

Filing Fee: \$10.00

ID Number:

40814



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Office of the Secretary of State
Corporations Division
148 W. River Street
Providence, Rhode Island 02904-2615

NON-PROFIT CORPORATION

**ARTICLES OF AMENDMENT TO
ARTICLES OF INCORPORATION**

2016 JUL 22 AM 8:32
SECRETARY OF STATE
CORPORATIONS DIV

Pursuant to the provisions of Section 7-6-40 of the General Laws of Rhode Island, 1956, as amended, the undersigned corporation adopts the following Articles of Amendment to its Articles of Incorporation:

1. The name of the corporation is ASQAH CO-OPERATIVE, INC.

2. The following amendment to the Articles of Incorporation was adopted by the corporation:

[Insert Amendment]

The Articles of Incorporation are hereby amended to include an additional article numbered 16.

The contents of Article 16 are attached hereto and made a part hereof as Exhibit "A"

FILED

JUL 22 2016

BY CH 279652

8:32

3. The amendment was adopted in the following manner:

(check one box only)

- ☒ The amendment was adopted at a meeting of the members held on June 29, 2016, at which meeting a quorum was present, and the amendment received at least a majority of the votes which members present or represented by proxy at such meeting were entitled to cast.
- ☐ The amendment was adopted by a consent in writing on _____, signed by all members entitled to vote with respect thereto.
- ☐ The amendment was adopted at a meeting of the Board of Directors held on _____ and received the vote of a majority of the directors in office, there being no members entitled to vote with respect thereto.

4. Date when amendment is to become effective Upon Filing
(not prior to, nor more than 30 days after, the filing of these Articles of Amendment)

Under penalty of perjury, we declare and affirm that we have examined these Articles of Amendment to the Articles of Incorporation, including any accompanying attachments, and that all statements contained herein are true and correct.

Date: 7.21.16

ASQAH CO-OPERATIVE, INC.

Print Corporate Name

By Thomas Gruber

☒ President or ☐ Vice President (check one)

AND

By Rebecca M. Crump

☒ Secretary or ☐ Assistant Secretary (check one)

EXHIBIT "A"

ARTICLE 16

PROVISIONS REGARDING FHA FINANCING (CORPORATE)(2016)

Notwithstanding any clause or provision in the Articles of Incorporation (the "Agreement") or By-Laws to the contrary and so long as the United States Department of Housing and Urban Development ("HUD") or a successor or assign of HUD is the insurer or holder of a loan to Borrower (the "HUD-insured Loan") secured by the mortgage on ASQAH Co-Operative, FHA Project No. 016-23004 in North Kingston, Washington County, Rhode Island (the "Project") the following provisions shall apply:

16.1. If any of the provisions of the organizational documents conflict with the terms of the HUD-insured Note, Security Instrument, or HUD Regulatory Agreement ("HUD Loan Documents"), the provisions of the HUD Loan Documents shall control.

16.2. No provision required by HUD to be inserted into the organizational documents may be amended without HUD's prior written approval. Additionally, if there is a conflict between any HUD-required provisions inserted into this Agreement and any other provision of this Agreement, the terms of the HUD-required provisions will govern; and if there is a conflict between any of the provisions in the By-Laws and any HUD-required provisions of this Agreement, the HUD-required provisions will govern.

16.3. Unless otherwise approved in writing by HUD, the Borrower entity's business and purpose shall consist solely of the acquisition, ownership, operation and maintenance of the Project and activities incidental thereto. Borrower shall not engage in any other business or activity. The Project shall be the sole asset of the Borrower entity, which shall not own any other real estate other than the aforesaid Project.

16.4. None of the following will have any force or effect without the prior written consent of HUD:

- a. Any amendment that modifies the term of Borrower's existence;
- b. Any amendment that triggers application of the HUD previous participation certification requirements (as set forth in Form HUD 2530, Previous Participation Certification, or 24 CFR § 200.210, et seq.);
- c. Any amendment that in any way affects the HUD Loan Documents;
- d. Any amendment that would authorize any member, partner, owner, officer or director, other than the one previously authorized by HUD, to bind the Borrower entity for all matters concerning the Project which require HUD's consent or approval;

- e. A change that is subject to the HUD TPA requirements contained in Chapter 13 of HUD Handbook 4350.1 REV-1; or
- f. Any change in a guarantor of any obligation to HUD (including those obligations arising from violations of the Regulatory Agreement).

16.5. The Borrower entity is authorized to execute a Note and Security Instrument in order to secure a loan to be insured by HUD and to execute the Regulatory Agreement and other documents required by the Secretary in connection with the HUD-insured loan.

16.6. Any incoming member/partner/owner of Borrower must as a condition of receiving an interest in the Borrower entity agree to be bound by the HUD Loan Documents and all other documents required in connection with the HUD-insured loan to the same extent and on the same terms as the other members/partners/owners.

16.7. Upon any dissolution, no title or right to possession and control of the Project, and no right to collect the rents from the Project, shall pass to any person or entity that is not bound by the Regulatory Agreement in a manner satisfactory to HUD.

16.8. The key principals of the Borrower identified in the Regulatory Agreement are liable in their individual capacities to HUD to the extent set forth in the Regulatory Agreement.

16.9. The approved Borrower entity shall not voluntarily be dissolved or converted to another form of entity without the prior written approval of HUD.

16.10. The Borrower entity has designated Thomas Gosselin as its official representative for all matters concerning the Project that require HUD consent or approval. The signature of this representative will bind the Borrower entity in all such matters. The Borrower entity may from time to time appoint a new representative to perform this function, but within three business days of doing so, will provide HUD with written notification of the name, address, and telephone number of its new representative. When a person other than the person identified above has full or partial authority with respect to management of the Project, the Borrower entity will promptly provide HUD with the name of that person and the nature of that person's management authority.

16.11. Notwithstanding any provision in this Agreement to the contrary, any obligation of the Corporation to provide indemnification under this Agreement shall be limited to (i) amounts mandated by state law, if any, (ii) coverage afforded under any liability insurance carried by the Company and (iii) available "surplus cash" of the Borrower as defined in the Regulatory Agreement. Until funds from a permitted source for payment of indemnification costs are available for payment, the Corporation shall not (a) pay

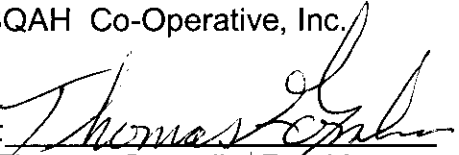
funds to any members, partners, officers and directors, or (b) pay the deductible on an indemnification policy for any members, partners, officers and directors.

16.12. Neither Borrower, nor its members, managers, partners, officers or directors, shall, without HUD's prior written approval, grant a security interest in any of Borrower's or the Project's assets.

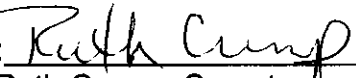
As amended herein, the Articles of Incorporation shall remain in full force and effect.

The undersigned certifies that the above Amendment to the Articles of Incorporation of ASQAH Co-Operative, Inc. was duly adopted by the members/shareholders on the 29th day of June, 2016.

ASQAH Co-Operative, Inc.

By: 

Thomas Gosselin, President

By: 

Ruth Crump, Secretary