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Received and Filed  
06/29/2004 3:36:52 PM  
Fee Receipt: \$16.00

JUL 15 2004

**AMENDED AND RESTATED  
ARTICLES OF INCORPORATION  
OF**

**NEW DIRECTIONS HOUSING CORPORATION,  
A KENTUCKY NONSTOCK, NONPROFIT CORPORATION**

Hobble-Holsclaw, Clerk  
By: \_\_\_\_\_ D.C.

1.1 The name of the corporation filing these Amended and Restated Articles of Incorporation with the Secretary of State of the Commonwealth of Kentucky is **NEW DIRECTIONS HOUSING CORPORATION**.

1.2 The articles of incorporation, as amended and restated, shall be as follows:

**ARTICLE I**

The name of the Corporation is **NEW DIRECTIONS HOUSING CORPORATION** (hereinafter referred to as the "Corporation").

**ARTICLE II**

The purposes for which the Corporation is formed, and the business and objects to be carried on and promoted by it, are as follows:

(a) To provide, on a nonprofit basis, housing for lower income persons; to sponsor other nonprofit housing corporations; to undertake the purchase, rehabilitation, construction, rental and sale of such housing where appropriate; to provide social services for the benefit of the residents of such housing; and to perform activities which give reasonable promise that a stable, nurturing environment will be created in neighborhoods; and to perform related activities which would be helpful in carrying out the purposes set forth above.

(b) The Corporation is irrevocably dedicated to and operated exclusively for nonprofit purposes; no part of the income or assets of the Corporation shall be distributed to nor inure to the benefit of any individual.

### ARTICLE III

The Corporation is empowered:

(a) To buy, own, sell, convey, assign, mortgage or lease any interest in real estate and personal property and to construct, maintain and operate improvements thereon necessary or incident to the accomplishment of the purposes set forth in Article II hereof.

(b) To borrow money and issue evidence of indebtedness in furtherance of any or all of the objects of its business, and to secure the same by mortgage, pledge or other lien on the Corporation's property.

(c) To do and perform all acts reasonably necessary to accomplish the purposes of the Corporation, including the execution of Regulatory Agreements with the Secretary of Housing and Urban Development, acting by and through the Federal Housing Commissioner, and of such other instruments and undertakings as may be necessary to enable the Corporation to secure the benefits of financing with the assistance of mortgage insurance under the provisions of the National Housing Act. Such Regulatory Agreements and other instruments and undertakings shall remain binding upon the Corporation, its successors and assigns, so long as a mortgage on the Corporation's property is insured or held by the Secretary of Housing and Urban Development.

(d) To do and perform all acts reasonably necessary to accomplish the purposes of the Corporation, including the joining with other entities, including, without limitation, corporations, general and limited partnerships and limited liability companies.

(e) In the event of the dissolution of the Corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the Corporation, dispose of all of the assets of the Corporation exclusively for the purposes of the Corporation.

No assets shall be conveyed to any organization other than the following: 1) an organization organized and operated exclusively for charitable, educational or scientific purposes as shall at the time qualify as an exempt organization under Section 501(c) (3) of the Internal Revenue Code of 1986, as amended (or the corresponding provision of any future United States Internal Revenue Law), 2) the Federal Government for a public purpose, or 3) a state or local government for a public purpose. The Corporation shall, at all times, have the power to convey any or all of its property to the Secretary of Housing and Urban Development or his or her nominee.

#### **ARTICLE IV**

The number of directors of the Corporation shall be no more than twenty-five (25). The Directors shall serve without compensation.

#### **ARTICLE V**

Bylaws of the Corporation, as duly adopted or from time to time altered, amended, or repealed by the Board of Directors, shall set forth provisions for the regulation of the internal affairs of the Corporation not inconsistent with these Articles or any Regulatory Agreement or other agreement between the Corporation and the Secretary of Housing and Urban Development, including, but not limited to: (1) the composition of and the manner for election and removal of the members of the Board of Directors; (2) the composition and powers of committees of the Corporation or its directors; (3) the designations, qualifications and duties of officers of the Corporation, and the manner of their selection; and (4) such other matters as may be determined by the Board of Directors.

#### **ARTICLE VI**

So long as a mortgage on the Corporation's property is insured or held by the Secretary of Housing and Urban Development, these Restated Articles may not be amended without the prior written approval of the said Secretary.

## **ARTICLE VII**

No director of the Corporation shall be personally liable to the Corporation for monetary damages for any breach of his or her duties as a director, provided that this provision shall not eliminate or limit the liability of a director: (i) for any transaction in which the director's personal financial interest is in conflict with the financial interest of the Corporation; (ii) for acts or omissions not in good faith or which involve intentional misconduct or are known to the director to be a violation of law; or (iii) for any transaction from which the director derived an improper personal benefit.

If the Kentucky Nonprofit Corporation Act is amended after the date of the filing of these Articles of Incorporation to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the Kentucky Nonprofit Corporation Act, as so amended, and without the necessity for further action by the Corporation in respect thereof.

## **ARTICLE VIII**

The Corporation shall, to the fullest extent permitted by Kentucky law, indemnify any director or officer or former directors and officers against expenses actually and reasonably incurred by them in connection with the defense of any action, suit or proceeding, in which they or any of them are made parties, or a party, by reason of having been directors or officers of the Corporation, except in relation to matters as to which such director or officer or former director or officer shall be adjudged in such action, suit or proceeding to be liable for negligence or misconduct in the performance of duty and to such matters as shall be settled by agreement predicated on the existence of such liability for negligence or misconduct.

## **ARTICLE IX**

The Corporation shall have no members.

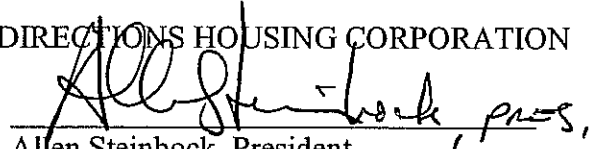
2.1 Articles II(a), III(d) and (e), IV and V constitute amendments to the existing articles of incorporation; Articles VII, VIII and IX constitute additions and amendments to the existing articles of incorporation.

2.2 The Amended and Restated Articles of Incorporation were adopted at the annual meeting of the members on June 6, 2004; a quorum was present at such meeting and the Amended and Restated Articles of Incorporation received at least two-thirds (2/3) of the votes which members present at such meeting or by proxy were entitled to cast.


2.3 Except for amendments designated in 2.1 above, these Amended and Restated Articles of Incorporation correctly set forth, without change, the corresponding provisions of the articles of incorporation as heretofore amended; these Amended and Restated Articles of Incorporation were duly adopted as required by law; and these Amended and Restated Articles of Incorporation supercede the original articles of incorporation and all amendments thereto.

NEW DIRECTIONS HOUSING CORPORATION

BY:

  
Allen Steinbock, President

THIS INSTRUMENT WAS PREPARED BY:

  
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