

AMENDED
ARTICLES OF INCORPORATION
OF
COVENANT WOODS

A Virginia Non-stock Corporation without Members

The Board of Directors of Covenant Woods, a Virginia non-stock corporation without members (the “Corporation”), formerly known as Richmond Home for Ladies, has found that it be in the best interests of the Corporation to amend and restate the Articles of Incorporation pursuant to Section 13.1-885 of the Code of Virginia, and as of February 9, 2000, the Articles of Incorporation were amended and restated as follows:

ARTICLE I

NAME

The name of the corporation is Covenant Woods (hereinafter referred to as the “Corporation”).

ARTICLE II

PURPOSES

The purposes of the Corporation shall be as follows:

A. Purpose. The purpose for which the Corporation is organized is to perform in the Commonwealth of Virginia the providing of services and facilities to meet the special needs of

the elderly, including without limitation, the service of providing a continuing care retirement community in which elderly men and women of respectable character may be provided a comfortable home and health care.

B. Non-Profit and Non-Political. The Corporation is not formed for financial gain, and no part of the assets, income, or profit of the Corporation is distributable to, or inures to the benefit of its directors, officers, or other persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered to and for the Corporation affecting one or more of its purposes and benefits and to make payments and distributions in furtherance of its charitable purpose. No substantial part of the activities of the Corporation shall be for propaganda or attempting to influence legislation. The Corporation shall not participate in any political campaign on behalf of or in opposition to any candidate for public office or any political cause (including the publication or distribution of statements).

Notwithstanding any other provision of these articles, the Corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code or (b) by a corporation, contributions to which are deductible under sections 170(c), 2055 and 2522 of the Internal Revenue Code, or the corresponding section of any future federal tax code.

In the event of dissolution of the Corporation, its assets shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any assets not so disposed of shall be disposed of by a court of competent jurisdiction of the city or county in which the

principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations, as the court shall determine, which are organized and operated for such purpose.

ARTICLE III

MEMBERS

The Corporation shall not have members.

ARTICLE IV

BOARD OF DIRECTORS

The Corporation shall be governed by a Board of Directors, with the number, qualifications and other matters relating to the Board of Directors as set forth below and in the Corporation's Bylaws. The directors shall consist of (1) the Chair of the Residents' Council at the Corporation's facility known as Covenant Woods, who shall be a non-voting member of the Board of Directors entitled to attend and participate in all meetings of the Board except for meetings held in executive session, and who shall serve in such capacity only while serving as Chair of the Residents' Council; and (2) all other directors, who shall be voting and who shall be elected as provided below and in the Bylaws. The foregoing provision for an ex officio non-voting member of the Board of Directors constitutes an agreement among the directors of a corporation within the meaning of Section 13.1-852.1 of the Code of Virginia (1950), as amended. One-third (1/3) of the voting directors shall be elected annually by the members of the Board then serving for three year terms. Accordingly, with staggered three (3) year terms, there shall be a regular election of one-third (1/3) of the directors each year, which election shall take place at the Annual Meeting of the Board of Directors with any Director whose term is expiring

authorized to participate in such vote. Vacancies occurring among the voting directors may be filled by the Board of Directors at any meeting of the Board of Directors. No director may be elected to more than two (2) consecutive full three (3) year terms. Such person shall be eligible for re-election to the Board of Directors after a one (1) year break in service. Notwithstanding the provision of the preceding two sentences, from time to time in order to provide continuity and/or expertise on projects or other pertinent business, the Board of Directors is empowered to make exceptions regarding term limitations to extend the tenure of a director or directors.

ARTICLE V

INDEMNIFICATION

Indemnification of directors and officers shall be provided as follows:

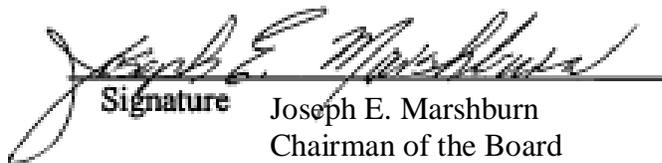
A. Definition. For purposes of this Article, the definitions contained in Section 13.1-875 of the Virginia Non-stock Corporation Act or any successor statute, as now written or hereafter amended, shall be deemed to be incorporated herein by reference, provided, however, that the term “proceeding” shall include, in addition to what is described in such statute, a suit by or in the right of the Corporation.

B. Maximum Indemnification of Directors. The Corporation shall indemnify directors of the Corporation to the fullest extent now or hereafter permitted by law (including indemnification as permitted by Section 13.1-883 of the Virginia Non-stock Corporation Act, or any successor statute, as now written or hereafter amended, against liability and expenses incurred, unless incurred as a result of gross negligence or willful misconduct) in connection with any proceeding arising out of their service to the Corporation or to another organization at the Corporation’s request.

C. Indemnification of Officers and Other Persons. With respect to officers and other persons who serve the Corporation, the Corporation shall provide indemnification as required by law and may, as authorized at any time by general or specific action of the Board of Directors, provide further indemnification to the same extent set forth in Paragraph B of this Article, in connection with any proceeding arising out of such person's service to the Corporation or to another organization at the Corporation's request.

D. Other Indemnification Applicable. Indemnification provided pursuant to the foregoing provisions of this Article shall not be exclusive of any other right of indemnification to which any person may be entitled from legal entities other than the Corporation, including indemnification under policies of insurance that may be purchased and maintained by the Corporation or others, whether or not the Corporation would have the power to indemnify such person in the particular instance under the provisions of this Article, but no person shall be entitled to any indemnification by the Corporation to the extent he or she is indemnified by another, including an insurer.

Dated: December 17, 2008


Signature Joseph E. Marshburn
Chairman of the Board


Signature Mary Vaughan Francis
Secretary of the Board