

**MINUTES OF THE EMERGENCY BOARD MEETING
OF THE BOARD OF COMMISSIONERS OF THE
WINNIE-STOWELL HOSPITAL DISTRICT**

An Emergency Meeting of the Board of Directors of the Winnie-Stowell Hospital District ("District") was called at 4:02 p.m. on the 27th Day of March, 2014 at the Winnie Community Hospital-Conference Room Broadway, Winnie, Texas pursuant to Section 551.045 of the Texas Gov't Code. Notice of this meeting was duly filed and posted a full twenty-four (24) Hours prior to the opening of the said meeting (a copy of said Notice being placed amongst the files of the District).

The roll was called of the members of the Board, to-wit:

Elroy Henry, Chair
Jeff Rollo, Vice Chair
Sharon Burgess, Director
Edward Murrell, Director
Raul Espinosa, Director

All said Board members were present with exception of Sharon Burgess who is absent. In addition to the above named Board Members, also present at the meeting was Sherrie Norris, District Administrator, Danny Thompson, Dan Yancey and Suggie Daigle. Hubert Oxford, IV of the law firm Benckenstein & Oxford, LLP was present by conference call during executive session.

At approximately, 4:02 p.m., a quorum was established and the emergency meeting of the Board of Directors was convened. Immediately thereafter, at 4:06 p.m., Chair Henry then called the Board into Executive Session pursuant to Session pursuant to Chapter 551.071 of the Texas Government Code regarding litigation, specifically the matter of *In Winnie Community Hospital, LLC; Frontier Healthcare Group, LLC*; pending in the United States Bankruptcy Court for the North District of Texas, Fort Worth Division to consult with attorney regarding the settlement

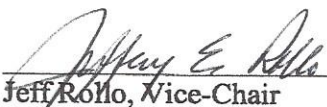
offer made pursuant to the Federal Rules of Evidence 408 in the pending litigation In Re: Winnie Community Hospital, LLC litigation. The Executive Session ended at 4:40 p.m.

Upon reconvening in Open Session, Director Murrell then made a motion to allow the Winnie Community Hospital to borrow \$100,000.00 but upon funding of the advance, the District shall receive (without further order of this Court) an allowed administrative expense pursuant to *11 U.S.C. §§ 364(b) & 503(b)(1)*. (See Exhibit "A"). This motion was seconded by Director Espinoza with unanimous consent of all Board members present.

There being no further business Director Espinosa made a motion to adjourn. This motion was seconded by Vice Chair Rollo with unanimous consent of all Board members present.

The Board meeting was adjourned at approximately 4:50 p.m.


Elroy Henry, Chair


Jeff Rollo, Vice-Chair