

Filing Fee \$50.00

ID Number: 151689



**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS**

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

**BUSINESS CORPORATION**

**ARTICLES OF AMENDMENT TO THE  
ARTICLES OF INCORPORATION**

Pursuant to the provisions of Section 7-1.2-905 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 SPRO II, Inc.
2. The shareholders of the corporation (or, where no shares have been issued, the board of directors of the corporation) on February 16, 2006, in the manner prescribed by Chapter 7-1.2 of the General Laws, 1956, as amended, adopted the following amendment(s) to the Articles of Incorporation:

**[Insert Amendment(s)]**

*(If additional space is required, please list on separate attachment)*

**Article THIRD is hereby amended to include Exhibit A attached hereto**

3. As required by Section 7-1.2-105 of the General Laws, the corporation has paid all fees and taxes.
4. These Articles of Amendment shall be effective upon filing unless a specified date is provided which shall be no later than the 90<sup>th</sup> day after the date of this filing \_\_\_\_\_

**FILED**

**FEB 24 2006**

Date: February 16, 2006 By AMF

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

[Signature]  
Signature of Authorized Officer of the Corporation

**Alfred Camionato, President**

Type or Print Name of Authorized Officer

STATE OF RHODE ISLAND )  
 ) ss  
COUNTY OF PROVIDENCE )

In Johnston, on this 16<sup>th</sup> day of February, 2006, personally appeared before me Alfred Carpionato who, being by me duly sworn, declared that he is the President of SPRO II, Inc., and that he signed the foregoing documents as such officer of the said SPRO II, Inc., and that the statements herein contained are true.

Casandra Brice  
Notary Public:  
My Commission Expires: 4/14/2007

## EXHIBIT A

### To Articles of Amendment to Articles of Incorporation of SPRO II, Inc.

The Articles of Incorporation of the Corporation are hereby amended as follows:

Article THIRD is amended by the addition of the following paragraphs:

"The provisions of the following Amendment to Article THIRD shall be applicable only during such period of time as the Note (as defined below) is either insured or held by the Secretary, his successors and assigns (the "Secretary") of the United States Department of Housing and Urban Development ("HUD" or "FHA") acting by and through the Federal Housing Commissioner.

Purposes. In addition to any other provisions herein elsewhere contained, the Corporation is created:

(a) To create a private corporation to acquire, rehabilitate, own and operate a certain multifamily residential housing facility known as Sparrows Point II, located in Warwick, Rhode Island, and identified as FHA Project No. 016-35104 (the "Project");

(b) To enable the acquisition and refinancing of said Project with the assistance of mortgage insurance under Section 222(d)(4) of the National Housing Act, as amended;

(c) To enter into, perform, and carry out contracts of any kind necessary to, or in connection, or incidental to, the accomplishment of the purposes of the Corporation, including, expressly, any contract or contracts with the Secretary which may be desirable or necessary to comply with the requirements of the National Housing Act, as amended, and the Regulations of the Secretary thereunder, relating to the regulation or restriction of mortgagors as to rents, sales, charges, capital structure, rate of return and methods of operation;

(d) To acquire any property, real or personal, in fee or under lease, or any rights therein or appurtenant thereto, necessary for the construction and operation of the Project; and

(e) To borrow money, and issue evidence of indebtedness, and to secure the same by mortgage, deed of trust, pledge or other lien in furtherance of any or all of the objects of its business in connection with the Project.

#### Additional Powers of Corporation.

(a) The Corporation shall have the power to do and perform all things whatsoever set out in above, and necessary or incidental to the accomplishment of said purposes.

(b) The Corporation, specifically and particularly, shall have the power and authority to enter into a Regulatory Agreement with the Secretary setting out the

requirements of the Secretary; and

(c) In the event of the dissolution of the Corporation, the Corporation shall have at all times the power to convey any or all of its property to the Secretary or his/her nominee.

Authorization and Execution of FHA Loan Documents. The Corporation is specifically authorized and empowered to execute a Regulatory Agreement with the Secretary, to execute a non-recourse promissory note (the "Note"), a mortgage, deed of trust, security deed or equivalent instrument (the "Mortgage"), a security agreement, financing statements, contracts, assurances, agreements, certifications and other documents (hereinafter collectively called the "FHA Loan Documents"), to execute such other documents and to take such actions as may be necessary, desirable or appropriate to secure the closing and funding of the Mortgage Loan.

Business of Corporation. So long as the Note is insured or held by the Secretary, the sole business, purpose and assets of the Corporation shall be the ownership and operation of the Project.

Conflicts.

(a) In the event of a conflict between any of the provisions of the Articles of Incorporation and any of the FHA Loan Documents, the FHA Loan Documents shall govern and be controlling in all respects.

(b) In the event of a conflict between any of the provisions of the By-Laws and any of the FHA Loan Documents, the FHA Loan Documents shall govern and be controlling in all respects.

(c) In the event of a conflict between any other provisions of the Articles of Incorporation and the provisions contained in these Articles of Amendment, the provisions contained in these Articles of Amendment shall govern and be controlling in all respects.

Dissolution.

(a) The Corporation may not be voluntarily dissolved or changed to a different type of entity without the prior written approval of the Secretary.

(b) No act of voluntary dissolution of the Corporation shall operate to affect or relieve the Corporation of obligations under the Regulatory Agreement until a successor owner has been approved by the Secretary.

(c) Upon any dissolution of the Corporation, no title or right to possession and control of the Property, and no right to collect the rents from the Project, shall pass to any person who is not bound by the Regulatory Agreement in a manner satisfactory to the Secretary.

Indemnification. So long as the Note is insured or held by the Secretary, the Corporation shall not provide indemnity to any of its officers, employees, agents or shareholders in any circumstances whatsoever, except to the extent that the Corporation

maintains in effect an insurance policy to provide such indemnification.

Distributions of Funds. So long as the Note is insured or held by the Secretary, the Secretary's financial requirements as to cash control and distributions as set forth in Paragraph 6 of the Regulatory Agreement shall supersede to the extent they are in conflict with any of the financial provisions of these Articles of Incorporation.

Amendments. So long as the Note is insured or held by the Secretary, no amendment to these Articles of Incorporation which results in any of the following shall be of any force or effect without the prior written consent of the Secretary:

- (a) Any amendment that modifies the duration of the Corporation's existence;
- (b) Any amendment that activates the requirement that a HUD Previous Participation Certification be obtained for any additional or new Shareholder, Officer or Director;
- (c) Any amendment that in any way affects the Note, the Mortgage, or security agreement applicable to the Project, or the Regulatory Agreement; and
- (d) The deletion of, or any amendment to, the provisions contained in these Articles of Amendment."