

**ARTICLES OF INCORPORATION  
OF  
MIDDLEGROUND CAPITAL CHARITABLE FOUNDATION, INC.**

**A Kentucky Non-Stock, Non-Profit Corporation**

These Articles of Incorporation of MiddleGround Capital Charitable Foundation, Inc. (the "Corporation") correctly set forth the provisions of the Articles of Incorporation of the Corporation and have been duly adopted as required by the Kentucky Nonprofit Corporation Act (or any successor codification of the law governing Kentucky non-stock, non-profit corporations) (the "Act").

**ARTICLE 1**

**Name of Corporation; Duration**

The name of the Corporation is **MiddleGround Capital Charitable Foundation, Inc.**, and shall be of perpetual duration.

**ARTICLE 2**

**Purposes and Powers**

**2.1** The Corporation is organized exclusively for charitable or educational purposes under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or such corresponding section of any future tax code ("IRC"), and under Chapter 273 of the Kentucky Revised Statutes ("KRS Chapter 273"). The specific purposes of the Corporation include, but are not limited to, the making of distributions to organization that qualify as exempt organizations under Section 501(c)(3) of the IRC and the leading and organizing of volunteer activities in support of charitable, educational or other exempt causes. The Corporation may receive gifts, contributions, and grants of money or property from individuals, private organizations, public sources, and any agency of local, state or federal government.

**2.2** The Corporation may exercise any and all powers possessed by non-stock, non-profit corporations formed under KRS Chapter 273, but the Corporation shall not engage in activities which are impermissible for a corporation exempt from federal income tax under IRC Section 501(c)(3).

**2.3** The Corporation shall have no capital stock and no power to issue certificates for shares of capital stock or to declare dividends. No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, its directors or officers or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Section 2.1 above.

**2.4** No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements), any political campaign on behalf of or in opposition to any candidate for public office.

**2.5** 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 IRC Section 501(c)(3) or (b) by a corporation, contributions to which are deductible under IRC Section 170(c)(2). Notwithstanding any other provision of these articles, the purposes of the Corporation shall be limited exclusively to exempt purposes within the meaning of IRC Section 501(c)(3).

**2.6** Notwithstanding any other provisions of these articles, if, at any time, the Corporation shall be determined to be a private foundation or private operating foundation as defined in Section 509 or Section 4942 of the IRC, then:

**a.** The Corporation shall distribute its income for each taxable year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the IRC.

**b.** The Corporation shall not engage in any act of self-dealing as defined in Section 4941(d) of the IRC.

**c.** The Corporation shall not purchase or retain any excess business holdings as defined in Section 4943(c) of the IRC.

**d.** The Corporation shall not make any investments in such manner as to subject it to tax under Section 4944 of the IRC.

**e.** The Corporation shall not make any taxable expenditures as defined in Section 4945(d) of the IRC.

### **ARTICLE 3**

#### **Registered Office; Registered Agent**

The street address of the Corporation's initial office in Kentucky is 250 W. Main Street, Suite 2800, Lexington, Kentucky 40507, and the name of the registered agent at that office is FBT LLC Lexington.

## ARTICLE 4

### Principal Office

The mailing address of the Corporation's principal office is 1500 Aristides Blvd., Lexington, Kentucky 40511.

## ARTICLE 5

### Board of Directors; Members

5.1 The number of Directors shall be set from time to time by the Board of Directors, but shall be no less than three (3). The number of directors constituting the initial Board of Directors is four. The names and mailing addresses of the persons currently serving on the Board of Directors are as follows:

<u>Name</u>	<u>Mailing Address</u>
Lauren Mulholland	415 Greenwich St., Apt. 6F New York, NY 10013-2073
Mike Bridge	1096 Morning Glory Lane Shelbyville, KY 40065-7724
Madelyn Tutewiler	1212 Glen Crest Lexington, KY 40502-2800
David Walden	418 W. Sixth St. Lexington, KY 40508-1363

5.2 The duly elected directors shall conduct the affairs of the Corporation. The directors may elect an Executive Committee or other Committee to conduct day-to-day business in accordance with its Bylaws.

5.3 The Corporation shall have no members.

## ARTICLE 6

### Indemnification of Directors and Officers

6.1 No current or former director, officer, member, employee, attorney, or agent of the Corporation shall be personally liable as such on the Corporation's obligations or to the Corporation for monetary damages for breach of his or her duties on the Corporation's behalf except for liability for (a) any transaction in which the individual's personal financial interest is in

conflict with the financial interests of the Corporation, (b) acts or omissions not in good faith or which involve intentional misconduct, or are known to the individual to be a violation of law, or (c) any transaction from which the individual derives an improper personal benefit. If KRS Chapter 273 is subsequently amended to authorize corporate action further eliminating or limiting the personal liability of such individuals, then the liability of such individuals shall be deemed to be eliminated or limited by this provision to the fullest extent then permitted by KRS Chapter 273, as so amended, without the necessity for further action by the Board of Directors. Any repeal of this Article 6 shall not adversely affect any right of a current or former director, officer, employee, attorney, or agent hereunder in respect of any act or omission occurring prior to the time of such repeal or modification.

6.2 Each person who is or was a director, officer, member, employee, attorney, or agent (each an “Indemnified Person” and collectively the “Indemnified Persons”) of the Corporation, whether elected or appointed, and each person who is or was serving at the request of the Corporation as an Indemnified Person of another corporation, whether elected or appointed, including the heirs, executors, administrators, or estate of any such Indemnified Person, shall be indemnified by the Corporation to the full amount against any liability and the reasonable cost or expense (including attorney fees, monetary or other judgments, fines, excise taxes or penalties, and amounts paid or to be paid in settlement) incurred by such Indemnified Person in such Indemnified Person’s capacity as a director, officer, employee, attorney, or agent, or arising out of such Indemnified Person’s status as a director, officer, employee, agent, or attorney; provided, however, no such Indemnified Person shall be indemnified against any such liability, cost, or expense incurred in connection with any action, suit, or proceeding in which such Indemnified Person shall have been adjudged liable on the basis that personal benefit was improperly received by such Indemnified Person or if such indemnification would be prohibited by law. Such right of indemnification shall be a contract right and shall include the right to be paid by the Corporation the reasonable expenses incurred in defending any threatened or pending action, suit, or proceeding in advance of its final disposition; provided, however, that such advance payment of expenses shall be made only after delivery to the Corporation of an undertaking by or on behalf of such Indemnified Person to repay all amounts so advanced, if it shall be determined that such person is not entitled to such indemnification. Any repeal or modification of this Article 6 shall not affect any rights or obligations then existing. If any indemnification payment required by this Article 6 is not paid by the Corporation within ninety (90) days after a written claim has been received by the Corporation, the Indemnified Person may at any time thereafter bring suit against the Corporation to recover the unpaid amount and, if successful in whole or in part, such Indemnified Person shall be entitled to be paid also the expense of prosecuting such claim. The Corporation may maintain insurance, at its own expense, to protect itself and any such Indemnified Person against any such liability, cost, or expense, whether or not the Corporation would have the power to indemnify such person against such liability, cost, or expense under KRS Chapter 273 or under this Article 6, but it shall not be obligated to do so. The indemnification provided by this Article 6 shall not be deemed exclusive of any other rights which those seeking indemnification may have or hereafter acquire under any bylaw, agreement, statute, vote of members or board of directors, or otherwise. If this Article 6 or any portion thereof shall be invalidated on any ground by any court of competent jurisdiction, then the Corporation shall nevertheless indemnify each such person to the full extent permitted by any applicable portion of this Article 6 that shall not have been invalidated or by any other applicable law.

## ARTICLE 7

### Dissolution

Upon the dissolution of the Corporation, or in case the work of the Corporation is abandoned, all title to all property of the Corporation remaining after the obligations of the Corporation have been paid or adequately provided for shall be distributed as the directors may determine for one or more exempt purposes within the meaning of Section 501(c)(3) of the IRC, or to the federal government or to a state or local government for a public purpose.

## ARTICLE 8

### Incorporator

The Incorporator shall be FBT LLC LEXINGTON, 250 W. Main Street, Suite 2800, Lexington, KY 40507.

FBT LLC LEXINGTON, Incorporator

By:

  
Jill Battcher, Manager

**CONSENT TO SERVE  
AS  
INITIAL REGISTERED AGENT  
FOR  
MIDDLEGROUND CAPITAL CHARITABLE FOUNDATION, INC.**

The undersigned hereby consents to serve as the initial registered agent for Middleground Capital Charitable Foundation, Inc. (the "*Corporation*"), as contemplated by the Corporation's Articles of Incorporation.

FBT LLC LEXINGTON

By:

  
Jill Battcher, Manager