

CT CORPORATION STATE
L67027
REGISTRATION(S) NAME

FILED
01 SEP 20 PM 4:54
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

Diamond Hill Investment Group, Inc.

Amended

DEPARTMENT OF STATE
DIVISION OF CORPORATIONS
TALLAHASSEE, FLORIDA

01 SEP 20 PM 4:29

RECEIVED

- | | | |
|--|---|---|
| <input type="checkbox"/> Profit | <input checked="" type="checkbox"/> Amendment | <input type="checkbox"/> Merger |
| <input type="checkbox"/> Nonprofit | | |
| <input type="checkbox"/> Foreign | <input type="checkbox"/> Dissolution/Withdrawal | <input type="checkbox"/> Mark |
| | <input type="checkbox"/> Reinstatement | |
| <input type="checkbox"/> Limited Partnership | <input type="checkbox"/> Annual Report | <input type="checkbox"/> Other |
| <input type="checkbox"/> LLC | <input type="checkbox"/> Name Registration | <input type="checkbox"/> Change of RA |
| | <input type="checkbox"/> Fictitious Name | <input type="checkbox"/> UCC |
| <input type="checkbox"/> Certified Copy | <input type="checkbox"/> Photocopies | <input type="checkbox"/> CUS |
| <hr/> | | |
| <input type="checkbox"/> Call When Ready | <input type="checkbox"/> Call If Problem | <input type="checkbox"/> After 4:30 |
| <input checked="" type="checkbox"/> Walk In | <input type="checkbox"/> Will Wait | <input checked="" type="checkbox"/> Pick Up |
| <input type="checkbox"/> Mail Out | | |

Name _____
Availability 9/21/01
Document ASR
Examiner ASR
Updater ASR
Verifier _____
W.P. Verifier _____

9/20/01

Order#: 4796097

000004603500--2

-09/21/01--01003--003

Ref#: *****35.00 *****35.00

Amount: \$ _____

660 East Jefferson Street
Tallahassee, FL 32301
Tel. 850 222 1092
Fax 850 222 7615

A CCH LEGAL INFORMATION SERVICES COMPANY

**CERTIFICATE OF AMENDMENT OF
AMENDED ARTICLES OF INCORPORATION OF
DIAMOND HILL INVESTMENT GROUP, INC.**

FILED
01 SEP 20 PM 4:54
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

Pursuant to Sections 607.1002, 607.10025(4) and 607.1006 of the Florida Business Corporation Act, the undersigned, acting on behalf of Diamond Hill Investment Group, Inc. (the "Company"), hereby certifies as follows:

1. The name of the Company is Diamond Hill Investment Group, Inc.
2. On August 30, 2001, the Board of Directors of the Company (the "Board") at a meeting duly noticed and called, approved a 1-for-5 combination of the issued and outstanding Class A Common Stock, no par value, of the Company (the "Shares").
3. On August 30, 2001, the Board also adopted and approved Articles of Amendment to Amended Articles of Incorporation of Diamond Hill Investment Group, Inc., which amendment is attached hereto as Exhibit A (the "Amended Articles"). The amendment to the Company's Amended Articles of Incorporation was made by the Board in connection with the combination of the Shares referred to above in paragraph 2. The Amended Articles were adopted by the Board without shareholder action, and shareholder action was not required in connection with the adoption of the Amended Articles.
4. The Amended Articles do not adversely affect the rights or preferences of the holders of outstanding shares of any class or series of the Company and do not result in the percentage of authorized shares that remain unissued after the combination exceeding the percentage of authorized shares that were unissued before the combination.
5. Prior to the combination, the Company had 8,404,072 Shares issued and outstanding. After the combination, the Company will have 1,680,814.4 Shares issued and outstanding.
6. The combination is to become effective as of September 26, 2001.
7. The effective date of the Amended Articles shall be September 26, 2001.

Signed this 18th day of September, 2001.

DIAMOND HILL INVESTMENT GROUP, INC.

By: Roderick H. Dillon, Jr.
Roderick H. Dillon, Jr., President, CEO and Director

EXHIBIT A

ARTICLES OF AMENDMENT
TO
AMENDED ARTICLES OF INCORPORATION
OF
DIAMOND HILL INVESTMENT GROUP, INC.

Article III is hereby amended to read as follows:

ARTICLE III. CAPITAL STOCK

The maximum number of shares of stock that this corporation is authorized to have outstanding at any one time is

- (a) 10,000,000 shares of Serial Preference Stock, par value \$.0001, issuable in series, hereinafter called "Serial Preference Stock";
- (b) 30,000,000 shares of Common Stock, no par value.

The express terms of the Serial Preference Stock and Common Stock are as follows:

DIVISION A

EXPRESS TERMS OF THE
SERIAL PREFERENCE STOCK

Section 1. The Serial Preference Stock may be issued from time to time in one or more series. All shares of Serial Preference Stock shall be of equal rank and shall be identical, except in respect of the matters that may be fixed by the Board of Directors as hereinafter provided, and each share of each series shall be identical with all other shares of such series, except as to the date from which dividends are cumulative. Subject to the provisions of Section 2 to 7, both inclusive, of this Division, which provisions shall apply to all Serial Preference Stock, the Board of Directors hereby is authorized to cause such shares to be issued in one or more series and with respect to each such series prior to the issuance thereof to fix:

- (a) The designation of the series, which may be by distinguishing number, letter or title.
- (b) The number of shares of the series, which number the Board of Directors may (except where otherwise provided in the creation of the series) increase or decrease (but not below the number of shares thereof then outstanding).
- (c) The annual dividend rate (if any) of the series.
- (d) The dates at which dividends, if declared, shall be payable, and the dates from which dividends shall be cumulative.

(e) The redemption rights, obligations and price or prices, if any, for shares of the series.

(f) The terms and amount of any sinking fund which may be provided for the purchase or redemption of shares of the series.

(g) The amounts payable on shares of the series in the events of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation.

(h) Whether the shares of the series shall be convertible into Common Stock and, if so, the conversion ratio, any adjustments thereof, and all other terms and conditions upon which such conversion may be made.

(i) Restrictions [in addition to those set forth in Section 6(b) of this Division] on the issuance of shares of the same series or of any other class or series.

The Board of Directors is authorized to adopt from time to time amendments to the Articles of Incorporation fixing or changing, with respect to each such series, the matters described in clauses (a) to (i), both inclusive, of this Section 1.

Section 2. The holders of Serial Preference Stock of each series, in preference to the holders of Common Stock and of any other class of shares ranking junior to the Serial Preference Stock, shall be entitled to receive out of any funds legally available and when, if and as declared by the Board of Directors dividends in cash at the rate for such series fixed in accordance with the provisions of Section 1 of this Division and no more, payable on the dates fixed for such series. Any such dividends shall be cumulative, in the case of shares of each particular series, from and after the dividend date or dates fixed with respect to such series. No dividends may be paid upon or declared or set apart for any of the Serial Preference Stock for any quarterly dividend period unless at the same time a like proportionate dividend for the same quarterly dividend period, in proportion to the respective annual dividend rates fixed therefor, shall be paid upon or declared or set apart for all Serial Preference Stock of all series then issued and outstanding and entitled to receive such dividend.

Section 3. In no event so long as any Serial Preference Stock shall be outstanding shall any dividends be paid or declared or any distribution be made on the Common Stock or any other shares ranking junior to the Serial Preference Stock unless a like dividend shall have been declared on the Serial Preference Stock, unless the provisions with respect to such Serial Preference Stock expressly permit such omission, nor shall any Common Stock or any other shares ranking junior to the Serial Preference Stock be purchased, retired or otherwise acquired by the Corporation (except out of the proceeds of the sale of Common Stock or other shares ranking junior to the Serial Preference Stock received by the Corporation):

(a) Unless all accrued and unpaid dividends on Serial Preference Stock, including the full dividends for the current quarterly dividend period, shall have been declared and paid or a sum sufficient for payment thereof set apart; and

(b) Unless there shall be no arrearages with respect to the redemption of Serial Preference Stock of any series in accordance with the redemption provisions of such Serial Preference Stock.

Section 4. (a) Subject to the express terms of each series and to the provisions of Section 6(b)(ii) of this Division A, the Corporation may from time to time redeem all or any part of the Serial Preference Stock of any series at the time outstanding at the option of the Board of Directors at the applicable redemption price for such series fixed in accordance with the provisions of Section 1 of this Division; together in each case with an amount equal to all dividends declared and unpaid thereon to the redemption date.

(b) Notice of every such redemption shall be mailed, postage prepaid, to the holders of record of the Serial Preference Stock to be redeemed at their respective addresses then appearing on the books of the Corporation, not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for such redemption. At any time before or after notice has been given as above provided, the Corporation may segregate on its books an amount equal to the aggregate redemption price of the shares of Serial Preference Stock to be redeemed for the purpose of such redemption. Upon the making of such segregation such holders shall cease to be shareholders with respect to such shares, and after such notice shall have been given and such deposit shall have been made, such holders shall have no interest in or claim against the Corporation with respect to such shares except only to receive such money without interest or the right to exercise, before the redemption date, any unexpired privileges of conversion. In case less than all of the outstanding shares of Serial Preference Stock are to be redeemed, the Corporation shall select pro rata or by lot the shares so to be redeemed in such manner as shall be prescribed by its Board of Directors.

If the holders of shares of Serial Preference Stock which shall have been called for redemption shall not, within six years after such segregation, claim the amount due for the redemption thereof, the Corporation shall be relieved of all responsibility in respect thereof and to such holders.

Section 5. (a) The holders of Serial Preference Stock of all outstanding series shall, in case of voluntary liquidation, voluntary dissolution or voluntary winding up of the affairs of the Corporation, be entitled to receive in full out of the assets of the Corporation, including its capital, before any amount shall be paid or distributed among the holders of the Common Stock or any other shares ranking junior to the Serial Preference Stock the amounts fixed in accordance with Section 1 of this Division; plus in either event an amount equal to all dividends declared and unpaid thereon to the date of payment of the amount due pursuant to such liquidation, dissolution or winding up of the affairs of the Corporation. In case the net assets of the Corporation legally available therefor are insufficient to permit the payment upon all outstanding shares of Serial Preference Stock of the full preferential amount to which they are respectively entitled, then such net assets shall be distributed ratably upon outstanding shares of Serial Preference Stock in proportion to the full preferential amount to which each such share is entitled.

After payment to holders of Serial Preference Stock of the full preferential amounts as aforesaid, holders of Serial Preference Stock as such shall have no right or claim to any of the remaining assets of the Corporation.

In case of involuntary liquidation, involuntary dissolution or involuntary winding up of the affairs of the Corporation, the holders of Serial Preference Stock shall, as such holders, (except with respect to any series as to which the Board of Directors shall have otherwise provided pursuant to Section 1(g) of this Division A, and solely to the extent of such provision) receive distribution of the assets of the Corporation ratably with the holders of shares of all other classes, share for share, without distinction by reason of class.

(b) The merger or consolidation of the Corporation into or with any other corporation, or the merger of any other corporation into it, or the sale, lease or conveyance of all or substantially all the property or business of the Corporation, shall not be deemed to be a dissolution, liquidation or winding up, voluntary or involuntary, for the purposes of this Section 5.

Section 6. (a) The holders of Serial Preference Stock shall be entitled to one vote for each share; and, except as otherwise provided herein or required by law, the holders of Serial Preference Stock and the holders of Common Stock shall vote together as one class on all matters.

(b) To the extent not forbidden by statute, the vote or consent of the holders of at least a majority of the shares of Serial Preference Stock at the time outstanding, given in person or by proxy either in writing or at a meeting called for the purpose at which the holders of Serial Preference Stock shall vote separately as a class, shall be necessary to effect any one or more of the following (but so far as the holders of Serial Preference Stock are concerned, such action may be effected with such vote or consent):

(i) Any amendment, alteration or repeal of any of the provisions of the Articles of Incorporation or of the Regulations of the Corporation which affects adversely the voting powers, rights or preferences of the holders of Serial Preference Stock; provided, however, that for the purpose of this clause (i) only, neither the amendment of the Articles of Incorporation so as to authorize or create, or to increase the authorized or outstanding amount of any shares of any class ranking junior to the Serial Preference Stock, which is not contrary to the provision of any amendment to the Articles authorizing a series of preferred shares, nor the amendment of the provisions of the Regulations so as to increase the number of Directors of the Corporation shall be deemed to affect adversely the voting powers, rights or preferences of the holders of Serial Preference Stock; and provided further, that if such amendment, alteration or repeal affects adversely the rights or preferences of one or more but not all series of Serial Preference Stock at the time outstanding, only the vote or consent of the holders of at least a majority of the number of the shares at the time outstanding of the series so affected shall be required;

(ii) The authorization or creation of, or the increase in the authorized amount of, any shares of any class, or any security convertible into shares of any class, ranking prior to the Serial Preference Stock.

Section 7. For the purpose of this Division A:

Whenever reference is made to shares "ranking prior to the Serial Preference Stock" or "on a parity with the Serial Preference Stock", such reference shall mean and include all shares of the Corporation in respect of which the rights of the holders thereof as to the payment of dividends or as to distributions in the event of a voluntary liquidation, dissolution or winding up of the affairs of the Corporation are given preference over, or rank on an equality with (as the case may be) the rights of the holders of Serial Preference Stock; and whenever reference is made to shares "ranking junior to the Serial Preference Stock", such reference shall mean and include all shares of the Corporation in respect of which the rights of the holders thereof as to the payment of dividends and as to distributions in the event of a voluntary liquidation, dissolution or winding up of the affairs of the Corporation are junior and subordinate to the rights of the holders of Serial Preference Stock.

DIVISION B

EXPRESS TERMS OF THE CONVERTIBLE PREFERENCE STOCK, SERIES B

There is hereby established a series of Serial Preference Stock to which the following provisions shall be applicable:

(a) Designation of Series. The series shall be designated "Convertible Preference Stock, Series B." (Hereinafter called "Series B").

(b) Number of Shares. The number of shares of Series B Stock is 14,400 which number the Board of Directors may increase or decrease (but not below the number of shares of the series then outstanding).

(c) Dividend Rate. The dividend rate and dates of payment for Series B Stock shall be determined from time to time by the Board of Directors; provided, however, that it shall not be less than the rate at which dividends are paid on Common Stock.

(d) Liquidation Rights. The amount payable on Series B Stock in the event of voluntary liquidation, dissolution or winding up of the affairs of the Corporation shall be \$25.00 per Share; and in the case of involuntary liquidation, involuntary dissolution or involuntary winding up of the affairs of the Corporation, the holders of Series B Stock shall, as such holders, (except with respect to any series as to which the Board of Directors shall have otherwise provided pursuant to Section 1(g) of Division A, and solely to the extent of such provision) receive distribution of the assets of the Corporation ratably with the holders of shares of all other classes, share for share, without distinction by reason of class.

- (e) Conversion Rights. The Series B Stock shall not be convertible.

DIVISION C

EXPRESS TERMS OF THE COMMON STOCK

Each share of outstanding Common Stock shall entitle the holder thereof to one vote per share thereof upon all matters upon which shareholders have the right to vote.

All remaining Articles shall remain the same as set forth in the Amended Articles of Incorporation in effect as of September 26, 2001.