

**ARTICLES OF AMENDMENT
TO ARTICLES OF INCORPORATION
OF
THE QUILT, INC.**

TO:

DEPARTMENT OF CONSUMER AND REGULATORY AFFAIRS
BUSINESS AND PROFESSIONAL LICENSING ADMINISTRATION
CORPORATIONS DIVISION
941 NORTH CAPITOL STREET, N.E.
WASHINGTON, D.C. 20002

Pursuant to the provisions of the District of Columbia non-profit Corporation Act, the undersigned adopts the following Articles of Amendment to its Articles of Incorporation:

FIRST: The name of the corporation is The Quilt, Inc.

SECOND: The following amendments of the Articles of Incorporation were adopted by the Corporation in the manner prescribed by the District of Columbia Non-profit Corporation Act:

THIRD: Articles 4, 5 and 8 are amended to read as follows:

"ARTICLE 4. MEMBERS

(1) **Members.** The first class of members shall be designated as "Members." Members shall have no voting rights other than to elect Directors.

(2) **Associates.** The second class of members shall be designated as "Associates." Associates shall have no voting rights."

"ARTICLE 5. DIRECTORS

The manner in which Directors shall be elected or appointed shall be provided in the Bylaws of the corporation. The number of Directors of the corporation shall be determined in the manner provided by the Bylaws and may be increased or decreased from time to time in the manner provided therein."

"ARTICLE 8. AMENDMENT TO ARTICLES OF INCORPORATION

The corporation reserves the right to amend or repeal any of the provisions contained in these Articles of Incorporation in any manner now or hereafter permitted by law."

FOURTH: The following paragraphs are added to Article 6:

"(5) Notwithstanding any other provisions of these Articles of Incorporation, the corporation shall not conduct or carry on activities not permitted to be conducted or carried on by an organization exempt from federal income tax under Section 501(c)(3) of the Code or by an organization contributions to which are deductible under Section 170(c)(2) of the Code.

(6) The corporation is prohibited from engaging in any excess benefit transaction as defined in Section 4958(c) of the Code.

(7) In general, and subject to such limitations and conditions as are or may be prescribed by law, by these Articles of Incorporation, or by the Bylaws of the corporation, the corporation shall have the authority to (a) engage in any and all such activities as are incidental or conducive to the attainment of the purposes of the corporation set forth in Section 3.1 hereof and (b) exercise any and all powers authorized or permitted under any laws that are now, or hereafter may be, applicable or available to the corporation."

FIFTH: The following new articles 11 through 13 are added:

ARTICLE 11. BYLAWS

The Board of Directors shall have the power to adopt, amend or repeal the Bylaws of the corporation.

ARTICLE 12. LIMITATION OF DIRECTOR LIABILITY

To the full extent that the District of Columbia Official Code (as it exists on the date hereof or as it may hereafter be amended) permits the limitation or elimination of the liability of Directors, a Director of the corporation shall not be liable to the corporation or its members, if any, for monetary damages for conduct as a Director. Any amendments to or repeal of this Article 11 shall not adversely affect any right or protection of a Director of the corporation for or with respect to any acts or omissions of such Director occurring prior to such amendment or repeal.

ARTICLE 13. INDEMNIFICATION

(1) **Right to Indemnification.** Each person who was, is or is threatened to be made a named party to or is otherwise involved (including, without limitation, as a witness) in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative and whether formal or informal (hereinafter a "proceeding"), by reason of the fact that he or she is or was a Director or officer of the corporation or, that being or having been such a Director or officer or an employee of the corporation, he or she is or was serving at the request of the corporation as a director, officer, partner, trustee, employee or agent of another corporation or of a partnership, joint venture, limited liability company, trust, employee benefit plan or other enterprise (hereinafter an "indemnitee"), whether the basis of a proceeding is alleged action in an official capacity as such a Director, officer, partner, trustee, employee or agent or in any other capacity while serving as such a Director, officer, partner, trustee, employee or agent, shall be indemnified and held harmless by the corporation against all expense, liability and loss (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts to be paid in settlement) actually and reasonably incurred or suffered by such indemnitee in connection therewith, and such indemnification shall continue as to an indemnitee who has ceased to be a Director, officer, partner, trustee, employee or agent and shall inure to the benefit of the indemnitee's heirs, executors and administrators. Except as provided in paragraph 4 of this Article 12 with respect to proceedings seeking to enforce rights to indemnification, the corporation shall indemnify any such indemnitee in connection with a proceeding (or part thereof) initiated by such indemnitee only if the proceeding (or part thereof) was authorized or ratified by the Board of Directors. The right to indemnification conferred in this paragraph 1 of Article 12 shall be a contract right.

(2) **Restrictions on Indemnification.** No indemnification shall be provided to any such indemnitee for acts or omissions of the indemnitee finally adjudged to be intentional misconduct or a knowing violation of law, for conduct of the indemnitee finally adjudged to be in violation of Section 29-301 of the District of Columbia Nonprofit Corporation Act (the "Act"), for any transaction with respect to which it was finally adjudged that such indemnitee personally received a benefit in money, property or services to which the indemnitee was not legally entitled or if the corporation is otherwise prohibited by applicable law from paying such indemnification, except that if Section 29-301 or any successor provision of the Act is hereafter amended, the restrictions on indemnification set forth in paragraph 2 of this Article 12 shall be as set forth in such amended statutory provision.

(3) **Advancement of Expenses.** The right to indemnification conferred in paragraph 1 of this Article 12 hereof shall include the right to be paid by the corporation the expenses incurred in defending any proceeding in advance of its final disposition

(hereinafter an "advancement of expenses"). An advancement of expenses shall be made upon delivery to the corporation of an undertaking (hereinafter an "undertaking"), by or on behalf of such indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal that such indemnitee is not entitled to be indemnified for such expenses under this paragraph 3 of this Article 12.

(4) **Right of Indemnitee to Bring Suit.** If a claim under paragraphs 1 and 3 of this Article 12 is not paid in full by the corporation within 60 days after a written claim has been received by the corporation, except in the case of a claim for an advancement of expenses, in which case the applicable period shall be 20 days, the indemnitee may at any time thereafter bring suit against the corporation to recover the unpaid amount of the claim. If successful in whole or in part, in any such suit or in a suit brought by the corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the indemnitee shall also be entitled to be paid the expense of prosecuting or defending such suit. The indemnitee shall be presumed to be entitled to indemnification under this Article 12 upon submission of a written claim (and, in an action brought to enforce a claim for an advancement of expenses, where the required undertaking has been tendered to the corporation), and, thereafter, the corporation shall have the burden of proof to overcome the presumption that the indemnitee is so entitled.

(5) **Procedures Exclusive.** Pursuant to Section 29-301 or any successor provision of the Act, the procedures for indemnification and advancement of expenses set forth in this Article 12 are in lieu of the procedures required by Section 29-301 or any successor provision of the Act.

(6) **Nonexclusivity of Rights.** The right to indemnification and the advancement of expenses conferred in this Article 12 shall not be exclusive of any other right that any person may have or hereafter acquire under any statute, provision of the Articles of Incorporation or the Bylaws of the corporation, by general or specific action of the Board of Directors, or by contract or otherwise.

(7) **Insurance, Contracts and Funding.** The corporation may maintain insurance, at its expense, to protect itself and any Director, officer, partner, trustee, employee or agent of the corporation or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the corporation would have the power to indemnify such person against such expense, liability or loss under the Act. The corporation may enter into contracts with any Director, officer, partner, trustee, employee or agent of the corporation in furtherance of the provisions of this Article 12 and may create a trust fund, grant a security interest or use other means (including, without limitation, a letter of credit) to ensure the payment of such amounts as may be necessary to effect indemnification as provided in this Article 12.

(8) **Indemnification of Employees and Agents of the Corporation.** The corporation may, by action of the Board of Directors, grant rights to indemnification and advancement of expenses to employees and agents or any class or group of employees and agents of the corporation (a) with the same scope and effect as the provisions of this Article 12 with respect to the indemnification and advancement of expenses of Directors and officers of the corporation, (b) pursuant to rights granted under, or provided by, the Act, or (c) as are otherwise consistent with law.

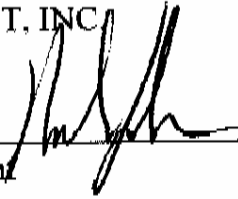
(9) **Persons Serving Other Entities.** Any person who, while a Director, officer or employee of the corporation, is or was serving (a) as a director or officer of another foreign or domestic corporation of which a majority of the shares entitled to vote in the election of its directors is held by the corporation or (b) as a partner, trustee or otherwise in an executive or management capacity in a partnership, joint venture, limited liability company, trust or other enterprise of which the corporation or a wholly owned subsidiary of the corporation is a general partner or has a majority ownership shall be deemed to be so serving at the request of the corporation and entitled to indemnification and advancement of expenses under paragraphs 1 and 3 of this Article 12."

SIXTH: The amendments were adopted in the following manner:

The amendments were adopted at a meeting of the Board of Directors held on December 5, 2007, and received the vote of a majority of the Directors in office, there being no members having voting rights in respect thereof.

Dated: August 15, 2008

THE QUILT, INC

By: 
Its President

ATTEST:

By: 
Its Secretary