

**IN THE COURT OF APPEALS
OF THE
STATE OF MISSISSIPPI
NO. 98-CA-00277-COA**

UNION HEALTHCARE, INC. D/B/A LAIRD HOSPITAL

APPELLANT

v.

NINA ELISABETH A. MORGAN A/K/A LISA MCLAIN

APPELLEE

DATE OF JUDGMENT: 01/14/1998

TRIAL JUDGE: HON. V. R. COTTEN

COURT FROM WHICH APPEALED: NESHOPA COUNTY CIRCUIT COURT

ATTORNEYS FOR APPELLANT: JOHN E. ELLIS
CLYDE EMIL ELLIS

ATTORNEYS FOR APPELLEE: TERRY L. JORDAN
BRIAN DOUGLAS DOVER

NATURE OF THE CASE: CIVIL - CONTRACT

TRIAL COURT DISPOSITION: THE JURY RETURNED A VERDICT FOR MORGAN
FINDING THAT THE HOSPITAL WAS NOT ENTITLED
TO COLLECT HER DELINQUENT STUDENT LOAN.

DISPOSITION: AFFIRMED - 08/03/1999

MOTION FOR REHEARING FILED: 08/17/1999; denied 10/26/99

CERTIORARI FILED: denied 2/3/2000

MANDATE ISSUED: 2/24/2000

BEFORE KING, P.J., PAYNE, AND THOMAS, JJ.

KING, PJ., FOR THE COURT:

¶1. Nina Elisabeth Morgan, also known as Lisa McLain, received a student loan from Union Healthcare, Inc., which operated as the Laird Hospital in Union, Mississippi. Ms. McLain entered into a contract with Laird Hospital to repay the student loan in monthly increments and to work for the hospital for five years after graduation and certification as a nurse anesthetist. Later an addendum to the contract was executed which relieved Ms. McLain of her obligations under the contract in the event Margaret Muse, [\(1\)](#) the hospital vice-president and administrator, ceased to serve or be employed as administrator of the hospital.

¶2. In May of 1993, Ms. McLain quit her position at Laird Hospital as a nurse anesthetist. However, she continued to make her student loan payments. In March of 1994, Ms. Muse was removed as hospital administrator. Upon learning this fact, Ms. McLain ceased her student loan payments to the hospital.

¶3. Laird Hospital filed suit against Ms. McLain alleging that she owed over \$40,000 on her student loan. After a trial in this matter, the jury rendered a verdict for Ms. McLain. Laird Hospital's motion for judgment notwithstanding the verdict and/or new trial having been denied, it now appeals the circuit court judgment and assigns six points of error:

I. MS. MCLAIN'S BREACH OF THE EMPLOYMENT CONTRACT ESTOPS HER FROM CLAIMING ANY BENEFITS UNDER THE EMPLOYMENT CONTRACT AND THE ADDENDUM THERETO AND DISCHARGES LAIRD HOSPITAL OF ANY FURTHER DUTIES OR OBLIGATIONS THEREUNDER.

II. UNDER MISSISSIPPI LAW, THE ADDENDUM IS INVALID AND NOT BINDING ON LAIRD HOSPITAL.

A. THE ADDENDUM WAS NOT SUPPORTED BY ANY NEW OR ADDITIONAL CONSIDERATION.

B. THE EXECUTED ADDENDUM WAS NOT DELIVERED TO LAIRD HOSPITAL.

C. THE ADDENDUM WAS EXECUTED THROUGH THE ULTRA VIRES ACT OF MARGARET MUSE, THE THEN ADMINISTRATOR OF LAIRD HOSPITAL.

III. THE CIRCUIT COURT ERRED IN REFUSING TO GRANT LAIRD HOSPITAL'S JURY INSTRUCTIONS NO. P-1A AND BY GRANTING MS. MCLAIN'S JURY INSTRUCTIONS NO. D-4 AND D-9.

IV. THE CIRCUIT COURT ERRED IN OVERRULING LAIRD HOSPITAL'S MOTION FOR SUMMARY JUDGMENT.

V. THE CIRCUIT COURT ERRED IN OVERRULING LAIRD HOSPITAL'S MOTION FOR A DIRECTED VERDICT, PEREMPTORY INSTRUCTION AND MOTION FOR JUDGMENT NOTWITHSTANDING THE VERDICT.

VI. REQUEST FOR AWARD OF ATTORNEY'S FEES INCURRED IN HANDLING THIS APPEAL AND FOR THE AMOUNT WHICH SHOULD HAVE BEEN AWARDED IN THE COURT BELOW.

¶4. Finding no error, this Court affirms the circuit court judgment.

FACTS

¶5. In 1985, Lisa McLain began working for Laird Hospital in Union, Mississippi. She was employed at the hospital as a registered nurse until 1989. On April 14, 1989, Ms. McLain and Margaret Muse, the vice-president and administrator of Laird Hospital, signed a contract wherein the hospital agreed to give Ms. McLain a loan in the amount of \$49,600 to attend school to become a certified registered nurse anesthetist. Laird Hospital made monthly disbursements of the student loan to Ms. McLain while she attended school.

¶6. Under the contract, Ms. McLain was obligated to repay the loan in monthly installments, including eight percent interest, over a period of ten years and work for the hospital for five years after her graduation and

certification as a nurse anesthetist.

¶7. The contract released Ms. McLain from her obligations under the following conditions:

- a. A breach of the contract by the hospital.
- b. If Ms. McLain was terminated from employment without just cause or reasonable cause.
- c. If any of the student loan payments were suspended or not paid by the hospital for any reason.
- d. If the hospital was sold and the contract was not assumed by the new owner(s).
- e. Upon the death of Ms. McLain or upon her medical or physical incapacity or inability to perform the contract, and
- f. If the hospital terminated, voided, repudiated or rescinded the contract.

¶8. In August of 1991, Ms. McLain graduated from the nurse anesthetist program. In September of 1991, she began working for Laird Hospital as a certified registered nurse anesthetist and making her student loan payments.

¶9. In 1992, Bob Buchanan, the majority stockholder of the hospital, declared corporate bankruptcy. This action caused many hospital employees including Ms. McLain to question their job security. In an effort to assuage Ms. McLain's concerns regarding the stability of the hospital and prevent her from leaving Laird Hospital to accept another employment offer, Ms. Muse agreed to an addendum to the original contract.

¶10. This addendum, which was executed on November 11, 1992, in pertinent part provided:

The employment contract between [the] Hospital and Morgan [Ms. McLain] dated November 11, 1992, is hereby modified/amended by the addition and/or inclusion of the following in Paragraph 6 thereof, to-wit:

G. If Margaret Muse ceases, for any reason, during the term of this contract, to serve or be employed as Administrator of the Hospital.

It being the intent of the parties hereto that upon the occurrence of any one of the events stated in Paragraph 6 A through G, this contract and all terms and conditions thereof shall be null, void and terminated, as to both parties, in its entirety.

¶11. On May 1, 1993, approximately six months after having signed the addendum, Ms. McLain resigned. However, she continued to meet the monthly payment on her student loan.

¶12. On March 31, 1994, Ms. Muse was removed as hospital administrator. Upon learning that Ms. Muse had been removed, Ms. McLain ceased her student loan payments. She made her last payment in May of 1994.

¶13. In June of 1994, Ms. McLain received notice from Laird Hospital that her student loan was delinquent. Because she failed to make any additional payments, Laird Hospital filed a complaint against Mrs. McLain, alleging that it was owed \$41,975.50 on this student loan, plus interest, attorney fees, and court costs.

¶14. On November 28, 1995, Laird Hospital filed a motion for summary judgment. The Neshoba County Circuit Court initially granted the motion, but subsequently overruled it.

¶15. In January of 1998, a trial was held and the jury rendered a verdict for Ms. McLain. Laird Hospital's motion for judgment notwithstanding the verdict and/or new trial having been denied, it now appeals the circuit court judgment.

DISCUSSION

¶16. The question before this Court is whether the addendum to the contract was valid, and whether it absolved Ms. McLain of the obligation to repay the student loan despite having partially breached the contract.

Validity of the Addendum

¶17. Laird Hospital contends that the addendum to the contract was invalid because it was not supported by consideration.

¶18. "Under basic contract rules, there must be an offer and acceptance, and consideration." *Infinity Insurance Company v. Patel*, No. 97-CA-00671-COA, ¶1 (Miss.Ct.App.1998). Consideration is the cause, motive, price, or impelling influence which induces a contracting party to enter into a contract. BLACK'S LAW DICTIONARY 306 (6th ed.1990). Some right, interest, profit or benefit must accrue to one party, or some forbearance, detriment, loss or responsibility must be given, suffered or undertaken by the other party. *Id.*

¶19. Both Ms. Muse and Ms. McLain testified that as consideration for the addendum, Ms. McLain agreed (1) to remain with Laird Hospital rather than accept other employment and (2) to forego a salary increase. Ms. Muse testified that it was important to maintain the service of Ms. McLain. Without the service of Ms. McLain, the physicians were unable to perform surgery. Ms. Muse testified that the imminent departure of Ms. McLain was a matter of great concern to the physicians who performed surgery at Laird Hospital. These physicians suggested that Ms. Muse undertake whatever steps were necessary to maintain the service of Ms. McLain. This testimony provided a basis upon which a jury could reasonably find that Laird Hospital received consideration for the execution of the addendum.

¶20. Laird Hospital argues that the addendum was invalid because an actual physical copy of the agreement was not delivered to it prior to June, 1994. Whether an actual copy was delivered to Laird Hospital was a question of fact to be determined by the jury. However assuming the absence of actual physical delivery, what is necessary is that all parties have finally executed and accepted the terms of the contract. 17A AM.JUR. 2D *Contracts* § 16 (1991). Both Ms. Muse and Ms. McLain acknowledged mutual execution and acceptance of the terms of the addendum. Having received this information, the question of validity was one to be determined by a jury. *Independent Life & Accident Insurance Agency v. Mullens*, 252 Miss. 644, 650, 173 So.2d 663, 665 (Miss.1965).

¶21. Laird Hospital contends that Ms. Muse did not have the authority to bind the hospital in the addendum. Ms. Muse testified that she was basically the decision maker in the hospital, and did not always require the board of directors' [\(2\)](#) approval for her decisions.

¶22. Laird Hospital does not question Ms. Muse's authority to enter into the original employment contract with Ms. McLain. The record reveals that evidence existed from which the jury could conclude that Ms. Muse retained the same authority to execute both the original contract and the addendum. Ms. Muse's authority to bind the hospital in the addendum was a factual issue for the jury, and beyond the domain of this Court. *Id.*

Partial Breach of the Contract

¶23. The parties in the instant case do not argue that the original contract was invalid. This Court therefore views the obligations contained therein to be enforceable.

¶24. The contract obligated Laird Hospital to provide a student loan payable in monthly increments to Ms. McLain. The record reveals that these loan payments were provided by Laird Hospital to Ms. McLain. The contract also obligated Ms. McLain to work for five years and repay the student loan in monthly increments after her graduation and certification. The record reveals that Ms. McLain quit her position prior to the expiration of the five year employment term, but continued to make student loan payments until shortly after Ms. Muse's departure from the hospital.

¶25. Ms. McLain failed to fulfill one of the two obligations provided in the contract. "In the absence of any specific provision in the contract to the contrary, a breach which goes to only a part of the consideration, which is incidental and subordinate to the main purpose of the contract, and which may be compensated in damages, does not warrant rescission of the contract." 17A AM.JUR. 2D *Contracts* § 578 (1991) ; *UHS-Qualicare, Inc. v. Gulf Coast Community Hospital*, 525 So.2d 746, 756 (Miss.1987).

¶ 26. Ms. McLain's employment as a nurse anesthetist for five years was central to the object of the parties in making the contract. It was in Laird Hospital's interest that Ms. McLain work at the hospital. However, it could not mandate that she do so. Such a mandate would have constituted involuntary servitude. *Thompson v. Box*, 112 So. 597, 599- 600 (Miss.1927). Because Laird Hospital could not force Ms. McLain to perform as a nurse anesthetist, the obligation to repay the loan rather than the obligation to work became fundamental to the main purpose of the contract. Evidence existed in the record to support a jury finding that the contract was only partially breached by Ms. McLain's early resignation, and therefore Laird Hospital's remedy consisted only of the damages suffered therefrom. Rescission of the contract was not warranted.

Measure of Damages Associated with the Alleged Breach

¶27. This Court focuses next on the amount of damages owed to Laird Hospital. Laird filed suit to collect the unpaid student loan balance. Laird Hospital was entitled to receive damages from the point of Ms. McLain's departure to Ms. Muse's removal from the hospital.

¶28. Under the contract, Ms. McLain was obligated to work for Laird Hospital for five years and repay her student loan in monthly increments. She left her position before the expiration of the five year employment term, but continued to make payments on the student loan. When Ms. Muse was removed from the hospital, Ms. McLain discontinued her student loan obligations as authorized by the addendum. Under the addendum, Laird Hospital was not entitled to receive any payments beyond the date of Ms. Muse's removal from the hospital. Ms. McLain having made payments up until Ms. Muse's removal, Laird Hospital was therefore not entitled to any damages.

Jury Instructions

¶29. Laird Hospital contends that it should have been granted Jury Instruction P-1A, and that Jury Instructions D-4 and D-9 should not have been granted. This Court addresses each instruction below.

Instruction P-1A

¶30. Laird Hospital contends that it was entitled to receive Instruction P-1A because delivery is an essential element of contracting, and a contract is not binding unless it has been executed and delivered. The trial judge determined that Instruction P-1A, which attempted to define the legal term of delivery, was confusing.

¶31. Instruction P-1A reads as follows:

The Court instructs the jury that if you believe by a preponderance of the evidence that the addendum in question was not delivered to Laird Hospital after it had been executed by Lisa Morgan before a notary public, then Lisa Morgan is not entitled to any relief which she otherwise may have been entitled by virtue of the addendum had it been delivered to Laird Hospital after it was executed by Lisa Morgan and her signature thereon notarized.

¶32. Instruction P-1A attempts to wed the term delivery to the act of notarizing signatures. It is basic contract law that a contract does not have to be notarized to be valid. 17A AM.JUR. 2D *Contracts* §16 (1991). The instruction was therefore confusing and inaccurate. Both Ms. McLain and Ms. Muse testified that each signed the contract before the other. The mutual execution of the contract in the presence of each other and final acceptance of its terms was sufficient to bind the parties. *Nicholson v. U.S.*, 29 Fed.Cl. 180, 188 (1993). Instruction D-4

¶33. Laird Hospital contends that Instruction D-4 should not have been granted because it presumes the addendum is valid and binding.

¶34. Instruction D-4 reads as follows:

The Court instructs the jury that if you believe from a preponderance of the evidence that on April 14, 1989, that Margaret Muse in her official capacity as Vice-president and administrator of Union Healthcare, Inc., d/b/a Laird Hospital, entered into a contract with Lisa McLain and the same constituted a legal and binding contract at that time and later on November 11, 1992, that the same parties entered into an addendum to the employment contract and that you further believe that such an addendum constituted a contract between the parties and that you further believe that on or about April 1, 1994, Mrs. Margaret Muse ceased serving as the administrator for Union Healthcare, Inc. d/b/a Laird Hospital and you further find that Lisa McLain made payments under the contract through April 1, 1994, and that as such Lisa McLain fulfilled her obligations as set forth under the original contract of April 14, 1989, and the addendum thereto of November 11, 1992, then it is your sworn duty to return a verdict for the Defendant, Lisa McLain.

¶35. Laird's argument regarding Instruction D-4 is without merit. This instruction does not presume that the addendum is valid. It merely sets out Ms. McLain's defense that *if* the jury considered both the addendum and the contract to be valid, she had fulfilled her obligations under the contract after having made student loan payments past Ms. Muse's departure date.

Jury Instruction D-9

¶36. Laird Hospital finds error in Instruction D-9 alleging that there was no evidentiary basis to support it. Specifically, Laird Hospital argues that no witnesses, including Ms. McLain, testified that they were familiar with business practices. Laird Hospital argues further that the instruction was peremptory in nature because as long as Ms. McLain believed that Ms. Muse had the authority to execute the addendum and relied thereon to her detriment, the jury would have to render a verdict for Ms. McLain.

¶37. Instruction D-9 reads as follows:

The Court instructs the Jury that if the Jury finds by a preponderance of the evidence that the acts of conduct of Union Healthcare, Inc. d/b/a Laird Hospital were such that a reasonable person familiar with business practices would believe Margaret Muse had the authority to execute a binding addendum to an employment contract on the behalf of Union Healthcare, Inc., d/b/a Laird Hospital and that Lisa McLain suffered detriment as a result of her reliance, you must find for the Defendant, Lisa McLain.

¶38. Instruction D-9 correctly states the law concerning apparent authority. *Christian Methodist Episcopal Church v. S & S Construction Co., Inc.*, 615 So.2d 568, 572 (Miss.1993). It speaks to whether a *reasonable person* familiar with business practices would have believed Ms. Muse to have had the authority to bind the hospital in the addendum, rather than whether Ms. McLain would have been familiar with such practices and thereafter believed Ms. Muse to possess the authority to act. Regarding the direct actions of Ms. McLain, the jury was properly instructed to consider whether she relied to her detriment on Ms. Muse's authority to execute the contract. Laird Hospital's argument is without merit.

Motion for Summary Judgment

¶39. Laird Hospital contends that its motion for summary judgment should have been granted.

¶40. This Court employs a *de novo* standard when reviewing a lower court's grant of a summary judgment motion. *Short v. Columbus Rubber & Gasket Company, Inc.*, 535 So.2d 61, 63 (Miss. 1988). We must review all evidentiary matters before us in the record: affidavits, depositions, admissions, interrogatories, etc. The evidence must be viewed in the light most favorable to the non-moving party, and the non-moving party is to be given the benefit of every reasonable doubt. *Smith v. Sanders*, 485 So.2d 1051, 1054 (Miss.1986). The burden of demonstrating that no genuine issue of fact exists falls on the party requesting summary judgment. *Short v. Columbus Rubber and Gasket Co.*, 535 So.2d 61, 63-64 (Miss.1988). However, this burden on the moving party is one of production and persuasion, not of proof. *Fruchter v. Lynch Oil Co.*, 522 So.2d 195, 198 (Miss.1988). Ultimately, the granting of summary judgment lies only where there is no genuine issue of material fact, and the moving party is entitled to a judgment as a matter of law. M.R.C.P.56(c).

¶41. The parties in the instant case disputed whether Ms. Muse had the authority to execute the addendum. Because material disputes of fact clearly existed, the trial court properly denied Laird Hospital's motion for summary judgment.

Motions for Directed Verdict, Judgment Notwithstanding the Verdict, and Peremptory Instruction

¶42. Laird Hospital contends that its motions for directed verdict and judgment notwithstanding the verdict and a peremptory instruction should have also been granted.

¶43. In appeals from an overruled motion for directed verdict, judgment notwithstanding the verdict, and a peremptory instruction, this Court's scope of review is limited. We consider the evidence in the light most favorable to the appellee, giving the party the benefit of all favorable inferences that may reasonable be drawn from the evidence. If the facts so considered point so overwhelmingly in favor of the appellant that reasonable men could not have arrived at a contrary verdict, we are required to reverse and render. On the other hand, if there is substantial evidence in support of the verdict, that is, evidence of such quality and weight that reasonable and fair minded jurors in the exercise of impartial judgment might have reached difference conclusions, affirmance is required. *Fitzner Pontiac-Buick-Cadillac, Inc. v. Smith*, 523 So.2d 324, 326 (Miss.1988).

¶44. Considering the evidence in the light most favorable to Ms. McLain, this Court finds that substantial evidence supported the jury verdict. The trial court did not abuse its discretion in denying Laird Hospital's motions or the peremptory instruction.

Attorney's Fees

¶45. Laird Hospital having been afforded no relief at the trial court or in this appeal, attorney's fees are accordingly not warranted. Finding no error in the instant case, this Court affirms the circuit court judgment.

**¶46. THE JUDGMENT OF THE NESHOPA COUNTY CIRCUIT COURT IS AFFIRMED.
COSTS OF THIS APPEAL ARE ASSESSED TO THE APPELLANT.**

BRIDGES, DIAZ, IRVING, LEE, PAYNE, AND THOMAS, JJ., CONCUR.

**McMILLIN, C.J., DISSENTS WITH SEPARATE WRITTEN OPINION JOINED BY
SOUTHWICK, P.J. MOORE, J., NOT PARTICIPATING.**

McMILLIN, C.J., DISSENTING:

¶47. I respectfully dissent. It is my view that the purported addendum to the contract excusing McLain from further obligation should Margaret Muse cease to be employed at the hospital was not supported by new consideration and was, therefore, unenforceable. There was no new benefit flowing to the contracting authority, which was Laird Hospital and not its administrator, Margaret Muse. Neither did McLain commit herself to anything that she was not already legally obligated to do or legally bind herself to forego some previously existing contractual benefit. These are issues of law based upon facts that are undisputed; therefore, the trial court should have granted a directed verdict in favor of the hospital on its claim. In my opinion, the court erred when it declined to do so. I would reverse and render judgment in favor of Laird Hospital, remanding solely for an appropriate inquiry into the proper measure of damage.

¶48. McLain claims that the consideration for the contract addendum permitting her to cease paying back her loan if Margaret Muse left the hospital consisted of (a) her agreement to remain with the hospital rather than accept other employment, and (b) an agreement to forego a pay increase. Neither of these alleged promises can, under applicable law, constitute valid consideration for an amendment to an existing written multi-year contract of employment.

¶49. As to the first alleged element of consideration, McLain, based on her own evidence, merely threatened to breach the contract and used that threatened breach to extract this alleged contract modification. According to Margaret Muse - testifying on McLain's behalf - McLain came to her in 1992 and reported that she had a job offer in Meridian. According to Muse, McLain had to be persuaded to stay at Laird Hospital by the additional inducement of the modified contract excusing her from future performance if Muse left the hospital's employ. The evident problem with that proposition is that it constitutes no new promise on McLain's part. She was already committed by the existing contract to remain as a hospital employee hospital through August 1996. One cannot threaten a breach of an existing contract as a means of obtaining additional concessions and then disavow the threatened breach as consideration for the concessions. McLain's mere reaffirmation of her existing obligation under the contract did not constitute new consideration. *Leggett v. Vinson*, 155 Miss. 411, 124 So. 472, 473 (1929).

¶50. The second purported promise - which was McLain's agreement to forego future pay raises under the contract - was, at best, an oral covenant that could not be proved since it falls outside the statute of frauds. "An action shall not be brought whereby to charge a defendant . . . upon any agreement which is not to be performed within the space of fifteen months from the making thereof . . . unless . . . the promise or agreement upon which such action may be brought . . . shall be in writing . . ." Miss. Code Ann. § 15-3-1(d) (Rev. 1995) (emphasis supplied). This provision has been specifically applied to employment contracts. *Moore v. Smart*, 171 Miss. 248, 157 So. 467, 468 (1934). At the time of the amendment, McLain had forty-six months remaining under her contractual arrangement with Laird Hospital. Any attempted amendment to the terms of the contract, such as McLain's purported agreement to forego future raises guaranteed her in the document, would necessarily extend over the remaining life of the contract - a period substantially in excess of fifteen months.

¶51. What McLain attempts to pass off as the consideration for the added forgiveness provision is, in actuality, an essential element of an alleged modification of the terms of the employment contract itself. Her purported promise to forego future raises in exchange for the insertion of an additional forgiveness provision was an integral part of the bargain struck between her and Muse, and, in order to have legal effect under Section 15-3-1(d), had to be contained in a signed writing.

¶52. Had McLain remained in the hospital's employ, as she was contractually obligated to do, and had the hospital subsequently attempted to deny her a periodic raise based on her purported oral agreement with Muse, it is evident that McLain would have prevailed in litigation to enforce her contractual right to future raises because of the lack of any writing evidencing her subsequent agreement to forego such raises. It would be absurd to suggest that McLain can give effect to an alleged oral modification of her multi-year contract, but that, on a different set of facts, the hospital would be unable to enforce that very same provision. The mere fact that it is the employee, rather than the employer, that is attempting to give effect to an unenforceable contractual provision does not alter the fundamental law. This alleged promise by McLain was void beyond dispute as being outside the statute of frauds.

¶53. If Muse and McLain intended to come to a legitimate contractual modification of mutual benefit both to McLain and to the agency Muse was then obligated to serve under principles of fiduciary duty, it was essential that the entire terms of the modification be reduced to an appropriate writing to be signed by the parties. Merely referring to some part of a purported modification as "consideration" for the remaining portion of the change does not take McLain's alleged reciprocal promise outside the statute of frauds.

¶54. I would reverse and render judgment in favor of the hospital on its claim and remand for a determination of the hospital's proper damages.

SOUTHWICK, P.J., JOINS THIS SEPARATE WRITTEN OPINION.

1. In addition to being hospital administrator, Ms. Muse owned twenty-five percent of the hospital's corporate stock.
2. The Board of Directors was comprised of Mrs. Muse and Bob Buchanan.