

Physician MEMO

To | All Medical Staff

From | Lisa Evans, MD, Chair, Novant Health Board of Trustees

Date | September 26, 2011

Re | Novant Leadership Transition

On behalf of the Novant Health board of trustees, I want to share with you today the milestone announcement of Paul Wiles' retirement as our organization's longtime president and chief executive officer. Paul will retire at the end of this year and will be succeeded by Carl Armato who currently serves as Novant's senior executive vice president and chief operating officer. Paul will retire on December 31 and Carl will assume his new role as CEO on January 1.

Paul and the board of trustees began a process more than one year ago to plan for his retirement. Today's announcement culminates that process. He will retire after 41 years of dedicated service to our not-for-profit health system and to the hospitals and organizations that preceded the formation of Novant in 1997. Carl has served in leadership positions with the organization for the past 13 years and was promoted to his current position nine months ago.

Over the next three months, we will have the opportunity to celebrate this transition on two levels. First, we can all wish Paul the very best during retirement while also honoring and celebrating his career of visionary leadership at Novant Health, his many contributions to the healthcare industry and his devotion to our communities. And second, we will be able to congratulate Carl on his appointment as the system's next president and chief executive officer and welcome him into his new leadership role.

In today's unstable economic environment and with all of the changes the healthcare field is facing, it's important to maintain momentum when leadership changes occur inside an organization as large and complex as Novant. By sharing his retirement plans with us early on, Paul allowed the board the time to thoughtfully select a new president and create the opportunity for Carl and him to work more closely together during the overlapping transition period.

The board of trustees has held regular management succession discussions with Paul over the years. After learning of Paul's planned retirement date, the board leadership committee, which has responsibility for succession planning, led Novant trustees through a comprehensive and disciplined selection process.

In closing, and on a personal note, I want to say to Paul, thank you for all of your contributions over the past 41 years to this organization, to our patients and to our communities. And to Carl, thank you for your impassioned leadership and for your continued devotion to our organization and its mission.