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ARTICLES OF INCORPORATION

CARTHA

The undersigned incorporator, desiring to form a corporation pursuant to the provisions of the Revised Iowa Nonprofit Corporation Act (Chapter 504 of the Code of Iowa), adopts the following Articles of Incorporation:

ARTICLE I - NAME

The name of this Corporation is CARTHA, hereinafter referred to as the "Corporation."

ARTICLE II - PURPOSES

The purposes for which the Corporation is formed are as follows:

Section 1. The Corporation is organized exclusively for charitable, scientific, literary or educational purposes within the meaning and as permitted by Sections 170(c)(2) and 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue Law), and to act as a "public foundation" in accord with Internal Revenue Code Sections 509(a)(1) and 170(b)(1)(A)(vi), the last named being modified by Treasury Res. Reg. 1.170A-9(e)(10).

Section 2. Subject to the charitable, scientific, literary and educational purposes set forth in Section 1 of this Article II, the Corporation has the following objectives:

(a) To provide a means of addressing complex global challenges in a way that more effectively improves the lives of the world's poor. To further this objective, among other charitable, scientific, literary or educational activities, the Corporation intends to i) engage in a continuous process of researching, conceptualizing and designing new models for innovative team structures and collaborative activities among practitioners, academic researchers, and organizations; ii) provide leadership training and consultation to prepare transformative leaders; and iii) help to formulate, facilitate and enhance multi-sector, multidisciplinary and practitioner-academic collaborations and alliances. These activities are intended to promote:

- The identification and understanding of current and emerging societal problems;
- The sharing of talents, research and innovations, and the bringing together of appropriate resources to formulate better solutions in a complex, globalized environment; and
- The development, translation and broader dissemination of scientific research and innovative ideas for educational, scientific and charitable projects benefiting people in need.

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(b) To make distributions to organizations that further the purposes of this Corporation and qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding section of any future federal tax code.

(c) To accept, administer, apply and use any property acquired by gift in accordance with the general purposes and objects of the Corporation, that may be specified by the donor, grantor or testator thereof; subject, however, to the qualification and condition, to be understood and accepted in all such cases, that if, in the judgment and discretion of the Board of Directors of the Corporation, the purposes or objects so specified become unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community or agency served, then the property involved in any such case shall be subject to the Corporation's general purposes.

(d) To possess and exercise all of the rights, powers and privileges now or hereafter conferred upon non-profit corporations by Chapter 504 of the Code of Iowa as amended from time to time.

(e) To do all and everything suitable and proper for the accomplishment of any of the purposes, or the attainment of any of the objects, or the furtherance of any of the powers of the Corporation.

(f) To engage in any lawful act or activity for which nonprofit corporations may be organized and conducted under Chapter 504 of the Code of Iowa.

ARTICLE III - POWERS

Section 1. This Corporation shall have and exercise such powers as are required by and are consistent with the foregoing purposes, including the power to acquire and receive funds and property of every kind and nature whatsoever, whether by purchase, conveyance, lease, gift, grant, bequest, legacy, devise or otherwise and whether in trust or otherwise, and to own, hold, expend, make gifts, grants and contributions of, and to convey, transfer and dispose of any funds and property and the income therefrom in furtherance of the purposes of this Corporation hereinabove set forth, or any of them, and to lease, mortgage, encumber, and use the same, and such other powers that are consistent with the foregoing purposes and that are afforded to this Corporation by the Revised Iowa Nonprofit Corporation Act.

Section 2. All powers of this Corporation shall be exercised only so that the activities of this Corporation shall be exclusively within the contemplation of Section 170(c)(2) and 501(c)(3) of the Internal Revenue Code of 1986, and of the Revised Iowa Nonprofit Corporation Act; provided further, however, that the reference herein to the Revised Iowa Nonprofit Corporation Act shall not permit, and shall not be taken as permitting, this Corporation to have or exercise any power which is not within the contemplation of Section 170(c)(2) and 501(c)(3) of the Internal Revenue Code of 1986; and provided finally that this Corporation shall not carry on any activity not permitted to be carried on by a corporation that is exempt from federal income taxes under Section 509(a) of the Internal Revenue Code of 1986 as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986 or by a corporation that is described in, and contributions to which are

deductible for federal income tax purposes under Section 170(c)(2) of the Internal Revenue Code of 1986.

Section 3. All references in these Articles of Incorporation to a particular section of the Internal Revenue Code of 1986 shall mean and include, as now enacted or as hereafter amended, such section and any provision of federal law as is or may hereafter be applicable, cognate to such section; and the references in these Articles of Incorporation to the Revised Iowa Nonprofit Corporation Act shall mean and include, as now enacted or as hereafter amended and such provisions of Iowa law as may be applicable thereto.

Section 4. Notwithstanding any other provisions of these Articles, the Corporation shall not carry on any 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 of 1986 (or the corresponding provisions of any future United States Internal Revenue law), or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue law).

Section 5. All actions of the Corporation shall be in compliance with all applicable Equal Employment Opportunity and Affirmative Action laws as they are presently or may be hereinafter adopted. The Corporation shall engage in no activity which discriminates against or harasses any person because of race, color, creed, religion, national origin, sex, disability, age, marital status, sexual preference or status with regard to public assistance.

Section 6. The Corporation shall further have the power to exercise such redirection of the use of charitable gifts, whether net income or principal, through exercise of a "power of variance" by the Board of Directors. The Board of Directors may, by affirmative vote of a two-thirds majority of its membership, order such variation from donor restrictions or statement of intent and such application of the whole, or any part of the principal or income of an individual fund held by the Corporation, as in the judgment of the Board of Directors is necessary, more effectively to serve the charitable purposes of the original donor, grantor or testator and the general purposes of the Corporation, consistent with the terms and requirements of the Internal Revenue Code.

ARTICLE IV - SEAL

The Corporation shall not have a corporate seal.

ARTICLE V - PERIOD OF EXISTENCE

The period of duration of the Corporation shall be perpetual.

ARTICLE VI - RESIDENT AGENT AND PRINCIPAL OFFICE

Section 1. Resident Agent. The name and address of the Corporation's Resident Agent for service of process is Usha R. Balakrishnan, 33 Buchanan Court, Iowa City, Iowa 52246.

Section 2. Principal Office. The post office address of the principal office of the Corporation is 33 Buchanan Court, Iowa City, Iowa 52246.

Section 3. Change in Agent or Office. The registered agent and/or office may be changed from time to time by resolution of the Board of Directors and the filing of a Statement of Change with the Secretary of the State of Iowa in accordance with the Revised Iowa Nonprofit Corporation Act.

ARTICLE VII - MEMBERS

This Corporation shall have no members and shall have no authority to issue capital stock.

ARTICLE VIII - BOARD OF DIRECTORS

Section 1. Board of Directors. The management and direction of the business and affairs of this Corporation shall be vested in a Board of Directors. The Board of Directors shall be composed of not less than three or more than 21 Directors. The number (subject only to the foregoing limitation), classifications, qualifications, term of office, method of election, powers, authority, and duties of the Directors of this Corporation, the time and place of their meetings and such other provisions with respect to them as are not inconsistent with the express provision of these Articles of Incorporation shall be as specified in the Bylaws of the Corporation.

Section 2. Initial Directors. The initial Board of Directors of the Corporation is composed of 7 members. Names, post office addresses and classifications of the initial Board of Directors are:

<u>Name</u>	<u>Address</u>
David B. Audretsch	Director, Entrepreneurship, Growth, and Public Policy Max Planck Institute of Economics Kahlaische Straße 10, D-07745 Jena, Germany Telephone: +49-3641-6865; Fax: +49-3641-68 69 9 Email: audretsch@econ.mpg.de <i>Home Address:</i> Paul Schneider Strasse 36 Weimar, Germany
Usha R. Balakrishnan	Founding President and Chairman of the Board, CARTHA 33 Buchanan Court, Iowa City, IA 52246, USA Phone: 319-248-9625; Fax: 319-248-9637 Email: usha.balakrishnan@gmail.com

D. Balasubramanian	<p>Director of Research L. V. Prasad Eye Institute Road No. 2, Banjara Hills, Hyderabad 500034, India Phone: +91-40-2354 3652; Fax: 2354 8271 Email: dbala@lvpei.org</p>
Charles A. Gardner	<p>6 Judson Avenue Ardsley, NY 10502 Phone: 914-231-5293 E-mail: cgardner@rockfound.org</p> <p>Daytime contact number: Tel: 212-852-8313 Fax: 212-852-8279</p>
George W. Krull	<p>Retired Partner, Grant Thornton LLP 26W334 Menomini Drive Wheaton, Illinois 60187 Phone: (Home) 630-668-5411 Email: gwkrull@msn.com</p>
Adhiambo Yvonne Owuor	<p>Address: Diju Investments P.O. Box 52224-00200 Nairobi, Kenya Phone: 254 725 224288 Email: gazellekenia@yahoo.co.uk</p>
Mark Sidel	<p>Professor of Law University of Iowa College of Law 475 Boyd Law Building Iowa City, IA 52242 Phone: 319-384-4640; Fax: 319-335-9019 Email: mark-sidel@uiowa.edu <i>Home Address:</i> 1423 Aburdeen Court Iowa City, IA 52246, USA</p>

Section 3. The term of office of each initial Director shall be until such Director's successor shall have been elected or otherwise shall qualify as provided in the Corporation's Bylaws.

ARTICLE IX – INCORPORATOR

The name and post office address of the incorporator of the Corporation is:

<u>Name</u>	<u>Address</u>
Usha R. Balakrishnan	33 Buchanan Court, Iowa City, IA 52246

ARTICLE X - PROVISIONS FOR REGULATION AND CONDUCT OF
THE AFFAIRS OF THE CORPORATION

Provisions for the regulation and conduct of the affairs of the Corporation, that define, limit and/or regulate the purposes and powers of the Corporation, its Directors and its Members as may be otherwise provided in these Articles, are as follows:

Section 1. Restriction on Political Activity. Notwithstanding any other provision of these Articles or any provision of Iowa law, the Corporation, except to the extent permitted by Section 501(h) of the Internal Revenue Code or any future United States Revenue Law, shall not in any manner or to any extent carry on propaganda or otherwise attempt to influence legislation, nor shall the Corporation in any manner or to any extent participate in, or intervene in (including the publishing or distributing of statements) any political campaign on behalf of any candidate for public office; nor shall the Corporation carry on any other activities not permitted to be carried on by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986 or by a corporation to which contributions are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986.

Section 2. Restriction upon Net Earnings. The Corporation shall have no capital stock, either authorized or issued. No part of the net earnings of the Corporation shall inure to the benefit of, or be distributed to, any Director, officer, member or other private individual (except that reasonable compensation may be paid for services rendered to or for the Corporation affecting one or more of its purposes) and no Director, officer, member or other private individual shall be entitled to share in the distribution of any of the corporate assets on dissolution of the Corporation or otherwise (except that moneys loaned or advanced to the Corporation by a member, Director or officer in furtherance of one or more of its purposes may be repaid without interest). Additionally:

1) 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 Internal Revenue Code of 1986, or corresponding provisions of any subsequent federal tax laws.

2) The corporation shall not engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent federal tax laws.

3) The corporation shall not retain any excess business holdings as defined in Section 4943(c) of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent federal tax laws.

4) The corporation shall not make any investments in such manner as to subject it to tax under Section 4944 of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent federal tax laws.

5) The corporation shall not make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent federal tax laws.

Section 3. Restrictions upon Acceptance of Gifts. No gifts or other contributions to the Corporation shall be accepted by the Corporation if the use or expenditure of such gift or other contribution is subject to any condition which is inconsistent with the purposes of the Corporation as stated herein, or is limited in such manner as to require the disposition of the income of its principal to any person or organization other than a charitable organization or for other than charitable purposes within the meaning of the Internal Revenue Code of 1986.

Section 4. Interest of Directors in Contracts. Any contract or other transaction between the Corporation and one or more of its members or Directors, or between the Corporation and any firm of which one or more of its members or Directors is an employee, or in which they are interested, or between the Corporation and any corporation or association of which one or more of its members or Directors are shareholders, members or Directors, shall be valid for all purposes, notwithstanding the presence of any such member or Director at the meeting of the Board of Directors of the Corporation which acts upon or in reference to such contract or transaction, and notwithstanding his, her or their participation in such action, if the fact of such interest shall be disclosed or known to the Board of Directors and the Board of Directors shall, nevertheless, authorize, approve and ratify such contract or transaction by a vote of a majority of the Directors present, provided, however, that any such contract or transaction shall be at arm's length and not violative of the proscriptions of these Articles against the Corporation's use or application of its funds for private benefit.

Section 5. Execution of Documents. Deeds, mortgages, contracts, conveyances, and other instruments creating, conveying, granting or releasing any interest in real estate and all other instruments or contracts having or requiring the acknowledgment of this Corporation shall be sufficiently executed if signed by any two officers or as may be otherwise authorized by Resolution of the Board of Directors.

Section 6. Donations by the Corporation. To carry out the purposes set forth above the Corporation may, in the discretion of the Board of Directors, make donations or gifts from surplus revenue, if any, of the Corporation to charitable, scientific, literary and/or educational organizations that qualify as exempt from federal income tax under Sections 170(c)(2) and 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue law).

Section 7. Loans to or Guarantees for Directors and Officers. The Corporation shall not lend money to or guarantee the personal obligations of a director or officer of the Corporation.

Section 8. Dissolution Clause. Upon the dissolution of the Corporation, the Board of Directors shall, in compliance with the Revised Iowa Nonprofit Corporation Act and after paying or making provisions for the payment of all of the liabilities of the Corporation, dispose of all of 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/s under Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue law), as the Board of Directors shall determine. Any such assets not so disposed of shall be disposed of by the Court of Common Pleas (or other court having appropriate jurisdiction) in the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organizations as such court shall determine which are organized and operated exclusively for charitable, educational, literary, religious or scientific purposes as shall qualify as an exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue law).

ARTICLE XI - BYLAWS

The power to make, alter, amend or repeal the Bylaws of the Corporation is hereby vested in the Directors of the Corporation. The Bylaws of the Corporation may contain any provision for the regulation and management of the affairs of the Corporation which is not inconsistent with the laws of the State of Iowa or with these Articles of Incorporation.

ARTICLE XII - NON-LIABILITY

A Director of the Corporation shall not be liable to the Corporation for money damages for any action taken, or any failure to take any action, as a Director, except liability for any of the following: (1) the amount of a financial benefit received by a Director to which the Director is not entitled; (2) an intentional infliction of harm on the Corporation; (3) a violation of the unlawful distribution provision of the Revised Iowa Nonprofit Corporation Act; or (4) an intentional violation of criminal law. If the Revised Iowa Nonprofit Corporation Act is later amended to authorize the further elimination or limitation of the liability of Directors, then the liability of a Director of the Corporation, in addition to the limitation on personal liability provided in this Article, shall be eliminated, or limited to the extent of such amendment, automatically and without any further action, to the fullest extent permitted by law. Any repeal or modification of this Article shall be prospective only and shall not adversely affect any limitation on the personal liability or any other right or protection of a Director of the Corporation with respect to any state of facts existing at or prior to the time of such repeal or modification.

ARTICLE XIII - INDEMNIFICATION OF MEMBERS, DIRECTORS,
OFFICERS AND EMPLOYEES

The Corporation shall indemnify a Director for liability (as such term is defined in Section 504.851(5) of the Revised Iowa Nonprofit Corporation Act) to any person for any action taken, or any failure to take any action, as a Director, except liability for any of the following: (1) receipt of a financial benefit by a Director to which the Director is not entitled; (2) an intentional infliction of harm on the Corporation; (3) a violation of the unlawful distribution provision of the Revised Iowa Nonprofit Corporation Act; or (4) an intentional violation of criminal law. Without limiting the foregoing, the Corporation shall exercise all of its permissive powers as often as necessary to indemnify and advance expenses to its Directors and officers to the fullest extent permitted by law. If the Revised Iowa Nonprofit Corporation Act is later amended to authorize broader indemnification, then the indemnification obligations of the Corporation shall be deemed amended automatically and without any further action to require indemnification and advancement of funds to pay for or reimburse expenses of its Directors and officers to the fullest extent permitted by law. Any repeal or modification of this Article shall be prospective only and shall not adversely affect any indemnification obligations of the Corporation with respect to any state of facts existing at or prior to the time of such repeal or modification.

ARTICLE XIV - AMENDMENTS/DISSOLUTIONS

These Articles shall be amended or the Corporation dissolved only by a 2/3 majority vote of the Directors of the Corporation at either a regular or special meeting of the Board of Directors subject to any requirements of notice contained in the Bylaws of the Corporation.

IN WITNESS WHEREOF, the undersigned incorporator hereby executes these Articles of Incorporation.

INCORPORATOR:



Usha R. Balakrishnan

33 Buchanan Court, Iowa City, IA 52246

Sep. 15, 2006
Date

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