

FIRST AMENDED AND RESTATED
ARTICLES OF ACCEPTANCE
OF
TAYLOR UNIVERSITY

The undersigned officer of Taylor University, Inc. (the "Corporation"), existing pursuant to the Indiana Nonprofit Corporation Act of 1991 (the "Act") desiring to give notice of corporate action effectuated by the Corporation, certifies the following facts:

ARTICLE I

NAME

The name of the Corporation is Taylor University, Inc.

ARTICLE II

DATE OF INCORPORATION

Section 2.1. The date of incorporation of the Corporation is September 16, 1955.

Section 2.2. The name of the Corporation following this amendment is Taylor University, Inc.

ARTICLE III

STATUTE UNDER WHICH ORGANIZED
AND LATER ACCEPTANCE

The statute under which the Corporation was organized is Chapter 90 of the 1855 Acts of the Indiana General Assembly entitled "An Act for the Incorporation of High Schools, Academies, Colleges, Universities, Theological Institutions, and Missionary Boards". The Corporation accepted the Indiana Not-For-Profit Act of 1971 (the "1971 Act") on December 16, 1988.

ARTICLE IV

RESTATEMENT OF ARTICLES

The Corporation hereby restates the provisions of its Articles of Incorporation as follows:

ARTICLE V

NAME

The name of the Corporation is Taylor University, Inc.

ARTICLE VI

CLASSIFICATION OF CORPORATION

The Corporation is a public benefit corporation.

ARTICLE VII

PURPOSES AND POWERS

Section 7.1. Preamble. The Corporation exists to serve God and His kingdom through establishing, cultivating, and maintaining various ministries and activities. Interdenominational in character, the Corporation is guided by Biblical doctrines found in God's Holy Word, the Bible.

Section 7.2. Purpose. The purposes for which the Corporation is formed are:

(a) To succeed to and acquire all of the academic attainments, traditions and spirit of its continuous line of predecessor institutions, beginning with the Fort Wayne Female College founded in 1846, followed by Fort Wayne College, Taylor University of Upland founded in 1893 and then the merger of Summit Christian College into the Corporation in 1992;

(b) To establish, maintain, and operate an educational institution (hereafter referred to as the "University") and at its discretion, to establish law, medical, normal, agricultural, military, arts, science, and music departments, and to confer degrees to the students thereof, as well as all other academic or honorary degrees appropriate thereto;

(c) To be and continue to be a body politic and corporate with the power to hold and convey real estate and personal property for the purpose of the University and for any endowments devised, bequeathed or granted to it;

(d) To devise and execute plans which are the most suitable for Christian higher education of people of this and other countries, male and female, as they may be deemed eligible by accepted standards of regional accrediting agencies and universities, and by evangelical Christian standards, which may be set from time to time by the Trustees;

(e) To receive, accept and hold, by gift, devise, bequest, or in any other manner, any money or property, absolutely or in trust, to be used in any manner as may be designated for the furtherance of the purposes of the University;

(f) To, at the discretion of the Board of Trustees, maintain or assist in maintaining affiliated institutions of like purpose in this or foreign countries; and

(g) In furtherance of the aforesaid purposes, to transact any and all lawful business for which corporations may be incorporated under the Act, provided such business is not inconsistent with the Corporation being organized and operated exclusively for nonprofit purposes.

Section 7.3. Non-Profit Purposes.

(a) The Corporation is organized and operated exclusively for charitable purposes and its activities shall be conducted in such a manner that no part of its net earnings shall inure to the benefit of any member, director or officer, or other private person, 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 3.2.

(b) 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 any candidate for public office.

(c) Notwithstanding any other provision of these Articles of Incorporation, the Corporation shall not carry on any other activities not permitted to be carried on:

- (i) By a corporation exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent Federal tax laws, or
- (ii) By a corporation, contributions to which are deductible under Section 170(c)(2), Section 2055(a)(2), or Section 2522(a)(2) of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent Federal tax laws.

Section 7.4. Powers. Subject to any limitation or restriction imposed by the Act, any other law, or any other provisions of these Articles of Incorporation, the Corporation shall have the power:

(a) To do everything necessary, advisable or convenient for the accomplishment of any of the purposes hereinbefore set forth, or which shall at any time appear conducive to or expedient for the protection or benefit of the Corporation and to do all of the things incidental thereto or connected therewith which are not forbidden by law; and

(b) To have, exercise and enjoy in furtherance of the purposes hereinbefore set forth all the general rights, privileges and powers granted to corporations by the Act, as now existing or hereafter amended, and by the common law.

Section 7.5. Limitations on Powers.

(a) The Corporation shall distribute its income for each taxable year at such time and in such manner as not to become subject to tax on undistributed income imposed by Section 4942 of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent Federal tax laws.

(b) The Corporation shall not engage in any act of self-dealing that would subject any person to the taxes imposed on acts of self-dealing by Section 4941 of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent Federal tax law.

(c) The Corporation shall not retain any excess business holdings which would subject it to the tax on excess business holdings imposed by Section 4943 of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent Federal tax law.

(d) The Corporation shall not make any investments in such a manner as to subject it to the tax under Section 4944 of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent Federal tax law

(e) The Corporation shall not make any expenditures which would subject it to the taxes on taxable expenditures imposed by Section 4945 of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent Federal tax law.

(f) Upon the dissolution of the Corporation, the Board of Trustees shall, after paying or making provision for the payment of all the liabilities of the Corporation, dispose of all the assets of the Corporation exclusively for the purposes of the Corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious or scientific purposes as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent Federal tax law, as the Board of Trustees shall determine. Any such assets not so disposed of shall be disposed of by the Judge of the Circuit Court of Grant County, Indiana, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE VIII

TERM OF EXISTENCE

The Corporation shall have perpetual existence.

ARTICLE IX

REGISTERED AGENT AND REGISTERED OFFICE

Section 9.1. Registered Agent. The name and post office address of the registered agent of the Corporation is Michael A. Blickman, One American Square, Box 82001, Indianapolis, Indiana 46282.

Section 9.2. Registered Office. The post office address of the registered office of the corporation is One American Square, Box 82001, Indianapolis, Indiana 46282.

ARTICLE X

MEMBERSHIP

The Corporation shall have no members.

ARTICLE XI

BOARD OF TRUSTEES

Section 11.1. Number. The Board of Trustees shall consist of a minimum of three (3) trustees and a maximum number of twenty-nine (29) trustees, plus the President of the University who shall serve ex-officio as a member of the Board with full rights. The exact number of trustees shall be specified from time to time in the Bylaws of the Corporation. Whenever the Bylaws do not specify the number of trustees, the number shall be twenty-nine (29), plus the President of the University who shall serve ex-officio as a member of the Board with full rights.

Section 11.2. Qualifications. Each trustee shall have such qualifications as may be specified from time to time in the Bylaws of the Corporation or required by law.

Section 11.3. Removal. Any member of the Board of Trustees may be removed by affirmative vote of at least sixty percent (60%) of the members of the Board of Trustees, provided that such action is taken by secret ballot at a duly called meeting.

Section 11.4. Board of Trustees and Terms of Office. Each trustee, other than the ex-officio member of the Board, shall serve for a term of five (5), except that a trustee who is being elected to fill a vacancy may be elected to a shorter initial term. The names, terms of office and addresses of the Board of Trustees of the Corporation at the time of adoption of these Restated Articles of Incorporation are attached hereto as Attachment A.

ARTICLE XII

INDEMNIFICATION

Section 12.1. Rights to Indemnification and Advancement of Expenses. The Corporation shall indemnify as a matter of right every person made a party to a proceeding because such person is or was

- (a) a member of the Board of Trustees of the Corporation,
- (b) an officer of the Corporation, or
- (c) while a director or officer of the Corporation, serving at the Corporation's request as a director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise, whether for profit or not, (each an "Indemnitee") against all liability incurred by such person in connection with the proceeding; provided that it is determined in the specific case that

indemnification of such person is permissible in the circumstances because such person has met the standard of conduct for indemnification specified in the Act. The Corporation shall pay for or reimburse the reasonable expenses incurred by an Indemnitee in connection with any such proceeding in advance of final disposition thereof in accordance with the procedures and subject to the conditions specified in the Act. The Corporation shall indemnify as a matter of right an Indemnitee who is wholly successful, on the merits or otherwise, in the defense of any such proceeding against reasonable expenses incurred by the person in connection with the proceeding without the requirement of a determination as set forth in the first sentence of this paragraph.

Upon demand by a person for indemnification or advancement of expenses, as the case may be, the Corporation shall expeditiously determine whether the person is entitled thereto in accordance with this Article and the procedures specified in the Act.

The indemnification provided under this Article shall be applicable to any proceeding arising from acts or omissions occurring before or after the adoption of this Article.

Section 12.2. Other Rights Not Affected. It is the intent of this Article to provide indemnification to directors and officers to the fullest extent now or hereafter permitted by law consistent with the terms and conditions of this Article. Nothing contained in this Article shall limit or preclude the exercise of, or be deemed exclusive of, any right under the law, by contract or otherwise, relating to indemnification of or advancement of expenses to any person who is or was a director, officer, employee, or agent of the Corporation, or the ability of the Corporation to otherwise indemnify or advance expenses to any such individual.

Notwithstanding any other provision of this Article, there shall be no indemnification with respect to matters as to which indemnification would result in inurement of net earnings of the Corporation "to the benefit of any private shareholder or individual," within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or similar provisions of any subsequent Federal tax laws.

Section 12.3. Definitions. For purposes of this Article:

(a) A person is considered to be serving an employee benefit plan at the Corporation's request if the person's duties to the Corporation also impose duties on, or otherwise involve services by, the person to the plan or to participants in or beneficiaries of the plan.

(b) The estate or personal representative of a person entitled to indemnification or advancement of expenses shall be entitled hereunder to indemnification and advancement of expenses to the same extent as the person.

(c) The term "expenses" includes all direct and indirect costs (including, without limitation, counsel fees, retainers, court costs, transcripts, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, and all other disbursements or out-of-pocket expenses) actually incurred in connection with the investigation, defense, settlement, or appeal of a proceeding or establishing or enforcing a right to indemnification under this Article, applicable law or otherwise.

(d) The term "liability" means the obligation to pay a judgment, settlement, penalty, fine, excise tax (including an excise tax assessed with respect to an employee benefit plan), or reasonable expenses incurred with respect to a proceeding.

(e) The term "party" includes an individual who was, is or is threatened to be made a named defendant or respondent in a proceeding.

(f) The term "proceeding" means any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative and whether formal or informal.

ARTICLE XIII

MANNER OF ADOPTION AND VOTE

Section 13.1. Action by Trustees. The Board of Trustees of the Corporation duly adopted a resolution approving the Articles of Amendment and Restatement at a meeting held on _____, 2005 at which a quorum was present.

Section 13.2. Action by Members. The members of the Corporation duly adopted a resolution approving the Articles of Amendment and Restatement, as follows:

Members entitled to Vote	28
Members Voted in Favor	—
Members Voted Against	-0-

Section 13.3. Compliance with legal Requirements. The manner of the adoption of the Articles of Amendment and Restatement constitutes full legal compliance with the provision of the Act, the Articles of Incorporation, and the Bylaws of the Corporation.

IN WITNESS WHEREOF, the undersigned officer executes these Articles of Amended and Restatement, and certifies under the penalties of perjury, the truth of the statements herein contained this ___ day of _____, 2005.

Ken Flanigan
Chairman of the Board of Trustees

This instrument was prepared by Gregory L. Pemberton, ICE MILLER, One American Square, Box 82001, Indianapolis, Indiana 46282.