

**Exhibit E**

Governance Agreement

Enacted

**Governance Agreement  
By and Between  
The Roman Catholic Archbishop of Boston**

**and  
The Attorney General of the Commonwealth of Massachusetts**

THIS AGREEMENT (the "Governance Agreement") is entered into and effective as of this twentieth (20<sup>th</sup>) day of May, 2008 by and between Seán Cardinal O'Malley, O.F.M. Cap., as he is the Roman Catholic Archbishop of Boston (hereinafter on behalf of himself and his successors and assigns, the "Archbishop"), and Martha Coakley, as she is the Attorney General of the Commonwealth of Massachusetts (hereinafter on behalf of herself and her successors and assigns, the "Attorney General") for and with respect to the governance of Caritas Christi, a non-profit charitable health care organization organized and existing in the Commonwealth of Massachusetts.

WHEREAS, at all times relevant hereto the Archbishop served, *ex-officio*, as the Chairman of Caritas Christi and under the provisions of the bylaws of Caritas Christi with respect to such office had the power to exercise broad authority, in reliance upon both expressed and reserve powers, over Caritas Christi and its Board of Governors; and

WHEREAS, in November of 2006 a consulting firm retained by Caritas Christi recommended that in the event Caritas Christi did not affiliate with or otherwise transfer control to another organization, but instead proceeded to move forward on a stand alone basis, the governance role of the Archbishop needed to be modified; and

WHEREAS, a report commissioned by the Attorney General and issued March 6, 2008, concluded that the governance model for Caritas Christi was "inconsistent with best practices for not for profit health care governance" and that the Archbishop should "relinquish direct and indirect control over strategic, operational and financial matters and focus only on moral and ethical issues;" and

WHEREAS, on February 28, 2008, a copy of certain proposed governance changes were submitted to the Attorney General for informational purposes in the form of amended and restated bylaws of Caritas Christi; and

WHEREAS, the Attorney General has determined that the proposed governance changes contained in the "Eighth Amended and Restated Bylaws of Caritas Christi" referred to in Section 1.0 below, together with the undertakings of the Archbishop contained herein, provide the Board of Governors of Caritas Christi with sufficient independence to govern and operate the Caritas Christi health care system in a manner consistent with standards of good governance while retaining the identity and mission of Caritas Christi as a Catholic faith based health care system;

NOW, THEREFORE, the Archbishop and the Attorney General agree as follows.

1.0 Adoption of Amended Articles and Amended and Restated Bylaws. The Archbishop will take all necessary steps to cause the prompt approval and adoption of (i) the Articles of Amendment of Caritas Christi in the form attached hereto as Exhibit 1.0(i) and (ii) the "Eighth Amended and Restated Bylaws of Caritas Christi" (the "Bylaws") in the form attached to this Agreement as Exhibit 1.0(ii).

2.0 Notice of Archbishop Action Provisions.

2.1 Notice of Removal Action. In the event the Archbishop intends to exercise his right under Article II, Section 2 of the Bylaws to remove a Governor (other than a Governor appointed by the Archbishop for which no such notice shall be required) or Article IV, Section 3 of the Bylaws to remove the President and Chief Executive Officer, in each case based upon "grave scandal", the Archbishop shall provide at least one (1) business day's prior written notice to the Attorney General of his intention to do so. Said notice shall contain a statement of the basis upon which the Archbishop has determined circumstances of "grave scandal" to exist.

2.2 Notice of Refusal to Approve. The Archbishop will provide the Attorney General with written notice given not less than four (4) weeks prior to exercising his right to withhold approval of (i) any change in the Bylaws under Article VIII of the Bylaws or (ii) any action described in Article II, Section 12(a) and (b) of the Bylaws. Said notice shall contain a statement of the basis upon which the Archbishop intends to withhold approval of such action.

2.3 Provisions to Expire. The provisions of this Section 2.0 shall expire as of December 31, 2012, unless otherwise extended for up to two additional two (2) year periods upon prior written notice by the Attorney General to the Archbishop delivered not less than one (1) month prior to the end of any then current period.

3.0 Acting As Fiduciary.

3.1 Acknowledgement of Fiduciary Duty. The Archbishop acknowledges and agrees that at all times when exercising the powers and authority vested in him under the Bylaws he is acting as a fiduciary with respect to Caritas Christi or any affiliate thereof under Massachusetts law. As a fiduciary, the Archbishop freely, voluntarily and continuously accepts and acknowledges the duty of loyalty and the duty of care to Caritas Christi and its affiliates in all such matters.

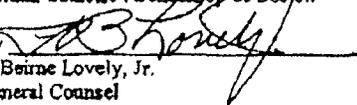
3.2 Management of Conflicts of Interest. Consistent with his status as a fiduciary, the Archbishop shall not exercise any authority vested in him with respect to Caritas Christi in order to obtain, directly or indirectly, services, funds or other items of value, to or for the Archbishop, the Roman Catholic Archbishop of Boston, a corporation

sole, or any affiliate of either of the foregoing (collectively "RCAB") from Caritas Christi or from any affiliate of Caritas Christi, whether in connection with or arising out of (i) the usual and customary business of Caritas Christi or any affiliate thereof or (ii) any transaction, sale, merger or reorganization of Caritas Christi or any affiliate thereof. Nothing in the foregoing shall be construed to limit the ability of the Caritas Christi or any affiliate thereof to obtain the services of, or provide funds to, or to borrow funds from and thereafter repay the same to RCAB if and to the extent any such transaction or transfer furthers the health care mission of Caritas Christi or any affiliate thereof and is at or upon reasonable terms consistent with fair market value.

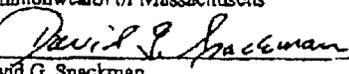
4.0 Interpretation. The Attorney General acknowledges the identity of Caritas Christi as a Catholic faith based health care system and that it is dedicated to providing health care services and fulfilling its health care mission in accordance with the provisions of the then current edition of the Ethical and Religious Directives for Catholic Health Care Services.

Executed as of this twentieth day of May, 2008

Seán Cardinal O'Malley O.P.M., Cap.  
Roman Catholic Archbishop of Boston

By   
F. Bernice Lovely, Jr.  
General Counsel  
Roman Catholic Archbishop of Boston, a corporation sole

Martha Coakley  
Attorney General  
Commonwealth of Massachusetts

By   
David G. Spackman  
Chief  
Non-Profit Organizations/Public Charities Division