

RESTATED ARTICLES OF INCORPORATION  
OF  
PADUCAH BANK SHARES, INC.

Michael G. Adams  
Kentucky Secretary of State  
Received and Filed:  
7/25/2020 3:15 PM  
Fee Receipt: \$40.00

These Restated Articles of Incorporation, together with amendments to Articles 3, 6, 8, 9, 12 and 13, were duly adopted by the Board of Directors and submitted to the shareholders of the Corporation for vote, the shareholders having adopted same by unanimous vote by the shareholders at the regular meeting of the shareholders held on March 13, 2019.

These Restated Articles of Incorporation, together with the designated amendments, supersede the original Articles of Incorporation, and all amendments thereto.

1. Name. The Corporation's name shall be Paducah Bank Shares, Inc.
2. Duration. The Corporation's duration shall be perpetual.
3. Purposes. The Corporation's purposes are to be a Bank Holding Company and to transact any or all lawful business for which corporations may be incorporated under the Kentucky Business Corporation Act.
4. Authorized Capital Stock. The aggregate number of shares the Corporation shall have authority to issue shall be 300,000 shares of common stock without par value ("Common Stock").
5. Pre-emptive Rights. No shareholder shall have any pre-emptive right to acquire any shares of stock of any class or series of the Corporation, or to acquire any securities convertible to carrying a right to subscribe to such shares.
6. Indemnification.
  - (a) As used in this Article:
    - (i) "Director" means any person who is or was a director of the Corporation and any person who, while a director of the corporation, is or was serving at the request of the Corporation as an officer, partner, trustee, employee or agent of another foreign or domestic corporation, partnership, joint venture, trust, other enterprise or employee benefit plan.
    - (ii) "Corporation" includes any domestic or foreign predecessor entity of the Corporation in a merger, consolidation or other transaction in which the predecessor's

existence ceased upon consummation of such transaction.

(iii) “Expenses” shall include all reasonable costs and expenses incurred or to be incurred by a director or officer in any proceeding brought against such director or officer, including but not limited to attorney fees, accountant fees, court costs, travel expenses and other incidental costs and expenses.

(iv) “Official capacity” means:

(1) When used with respect to a director, the office of director in the Corporation, and

(2) When used with respect to a person other than a director, as contemplated in Section (i) of this Article, the elective or appointive office in the Corporation held by the officer or the employment or agency relationship undertaken by the employee or agent on behalf of the Corporation, but in such case does not include service for any other foreign or domestic corporation or any partnership, joint venture, trust, other enterprise, or employee benefit plan.

(v) “Party” includes a person who was, is or is threatened to be made a named defendant or respondent in a proceeding.

(vi) “Proceeding” means any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative.

(b) The Corporation shall indemnify any person made a party to any proceeding by reason of the fact that he or she is or was a Director if:

(i) He or she conducted himself or herself in good faith; and

(ii) He or she honestly believed:

(1) in the case of conduct in his or her official capacity with the Corporation, that his or her conduct was in the best interests of the Bank; and

(2) in all other cases, that his or her conduct was at least not opposed to the best interests of the Bank; and

(3) in the case of criminal proceedings, that he or she had no reasonable cause to believe his or her conduct was unlawful.

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Indemnification may be made against judgments, penalties, fines, settlements and reasonable expenses actually incurred by the person in connection with the proceeding, except that if the proceeding was by or in the right of the Corporation, indemnification may be made only against such reasonable expenses and shall not be made in respect of any proceeding in which the person shall have been adjudged to be liable to the Corporation. The termination of any proceeding by judgment, order, settlement, conviction, or upon a plead of nolo contendere or its equivalent, shall not, of itself, be determinative that the person did not meet the requisite standard of conduct set forth in this Section.

(c) A Director shall not be indemnified under Section (b) of this Article in respect of any proceeding charging improper personal benefit to him or her, whether or not involving action in his or her official capacity, in which he or she was adjudged liable on the basis that personal benefit was improperly received by him or her.

(d) (i) A Director who has been wholly successful, on the merits or otherwise, in the defense of any proceeding referred to in Section (b) of this Article, shall be indemnified against reasonable expenses incurred by him or her in connection with the proceeding.

(ii) A court of appropriate jurisdiction, upon application of a Director and such notice as the court shall require, shall have authority to order indemnification in the following circumstances:

(1) If it is determined a Director is entitled to reimbursement under subsection (d) (i) of this Article, the court shall order indemnification, in which case the Director shall also be entitled to recover the expenses of securing such reimbursement; or

(2) If it is determined that the Director is fairly and reasonably entitled to indemnification in view of all the relevant circumstances, whether or not he or she has met the standard of conduct set forth in Section (b) of this Article or has been adjudged liable in the circumstances described in Section (c) of this Article, the court may order such indemnification as the court shall deem proper, except that indemnification with respect to any proceeding by or in the right of the Corporation or in which liability shall have been adjudged in the circumstances described in Section (c) of this Article shall be limited to expenses. A court of appropriate jurisdiction may be the same court in which the proceeding involving the Director's liability took place.

(e) No indemnification under Section (b) of this Article shall be made by the Corporation unless authorized in the specific case after a determination has been made that indemnification of the Director is permissible or required in the circumstances because he or she has met the standard of conduct set forth in Section (b) of this Article. Such determination shall be made as expeditiously as possible following any request that the Corporation make indemnification:

(i) By the Board of Directors by a majority vote of the quorum consisting of Directors not at the time parties to the proceedings; or

(ii) If such a quorum cannot be obtained, then by a majority vote of a Committee of the Board, duly designated to act in the matter by a majority vote of the full Board (in which designation Directors who are parties may participate), consisting solely of two or more Directors not at the time parties to the proceeding; or

(iii) By special legal counsel selected by the Board of Directors or a Committee thereof by vote as set forth in subsection (e)(i) or (ii) of this Article, or, if the requisite quorum of the full Board cannot be obtained therefore and such Committee cannot be established, by a majority vote of the full Board (in which selection Directors who are parties may participate); or

(iv) By the shareholders.

Authorization of indemnification and determination as to reasonableness of expenses shall be made in the same manner as the determination that indemnification is permissible or required, except that if the determination that indemnification is permissible or required is made by special legal counsel, authorization of indemnification and determination as to reasonableness of expenses shall be made in a manner specified in Subsection (e)(iii) of this Article in the preceding sentence for the selection of such counsel. Shares held by Directors who are parties to the proceeding shall not be voted on the subject matter under this Section.

(f) Reasonable expenses incurred by a Director who is a party to a proceeding shall be paid or reimbursed by the Corporation in advance of the final disposition of such proceeding upon receipt by the Corporation of:

(i) A written affirmation by the Director that it is his or her good faith belief that he or she has met the standard of conduct necessary for indemnification by the Corporation as required or authorized in this Article; and

(ii) A written undertaking by or on behalf of the Director to repay such amount if it shall ultimately be determined that he or she has not met such standard of conduct, and after a determination that the facts then known to those making the determination would not preclude indemnification under this Article. The undertaking required by Subsection (f)(ii) of this Article shall be an unlimited general obligation of the Director but need not be secured and may be accepted without reference to financial ability to make repayment. Determinations and authorizations of payments under this Section shall be made in the manner specified in Section (e) of this Article.

(g) The Corporation, in addition, shall indemnify and advance expenses to a Director to such further extent, consistent with law, as may be provided by its Bylaws, general or specific action of its Board of Directors or contract. Nothing contained in this Article shall limit the Corporation's power to pay or reimburse expenses incurred by a Director in connection with

his or her appearance as a witness in a proceeding at a time when he or she has not been made a named defendant or respondent in the proceeding.

(h) For purposes of this Article, the Corporation shall be deemed to have requested a Director to serve on an employee benefit plan, whenever the performance by him or her of his or her duties to the Corporation also imposes duties on, or otherwise involved services by, him or her to the plan or participants or beneficiaries of the plan; excise taxes assessed on a Director with respect to an employee benefit plan pursuant to applicable law shall be deemed "fines," and action taken or omitted by him or her with respect to an employee benefit plan in the performance of his or her duties for a purpose reasonably believed by him or her to be in the interest of the participants and beneficiaries of the plan shall be deemed to be for a purpose which is not opposed to the best interests of the Corporation.

(i) An Officer of the Corporation shall be indemnified as and to the same extent provided in Section (d) of this Article for a Director and shall be entitled to the same extent as a Director to seek indemnification pursuant to the provisions of Section (d) of this Article; the Corporation shall indemnify and advance expenses to an Officer, employee or agent of the Corporation to the same extent that it must or may indemnify and advance expenses to Directors pursuant to this Article; and the Corporation, in addition, shall indemnify and advance expenses to an Officer, employee or agent who is not a Director to such further extent, consistent with law, as may be provided by its Bylaws, general or specific action of its Board of Directors, or contract.

(j) The Corporation may purchase and maintain insurance on behalf of any person who is or was a Director, Officer, employee or agent of the Corporation, or who, while a Director, Officer, employee or agent of the Corporation, is or was serving at the request of the Corporation as a Director, Officer, partner, trustee, employee or agent of another foreign or domestic corporation, partnership, joint venture, trust, other enterprise or employee benefit plan, against any liability asserted against him and incurred by him or her in any such capacity or

arising out of his or her status as such, whether or not the Corporation would have the power to indemnify him or her against such liability under the provisions of this Article.

(k) Any indemnification of, or advance of expenses to, a Director in accordance with this Article, if arising out of a proceeding by or in the right of the Corporation, shall be reported in writing to the shareholders with or before the notice of the next shareholders' meeting.

(l) The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any Bylaw, agreement, vote of shareholders or disinterested Directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a Director, Officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

(m) These Articles do not in any way limit either the Corporation's power to indemnify its Directors, Officers, employees and agents, or any rights, however created, of its Directors, Officers, employees and agents to indemnification by the Corporation.

7. Number of Directors. The number of Directors of the Corporation, other than the initial Board of Directors, shall be fixed, and may be increased or decreased from time to time, by a resolution adopted by vote of the shareholders who (a) are present in person or by proxy at a meeting held to elect Directors, and (b) have a majority of the voting power of the shares represented at such meeting and entitled to vote in the election.

8. Classification of Directors. When the Board of Directors as fixed by the shareholders shall consist of nine or more members, the Directors shall be divided into three classes, each class to be as nearly equal in number as possible. The term of office of Directors of the first class shall expire at the first annual meeting of shareholders after their election; that of the second class shall expire at the second annual meeting after their election; and that of the third class shall expire at the third annual meeting after their election. At each annual meeting

after such classification the number of Directors equal to the number of the class whose term expires at the time of such meeting shall be elected to hold office until the third succeeding annual meeting. In the case of any increase in the number of Directors, the additional Directors shall be distributed among the several classes as nearly equally as possible. In the case of any decrease in the number of Directors, the several classes shall be reduced so that they will be as nearly equal in number as possible, but no decrease shall have the effect of shortening the term of any incumbent director.

9. Registered Office and Agent. The address of the Corporation's initial registered office shall be 555 Jefferson Street, Paducah, Kentucky 42001. The name of the Corporation's initial registered agent at that address shall be W. David Denton, attorney at law.

10. Initial Board. The number of Directors constituting the Corporation's initial Board of Directors shall be two. The members of the initial Board of Directors shall be:

Joseph H. Framptom	555 Jefferson Street Paducah, Kentucky 42001
W. David Denton	555 Jefferson Street Paducah, Kentucky 42001

11. Incorporators. The names and addresses of the incorporators are Joseph H. Framptom and W. David Denton, both of 555 Jefferson Street, Paducah, Kentucky 42001.

12. Mailing Address. The mailing address of the Corporation shall be 555 Jefferson Street, Paducah, Kentucky 42001.

13. Headings. The headings in these Restated Articles of Incorporation have been included solely for ease of reference and shall not be considered in the interpretation or construction of these Restated Articles of Incorporation.



These Restated Articles of Incorporation being executed by the President and the Secretary of Paducah Bank Shares, Inc., on this 5<sup>th</sup> day of February, 2020.

Joseph H. Framptom  
JOSEPH H. FRAMPTOM  
PRESIDENT

W. David Denton  
W. DAVID DENTON  
SECRETARY

VERIFICATION

Come Joseph H. Framptom and W. David Denton, President and Secretary, respectively, of Paducah Bank Shares, Inc., and after being duly sworn under oath collectively state that the foregoing constitute the Restated Articles of Incorporation of Paducah Bank Shares, Inc., and as approved by majority of the shareholders of said Corporation. Additionally, except for the herein set forth designated amendments to the Articles of Incorporation of Paducah Bank Shares, Inc., which designated amendments relate to Articles 3, 6, 8, 9, 12 and 13 as provided herein, these Restated Articles of Incorporation correctly set forth without change the corresponding provisions of the Articles of Incorporation as originally adopted and theretofore amended. These Restated Articles of Incorporation, together with the designated amendments, supersede the original Articles of Incorporation and all amendments thereto.

Joseph H. Framptom  
JOSEPH H. FRAMPTOM

W. David Denton  
W. DAVID DENTON

STATE OF KENTUCKY )

COUNTY OF McCracken )

The foregoing instrument was acknowledged before me this 5 day of February, 2020, by Joseph H. Framptom and W. David Denton, President and Secretary, respectively, of Paducah Bank Shares, Inc., a Kentucky corporation, on behalf of said Corporation.

My commission expires 7/7/2020.

Lora Riley #559290  
NOTARY PUBLIC, STATE AT LARGE

This instrument prepared by:

John D. Denton  
DENTON LAW FIRM, PLLC  
P.O. Box 969  
Paducah, KY 42002-0969  
219153

