(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
CAPITAL GAIN ON CONTRIBUTED STOCKS (TAX)	D		
SILCHESTER ST CAPITAL GAINS	P		
SILCHESTER LT CAP GAINS BOOK-TAX DIFFERENCE	P		
SILCHESTER LT CAPITAL GAINS	P		
MISCELLANEOUS OTHER INVESTMENTS	P		
GAMMA LT CAPITAL GAINS	P		
OTHER MARKETABLE SECURITIES GAINS	P		
GAMMA LT CAP GAINS BOOK/TAX DIFFERENCE	P		
IRM ST CAPITAL GAINS	P		
IRM LT CAPITAL GAINS	P		

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
			8,245,981
			-42,874
			1,237,046
			166,489
			10,567
			2,379,265
			7,840,012
			-1,046,558
			23,650
			14,139

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) **or** Losses (from col (h))
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
			8,245,981
			-42,874
			1,237,046
			166,489
			10,567
			2,379,265
			7,840,012
			-1,046,558
			23,650
			14,139

Form 990PF Part VIII Line 1 - List all officers, directors, trustees, foundation managers and their compensation

(a) Name and address	**(b)** Title, and average hours per week devoted to position	**(c)** Compensation **(If not paid, enter -0-)**	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
BETTY W DEVINNEY 1 CAMERON HILL CIRCLE CHATTANOOGA,TN 37402	CHAIRPERSON 1 00	0	0	0
MARTY G DICKENS 1 CAMERON HILL CIRCLE CHATTANOOGA,TN 37402	VICE CHAIRPERSON 1 00	0	0	0
JAMES B BAKER 1 CAMERON HILL CIRCLE CHATTANOOGA,TN 37402	BOARD MEMBER 1 00	0	0	0
HULET M CHANEY 1 CAMERON HILL CIRCLE CHATTANOOGA,TN 37402	BOARD MEMBER 1 00	0	0	0
REGINALD W COOPWOOD 1 CAMERON HILL CIRCLE CHATTANOOGA,TN 37402	BOARD MEMBER 1 00	0	0	0
WILLIAM M GRACEY 1 CAMERON HILL CIRCLE CHATTANOOGA,TN 37402	PRESIDENT/CEO/BOARD MEMBER 1 00	0	0	0
HERBERT H HILLIARD 1 CAMERON HILL CIRCLE CHATTANOOGA,TN 37402	BOARD MEMBER 1 00	0	0	0
LAMAR J PARTRIDGE 1 CAMERON HILL CIRCLE CHATTANOOGA,TN 37402	BOARD MEMBER 1 00	0	0	0
JAMES M PHILLIPS 1 CAMERON HILL CIRCLE CHATTANOOGA,TN 37402	BOARD MEMBER 1 00	0	0	0
EMILY J REYNOLDS 1 CAMERON HILL CIRCLE CHATTANOOGA,TN 37402	BOARD MEMBER 1 00	0	0	0
PAUL E STANTON 1 CAMERON HILL CIRCLE CHATTANOOGA,TN 37402	BOARD MEMBER 1 00	0	0	0
MARTHA S WALLEN 1 CAMERON HILL CIRCLE CHATTANOOGA,TN 37402	BOARD MEMBER 1 00	0	0	0
SHELIA D CLEMONS 1 CAMERON HILL CIRCLE CHATTANOOGA,TN 37402	SECRETARY 1 00	0	0	0
JILL OAKS 1 CAMERON HILL CIRCLE CHATTANOOGA,TN 37402	ASSISTANT SECRETARY 1 00	0	0	0
T RALPH WOODARD JR 1 CAMERON HILL CIRCLE CHATTANOOGA,TN 37402	TREASURER/CRO 1 00	0	0	0
JAMES ROCHAT 1 CAMERON HILL CIRCLE CHATTANOOGA,TN 37402	ASSISTANT TREASURER 1 00	0	0	0
JOHN GIBLIN 1 CAMERON HILL CIRCLE CHATTANOOGA,TN 37402	CFO 1 00	0	0	0
CALVIN ANDERSON 1 CAMERON HILL CIRCLE CHATTANOOGA,TN 37402	EXECUTIVE DIRECTOR 1 00	0	0	0
TREY WHITE 1 CAMERON HILL CIRCLE CHATTANOOGA,TN 37402	CONTROLLER & CAO 1 00	0	0	0
DAWN ABEL 1 CAMERON HILL CIRCLE CHATTANOOGA,TN 37402	FOUNDATION DIRECTOR 20 00	0	0	0

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
AMERICAN CANCER SOCIETY INC 2000 CHARLOTTE AVENUE NASHVILLE,TN 37203	NONE	509(A)(1)	STATEWIDE DISEASE-PREVENTION PROGRAMS - CANCER	55,500
AMERICAN DIABETES ASSOCIATION 4660 OLD BROADWAY KNOXVILLE,TN 37918	NONE	509(A)(1)	STATEWIDE DISEASE-PREVENTION PROGRAMS - DIABETES	25,000
AMERICAN HEART ASSOCIATION PO BOX 4002900 DES MOINES,IA 50340	NONE	509(A)(1)	STATEWIDE DISEASE-PREVENTION PROGRAMS - CARDIOVASCULAR	50,000
AMERICAN LUNG ASSOCIATION OF TN ONE VINTAGE WAY SUITE C-120 NASHVILLE,TN 37228	NONE	509(A)(1)	STATEWIDE DISEASE-PREVENTION PROGRAMS - RESPIRATORY	20,000
AMERICAN RED CROSS MID SOUTH CHAPTER 1400 CENTRAL AVENUE MEMPHIS,TN 38104	NONE	509(A)(1)	MEMPHIS FLOOD DISASTER RELIEF	10,000
CENTERSTONE OF TENNESSEE INC 1101 6TH AVENUE NORTH NASHVILLE,TN 37208	NONE	509(A)(1)	CRISIS SERVICES HIGH-RISK FOLLOW-UP PROJECT	200,000
CENTRO HISPANO DE EAST TENNESSEE 2455 SUTHERLAND AVENUE KNOXVILLE,TN 37919	NONE	509(A)(1)	HEALTH ACCESS AND WELLNESS PROJECT	25,000
CHILDREN'S CENTER OF THE CUMBERLANDS PO BOX 4314 ONEIDA,TN 37841	NONE	509(A)(1)	SANE MEDICAL EXAMINER	15,000
COMMUNITY FOUNDATION OF GREATER CHATTANOOGA 1270 MARKET STREET CHATTANOOGA,TN 37402	NONE	509(A)(1)	SOLUTIONS TO OBSTETRICS IN RURAL COUNTIES (STORC)	357,041
COMMUNITY FOUNDATION OF MIDDLE TN 3833 CLEGHORN AVENUE STE 400 NASHVILLE,TN 37215	NONE	509(A)(1)	BCBST FAMILY FUND SEED FUNDING	250,000
COUNTRY MUSIC HALL OF FAME AND MUSEUM 222 5TH AVENUE SOUTH NASHVILLE,TN 37203	NONE	509(A)(1)	BLUECROSS DISTANCE LEARNING LAB IN TAYLOR SWIFT EDUCATION CENTER	100,000
CRAB ORCHARD ELEMENTARY 240 SCHOOL ROAD CRAB ORCHARD,TN 37723	NONE	509(A)(1)	SHAPE THE STATE GRANT	1,000
DECATUR COUNTY MIDDLE SCHOOL 2740 HIGHWAY 641 S PARSONS,TN 38363	NONE	509(A)(1)	SHAPE THE STATE GRANT	1,000
DICKSON COMMUNITY CLINIC 111 HWY 70E 202 DICKSON,TN 37055	NONE	509(A)(1)	CHARITABLE CLINIC SUPPORT	5,000
EAST HICKMAN MIDDLE SCHOOL 9414 E EAGLE DRIVE LYLES,TN 37098	NONE	509(A)(1)	SHAPE THE STATE GRANT	1,000
Total . . . . ▶ 3a				8,583,058

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
EAST TN CHILDREN'S HOSPITAL ASSOCIATION 2018 WEST CLINCH AVENUE KNOXVILLE,TN 37916	NONE	509(A)(1)	EARLY CHILDHOOD NUTRITION AND FITNESS EDUCATION PROGRAM	200,537
EAST TN CHILDREN'S HOSPITAL ASSOCIATION 2018 WEST CLINCH AVENUE KNOXVILLE,TN 37916	NONE	509(A)(1)	NAS UNIT NAMING OPPORTUNITY	200,000
ERLANGER HEALTH SYSTEM FOUNDATIONS 975 EAST THIRD STREET CHATTANOOGA,TN 37403	NONE	509(A)(1)	CHILDHOOD HEALTHY EATING AND ACTIVE LIVING CENTER	125,000
FAITH FAMILY MEDICAL CENTER 326 21ST AVENUE NORTH NASHVILLE,TN 37203	NONE	509(A)(1)	JOURNEY TO HEALTH PROGRAM	113,259
FAITH FAMILY MEDICAL CENTER 326 21ST AVENUE NORTH NASHVILLE,TN 37203	NONE	509(A)(1)	CHARITABLE CLINIC SUPPORT	2,000
FRANKLIN ELEMENTARY SCHOOL 1501 FIGUERS DRIVE FRANKLIN,TN 37064	NONE	509(A)(1)	SHAPE THE STATE GRANT - KINESTHETIC MOVEMENT LAB	15,000
FREE MEDICAL CLINIC OF OAK RIDGE INC 116 EAST DIVISION ROAD OAK RIDGE,TN 37830	NONE	509(A)(1)	HEALTHY HABITS, HEALTHY LIVES PROGRAM	22,500
FRIENDS IN NEED HEALTH CENTER INC 1105 WEST STONE DRIVE KINGSPORT,TN 37660	NONE	509(A)(1)	PROGRAM SUPPORT - CHALLENGE GRANT	260,000
GIRLS INC OF CHATTANOOGA 709 SOUTH GREENWOOD AVENUE CHATTANOOGA,TN 37404	NONE	509(A)(1)	INFANT MORTALITY PUBLIC AWARENESS CAMPAIGN (IMPACT)	69,189
GOVERNORS FOUNDATION FOR HEALTH AND WELLNESS 511 UNION ST STE 720 NASHVILLE,TN 37219	NONE	509(A)(1)	HEALTHIER TENNESSEE PROGRAM	1,000,000
GREATER KINGSPORT FAMILY YMCA 1840 MEADOWVIEW PARKWAY KINGSPORT,TN 37660	NONE	509(A)(1)	GREATER KINGSPORT FAMILY YMCA, PHASE II EXPANSION	800,000
HABITAT FOR HUMANITY OF CHATTANOOGA 1201 EAST MAIN STREET CHATTANOOGA,TN 37408	NONE	509(A)(1)	TEAM BLUE PROJECT SUPPORT	10,000
HABITAT FOR HUMANITY OF GREATER MEMPHIS 7136 WINCHESTER ROAD MEMPHIS,TN 38125	NONE	509(A)(1)	TEAM BLUE PROJECT SUPPORT	10,000
HABITAT FOR HUMANITY OF WILLIAMSON CO 511 WEST MEADE BLVD FRANKLIN,TN 37064	NONE	509(A)(1)	TEAM BLUE PROJECT SUPPORT	10,000
HAMILTON COUNTY GOVERNMENT 117 E 7TH ST 500 CHATTANOOGA,TN 37402	NONE	509(A)(1)	RIVERWALK PROJECT	250,000
Total . . . . ▶ **3a**				8,583,058

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
HARRIS MIDDLE SCHOOL 570 EAGLE BLVD SHELBYVILLE,TN 37160	NONE	509(A)(1)	SHAPE THE STATE GRANT	1,000
HEALING HANDS HEALTH CENTER 210 MEMORIAL DRIVE BRISTOL,TN 37620	NONE	509(A)(1)	CHARITABLE CLINIC SUPPORT	7,000
HELEN ROSS MCNABB CENTER 201 WEST SPRINGDALE AVENUE KNOXVILLE,TN 37917	NONE	509(A)(1)	GEOGRAPHIC EXPANSION - BEHAVIORAL HEALTH PROGRAMS	83,333
HIGH RISK OBSTETRICAL CONSULTANTS PLLC 1924 ALCOA HIGHWAY SUITE 6-SOUTH KNOXVILLE,TN 37920	NONE	509(A)(1)	NEONATAL ABSTINENCE SYNDROME AND HEP-C RESEARCH PROJECT	62,600
HIWASSEE COLLEGE 225 HIWASSEE COLLEGE DRIVE MADISONVILLE,TN 37354	NONE	509(A)(1)	MOBILE DENTAL UNIT AND SIMULATION PROGRAM	220,000
HOLSTON HABITAT FOR HUMANITY 100 GREENWOOD LANE KINGSPORT,TN 37663	NONE	509(A)(1)	TEAM BLUE PROJECT SUPPORT	10,000
HOPE FAMILY HEALTH SERVICES 12124 TENNESSEE 52 WESTMORELAND,TN 37186	NONE	509(A)(1)	CHARITABLE CLINIC SUPPORT	8,000
HUMBOLDT CITY SCHOOLS BOARD OF EDUCATION 1811 FERRELL STREET HUMBOLDT,TN 38343	NONE	509(A)(1)	SHAPE THE STATE GRANT	1,000
INTERFAITH HEALTH CLINIC 315 GILL AVENUE KNOXVILLE,TN 37917	NONE	509(A)(1)	CHARITABLE CLINIC SUPPORT	10,000
JOHN SEVIER MIDDLE SCHOOL 1200 WATEREE STREET KINGSPORT,TN 37660	NONE	509(A)(1)	SHAPE THE STATE GRANT	1,000
KEYSTONE DENTAL CARE INC 603 BERT STREET 206 JOHNSON CITY,TN 37601	NONE	509(A)(1)	CHARITABLE CLINIC SUPPORT	10,000
KNOXVILLE HABITAT FOR HUMANITY 1501 WASHINGTON AVENUE KNOXVILLE,TN 37917	NONE	509(A)(1)	TEAM BLUE PROJECT SUPPORT	10,000
KNOXVILLE NEWS SENTINEL CHARITIES INC 2332 NEWS SENTINEL DRIVE KNOXVILLE,TN 37921	NONE	509(A)(1)	FREE FLU SHOT SATURDAY 2015	60,000
LA PAZ CHATTANOOGA 1402 BAILEY AVENUE CHATTANOOGA,TN 37404	NONE	509(A)(1)	COMMUNITY HEALTH STAFFING	65,000
MAURY MIDDLE SCHOOL 965 MAURY CIRCLE DANDRIDGE,TN 37725	NONE	509(A)(1)	SHAPE THE STATE GRANT	1,000
Total . . . . ▶ **3a**				8,583,058

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
MAYOR'S INSTITUTE FOR EXCELLENCE 516 TENNESSEE STREET STE 411 MEMPHIS,TN 38103	NONE	509(A)(1)	GUN DOWN EMERGENCY DEPARTMENT INTERVENTION	66,000
MEDICAL EDUCATION AND RESEARCH INSTITUTE 44 S CLEVELAND MEMPHIS,TN 38104	NONE	509(A)(1)	SIMULATED PEDIATRIC PATIENT SAFETY TRAINING FOR RURAL HOSPITALS AND EMS	75,000
MEDICAL FOUNDATION OF CHATTANOOGA INC 1917 EAST THIRD STREET CHATTANOOGA,TN 37404	NONE	509(A)(1)	PROJECT ACCESS	85,000
METHODIST HEALTHCARE FOUNDATION PO BOX 42048 MEMPHIS,TN 38174	NONE	509(A)(1)	SICKLE CELL CENTER OF MEMPHIS	50,000
MIDWAY ELEMENTARY SCHOOL 130 LAUREL BLUFF ROAD KINGSTON,TN 37763	NONE	509(A)(1)	SHAPE THE STATE GRANT	1,000
MOSHEIM SCHOOL 297 WEST SCHOOL STREET MOSHEIM,TN 37818	NONE	509(A)(1)	SHAPE THE STATE GRANT	1,000
MTN HOPE GOOD SHEPHERD CLINIC 312 PRINCE ST SEVIERVILLE,TN 37862	NONE	509(A)(1)	CHARITABLE CLINIC SUPPORT	8,000
MOUNTAIN STATES FOUNDATION 2335 KNOB CREEK ROAD STE 101 JOHNSON CITY,TN 37604	NONE	509(A)(1)	MOUNTAIN STATES HEALTH ALLIANCE COMMUNITY BENEFIT INITIATIVES	250,000
MUNFORD MIDDLE SCHOOL 100 EDUCATION AVENUE MUNFORD,TN 38058	NONE	509(A)(1)	SHAPE THE STATE GRANT	1,000
NORTHSIDE NEIGHBORHOOD HOUSE 211 MINOR STREET CHATTANOOGA,TN 37405	NONE	509(A)(1)	HEALTHY FAMILIES PROGRAM	30,000
OAK RIDGE SCHOOLS 304 NEW YORK AVENUE OAK RIDGE,TN 37830	NONE	509(A)(1)	SHAPE THE STATE GRANT	1,000
PINK PALACE FAMILY OF MUSEUMS 3050 CENTRAL AVENUE MEMPHIS,TN 38111	NONE	509(A)(1)	SHAPE THE STATE GRANT	16,000
PRIMARY CARE & HOPE CLINIC 1453A HOPE WAY MURFREESBORO,TN 37129	NONE	509(A)(1)	CHARITABLE CLINIC SUPPORT	6,000
RED BANK MIDDLE SCHOOL 3701 TOM WEATHERS DRIVE CHATTANOOGA,TN 37415	NONE	509(A)(1)	SHAPE THE STATE GRANT	1,000
RIDGEVIEW PSYCHIATRIC CENTER 110 NORTH TENNESSEE AVENUE LAFOLLETTE,TN 37766	NONE	509(A)(1)	MIST PROGRAM	145,228
Total . . . . ▶ **3a**				8,583,058

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
SALVUS CENTER INC 556 HARTSVILLE PIKE STE 200 GALLATIN,TN 37066	NONE	509(A)(1)	CHARITABLE CLINIC SUPPORT	5,000
SHELBY COUNTY SCHOOLS 160 S HOLLYWOOD STREET MEMPHIS,TN 38112	NONE	509(A)(1)	SHAPE THE STATE GRANT	1,000
SIGNAL CENTERS 109 NORTH GERMANTOWN ROAD CHATTANOOGA,TN 37411	NONE	509(A)(1)	TECHNOLOGY CLASSROOM	150,000
SILOAM FAMILY HEALTH CENTER 820 GALE LN NASHVILLE,TN 37204	NONE	509(A)(1)	CHARITABLE CLINIC SUPPORT	10,000
TENNESSEE CHARITABLE CARE NETWORK 326 21ST AVENUE NORTH NASHVILLE,TN 37203	NONE	509(A)(1)	CHARITABLE CLINIC SUPPORT	15,000
THE CHURCH HEALTH CENTER 1210 PEABODY AVENUE MEMPHIS,TN 38104	NONE	509(A)(1)	CHARITABLE CLINIC SUPPORT	5,000
THE CRUMLEY HOUSE 300 URBANA ROAD LIMESTONE,TN 37681	NONE	509(A)(1)	BRAIN INJURY REHABILITATION PROGRAM	25,000
THE SPEECH & HEARING CENTER 600 N HOLTSCLAW AVENUE CHATTANOOGA,TN 37404	NONE	509(A)(1)	LATINO YOUTH COMMUNICATION DISORDER OUTREACH	30,000
THE TRUST FOR PUBLIC LAND 202 TREMONT STREET CHATTANOOGA,TN 37405	NONE	509(A)(1)	FITNESS ZONES	150,000
THE UNIVERSITY OF MEMPHIS 106 ROBINSON HALL MEMPHIS,TN 38152	NONE	509(A)(1)	FITKIDS PROGRAM	275,000
THERF 5201 VIRGINIA WAY BRENTWOOD,TN 37027	NONE	509(A)(1)	SURGICAL QUALITY IMPROVEMENT PROGRAM	1,053,800
TN HOSPITAL EDUCATION & RESEARCH FOUNDATION 5201 VIRGINIA WAY BRENTWOOD,TN 37027	NONE	509(A)(1)	TENNESSEE CENTER FOR PATIENT SAFETY	507,885
UNITED WAY OF METROPOLITAN NASHVILLE 250 VENTURE CIRCLE NASHVILLE,TN 37228	NONE	509(A)(1)	SPORTS PLAY AND ACTIVE RECREATION FOR KIDS (SPARK) AFTER SCHOOL PROGRAM	178,811
UNIVERSITY OF TENNESSEE AT CHATTANOOGA 615 MCCALLIE AVENUE DEPT 5605 CHATTANOOGA,TN 37403	NONE	509(A)(1)	GERONTOLOGY CHAIR - SCHOOL OF NURSING	500,000
VALOR COLLEGIATE ACADEMY 4527 NOLENSVILLE PIKE NASHVILLE,TN 37211	NONE	509(A)(1)	SHAPE THE STATE GRANT	1,000
Total . . . . ▶ **3a**				8,583,058

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
VANDERBILT MEDICAL GROUP 2140 BELCOURT AVENUE STE 2146 NASHVILLE,TN 37212	NONE	509(A)(1)	PINK & DUDE CHEFS NUTRITION PROGRAM	64,375
VOLUNTEERS IN MEDICINE CHATTANOOGA 5705 MARLIN ROAD STE 1400 CHATTANOOGA,TN 37411	NONE	509(A)(1)	CHARITABLE CLINIC SUPPORT	6,000
WALTER J BAIRD MIDDLE SCHOOL 131 WJB PRIDE LANE LEBANON,TN 37087	NONE	509(A)(1)	SHAPE THE STATE GRANT	1,000
WASHINGTON COUNTY BOARD OF EDUCATION 405 W COLLEGE STREET JONESBOROUGH,TN 37659	NONE	509(A)(1)	SHAPE THE STATE GRANT	1,000
WEAKLEY COUNTY BOARD OF EDUCATION 8319 HIGHWAY 22 STE A DRESDEN,TN 38225	NONE	509(A)(1)	SHAPE THE STATE GRANT	1,000
WELCOME HOME OF CHATTANOOGA 224 WEST 18TH STREET CHATTANOOGA,TN 37405	NONE	509(A)(1)	VOLUNTEER AND EDUCATION PROGRAM	120,000
WEST END MIDDLE SCHOOL 3529 WEST END AVENUE NASHVILLE,TN 37205	NONE	509(A)(1)	SHAPE THE STATE GRANT	1,000
WESTSIDE ACHIEVEMENT MIDDLE SCHOOL 3389 DAWN DRIVE MEMPHIS,TN 38127	NONE	509(A)(1)	SHAPE THE STATE GRANT	1,000
WHITWELL MIDDLE SCHOOL 1 BUTTERFLY LANE WHITWELL,TN 37397	NONE	509(A)(1)	SHAPE THE STATE GRANT	1,000
VOID PRIOR YEAR GRANT 1 CAMERON HILL CIRCLE CHATTANOOGA,TN 37402	NONE	509(A)(1)	VOID PRIOR YEAR GRANT	-10,000
Total . . . . ▶ **3a**				8,583,058

TY 2014 Accounting Fees Schedule

Name: TENNESSEE HEALTH FOUNDATION INC

EIN: 20-0298456

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
AUDIT & TAX SERVICE EXP	10,100	1,515		8,585

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TY 2014 Investments Corporate Stock Schedule

Name: TENNESSEE HEALTH FOUNDATION INC

EIN: 20-0298456

Name of Stock	End of Year Book Value	End of Year Fair Market Value
ABS OFFSHORE SPC GLOBAL PORT	0	0
ALTRIA GROUP INC	300,547	300,547
AMERICAN EXPRESS CO COM	623,368	623,368
AMERIPRISE FINL INC	304,175	304,175
AT & T INC COM	416,516	416,516
AURORA OFFSHORE FD LTD II CL A	24,432,828	24,432,828
BABSON FLOATING RATE INCOME	8,391,820	8,391,820
BANK OF AMERICA CORP	853,353	853,353
BP PLC	343,080	343,080
CARDINAL HEALTH INC COM	201,825	201,825
CITIGROUP INC	405,825	405,825
CONOCOPHILLIPS	359,112	359,112
CRH PLC	309,729	309,729
DOUBLELINE TOTAL RETURN BOND F	33,310,350	33,310,350
EATON VANCE PARAMETRIC TAX-MGD EMERGING MARKETS FUND	16,100,209	16,100,209
ENTERGY CORP NEW COM	551,124	551,124
GAMMA CONVERTIBLE FUND	0	0
GENERAL DYNAMICS CORP COM	578,004	578,004
GENERAL ELEC CO COM	204,687	204,687
HONEYWELL INTL INC COM	619,504	619,504
ILLINOIS TOOL WKS INC COM	407,210	407,210
INTEL CORP CALIF COM	304,836	304,836
IR&M CORE BOND FD II	17,688,389	17,688,389
ISHARES BARCLAYS 0-5 YEAR TIPS	0	0
ISHARES MSCI EAFE ETF	0	0
ISHARES S&P 500 INDEX FUNDS	19,211,603	19,211,603
ISHARES S&P SMALLCAP 600	0	0
J P MORGAN CHASE & CO	732,186	732,186
JOHNSON & JOHNSON COM	711,076	711,076
JOHNSON CTLS INC COM	410,890	410,890

Name of Stock	End of Year Book Value	End of Year Fair Market Value
LENNAR CORP COM	416,733	416,733
MAINSTAY CONVERTIBLE FUND	11,746,587	11,746,587
MATTEL INC COM	263,033	263,033
MEDTRONIC INC COM	707,560	707,560
MERCK & CO INC NEW	681,480	681,480
MICROSOFT CORP COM	506,305	506,305
NORFOLK SOUTHN CORP COM	416,518	416,518
OCCIDENTAL PETE CORP COM	346,623	346,623
ORACLE CORPORATION COM	220,353	220,353
PFIZER INC COM STK USD0.05	610,540	610,540
PHILIP MORRIS INTL INC COM	594,585	594,585
PHILLIPS 66	415,860	415,860
PIMCO BOND FUND	0	0
PIMCO TOTAL RETURN FD-INST	0	0
PNC FINANCIAL SERVICES GROUP	638,610	638,610
RAYTHEON CO NEW	519,216	519,216
RIO TINTO PLC	142,786	142,786
SELECTINVEST MULTISTRATEGY LTD	311,473	311,473
SILCHESTER INT'L EQUITY TRUST	33,162,764	33,162,764
SOUTHWEST AIRLS CO COM	325,864	325,864
STANLEY BLACK & DECKER	518,832	518,832
STATE STREET CORP	620,150	620,150
TARGET CORP COM	652,826	652,826
VERIZON COMMUNICATIONS COM	406,986	406,986
WAL MART STORES INC COM	755,744	755,744
WELLS FARGO & CO NEW COM	838,746	838,746
WELLS FARGO ADVANTAGE SMALL CO	11,374,856	11,374,856

TY 2014 Other Assets Schedule

Name: TENNESSEE HEALTH FOUNDATION INC

EIN: 20-0298456

Description	Beginning of Year - Book Value	End of Year - Book Value	End of Year - Fair Market Value
EQ/MMF INTEREST RECEIVABLE	1,906	1,681	1,681
INVESTMENT RECEIVABLE	4,600,000	22,357,883	22,357,883

TY 2014 Other Decreases Schedule

Name: TENNESSEE HEALTH FOUNDATION INC

EIN: 20-0298456

Description	Amount
UNREALIZED LOSSES	6,396,351

TY 2014 Other Expenses Schedule

Name: TENNESSEE HEALTH FOUNDATION INC

EIN: 20-0298456

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
PROGRAM SUPPORT	882,000	0		882,000
DUES	500	0		0
OTHER PASSTHROUGH INVESTMENT EXPENSES	0	21,987		0
MISCELLANEOUS EXPENSE	22,682	0		0
LATE FEES AND PENALTIES	264	0		0

TY 2014 Other Liabilities Schedule

Name: TENNESSEE HEALTH FOUNDATION INC

EIN: 20-0298456

Description	Beginning of Year - Book Value	End of Year - Book Value
FRANCHISE & EXCISE TAX PAYABLE	-8,556	8,091
INVESTMENT PURCHASES PAYABLE	0	19,459,538
ESCHEATS PAYABLE	0	246

TY 2014 Other Professional Fees Schedule

Name: TENNESSEE HEALTH FOUNDATION INC

EIN: 20-0298456

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
MANAGEMENT FEES	393,792	393,792		0

TY 2014 Taxes Schedule

Name: TENNESSEE HEALTH FOUNDATION INC

EIN: 20-0298456

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
TAX AND LICENSE	262	0		0
FOREIGN TAXES FROM PASS THROUGH	0	102,351		0
EXCISE TAX	181,383	0		0

AMENDED AND RESTATED BYLAWS
OF
TENNESSEE HEALTH
FOUNDATION, INC. (THF)

(Amendments effective 6-27-2014)

AMENDED AND RESTATED BYLAWS
OF
TENNESSEE HEALTH FOUNDATION, INC.

ARTICLE I
NAME

The business of the Corporation shall be conducted using the name Tennessee Health Foundation, Inc (hereinafter referred to as the "Corporation") or such other name or names as the Corporation's Board of Directors (the "Board") may authorize

ARTICLE II
PRINCIPAL OFFICE, REGISTERED AGENT, AND LIMITATION OF POWERS

Section 1. Principal Office.

The Corporation's principal office shall be at such a place as the Board may specify In the absence of action by the Board, that office shall be maintained at the address designated in the Charter The Corporation may have other offices at such locations as may be required or convenient to conduct its business

Section 2. Registered Agent.

The registered office of the corporation, required by the Tennessee Nonprofit Corporation Act (the "Act"), as the same exists or may hereafter be amended, to be maintained in the State of Tennessee may be, but need not be, identical with the principal office in the State of Tennessee, and the address of the registered office may be changed from time to time by the Board

Section 3. Limitation of Powers.

The purposes of this corporation shall be as provided in its Charter The aims of this Corporation are to be carried out through any and all lawful activities, including others not specifically stated in the Charter but incidental to the stated aims and purposes, both directly and through contributions to any other corporation, trust, fund, or foundation whose purposes religious, charitable, scientific, literary or educational, provided, that any such activity or contribution shall conform to any applicable restrictions or limitations set forth in the Corporation's Charter or which are imposed on corporations described in Section 501(c)(3) of the Internal Revenue Code and the regulations thereunder or on any corporation contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code as presently enacted, or as they may hereafter be amended or supplemented, or replaced by new sections or similar import, and to the final regulations thereunder

Section 4. [THIS SECTION IS INTENTIONALLY LEFT BLANK].

ARTICLE III
MEMBERS

The Corporation shall have no members

ARTICLE IV
[THIS ARTICLE IS INTENTIONALLY LEFT BLANK]

ARTICLE V
ROLE OF THE BCBST BOARD

The Corporation was created as a tax exempt, nonprofit part of the BlueCross BlueShield of Tennessee (BCBST) Enterprise As part of the BCBST Enterprise and in order to further the charitable interest of the corporation, the BCBST Board and its standing Committees (see Article VIII, Section 2 of the BCBST Bylaws) shall have oversight of all wholly owned subsidiaries and affiliates, including the Corporation

ARTICLE VI
BOARD OF DIRECTORS

Section 1. Oversight and Direction.

All corporate powers not expressly reserved by the Shareholder shall be exercised by or under the authority of the Board (subject to BCBST oversight, as stated above) The business and affairs of the Corporation shall be conducted subject to the general direction and oversight of the Board, except as may be otherwise provided by applicable laws, the Charter or these Bylaws Individuals do not need to be Tennessee residents to serve as Directors

The Board shall not have the power or authority to a) elect, appoint or remove Directors, or set the compensation of Directors, or b) approve a plan of merger, consolidation, conversion or dissolution, or c) approve a sale, pledge, or assignment of all or substantially all of the Corporation's assets, or d) take actions which would not be permitted by applicable laws Such powers are reserved for action by the BCBST Board

Section 2. Number, Election and Term of Office.

The number of Directors which shall constitute the whole Board shall be some number not less than 11 and not more than 17 members Individuals do not need to be Tennessee residents to serve as Directors Directors shall be appointed by the BCBST Board Each Director shall be elected at BCBST's annual meeting and shall hold office for a term of one (1) year or until his or her successor is elected and qualified or until his or her earlier death, disability, resignation or removal If more than the requisite number of individuals is nominated to serve, the Directors shall be elected by a plurality of the votes cast during the annual meeting The BCBST Board shall elect Directors to fill vacancies or newly created positions on the Board

Section 3. Removal, Resignation, or Retirement.

Any or all of the Directors may be removed at any time with or without cause, by a two-thirds (2/3) majority vote of the BCBST Board A Director may resign at any time by tendering his or her resignation in writing to the Secretary of the Corporation A resignation shall become effective upon the date specified in such notice or, if no date is specified, upon receipt of that resignation by the Secretary The retirement age for Directors shall be seventy-two (72) years of age, with the retirement occurring at the Annual Board Meeting immediately following the 72^{nd} birthday

Section 4. Vacancy.

Vacancies on the Board caused by death, resignation, removal or any other cause shall be filled by a majority vote of the BCBST Board Such vacancies may be filled at any regular or special meeting called for that purpose or by written consent or by written consent Directors elected to fill vacancies shall continue in office for the unexpired portion of the term for which elected or their earlier death, removal, resignation, or retirement

Section 5. Independence.

A majority of Directors must be independent under this definition An "immediate family member" for purposes of this definition includes a person's spouse, parents, children and siblings

For a Director to be deemed "independent," the BCBST Board must affirmatively determine that the Director has no material relationship with the company A Director is not independent if

(1) The Director is, or has been within the last three years, an employee of BCBST and/or its wholly owned subsidiaries and affiliates or an immediate family member is, or has been within the last three years, an executive officer of BCBST and/or its wholly owned subsidiaries and affiliates

(2) The Director has received, or has an immediate family member who received, during any twelve-month period within the last three years, more than $100,000 in direct compensation from BCBST and/or its wholly owned subsidiaries and affiliates (other than (1) Director and Committee fees, (2) pension or other forms of deferred compensation for prior service, provided such compensation is not contingent on future service, and (3) health plan benefit payments to the Director or immediate family member) A member of the Audit Committee may not accept any consulting, advisory, or other compensatory fee

(3) The Director or an immediate family member is a current partner of BCBST's and/or its wholly owned subsidiaries and affiliates' external auditor

(4) The Director or an immediate family member is, or has been within the last three years, employed as an executive officer of another company where any of BCBST's and/or its wholly owned subsidiaries and affiliates' present executive officers at the same time serve or served on the Compensation Committee

(5) The Director is a current employee, or an immediate family member is a current executive officer, of another company that has made payments to, or received payments from, BCBST and/or its wholly owned subsidiaries and affiliates for

property or services in an amount that in any of the last three years exceeded the greater of $1 million or 2% of such other company's consolidated gross revenues

Notwithstanding Item 5 above, the BCBST Board may determine that a Director is independent notwithstanding the receipt of payments of amounts that account for more than $1 million or 2% of the recipient's consolidated gross revenues if the Board determines, based on the facts and circumstances, that the relationship is not material

Section 6. Conflict of Interest.

Any transaction between the Corporation and a Director or officer or a member of his or her immediate family, or between the Corporation and any other entity in which a Director or officer or any member of his or her immediate family has an interest, shall not be voidable, and such transaction shall not be the basis for imposing liability on the Director or officer, if the interest is fully disclosed, the transaction is not unfair to the Corporation and it is authorized, approved or ratified by the affirmative vote of a majority of the members of the Board, or of a Board Committee, who have no direct or indirect interest in the transaction A majority of the members of the Board who have no direct or indirect interest in the transaction shall constitute a quorum for the purpose of taking action under this Article The Chief Compliance Officer of BCBST or his or her designee has oversight responsibility for Conflicts of Interest Conflicts of Interest policy of BCBST shall reflect the process and procedures for consideration of potential Director conflicts

Section 7. Conflict of Interest Reports.

The Board has adopted a code of conduct providing general guidelines to help employees, officers and Directors to avoid any situation where a conflict of interest could exist or reasonably appear to exist In accordance with that policy, Directors (members of the Board) shall annually prepare and file with the Secretary of the Corporation, disclosure statements in order to disclose any existing or potential conflict of interest or violation of the code of conduct A "conflict of interest" shall include not only those things described by law, but may also include any situation wherein a Director of BCBST and/or its wholly owned subsidiaries and affiliates is a Director, officer, or employee of any company or entity that contracts with the corporation or is in direct or indirect competition with the corporation This annual disclosure statement shall be in such form as the Board shall prescribe Additionally, if any existing or potential conflict of interest or existing or potential violation of the code of conduct damages or has the potential to damage the business or reputation of the Corporation, then any Director may be removed for such by the Board The Conflict of Interest process shall reflect the process consideration of potential Director conflicts (e g , the Director is excused from deliberations, abstains from voting and does not count towards quorum)

Section 8. Meetings of Directors.

(1) Participation, Quorum and Vote A majority of the total number of Directors in office shall constitute a quorum for the transaction of business The vote of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board unless applicable laws, the Charter or these Bylaws require a greater number of votes to take such action

(2) Place of Meetings Meetings of the Board shall be held at such place in or outside of the State as may be established by the Board or the Chairman of the Board and stated in the notice of meeting

(3) Annual Meeting The annual meeting of the Board shall be held prior to the last day of April of each year Ten (10) days' notice of the annual meeting shall be given by the Chairman of the Board or the Secretary, at the Chairman's direction, to each Director

At the annual meeting each year, the Board shall elect the officers of the Corporation as described in Article X and transact all other business properly brought before the meeting In addition, at such meeting the Board shall consider the report of the certified public accountant retained to audit the financial affairs of the Corporation at the close of the fiscal year That auditor shall furnish a copy of the audit report for the preceding fiscal year to each member of the Board, prior to the annual meeting

(4) Meetings of the Board At least four (4) meetings of the Board shall be held during each calendar year

(5) Special Meetings Special meetings of the Board may be called at any time by the Chairman, the CEO, or any two Directors, upon notice to all Directors given in accordance with T C A 48-58-203

(6) Executive Sessions of Board Non-management Directors may hold Executive Sessions after each regularly scheduled Board meeting

(7) Notice Any notice to Directors shall be given in writing and delivered personally or by mail, telegram, telex, cable, telecopier, facsimile, email, or similar means to the Directors at their respective addresses appearing on the books of the Corporation Notice by mail shall be deemed to be given when the notice is deposited in the United States mail, postage prepaid Any notice required or permitted to be given by telegram, telex, cable, telecopier, facsimile, email, or similar means shall be deemed to be given at the time it is transmitted

(8) Waiver of Notice A Director may waive any notice required by applicable laws, the Charter, or these Bylaws, in writing, at any time The Director's signed waiver of notice shall be filed with the minutes or the corporate records to which that waiver is applicable Attendance at a meeting of the Board shall constitute waiver of any required notice of that meeting, unless the Director attends the meeting for the express purpose of objecting to the transaction of any business, at the beginning of the meeting, because

the meeting is not lawfully called or convened, provided that Director does not subsequently vote on any actions taken during that meeting

(9) Telephone and Similar Meeting Excluding the Board Retreat, Directors may participate in meetings by means of videoconference, conference telephone, or similar communications equipment by which all persons participating in the meeting can hear and respond to each other Directors who participate in a meeting using such communications equipment will be considered to participate for purposes of establishing a quorum and transacting business during that meeting Directors may not use such communications equipment for the sole purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened

(10) Consent of Directors in Lieu of Meeting Any action that may be taken at a meeting of the Board may be taken without a meeting if all of the Directors consent, in writing, to taking that action without a meeting If the Directors so consent, the affirmative vote of the number of Directors that would be required to take that action if a meeting had been conducted shall be the act of the Board The written consent signed by each Director, in one or more counterparts, must describe the action taken and each Director's vote or abstention concerning that matter The written consent shall be filed with the Corporation's minutes

(11) Presumption of Assent A Director of the Corporation who is present at a meeting of the Board at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless (a) the Director objects to holding the meeting or transacting business at the meeting at the beginning of the meeting (or promptly upon his or her arrival), (b) the Director's dissent or abstention is entered in the minutes of the meeting, or (c) the Director delivers written notice of dissent or abstention to the person acting as the Secretary of the meeting before the adjournment thereof or forwards such dissent or abstention to the Secretary of the corporation immediately after the adjournment of the meeting Such right to dissent shall not apply to a Director who voted in favor of such action

Section 9. Compensation.

The Board is authorized to reimburse the Directors for their expenses, if any, incurred in attending each meeting of the Board In addition, the BCBST Board, by majority vote, is authorized to make provisions for reasonable compensation of the Board for their services as Directors and to fix the basis and conditions upon which this compensation may be paid No such payment shall preclude any Director from serving the Corporation in any other capacity and receiving compensation therefore Members of special or standing Committees may be allowed like compensation for attending Committee meetings Said compensation for Committee meetings shall be set by the BCBST Board

ARTICLE VII
RELIANCE UPON BOOKS AND RECORDS

In discharging his or her duties, a Director or Committee member is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by

1 One (1) or more officers or employees of the Corporation whom the Director or Committee member reasonably believes to be reliable and competent in the matters presented,
2 Legal counsel, public accountants or other persons as to matters the Director or committee member reasonably believes are within the person's professional or expert competence, or
3 A committee of the Board of which the Director or Committee member is not a member, as to matters within its jurisdiction, if the Director reasonably believes the Committee merits confidence

A Director or Committee member is not acting in good faith if the Director or Committee member has knowledge concerning the matter in question that makes reliance otherwise permitted unwarranted

ARTICLE VIII
COMMITTEES OF BOARD OF DIRECTORS

Section 1. Role of the BCBST Board.

As stated in Article V, the Corporation was created as a tax exempt, nonprofit part of the BCBST Enterprise As part of the BCBST Enterprise and in order to further the charitable interest of the corporation, the BCBST Board and its standing Committees (see Article VIII, Section 2 of the BCBST Bylaws) shall have oversight of all wholly owned subsidiaries and affiliates, including the Corporation

Section 2. Board Committees.

The Board may create, from time to time, standing or special Committees, as it shall deem necessary or appropriate A Committee member shall be considered independent in accordance with the terms and provisions of these Bylaws Article VI, Section 5 The powers and responsibilities of each Committee shall be established by the Board, subject to the Corporation's Charter, these Bylaws, and applicable laws Members of Committees may be Directors or other natural persons appointed in accordance with T C A 48-58-206

Section 3. Appointment of Committee Members and Chair.

The Board shall annually review the Board Committees and appoint the members and Chair of each Board Committee The number of members of any Committee may be increased or decreased by the Board Each Committee member shall hold office during the term established by the Board or until his or her earlier death, removal, resignation, or retirement

Section 4. Removal, Resignation, or Retirement.

The Board may remove a Committee member at any time either with or without cause A Committee member may resign at any time by tendering his or her resignation in writing to the Secretary of the Corporation A resignation shall become effective upon the date specified in such notice or, if no date is specified, upon receipt of that resignation by the Secretary Resignation or retirement from the Board constitutes the same from Committees

Section 5. Operation of Committees.

Each Committee shall have a written Charter, defining its responsibilities and scope of authority The Board will oversee the development and revisions of such Charters, reviewing them for consistency and completeness before submitting them for full Board approval

Each Committee shall meet no less than three times per year, shall undertake periodic evaluations to assess Committee effectiveness, and shall develop and maintain regular minutes of its proceedings and records of any action taken by the Committee All material actions by any Committee shall be reported to the Board at its next meeting following such meeting or action Each Committee may retain and compensate outside advisors and make periodic evaluations The Board may disapprove or modify the action of any Committee, provided that no vested rights of third persons shall be affected by any such disapproval or modification Committees may meet and take actions in the same manner as the Board, in accordance with applicable laws, the Charter, and these Bylaws

Section 6. Restrictions on Committees.

No Committee of the Board shall have the authority of the Board in reference to amending, altering or repealing the Bylaws, electing, appointing or removing any member of any such Committee or any Director or any officer of the Corporation, amending the Charter, adopting a plan of merger or adopting a plan of consolidation with another corporation, authorizing the sale, lease, exchange or mortgage of all or substantially all of the property and assets of the Corporation, authorizing the voluntary dissolution of the Corporation or revoking the proceedings therefore, adopting a plan for the distribution of the assets of the Corporation, or amending, altering or repealing any resolution of the Board, which by its terms provides that it shall not be amended, altered or repealed by such Committee

Section 7. Quorum and Voting.

A majority of the members of any Committee of the Board shall constitute a quorum for the transaction of business at any meeting thereof The action of the majority of those present in such meeting at which a quorum is present shall be deemed an action of the whole Committee

Section 8. Notice and Waiver of Notice.

Notice and waiver of notice of any Committee meeting of the Board shall be provided in the same manner and method as provided for meetings of the Board

Section 9. Executive Session.

Non-management directors may hold Executive Sessions after each regularly scheduled Committee meeting

ARTICLE IX
CHAIRMAN & VICE CHAIRMAN

Section 1. Appointment and Term of Office.

A Chairman and Vice Chairman shall be nominated by the Governance and Nominating Committee and elected by the Board at the annual Board meeting and shall hold office for one (1) year or until his or her earlier death, removal, resignation, or retirement Vacancies may be filled at any time by the Board

Section 2. Term Limits.

Individuals serving in the Chairman and Vice Chairman capacity may serve up to four (4) consecutive one (1) year terms Special circumstances may dictate that the timing of this transition may result in adverse harm to the company If this should occur, the Chairman's four (4) term limit may be extended for one (1) additional term The one (1) term extension will require a two-thirds (2/3) majority vote for approval by the Board Maximum time a Chairman shall hold office is no more than five (5) consecutive one (1) year terms

Prior to the Annual Board meeting at which the Chairman or Vice Chairman reach the four (4) term limit, the BCBST Governance and Nominating Committee shall implement a succession plan, as follows

The BCBST Governance and Nominating Committee shall review the Board composition and develop a slate of nominees for the office of Chairman or Vice Chairman To qualify as a nominee for Chairman, candidates must have served as a member of the Board for a minimum of three (3) years To qualify as a nominee for Vice Chairman, candidates must have served as a member of the Board for a minimum of two (2) years

The Chief Executive Officer (CEO) may not serve as the Chairman nor may the Chairman serve as the CEO, unless a crisis situation should occur where both the CEO and President become incapacitated or perish In this crisis situation, the Chairman may assume managerial control of the organization on an interim basis not to exceed 12 months, until the Board can appoint an interim or permanent CEO

Additional characteristics as defined in the Board Governance Policy should be considered

The BCBST Governance and Nominating Committee shall report its findings at the next Board Meeting, and shall present a slate of nominees at the Annual Board of Directors Meeting for the appointment of Chairman or Vice Chairman

Section 3. Chairman and Vice Chairman Duties.

(1) Chairman The Chairman of the Board shall preside at all meetings of the Board and of the Executive Committee Subject to the control of the Board, the Chairman of the Board shall have general supervision of the business of the Corporation, shall review the activities of Committees of the Board, shall make a report to the Board at its annual meeting with respect to the activities of the Corporation, shall make recommendations for the Corporation's welfare and future operations and shall perform such other duties as may from time to time be prescribed by the Board

(2) Vice Chairman The Vice Chairman of the Board, in the absence of the Chairman, shall perform the duties of the Chairman, and shall perform such other duties as may be prescribed by the Board

ARTICLE X
CORPORATE AND ADMINISTRATIVE OFFICERS

Section 1. Corporate Officers.

The officers of the Corporation shall be a CEO, a President, a Secretary and a Treasurer, and such other offices as are elected by the Board Any two or more offices may be held by the same person, except the offices of President and Secretary The President and CEO may be one (1) person, and the Secretary and Treasurer may be one (1) person The Board may appoint one or more assistant officers

Section 2. Appointment and Term of Office.

The Corporation's officers shall be elected by the Board at the annual meeting and shall hold office for one (1) year or until their earlier death, removal, resignation, or retirement. Vacancies may be filled at any time by the Board

Section 3. Removal.

Any corporate officer elected and appointed by the Board may be removed by the Board Any administrative officer appointed by the CEO may be removed by the CEO or the Board Such removals may be made with or without cause The removal of a corporate officer or administrative officer shall not prejudice any contract rights of that person

Section 4. CEO.

The CEO shall be responsible for the management and oversight of the Corporation's business and for implementing all Board policies and directives The CEO is authorized to appoint, remove and establish the powers, duties and compensation of the Corporation's officers and employees, subject to the general oversight of the Board Unless otherwise specified by the Board, the CEO shall have the power and authority to enter into, execute and deliver contracts, agreements, deeds, bonds, mortgages, tax returns and other instruments on behalf of the Corporation The CEO may authorize other officers, employees or agents to execute such documents, subject to any limitations and restrictions upon the authority delegated to that individual The Board may delegate other powers and duties to the CEO, subject to the requirements of applicable laws, the Charter and these Bylaws The CEO shall be a member of the Board with voting privileges on the Board

Section 5. [THIS SECTION IS INTENTIONALLY LEFT BLANK].

Section 6. President.

The President shall have general supervision of the affairs of the Corporation, subject to the direction of the Board and the CEO In the absence of the CEO, the President shall perform the duties of the CEO, and shall perform such other duties as may be prescribed by the CEO or the Board The President shall not be a member of the Board

Section 7. Secretary and Assistant Secretary.

The Secretary shall attend all Board and Board Committee meetings The Secretary shall record all votes, maintain minutes of all proceedings, keep appropriate records of all other actions, and prepare the annual reports of the Corporation The books of the Corporation may be kept outside of the State of Tennessee, subject to applicable laws, the Charter and these Bylaws The Secretary shall give, or cause to be given, required notices of the meetings of the Board and Committees The Secretary shall also perform such other duties as may be prescribed by the Board, provided, however, that any of such duties may be delegated by the Board to an Assistant Secretary or other officer or employee of the Corporation

Section 8. Treasurer and Assistant Treasurer.

The Treasurer shall be responsible for the care and custody of the Corporation's funds, securities, investments and other assets ("Assets") The Treasurer shall keep full and accurate accounts of receipts and disbursements of corporate Assets The Treasurer shall deposit all Assets in such depositories as may be designated by the Board in the name of and for the benefit of the Corporation The Treasurer shall also perform such other duties as may be prescribed by the Board, provided, however, that any such duties may be delegated by the Board to an Assistant Treasurer or other officer or employee of the Corporation

Section 9. Administrative Officers.

The Board may also at its discretion appoint administrative officers in addition to those set forth in Section One, upon the recommendation of the CEO Such officers shall not be members of the Board, and serve at the pleasure of the CEO In the absence of explicit instruction from the Board, compensation and duties for administrative officers other than the CEO shall be prescribed by the CEO

Section 10. Compensation.

(1) No officer or other employee or any person shall receive any compensation or salary for services, except as may from time to time be authorized by the Directors However, it is expressly understood that the authorization by the Directors may be by either formal or informal action, and the compensation for an officer shall be a valid and subsisting debt of the Corporation if at such time as the failure to record same in the minutes is called to the attention of the Directors and they file no written objection to the compensation within thirty (30) days thereafter After the expiration of seventy-five (75) days past each fiscal year, it shall be presumed that all payments to officers and employees designated on the tax return as compensation or salary was duly authorized by the Board in the absence of any showing of fraud or other wrongdoing on the part of such officer or employee If any officer or other person or employee of the Corporation uses or takes any property of the Corporation for his/her own personal use or for the personal use of a member of his/her family, the fair market value of such property or the use of such property, as the case may be, shall be deemed additional compensation from the Corporation to such person unless the Board of Directors within seventy-five (75) days from the date that such use was called to his or her attention, elects to either declare the fair market value of such property or the use of same to the officer or person or employee as a dividend or charge such person with repayment of the equivalent in cash to the Corporation The fair market value of such property or the use of same, as the case may be, shall be treated as compensation to such officer as of the date such use is called to the attention of the Board, unless said Board by formal action elects to treat the same otherwise or charge such person with repayment

No dividend shall be paid by the corporation except after formal action by the Board recorded in the minutes of the corporation

(2) Any officer elected by the Directors or under contract to the Corporation shall be elected or appointed under such contract upon the implied condition that such officer for himself/herself, his/her legal representatives, heirs and assigns, shall be absolutely obligated to repay to the Corporation such amount or amounts paid to such officer as compensation pursuant to the provisions of Section 10 of this Article or other payments to him or her such as bonus, interest, rent or entertainment expense incurred by him or her which does not constitute a reasonable salary under the provisions of Section 162(a)(1) of the Internal Revenue Code and/or which shall be disallowed in whole or in part as a deductible expense If a determination, as that term is defined in Section 1313 of the Internal Revenue Code of 1954, is made against the Corporation, disallowing any part of the Corporation's deduction of the officers' salary or compensation or the other above mentioned payments as a trade or business expense, then such amount shall be repaid to the Corporation by the employee or his/her estate receiving same The repayment must be made within thirty (30) days from the date of such determination and shall bear interest at the rate of six percent (6%) per annum from the date that the employee received the payment from the Corporation to the date of repayment The repayment may be made in the form of a promissory note payable on or before one year from the date thereof It shall be the duty of the Directors, as a Board, to enforce the payment of each amount disallowed In lieu of the payment by the officer, subject to the determination of the Directors, proportionate amounts may be withheld from his/her

future compensation payments until the amount owed to the Corporation has been recovered

(3) If the services of an officer of the Corporation are duly terminated, the officer shall be entitled only to that salary or compensation which has accrued up to the date of such termination It is expressly agreed and understood that after termination, the officer shall continue to be liable for any indebtedness to the Corporation, including that which may arise under the provisions of this Article

ARTICLE XI
INDEMNIFICATION AND IMMUNITY

Section 1. Indemnification of Directors, Officers and Employees.

The Corporation shall indemnify any individual, or such individual's heirs, executors, administrators or legal representatives, who is made a party to any threatened, pending, or completed action, suit or proceeding whether civil, criminal, administrative, or investigative and whether formal or informal, because the individual is or was a Director, officer or employee of the Corporation, or who, while a Director, officer or employee is or was as a director, officer, partner, trustee, employee, or agent of another foreign or domestic for profit or nonprofit corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise at the Corporation's request, to the maximum extent permitted by applicable laws, as amended from time to time Such indemnity shall include any expenses (including counsel fees), judgments, settlements, penalties, fines (including an excise tax assessed with respect to an employee benefit plan), and other liabilities actually incurred with respect to such an action, suit or proceeding If applicable laws are amended to limit or restrict the indemnification rights permitted by law as of the effective date of these Bylaws, such amendment shall apply only to the extent mandated by law and only to activities of persons subject to indemnification under this Article which occur subsequent to the effective date of such amendment The indemnification and advancement of expenses granted pursuant to this Article shall not be deemed to be exclusive of any other rights to which a Director, officer or employee seeking indemnification or advancement of expenses may be entitled pursuant to law

Section 2. Expenses.

Expenses incurred by an individual in defending a civil or criminal action, suit or proceeding by reason of the fact that such individual is, or was, a Director, officer or employee of the Corporation (or who, while a Director, officer or employee is or was as a director, officer, partner, trustee, employee, or agent of another foreign or domestic for profit or nonprofit corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise at the Corporation's request) shall be paid by the Corporation in advance of the final disposition of such action, suit or proceeding if (a) the Director, officer or employee furnishes the Corporation a written affirmation of such Director's, officer's or employee's good faith belief that such Director, officer or employee has met the standard of conduct described in T C A § 48-58-502, (b) the Director, officer or employee furnishes the Corporation a written undertaking, executed personally or on behalf of such Director, officer or employee, to repay any advances if it is ultimately determined that such Director, officer or employee is not entitled to indemnification, and (c) a determination is made that the facts then known to those making a determination would not preclude indemnification under the Tennessee Nonprofit Corporation Act

ARTICLE XII
QUALIFICATIONS IN OTHER JURISDICTIONS

The Corporate and Administrative Officers may execute and file any documents that are required to authorize the Corporation to do business in other jurisdictions

ARTICLE XIII
AMENDMENTS

These Bylaws may be altered, amended or repealed or new bylaws may be adopted by the Board as permitted under Tenn Code Ann § 48-60-201, 202, 203, 204, and 205 Upon Board approval of such alteration, amendment, or adoption of the bylaws, notice shall be given to the BCBST Board

ARTICLE XIV
AMENDMENT AND RESTATEMENT

These Bylaws amend and restate in their entirety any and all previous bylaws, whenever enacted, of the Corporation

ARTICLE XV
EMERGENCY BYLAWS

The Emergency Bylaws provided in this Article XV shall be operative during any emergency in the conduct of the business of the Corporation, notwithstanding any different provision in the preceding Articles of the Bylaws or in the Charter of the Corporation or in the Act To the extent not inconsistent with the provisions of this Article, the Bylaws provided in the preceding Articles shall remain in effect during such emergency and upon its termination, the Emergency Bylaws shall cease to be operative

During such emergency

(1) A meeting of the Board may be called by any officer or director of the Corporation Notice of the time and place of the meeting shall be given by the person calling the meeting to such of the Directors as it may be feasible to reach by any available means of communication Such notice shall be given at such time in advance of the meeting as circumstances permit in the judgment of the person calling the meeting

(2) At any such meeting of the Board, a quorum shall consist of a majority of the Directors who may be readily assembled

(3) The Board, either before or during any such emergency, may, provide, and from time to time modify, lines of succession in the event that during such an emergency any or all officers or agents of the Corporation shall for any reason be rendered incapable of discharging their duties

(4) The Board, either before or during any such emergency, may, effective in the emergency, change the head office or designate several alternative head offices or regional offices, or authorize the officer to do so

Corporate action taken in good faith in accordance with the Emergency Bylaws binds the Corporation and may not be used to impose liability on a corporate director, officer, employee, or agent

The Emergency Bylaws shall be subject to repeal or change by further action of the Board (or actions of the members), but no such repeal or change shall modify the provisions of the next preceding paragraph with regard to action taken prior to the time of such repeal or change Any amendment of the Emergency Bylaws may make any further or different provision that may be practical and necessary for the circumstances of the emergency

ARTICLE XVI
TENNESSEE NONPROFIT CORPORATION ACT

These Bylaws are intended to be in conformity with the requirements of the Tennessee Nonprofit Corporation Act If the Tennessee Nonprofit Corporation Act does not allow certain provisions of these Bylaws to control in any given situation, then the applicable provision of said Act shall prevail