CITY OF CAMBRIDGE

CITY HALL, CAMBRIDGE, MASSACHUSETTS 02139 • TEL. 876-6800

LAW DEPARTMENT

EDWARD D. McCARTHY
ACTING CITY SOLICITOR

ROWENA E. TAYLOR
ASSISTANT CITY SOLICITOR

CHARLES WATSON
LEGISLATIVE AGENT

April 11, 1974

Mr. James L. Sullivan
City Manager
City Hall
Cambridge, Massachusetts

Dear Mr. Sullivan:

Pursuant to a communication from the Secretary of State re: "New England Cardiovascular Health Institute, Inc.," I made an investigation. The locus is suitable.

Respectfully submitted,

William J. FitzMaurice

William J. FitzMaurice
Chief Investigator

WJF:jm

Encs.

C.D. 307. 5M-3-71-049113

LOCATION ONLY

The Commonwealth of Massachusetts

JOHN F. X. DAVOREN

Secretary of the Commonwealth

CORPORATION DIVISION

STATE HOUSE, BOSTON

March 26, 1974

To: City Manager of Cambridge, Massachusetts

L. Howard Hartley M.D. 22 Glezen Lane Wayland
(AND OTHERS NONE ARE RESIDENTS OF CAMBRIDGE)

have filed in this office an application for a certificate of incorporation, as provided for in chapter 180 of the General Laws, Tercentenary Edition, under the name of

New England Cardiovascular Health Institute, Inc.

for the purpose of -see attached

NONE OF THE INCORPORATORS RESIDE IN CAMBRIDGE BUT THE CORPORATION IS

to be located in the city of Cambridge 820 Massachusetts avenue

In accordance with the provisions of section five of said chapter 180 of the General Laws, Tercentenary Edition, I request that you forward forthwith to this office a statement of the facts called for by said section.

Very truly yours,

John F. X. Davoren

Secretary of the Commonwealth

4. The corporation shall have the following powers in furtherance of its corporate purposes:

(a) The purpose of this Institute is to provide programs for the prevention, diagnosis, and rehabilitation of cardiovascular disease and to conduct research to optimize techniques for achieving these objectives. These objectives will be accomplished (a) by identifying individuals with a high risk of developing coronary heart disease; (b) by determining the amount and type of exercise an individual can do without exceeding reasonable limits of safety; (c) by counselling individuals with a high risk of developing serious cardiovascular disease in proper diet, physical activity, and adherence to medical treatment; and (d) by providing an intensive program for patients who are recovering from acute myocardial infarction which consists of exercise stress testing, exercise prescription, and a supervised program of progressive increase in physical activity.

(b) The corporation shall be involved in civic, educational, and benevolent purposes and for the prosecution of scientific and medical purposes.

(c) The corporation shall have perpetual succession in its corporate name.

(d) The corporation may sue and be sued.

(e) The corporation may have a corporate seal which it may alter at pleasure.

(f) The corporation may elect or appoint directors, officers, employees and other agents, fix their compensation and define their duties and obligations.

(g) The corporation may purchase, receive, take by grant, gift, devise, bequest or otherwise, lease, or otherwise acquire, own, hold, improve, employ, use and otherwise deal in and with real or personal property, or any interest therein, wherever situated, in an unlimited amount.

(h) The corporation may solicit and receive contributions from any and all sources and may receive and hold, in trust or otherwise, funds received by gift or bequest;

(i) The corporation may sell, convey, lease, exchange, transfer or otherwise dispose of, or mortgage, pledge, encumber or create a security interest in, all or any of its property, or any interest therein, wherever situated.

(j) The corporation may purchase, take, receive, subscribe for, or otherwise acquire, own, hold, vote, employ, sell, lend, lease, exchange, transfer, or otherwise dispose of, mortgage, pledge, use and otherwise deal in and with, bonds and other obligations, shares, or other securities or interests issued by others, whether engaged in similar or different business, governmental, or other activities.

(k) The corporation may make contracts, give guarantees and incur liabilities, borrow money at such rates of interest as the corporation may determine, issue its notes, bonds and other obligations, and secure any of its obligations by mortgage, pledge or encumbrance of, or security interest in, all or any of its property or any interest therein, wherever situated.

(l) The corporation may lend money, invest and reinvest its funds, and take and hold real and personal property as security for the payment of funds so loaned or invested.

(m) The corporation may do business, carry on its operations, and have offices and exercise the powers granted by Massachusetts General Laws, Chapter 180, as now in force or as hereafter amended, in any jurisdiction within or without the United States, although the corporation shall not be operated for the primary purpose of carrying on for profit a trade or business unrelated to its tax exempt purposes.

(n) The corporation may pay pensions, establish and carry out pension, savings, thrift and other retirement, incentive and benefit plans, trusts and provisions for any or all of its directors, officers and employees and for any or all of the directors, officers and employees of any corporation, fifty percent (50%) or more of the shares of which outstanding and entitled to vote on the election of directors are owned, directly or indirectly, by it.

(o) The corporation may participate as a subscriber in the exchanging of insurance contracts specified in Massachusetts General Laws, Chapter 175, Section 94B as now in force or as hereafter amended.

(p) Unless the corporation is entitled to exemption from federal income tax under Section 501(c)(3) of the Internal Revenue Code in which case it shall make no contribution for other than religious, charitable, scientific, literary or educational purposes, the corporation may make donations in such amounts as the members or directors shall determine, irrespective of corporate benefit, for the public welfare or for community fund, hospital, charitable, religious, educational, scientific, civic, or similar purposes, and in time of war or other national emergency in aid thereof.

(q) The corporation may be an incorporator of other corporations of any type or kind.

(r) The corporation may be a partner in any business enterprise which it would have power to conduct by itself.

(s) The directors may make, amend or repeal the by-laws in whole or in part, except with respect to any provision thereof which by law or the by-laws requires action by the members.

(t) Meetings of the members may be held anywhere in the United States.

(u) The corporation shall, to the extent legally permissible and only to the extent that the status of the corporation as an organization exempt under Section 501(c)(3) of the Internal Revenue Code is not affected thereby, indemnify each of its directors, officers, employees and other agents (including persons who serve at its request as directors, officers, employees or other agents of another organization in which it has an interest) against all liabilities and expenses, including amounts paid in satisfaction of judgments, in compromise or as fines and penalties, and counsel fees, reasonably incurred by him in connection with the defense or disposition of any action, suit or other proceeding, whether civil or criminal, in which he may be involved or with which he may be threatened, while in office or thereafter, by reason of his being or having been such a director, officer, employee or agent, except with respect to any matter as to which he shall have been adjudicated in any proceeding not to have acted in good faith in the reasonable belief that his action was in the best interests of the corporation; provided, however, that as to any matter disposed of by a compromise payment by such director, officer, employee or agent, pursuant to a consent decree or otherwise, no indemnification either for said payment or for any other expenses shall be provided unless such compromise shall be approved as in the best interests of the corporation, after notice that it involves such indemnification: (a) by a disinterested majority of the disinterested directors then in office; or (b) by a majority of the disinterested directors then in office provided that there has been obtained an opinion in writing of independent legal counsel to the effect that such director, officer, employee or agent appears to have acted in good faith in the reasonable belief that his action was in the best interests of the corporation; (c) by a majority of the disinterested members entitled to vote, voting as a single class. Expenses including counsel fees, reasonably incurred by any such director, officer, trustee, employee or agent in connection with the defense or disposition of any such action, suit or other proceeding may be paid from time to time by the corporation in advance of the final disposition thereof upon receipt of an undertaking by such individual to repay the amounts so paid to the corporation if he shall be adjudicated to be not entitled to indemnification under Massachusetts General Laws, Chapter 180, Section 6. The right of indemnification hereby provided shall not be exclusive of or affect any other rights to which any director, officer, employee or agent may be entitled. Nothing contained herein shall affect any rights to indemnification to which corporate personnel may be entitled by contract or otherwise under law. As used in this paragraph, the terms "directors," "officer," "employee" and "agent" include their respective heirs, executors and administrators, and an "interested" director is one against whom in such capacity the proceedings in question or another proceeding on the same or similar grounds is then pending.

(v) No person shall be disqualified from holding any office by reason of any interest. In the absence of fraud, any director, officer, or member of this corporation individually, or any individual having any interest in any concern in which any such directors, officers, members, or individuals have any interest, may be a party to, or may be pecuniarily or otherwise interested in, any contract, transaction, or other act of this corporation, and

(1) such contract, transaction, or act shall not be in any way invalidated or otherwise affected by that fact;

(2) no such director, officer, member, or individual shall be liable to account to this corporation for any profit or benefit realized through any such contract, transaction, or act; and

(3) any such director of this corporation may be counted in determining the existence of a quorum at any meeting of the directors or of any committee thereof which shall authorize any such contract, transaction, or act, and may vote to authorize the same;

the term "interest" including personal interest and interest as a director, officer, stockholder, shareholder, trustee, member or beneficiary of any concern; the term "concern" meaning any corporation, association, trust, partnership, firm, person, or other entity other than this corporation.

(w) No part of the assets of the corporation and no part of any net earnings of the corporation shall be divided among or inure to the benefit of any officer or director of the corporation or any private individual or be appropriated for any purposes other than the purposes of the corporation as herein set forth; and no substantial part of the activities of the corporation shall be or include the carrying on of propaganda or otherwise attempting to influence legislation or participating in or intervening in (including the publishing or distributing of statements), any political campaign on behalf of any candidate for public office. It is intended that the corporation shall be entitled to exemption from federal income tax under Section 501(c)(3) of the Internal Revenue Code and shall not be a private foundation under Section 509(a) of the Internal Revenue Code.

(x) Upon the liquidation or dissolution of the corporation, after payment of all of the liabilities of the corporation or due provision therefor, all of the assets of the corporation shall be disposed of to one or more organizations exempt from taxation under the provisions of Section 501(c)(3) of the Internal Revenue Code.

(y) In the event that the corporation is a private foundation as that term is defined in Section 509 of the Internal Revenue Code, then notwithstanding any other provisions of the articles of organization or the by-laws of the corporation, the following provisions shall apply:

> The directors shall distribute the income for each taxable year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Internal Revenue Code.
>
> The directors shall not engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code; nor retain any excess business holdings as defined in Section 4943(c) of the Internal Revenue Code; nor make any investments in such manner as to incur tax liability under Section 4944 of the Internal Revenue Code; nor make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code.

(z) The corporation may have and exercise all powers necessary or convenient to effect any or all of the purposes for which the corporation is formed; provided that no such power shall be exercised in a manner inconsistent with Massachusetts General Laws, Chapter 180 or any other chapter of the General Laws of the Commonwealth or Section 501(c)(3) of the Internal Revenue Code.

All references herein to the Internal Revenue Code shall be deemed to refer to the Internal Revenue Code of 1954, as now in force or hereafter amended.

CITY OF CAMBRIDGE

CAMBRIDGE, MASSACHUSETTS 02139
Tel. 876-6800

EXECUTIVE DEPARTMENT
JAMES L. SULLIVAN
City Manager

April 22, 1974

To the Honorable, the City Council:

I transmit herewith communication from John F. X. Davoren, Secretary of the Commonwealth, relative to application from L. Howard Hartley, M. D., 22 Glezen Lane, Wayland and others not residents of the City of Cambridge, for a certificate of incorporation under the name of New England Cardiovascular Health Institute, Inc., to be located at 820 Massachusetts Avenue, Cambridge.

Also enclosed is a report from Mr. FitzMaurice.

Very truly yours,

James L. Sullivan
City Manager

JLS/f

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Agenda # 3a.

Inc. "New England Cardiovascular Health Institute, Inc."

In City Council,

April 22, 1974

Papers sent to Sec'y of State 4/23/74 dl